



Order Paper for an ordinary meeting of the

QUEENSTOWN LAKES DISTRICT COUNCIL

to be held on

Friday, 23 June 2017

commencing at 8.00am

In the Council Chambers, 10 Gorge Road,

Queenstown

9.12 ITEMS OF BUSINESS NOT ON THE AGENDA WHICH CANNOT BE DELAYED

A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with the item and the Chairperson provides the following information during the public part of the meeting:

- (a) the reason the item is not on the agenda; and
- (b) the reason why the discussion of the item cannot be delayed until a subsequent meeting.

s. 46A (7), LGOIMA

Items not on the agenda may be brought before the meeting through a report from either the chief executive or the Chairperson.

Please note that nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA 2002 with regard to consultation and decision-making.

9.13 DISCUSSION OF MINOR MATTERS NOT ON THE AGENDA

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion.

REFERENCE:

Queenstown Lakes District Council Standing Orders adopted on 15 December 2016.

Agenda for an ordinary meeting of the Queenstown Lakes District Council to be held in the Council Chambers, 10 Gorge Road, Queenstown on Friday, 23 June 2017 commencing at 8.00am

Item	Page No.	Report Title
		Apologies Councillor Hill and Councillor Miller (both on approved leave of absence)
		Leave of Absence Requests
		Declarations of Conflict of Interest
		Matters Lying on the Table
		Public Forum
		Special Announcements
		Confirmation of Agenda
	6	Confirmation of Minutes 25 May 2017 (Public part of ordinary meeting)
1.	24	Proposed Amendments to Council's Lead Policy for Special Housing Areas to include the Ladies Mile
2.	66	2017/18 Annual Plan Adoption
3.	81	Statement of Intent, Queenstown Airport Corporation 2017/18
4.	110	Updated Queenstown Lakes District Housing Accord
5.	140	Amendments to Resource Management Act 1991 Register of Delegations
6.	164	Road Dedication – Quartz Development Group Limited – Grandview Stage 3 Subdivision, Hawea
7.	174	Queenstown Commercial Parapenters – New Reserve Licence
8.	180	Easement to Aurora Energy – Lake Hawea Holiday Park
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Item	Page No.	Report Title
10.	201	PUBLIC EXCLUDED 14 Nairn Street, - Lease Variation, Purchase and Disposal
11.	217	PUBLIC EXCLUDED 43 Bedford Street, Lessee Request to Freehold
12.	225	PUBLIC EXCLUDED Resolution of appeals to private Plan Change 44: Hanley Downs
13.	243	PUBLIC EXCLUDED Events Funding Round 2017/18
14.	267	PUBLIC EXCLUDED New Management and Maintenance Services for High Profile Turf Contract
15.	302	PUBLIC EXCLUDED Settlement Approval
16.	306	PUBLIC EXCLUDED Governance Update – Queenstown Airport Corporation (QAC)

Public minutes

Confirmation of minutes:

25 May 2017

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 25 May 2017 commencing at 1.00pm

Present:

Mayor Boulton; Councillors Clark, Ferguson, Hill, MacDonald, McRobie, Miller and Stevens

In attendance:

Mr Mike Theelen (Chief Executive), Mr Peter Hansby (General Manager, Property and Infrastructure), Mr Tony Avery (General Manager, Planning and Development), Ms Anita Vanstone (Senior Planner – Policy), Mr Ian Bayliss (Planning Policy Manager), Mr Gareth Noble (Programme Director), Mr Dan Cruickshank (Property Advisor, APL Property Ltd), Mr Aaron Burt (Senior Planner, Parks and Reserves), Mr Lee Webster (Manager, Regulatory), Ms Helen Evans (Team Leader, Environmental Health), Ms Carrie Edgerton (Regulatory Support), Mr Simon Battrick (Manager, Sport and Recreation) and Ms Jane Robertson (Senior Governance Advisor); two members of the media and five members of the public

Apologies/Requests for Leave of Absence

There were apologies from Councillors Forbes and MacLeod (on approved leave of absence).

The following requests for Leave of Absence were made:

- Councillor Stevens: 7-21 June 2017
- Councillor Hill: 13-23 June 2017
- Mayor Jim Boulton: 24 June – 7 July 2017

On the motion of Councillors McRobie and MacDonald the Council resolved that the requests for Leave of Absence be approved.

Declarations of Conflicts of Interest

- Councillor Stevens advised that he had an interest in some food businesses but he believed he had no interest greater than the general public in the agenda item 'Fees and Charges Review – Environmental Health'.
- Councillor McRobie advised he was Chair of the Otago Community Trust which was one of the partners involved in the development of a Sub-Regional Sport and Recreation Facilities Strategy (a recommendation from the Community and Services Committee in the Chief Executive's report). He did not consider however, that this was conflict of interest.

Matters Lying on the Table

There were no matters lying on the table.

Public Forum

1. Mrs Kirsty Sharpe

Mrs Sharpe urged the Council to protect Lake Wakatipu from invasion by lagarosiphon. It was pleasing that colonies of it had been eradicated from the Frankton Arm and Queenstown, Bay but it was fast growing and a menace and the Council needed to be actively vigilant against its spread, as this would have a huge effect on recreational lake users and could drastically change the lake's ecology. It was easily spread by boats and trailers and there needed to be wash down facilities provided at the Frankton Marina and elsewhere in the area. Mrs Sharpe noted however that there was no signage in place at the marina warning of the danger of the weed. She asked the Council to make a considerable effort to prevent its spread into Lake Wakatipu as it could not wait for the Otago Regional Council to take action.

The Mayor advised that the Council was generally on the same page with respect to lagarosiphon control and eradication as the views expressed by Mrs Sharpe.

2. Mrs Erna Spijkerbosch

Mrs Spijkerbosch spoke about the proposed Special Housing Area ('SHA') in Gorge Road. Whilst she was happy for 133 Hallenstein to be included in the SHA, she did not agree with Warren Park's inclusion. She noted that dense housing was proposed and the residents needed a recreational area. She added that Gorge Road was the secondary traffic route into Queenstown and it was undesirable for it to be very densely built up. She had examined the proposed rules for building height and distance from the boundary with profile poles and believed that they would allow hugely inappropriate structures. Buildings constructed in accordance with these rules would also have a negative impact on the residences on Fryer Street. She agreed that Queenstown needed housing but did not believe that it should come at any cost and she urged the Council to think hard about taking the reserve away from the SHA.

3. Glyn Lewers, Frankton Community Association

Mr Lewers expressed concern and disappointment that the Frankton Community Association ('FCA') had not been consulted about the proposed changes to parking in Frankton. Although a meeting had taken place with staff, there had been no reasonable opportunity for the FCA to express its views which was contrary to the Local Government Act. Rather than the proposed extension of 48 hour restrictions the FCA's preferred option was to introduce a residential parking permit. He believed that the disadvantages of parking permits that were identified in the staff report (namely, transient population and risk of losing the permit) were not relevant.

Mr Lewers questioned why the proposed restriction did not include new Frankton (eg, Remarkables Crescent and Robertson Street). In addition, he

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suggested that prohibition of all parking on Hawthorne Drive should extend to Cherry Blossom Avenue, Red Oaks Drive and Mountain Ash Drive, especially in light of the impending relocation of Wakatipu High School to Frankton.

Mr Lewers believed that the 48 hour parking restriction needed to be shorter in order to make a difference to people's behaviour (use of public transport and parking).

Confirmation of agenda

The Senior Governance Advisor noted that the recommendation from the Community and Services Committee regarding a Te Rōpū with the Papatipu Rūnanga of the Kai Tahu ki Otago Takiwa should be removed from the agenda as all details of the agreement were not yet settled.

On the motion of the Mayor and Councillor Stevens the Council resolved that the agenda be confirmed with deletion of this item from the Chief Executive's report.

Confirmation of minutes

20 April 2017

On the motion of the Mayor and Councillor Miller the Council resolved that the public part of the ordinary meeting of the Queenstown Lakes District Council held on 20 April 2017 be confirmed as a true and correct record.

1. Special Housing Area: Business Mixed Use Zone (Gorge Road)

A report from Anita Vanstone (Senior Planner – Policy) recommended that the Council initiate a Special Housing Area (SHA) over multiple privately and publicly owned properties within the Business Mixed Use Zone (BMU) (Gorge Road) of the Proposed District Plan (PDP), 133 Hallenstein Street and Warren Park and recommend it to the Minister of Building and Construction as a SHA. This proposed SHA would re-establish and extend the existing Business Mixed Use Zone (Gorge Road) SHA which was due to expire on the 23 June 2017.

The report was presented by Ms Vanstone and Mr Avery.

Ms Vanstone noted that feedback received from Parks and Reserves since preparation of the report was that the development needed to consider access to reserves and green space. There was also a minor change to the Deed of Agreement but she would advise of this in the public excluded part of the meeting. It was also noted that there was no intention to use Warren Park other than as a reserve and the effects on adjoining neighbours would be taken in to account as part of the resource consent process.

On the motion of Councillor McRobie and Hill it was resolved that the Council:

1. Note the contents of this report, including the amended extent of the SHA (to also include Warren Park and 133 Hallenstein Street), including measures implemented to address the resolutions of the 20 April 2017;
2. Confirm that the Council agrees in principle with the contents of the (Draft) SHA Deed and delegate to the General Manager, Planning and Development the authority to execute the Deed on behalf of the Council, subject to any minor changes consistent with Council's Lead Policy;
3. Recommend the SHA for the BMU Zone (including 133 Hallenstein Street and Warren Park) to the Minister, subject to the following criteria for qualifying developments:
 - Execution of the Draft Deed and the performance of any conditions contained in it for the development of 133 Hallenstein Street only;
 - Minimum of three for the number of dwellings to be built;
 - 'Gorge Road A' (Lot 1 DP 19293, Pt Lot 48 DP 8591 and Lot 2 DP 19293 (Warren Park)) building height limit of 15 metres and a maximum of four storeys;
 - 'Gorge Road B' (all other sites) height limit of 20 metres and a maximum of six storeys; noting that this proposed height limit is 5m higher than the height anticipated under the Proposed District Plan for Lot 3 DP 12188 (133 Hallenstein Street); and
 - At least 30% of dwellings shall comprise of studio, 1 or 2 bedroom apartments.
4. Note that Council's intent in proposing that the BMU zone become an SHA is expressly to encourage the building of affordable residential accommodation;
5. Note Council's intent that its SHA lead policy would be applied to any SHA development within this zone; and
6. Note Council's intent that developments over 12 m in height would be forwarded to the Urban Design Panel for review, to ensure positive streetscape and living environment.

2. Withdrawal of land subject to recent plan changes to the Operative District Plan from part of the Proposed District Plan

A report from Ian Bayliss (Planning Policy Manager) explained that a number of areas of land had been excluded from the review of the Proposed District Plan (the PDP) and partly to avoid any doubt about their exclusion, Council had made several resolutions to withdraw specific areas of land from Volume A of the PDP. The report noted however that these previous decisions did not address the fact that district wide chapters of the PDP would continue to apply to these areas, which could lead to confusion about how the PDP should be applied when the decisions were released. Accordingly, the report sought to address this by seeking a Council resolution to remove certain district wide chapters of the PDP from applying to the areas of land that had been the subject of several recent plan changes.

The report was presented by Mr Bayliss and Mr Avery. Mr Bayliss stressed that the primary purpose of the report was to address a technical issue to avoid any doubt on the matter.

On the motion of Councillors Stevens and Clark it was resolved that Council:

- 1. Note the contents of this report:**
- 2. Approve pursuant to Clause 8 (D) of Schedule 1 of the Resource Management Act 1991 (RMA) the withdrawal of the following specific district-wide chapters of the Proposed District Plan from the geographic areas of land identified in recommendation 3 below:**
 - a. 26 Historic Heritage**
 - b. 27 Subdivision and Development**
 - c. 28 Natural Hazards**
 - d. 30 Energy and Utilities**
 - e. 32 Protected Trees**
 - f. 33 Indigenous Vegetation and Biodiversity**
 - g. 34 Wilding Exotic Trees**
 - h. 35 Temporary Activities and Relocated Buildings**
 - i. 36 Noise**
- 3. Approve the withdrawal from areas of land covered by the following plan changes to the Operative District Plan:**
 - a. Operative District Plan, Plan Change 19: Frankton Flats B Zone**
 - b. Operative District Plan, Plan Change 34: Remarkables Park Zone**

- c. **Operative District Plan, Plan Change 41: Shotover Country Estate**
- d. **Plan Change 45: Northlake Special Zone**
- e. **Plan Change 46: Ballantyne Road Industrial and Residential extension**
- f. **Plan Change 50: Queenstown Town Centre Extension**
- g. **Plan Change 51: Peninsula Bay North**
- h. **Operative District Plan, Plan Change 52: Mount Cardrona Station.**

3. **Parking Restrictions – Frankton and Glenda Drive**

A report from Gareth Noble (Programme Director) detailed the current issues with parking on State Highway 6 between the Shotover Bridge and the Kawarau Falls Bridge and its effect on parking in Frankton's residential streets and on Glenda Drive. The report recommended a number of measures to resolve these issues, namely:

- Removal of on-road parking from Kawarau Road (State Highway 6);
- Removal of on-road parking from Glenda Drive;
- Prohibition of on-road parking on the Hawthorne Drive extension;
- Introduction of 48 hour parking restrictions on a number of residential streets in Frankton; and
- Enforcement of all these new parking restrictions.

The report was presented by Mr Hansby and Mr Noble.

In reply to the comment made in the Public Forum, Mr Hansby detailed the approach made to the Frankton Community Association seeking their input on the proposed parking changes. He noted that the association's only response had been a request for resident parking permits and he did not know if they had understood the full extent of the proposed changes. Unfortunately there had been no follow up on these initial discussions, although there had earlier been full consultation around the previous 48 hour restriction.

There was extensive discussion about the current carparking situation in Frankton and the various problems that parking and traffic volumes were creating.

Councillor Stevens spoke in support of resident parking permits and believed that they would be effective, especially as daily parking enforcement would be required in the area anyway. He believed that what was proposed was not a complete solution in any case and that further action would be required in the future.

A question was raised over the impact of Wakatipu High School being sited in Frankton from 2018. The Chief Executive noted that advice from the

Ministry of Education was that 85% of students travelled to school by bus. In addition, considerable effort was being made to ensure the new bus service met school transport needs also.

Questions were raised about whether the proposed parking restrictions should extend to other streets in the newer parts of Frankton and if the proposed restrictions would leave a reasonable amount of parking free for residents. Some concern was also expressed about the extent of the consultation undertaken with the local community and whether prohibition of parking on SH6 would simply result in more pressure on parking throughout the residential areas of Frankton.

Members agreed that if the changes were approved, it would be important to monitor the effects, especially spill-over parking elsewhere in Frankton and it was likely that further changes would be needed. An addition to the recommendation was therefore agreed, requiring the Chief Executive to monitor the effects of the parking changes on wider Frankton and the impact of the new bus service and to report this back to the Council in six months.

Mr Hansby advised of a procedural addition to the recommendation that was required to enable the Council to enforce the new restrictions. This would become part 6 of the resolution and would follow the addition agreed above.

On the motion of the Mayor and Councillor Stevens it was resolved that Council:

- 1. Note the contents of this report;**
- 2. Approve parking restrictions on Frankton streets west of Kawarau Road, namely Stewart Street, Lake Avenue, Yewlett Crescent, Shoreline Road, Birse Street, Ross Street, Boyes Crescent and Wilmot Avenue, Bridge Street and Allen Crescent. to a 48-hour zone parking area at all times and a prohibition on parking on the road verges;**
- 3. Approve parking restrictions on the full length of Hawthorne Drive and Glenda Drive to be 'No Parking' at all times;**
- 4. Approve an annual cost of \$180,000, commencing 2017/18, and a one-off cost of \$7,000 in the 2016/17 financial year for an additional enforcement resource to enforce parking restrictions across Frankton;**
- 5. Direct the Chief Executive to monitor the effects of implementing (a) the parking changes approved in (2) above and (b) the introduction of the new bus service on the wider area of Frankton and report these issues back to Council within six months;**

6. **Authorise the application of Council's Traffic and Parking Bylaw to enforce the restrictions imposed by NZTA on State Highway 6 as set out in the NZTA delegation subject to that delegation being finalised.**

4. **Frankton Flats Land Exchange**

A report from Dan Cruickshank (Property Advisor, APL Property Ltd) considered a proposal to exchange land on the Frankton Flats between Remarkables Park Ltd (RPL) and the Council. The exchange would legalise land adjacent to part of the Queenstown Trail, as well as Hawthorne Drive (EAR) and the report recommended that the Council approve a land exchange subject to several recommended conditions.

The report was presented by Mr Hansby.

On the motion of Councillor McRobie and Clark it was resolved that the Council:

1. **Note the contents of this report;**
2. **Approve a land exchange between Remarkables Park Ltd and the Council on the Frankton Flats, in accordance with Section 114, 116, 117 and 120 of the Public Works Act 1981 and as per the attached plans showing land transferring to Remarkables Park in blue and to Council in green, subject to the approval of the Queenstown Airport Corporation; and**
3. **Approve the road, when stopped, being disposed of via amalgamation with adjoining Remarkables Park Ltd land currently held in Computer Freehold Registers 654720 and 689640, subject to resource consent being granted; and**
4. **Approve the land being acquired from Remarkables Park Ltd measuring approximately 370 square metres and situated at the Eastern end of the exchange area, being amalgamated with Council freehold land currently held in Computer Freehold Register 507467, subject to resource consent being granted; and**
5. **Approve the exchange being for nil consideration, but costs to enact the exchange be shared equally between both parties, less any additional surveying required which would be paid for by Council; and**

6. **Agree that Council's approval to undertake this process and any sale and purchase agreements relating to it shall be limited to a period of 3 years from the date of this resolution; and**
 7. **Note that entering into this agreement will not affect the existing Kawarau River Trails Works and Maintenance Agreement between Remarkables Park Ltd and the Queenstown Trails Trust; and**
 8. **Delegate final terms and conditions along with approvals for removing or granting any easements, covenants, encumbrances in relation to the relevant land, minor alignment and area changes and signing authority to the Chief Executive of Council.**
5. **Underground Service Easement – Reserve Adjacent to 719 Frankton Road, Queenstown**

A report from Blake Hoger (Property Manager, APL Property Ltd) assessed an application from the PJ Palmer Family Trust, the owners of 719 Frankton Road, for an Underground Service Easement over Recreation Reserve to allow connection to an existing lateral sewer line and to discharge stormwater to an existing overland flow path. The report advised that approving the easement would not affect the ability of people to use and enjoy the reserve nor would it have any long-term permanent effect on the reserve, meaning that an intention to grant the easement did not require public notification. Accordingly, the report recommended that the Council approve the easement subject to several recommended conditions.

The report was presented by Mr Cruickshank and Mr Burt.

On the motion of McRobie and Clark it was resolved that the Council:

1. **Note the contents of this report;**
2. **Approve an underground easement over Recreation Reserve, Section 50 Blk XXI Shotover SD subject to section 48 (1)(d) of the Reserves Act 1977, in favour of the property on title OT2D/451 subject to the following conditions:**
 - a. **PJ Palmer Family Trust to notify and liaise with QLDC Property & Infrastructure Department in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;**
 - b. **A \$2,000 bond to be payable to QLDC prior to construction works commencing;**

- c. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - d. A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site.
 - e. Certificate of adequate public liability cover to be received;
 - f. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Property & Infrastructure Department. Reinstatement to include any fencing or other structures.
 - g. Within 3 months of completion of the work, the applicant to provide QLDC with a surveyed easement and signed Deed of Easement.
3. Agree that notification of the intention to grant the easement is not required as the statutory test in section 48(3) of Reserves Act 1977 is met for the reasons set out below;
 4. Delegate authority to approve final terms and conditions, including location, and execution authority to the General Manager – Property & Infrastructure; and
 5. Agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of an easement to PJ Palmer Family Trust over Section 50 Blk XXI Shotover SD.
6. **Fees and Charges Review – Environmental Health**

A report from Helen Evans (Team Leader, Environmental Health) presented a review of the fees and charges for Environmental Health Services for approval in order to undertake public consultation using the special consultative procedure.

The report was presented by Ms Evans and Mr Webster. Ms Evans noted that one of the key objectives of the review was to redistribute the fees to ensure that work undertaken could be charged for and that those who were compliant paid a lower fee.

On the motion of the Councillors Hill and Ferguson it was resolved that the Council:

1. Note the contents of this report and in particular the Statement of Proposal and the proposed changes to the fees and charges for Environmental Health Services;
2. Accept the recommendation from the Community and Services Committee to consult on the proposed Environmental Health fees and charges for public consultation;
3. Approve the proposed Environmental Health fees and charges for public consultation using the special consultative procedure;
4. Appoint Councillors Clark, Ferguson and McRobie to hear submissions regarding the proposed Environmental Health fees and charges.

7. **Joint Otago Class 4 and TAB Gambling Venue Policy Review 2017**

A report from Carrie Edgerton (Regulatory Support) presented a review of the Queenstown Lakes District Council's Class 4 and TAB gambling venue for adoption for public consultation using the special consultative procedure. The policy included an additional clause recommended for inclusion by the Community and Services committee that *'proposed new venues must not be established in any residential zone and proposed and existing venues are not located within 50 metres of or adjacent to any school, early childhood centre, kindergarten, place of worship or other community facility. The applicant will be required to demonstrate that the proposed venue will not adversely impact in such institutions.'*

The report was presented by Ms Edgerton and Mr Webster. Ms Edgerton confirmed that a review of this policy was required every three years.

The Council supported the proposed inclusion of the additional clause.

On the motion of Councillors MacDonald and Hill it was resolved that Council:

1. Note the contents of this report;
2. Approve the proposed Queenstown Lakes District Class 4 and TAB gambling venue policy for public consultation using the special consultative procedure; and
3. Appoint Councillors Clark, Miller and Stevens to participate in a hearing panel to consider and hear submissions on the proposed Queenstown Lakes District Class 4 and TAB gambling venue policy.

8. Chief Executive's Report

A report from the Chief Executive:

- Presented a recommendation that Councillor MacLeod attend the Local Government New Zealand Annual Conference as the Council's presiding delegate;
- Sought retrospective approval of Councillor Forbes' appointment to the hearings panel for Regional Public Transport Plan: Wakatipu Basin Public Transport Network;
- Sought a Council decision on the order in which the names will appear on the voting documents for the Wanaka By-election in accordance with section 31 of the Local Electoral Regulations 2001.
- Detailed the business conducted by committees and the Wanaka Community Board over the previous meeting round and presented recommendations from the meetings of the Community and Services Committee (12 April 2017), the Wanaka Community Board (11 May 2017) and the Community and Services Committee (18 May 2017).

On the motion of the Mayor and Councillor Clark it was resolved that the Council:

1. **Note the contents of this report;**
2. **Approve Councillor MacLeod attending the 2017 Local Government New Zealand annual conference in Auckland and acting as the Council's delegate at the AGM;**
3. **Approve retrospectively the appointment of Councillor Forbes as the Council's representative on the panel to hear submissions to the Otago Regional Council's Regional Public Transport Plan: Wakatipu Basin Public Transport Network;**
4. **Resolve pursuant to section 31 of the Local Electoral Regulations 2001 that the voting papers for the 2017 Wanaka By-election be printed in random order;**

Community and Services Committee, 12 April 2017

5. **Adopt the Parks and Open Space Strategy 2017.**
6. 1. **Approve the vesting of six proposed reserves:**
 - a. **Lots 110 and 111, Bullendale, Arthurs Point**
 - b. **Lot 1003, Shotover Country**
 - c. **Lot 22, Queenstown Country Club**
 - d. **Lots 803 and 804, Shotover Country****Subject to the following works being undertaken at the applicant's expense:**
 - i. **Consent being granted (as necessary) for any subdivision required to formally create the reserve;**

- ii. Presentation of the reserve in accordance with Council's standards for reserves;
 - iii. A potable water supply point to be provided at the boundary of the reserve lot;
 - iv. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;
 - v. A three year maintenance period by the current landowner commencing from vesting of the reserve;
 - vi. The application is subject to the reserve being in accordance at the time of vesting to the QLDC Road Reserve and Reserve Vesting Policy.
2. Agree that reserve land contributions are offset in accordance with the Development Contributions Policy current at the time of contributions payment, subject to (i) above.
3. Agree that reserve improvement contributions are offset against those payable in accordance with the Development Contributions Policy current at the time of contributions payment, subject to:
- a. Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the Parks and Reserves Planning Manager.
 - b. Final approval of reserve improvement costs to be delegated to the Parks and Reserves Planning Manager and is subject to the applicant demonstrating the actual costs of the improvements.
 - c. If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the applicant's expense.

Wanaka Community Board, 11 May 2017

7. Agree that a new lease be granted to Wanaka Art Centre Trust for the building they occupy on Lot

1 DP 25900, Block XII Town of Wanaka subject to the following terms and conditions:

Commencement	1 July 2017
Term	3 Years
Renewals	A further 3 years at Council's absolute discretion
Rent	Pursuant to Community Facility Funding Policy
Reviews	At renewal or if the Funding Policy is reviewed
Termination	With 12 months' notice
Use	Visual and performing arts, craft, education, community groups and associated activities
Subleases	Lessor's Approval required for subletting/occupation for purposes not consistent with the purpose of the Trust
Assignment	Not permitted

Community and Services Committee, 18 May 2017

8. a) Approve the development of a Sub-Region Sport & Recreation Facilities Strategy in conjunction with Central Otago District Council, Sport Otago, Sport New Zealand, Sport Southland, Central Lakes Trust, Otago Community Trust and Community Trust of Southland;
- b) Delegate to the Chief Executive Officer the authority to sign the Memorandum of Understanding on behalf of the Queenstown Lakes District Council; and
- c) Note the inclusion of a budget of a \$34,000 placeholder in the Annual Plan 2017/18.

Resolution to Exclude the Public

On the motion of the Mayor and Councillor Ferguson it was resolved that the Council resolve that the public be excluded from the following parts of the proceedings of the meeting:

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

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Confirmation of minutes of ordinary meeting held on 20 April 2017

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
1. Wanaka Airport future governance and management model (Attachment E)	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: g) maintain legal professional privilege	Section 7(2)(g)
3. Special Housing Area: Business Mixed Use Zone (Gorge Road): Attachment A: Recession Plane Analysis	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: a) protect information where the making available of the information (ii) would be unlikely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;	Section 7(2)(b)(ii)

Agenda Items

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.

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<p>3. Special Housing Area: Business Mixed Use Zone (Gorge Road): Attachment B: Draft Deed</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities;</p> <p>i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p>	<p>Section 7(2)(h)</p> <p>Section 7(2)(i)</p>
<p>8a. Chief Executive's Report: ICC U19 Cricket World Cup 2018</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>2(b)(ii) protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;</p>	<p>Section 7(2)(b)(ii)</p>
<p>9. Kawarau Falls Bridge Water and Wastewater Infrastructure Funding</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities;</p>	<p>Section 7(2)(h)</p>

This resolution is made in reliance on Section 48 [1] [a] of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the

relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting went into public excluded at 1.58pm.

The meeting came out of public excluded and concluded at 2.16pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

M A Y O R

23 June 2017

D A T E

**QLDC Council
23 June 2017****Report for Agenda Item: 1****Department: Planning & Development****Proposed amendments to the Council's Lead Policy for Special Housing Areas to include the Ladies Mile****Purpose**

- 1 The purpose of this report is to recommend that public feedback be sought on a proposal to amend the Council's Lead Policy for Special Housing Areas to include a defined area of the Ladies Mile within Category 2, where expressions of interest for Special Housing Areas would be encouraged.

Executive Summary

- 2 The district's housing affordability problem, and the high levels of growth being experienced, require the Council to consider how it can enable and provide more land for housing. This is reinforced by a number of drivers from central government including the Housing Accord and the National Policy Statement on Urban Development Capacity.
- 3 Council resolved on 26 May 2016, when deciding to recommend the Queenstown Country Club Special Housing Area to the Minister, to seek a report on the issues and options to master plan the development of the Ladies Mile area. If the area is to be developed, a range of options are available to the Council from rural residential through to high density residential. A variety of mechanisms are available to Council including a potential variation to the Proposed District Plan or through an amendment to the Lead Policy for Special Housing Areas.
- 4 This agenda item reports back on the issues and options as requested by the Council. The agenda item recommends that public feedback be sought on a proposal to amend the Lead Policy to include the Ladies Mile area as an area where SHA applications would be considered, based on an Indicative Master Plan that enables a mixture of housing densities around a small commercial core, to provide a heart for the combined Ladies Mile, Lake Hayes Estate and Shotover Country areas. Development would be required to be in accordance with an Indicative Master Plan, Indicative Landscape Strategy and the Ladies Mile Development Objectives.

Recommendation

That Council:

1. **Note** the need to provide more land for residential development arising from the:
 - a. unaffordable nature of the Districts rental and housing markets

- b. the National Policy Statement on Urban Development Capacity, and
 - c. the Housing Accord targets.
2. **Seek** public feedback on the proposed addition of the Ladies Mile Area into Category 2 of the Housing Accords and Special Housing Areas Act 2013 Implementation Policy ("**Lead Policy**"), including the inclusion of:
- a. an Indicative Master Plan; and
 - b. an Indicative Landscape Strategy and
 - c. the Ladies Mile Development Objectives

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Background

- 5 The background to this agenda item is covered under seven topic headings. The first five relate to the need to provide more land for housing:
- a. The National Policy Statement on Urban Development Capacity
 - b. The Dwelling Capacity Model
 - c. The Housing Accord and its targets
 - d. The Housing Infrastructure Fund
 - e. Housing affordability
- 6 The last two relate to the setting:
- a. The Queenstown Country Club Special Housing Area (SHA); and
 - b. The Wakatipu Basin Land Use Study
- 7 Consultation undertaken to date is also covered.
- The National Policy Statement on Urban Development Capacity (NPSUDC)*
- 8 The NPSUDC requires the Council to recognise the national significance of:
- a. *Urban environments and the need to enable such environments to develop and change and*

b. *Providing sufficient development capacity to meet the needs of people and communities and future generations in urban environments.*

- 9 The NPS-UDC requires the analysis of “sufficient” development capacity. This should account for the likelihood that not all capacity will be developed and, therefore, requires provision of an additional margin of 20% over and above the projected short and medium-term residential business demand, and 15% over and above the projected long term residential and business demand.
- 10 The sufficient development capacity referred to above “*must be feasible, zoned and serviced with development infrastructure*” in the short term (1-3 years) and medium term (3-10 years):

PA1: Local Authorities shall ensure that at any one time there is sufficient housing and business land development capacity according to the table below:

Short term	Development capacity must be feasible, zoned and serviced with development infrastructure.
Medium term	Development capacity must be feasible, zoned and either: <ul style="list-style-type: none"> • serviced with development infrastructure, or • the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act 2002.
Long-term	Development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.

- 11 The work undertaken to date to assess what meeting the NPSUDC requirements means for the District indicates that Council will need to provide land for approximately 9158 additional dwellings by 2028 (medium term) and 17,462 by 2048 (long term).

	2028		2048	
	Projected Additional dwellings	Additional dwellings required by NPS 20%	Projected Additional dwellings	Additional dwellings required by NPS 15%
Wakatipu	4623	5548	9,630	11,556
Wanaka	3008	3610	4,922	5,906
District Wide	7631	9158	14,552	17,462

- 12 The dwelling capacity model considers how Council is placed with responding to the requirements of the NPSUDC.

The Dwelling Capacity Model

- 13 Council’s dwelling capacity model is under review as part of the Proposed District Plan, and also to inform the Council’s planning response to the NPSUDC.

Results are still being reviewed and more detailed information will be available shortly.

- 14 Initial findings of the DCM identify that there is adequate and feasible residential capacity within the urban growth boundary for Queenstown to provide for projected growth in the short, medium and long term.
- 15 However, analysis of this data indicates that approximately 56% of this capacity is contained in three ownerships, specifically within the Low Density Residential zone at Kelvin Heights, Jacks Point / Hanley Downs, and the Remarkables Park zone.
- 16 Therefore while an initial review of the DCM would suggest that while Council has zoned enough land, having over half of the supply in three ownerships is problematic because:
- a. Little residential development has occurred within the Low Density Residential zone at Kelvin Peninsula over the last ten years
 - b. Little *residential* development has occurred at Remarkables Park over the last ten years
 - c. Some residential development is occurring at Jacks Point and residential development is underway at Hanley Downs
- 17 Queenstown therefore does not have a shortage of zoned land but rather an extremely low uptake of the land that is zoned for development. This is constraining the market as indicated by the unavailability of land for housing at the present time.
- 18 Under the NPSUDC, Council is required when making planning decisions to have particular regard to *“limiting as much as possible adverse impacts on the competitive operation of land and development markets”*. Facilitating residential development on the Ladies Mile will help limit the small number of owners slowing releasing the zoned land which is having an adverse impact on the operation of the land and development markets.
- 19 Growth projections show we need to plan for an almost doubling of the number of existing residential units in Queenstown and Wanaka over the next 30 years. A key question arises as to where they will be serviced. Estimated dwelling needs by 2048 are set out in the table below:

	Wakatipu	Wanaka	Total
Current Dwellings (2016)	10,631	6,412	17,043
Projected Additional Dwellings Needed by 2048 (NPSUDC)	9,630 to 11,556	4,922 to 5,906	14,552 To 17,462
% Increase	91%	77%	85%

The Housing Accord and its targets

- 20 In recognition of the high growth and unaffordable housing in the Queenstown Lakes District, the Council and the Government signed the Housing Accord on October 2014. The Housing Accord includes targets for new sections and dwellings that to date, Council has been able to achieve. In response to the high growth the district continues to experience, a new Housing Accord has been discussed between the Council and Minister Nick Smith. A separate agenda item covers proposed revisions to the Housing Accord targets.
- 21 In 2016, 760 new sections and dwellings were consented by QLDC. The revised 'stretch targets' subject to Council consideration are for a significant increase and will require the council to take action to ensure an ongoing supply of land for residential development.

The Housing Infrastructure Fund (HIF)

- 22 Council has submitted an application to the Governments HIF. This is a billion dollar interest free (for ten years) loan facility available to local government to help fund infrastructure associated with enabling residential development. Four Queenstown proposals were put forward in the final application to Central Government, including the Ladies Mile. The criteria for assessing applications to the fund are tightly linked to enabling land for housing development, and therefore intentionally favour greenfield proposals over intensification.
- 23 The Indicative Business Case seeks formal approval to provide infrastructure that will bring forward the supply of developable land within the Queenstown Urban Area. One of the applications was for the three waters and roading infrastructure to supply core services for just over 1,000 medium density residential units within the Ladies Mile development corridor, should the Council decide to amend its Lead Policy or change the current zoning.
- 24 A summary of the four HIF proposals were considered at Full Council on 24 March 2017. Council lodged its application to the HIF on 31 March 2017 and this is currently being assessed by an independent panel. A decision is expected by 30 June 2017.

Housing Affordability

- 25 Housing affordability and an adequate supply of suitable housing are key elements to maintaining a well-functioning, dynamic community with a strong economy. Currently the District's housing market is experiencing issues with the supply, affordability, and suitability of housing.
- 26 Businesses report difficulties attracting and retaining long-term and short-term staff due to a lack of affordable or suitable housing. This issue may become more pronounced if housing supply does not respond adequately to housing demand, especially demand for more compact and affordable housing closer to employment. Unaffordable homes contribute to increased pressures on families, communities, the social housing system, and on Government and Council support.

27 Average house prices in the district have increased by 29.5% over the last year as shown in the table below:

	Average House Price
Queenstown Lakes District February 2017	\$1,039,434
Queenstown Lakes District February 2016	\$802,634
Auckland – February 2017	\$1,043,680
New Zealand average house price	\$631,349

28 In January 2017, average weekly rents in Queenstown were the highest in the country at \$550, up 22.8 percent from \$448 in January 2016 and above average rents in Auckland (at \$518).

29 The median multiple (the ratio of median house prices to median incomes) for Queenstown was the highest in the country in February 2017 at 10.71; above the North Shore (10.04), Auckland Central (9.45), and the wider Auckland metropolitan area (8.84).

30 As a tourist area, the District also has a high proportion of holiday homes and visitor accommodation which adds further pressure to the housing market and residential land supply. The increasing prevalence of existing housing stock used for short-term rental through websites like Airbnb (due to the higher rental returns) further constrains the local rental market.

31 While increasing land supply is only one element to addressing the housing affordability problem the country is facing, it is an element within the control of Council (unlike say, the tax treatment of property) and an important element in Queenstown given that local geography limits the opportunities for urban development.

The Queenstown Country Club

32 When considering the expression of interest (EOI) for the Queenstown Country Club (QCC) retirement village SHA on Ladies Mile, Full Council resolved on 26 May 2016 to:

“4. Recognise the consequences should this development proceed [which is detailed in Paragraphs 90, 98, 99, 105, 106 and 119 of the report] which includes setting a precedent for future development on this portion of Ladies Mile Highway.

5. Instruct Council officers to report back to Council on issues and options to master plan the development of the Ladies Mile area including a potential variation to the Proposed District Plan.”

33 Since the above resolution was made, the Minister did approve the QCC as a SHA and resource consent under the Housing Accords and Special Housing Areas Act (HAASHA) was granted on 4 April 2017.

- 34 This agenda item relates to the required report back on issues and options to master plan the development of the Ladies Mile, as required under resolution (5) above.

The Wakatipu Basin Land Use Study (WBLUS)

- 35 The report back, requested by the Council in its May 2016 resolution on the Queenstown Country Club decision, was delayed following the release of a Minute on 1 July 2016 from the Chair of the Proposed District Plan Hearings Committee requesting Council consider undertaking a study of the Wakatipu Basin. The WBLUS was required because the Hearings Panel had reached the preliminary conclusion that:

“continuation of the fully discretionary development regime of the Rural General Zone of the ODP, as proposed by the PDP, was unlikely to achieve the Strategic Direction of the PDP in the Wakatipu Basin over the life of the PDP”.

- 36 Council agreed to undertake the study in a response to the Minute on 8 July 2016. The results of the WBLUS were reported to Full Council on 20 April 2017. The WBLUS concluded that the Ladies Mile does have a high capacity to absorb development relative to the Wakatipu Basin overall, in terms of different areas capacity to absorb further development, primarily because of the approval of the QCC.



Landscape Capability Recommended Ladies Mile Gateway Precinct
 High

- 37 The WBLUS recommends for the Ladies Mile:

- A **Ladies Mile Gateway Precinct (LMGP)** which may achieve a density of development at the same level as the PDP’s Low or Medium Density Residential zones, is subject to a 75m building setback control (from the highway), and assumes an ‘urban parkland’ type development character. The LMGP trumps the underlying WBRAZ provisions. A Structure Plan process will be required to address amenity, landscape and infrastructure issues.

- 38 The WBLUS is not Council policy, and how the recommendations are responded to in terms of planning provisions (including the method for responding e.g. a Variation to the Proposed District Plan) is still being determined. The response will need to align with any decision to add the Ladies Mile into the Lead Policy.

Ladies Mile Proposal

- 39 The Council resolution in paragraph 32 above asked staff to investigate issues and options associated with master planning the development of the Ladies Mile area. For the reasons outlined above, the Council does need to consider how it is going to provide and plan properly for the growth needs of the district, in terms of making sufficient land available to meet that demand in a way that assists to address both the District's housing affordability problems and future residential housing needs overall.
- 40 The following part of the agenda item comments on:
- a. Why the Ladies Mile and not other growth options?
 - b. What style of development is possible on the Ladies Mile?
 - c. What options does Council have to enable urban development on the Ladies Mile?
 - d. The Indicative Ladies Mile Masterplan
 - e. Entrances to Queenstown
 - f. Transport implications
 - g. If the resolution is adopted, what are the next steps?

Why the Ladies Mile and not other growth options?

- 41 Officers have not prepared or commissioned a high level growth options study for Queenstown for the purposes of this agenda item. Similarly, with regard to the Proposed District Plan, a high level growth options study was not provided due to additional greenfield zoning being provided in discrete areas, e.g. adjoining SH6 near Quail Rise. When the PDP was notified in 2015, the zoned capacity being provided for within the proposed urban growth boundaries and the more enabling provisions for infill development within existing zoned areas was considered to be enough supply without large additional greenfield areas.
- 42 As noted above, the sole reliance on existing zoned land to meet Queenstown's housing needs is now considered unlikely to meet the growth needs of Queenstown or meet the NPSUDC requirements which include consideration of how much land is 'sufficient' and how 'feasible' it is that land will be released for housing. The very low uptake of zoned land is also problematic.
- 43 In terms of urban growth, the opportunities for urban growth are largely contained in four geographic areas:
- a. The Ladies Mile adjacent to Lake Hayes Estate, Shotover Country and the QCC
 - b. The valley between the Kawarau River and Jacks Point / Hanley Downs
 - c. Along Malaghans Road from Arthurs Point
 - d. Intensification of existing urban areas (as per PDP)
- 44 With regard to Option (d), providing for intensification in existing urban areas is being addressed through the Proposed District Plan process. While this will likely

provide additional housing units, experience shows that the delivery of additional units can be limited due to a range of economic and existing land use reasons.

- 45 With regard to Options (a) – (c), officer's consider the Ladies Mile is best placed to accommodate urban development given it is directly adjacent to existing urban development in the form of Lake Hayes Estate, Shotover Country and the QCC. The Ladies Mile is also physically close to the major employment area of the Frankton Flats and its industrial zones.
- 46 The area can also be serviced with infrastructure more readily, due to the proximity of the Council's wastewater treatment plant and bore field, and the existing reticulated networks in Lake Hayes Estate / Shotover Country. Generally speaking there are few natural hazards other than known alluvial fans which can be managed.
- 47 The land along Malaghans Road still has strong rural character and little development, and the WBLUS identified it as having a low capacity to absorb development.
- 48 The land between the Kawarau River and Jacks Point / Hanley Downs is also being considered, however it is less readily serviced from an infrastructure perspective and would therefore take longer to be enabled.
- 49 Council is required under the NPSUDC to prepare a 'Future Development Strategy' by 31 December 2018. This will better articulate where future development should occur. However the 'Future Development Strategy' will inevitably be influenced by the Proposed District Plan rezoning requests, and associated appeals, and while it is an option to wait for those processes to work through, they do not prevent a decision being made on the Ladies Mile now to facilitate land for housing. It is anticipated that over the next 10-20 years, some or all of the options identified above will need to be considered in order to provide the additional land capacity.

What Style of Development is Possible on the Ladies Mile?

- 50 With regard to resolution 5 from 26 May 2016 (paragraph 32 above), should the Council seek to enable further development on the Ladies Mile, a range of development options are available as set out in Table 1 below:

Table 1: What Sort of Urban Development is possible on the Ladies Mile?

	Approximate Yield for whole Ladies Mile Study Area* (136 ha)	Examples of similar development	General Comment
Rural Residential (1 per 4000m²)	340 residential units	North of Lake Hayes	Entirely car orientated, very low density, but maintains a sense of being less urban / green / open
Rural Lifestyle (Minimum of 1 per 1 hectare, average of 2ha)	68 residential units	Dalefield	Entirely car orientated, very low density, but maintains a sense of being less urban / green / open

	Approximate Yield for whole Ladies Mile Study Area* (136 ha)	Examples of similar development	General Comment
Low Density (assume 1 per 700m²)*	1165 residential units*	Lake Hayes Estate	Not well suited to passenger transport. Car orientated
Medium Density (assume 1 per 250m²)*	3264 residential units*	Bridesdale	Better suited to passenger transport, walkable urban style development.
High Density (assume 1 per 150m²)*	5440 residential units*	Around the Queenstown Town Centre (apartment style 3 storey)	Well suited to passenger transport and walkability. Multi storey means more expensive to build and potentially harder to sell.
Mix of Low, Medium and High (as above)*	2224 – 2874 (as per Indicative Master Plan yield analysis)	e.g. Indicative Ladies Mile Master Plan	Mixes all of the above with higher densities centrally located around a retail core. Well suited to passenger transport and walkability.

*using a formula of subtracting 40% for roads, reserves and the 75m SH setback for LDR, MDR, HDR & Mix.

- 51 When considering the above table, it is important to consider Queenstown has limited growth corridors and relatively scarce areas of land suitable for urban development that are flat, accessible and not within an Outstanding Natural Landscape. Officers consider that using the land for Rural Residential or Rural Lifestyle would not be an efficient use of the land when looking over a 20 to 30 year time frame and the history of Queenstown's growth.
- 52 Similarly, Queenstown is already well supplied by Lake Hayes Estate and Shotover Country with low density residential development, i.e. one large house per section. This type of development is popular but expensive, and does not work well for public transport, a key consideration given the limited transport corridors available. The Ladies Mile could quickly be covered in large dwellings on large sections, which are not at the more affordable end of the housing spectrum.
- 53 Given the scarcity of land suited for urban development, it is recommended that a mixture of high, medium and low density development is provided for, as shown in the bottom row of Table 1.

What options does Council have to enable urban development on the Ladies Mile?

- 54 There are also a variety of high level options that Council has to enable development on the Ladies Mile. These options include:

Table 2: High Level Options available to Council to enable development on the Ladies Mile

	Option 1 – Add to Category 2 of SHA Lead Policy and require development to be in accordance with an Indicative Master Plan	Option 2 – Variation to the PDP for just Ladies Mile, separate to WBLUS Response	Option 3 – Variation to PDP as part of full WBLUS Response	Option 4 – Do nothing and await decisions on submissions on the Proposed District Plan as notified (i.e. Rural zoning)
Estimated timeframes for paperwork	<ul style="list-style-type: none"> 6-12 months minimum – 3 – 6 months to receive an EOI, report to Council, make recommendation to Minister and for gazettal as a SHA. – Resource consents then lodged. 	<ul style="list-style-type: none"> – 12 - 15 months plus appeals – Prepare variation & s.32 cost benefit analysis, notify for submissions and further submission, go through RMA hearings and appeals process. – Decisions on submissions including possible Wakatipu Basin variation due 3rd quarter 2018 then appeals (refer separate agenda item) – Resource consents then lodged. 	<ul style="list-style-type: none"> – 12 - 15 months plus appeals – Prepare variation & s.32 cost benefit analysis, notify for submissions and further submission, go through RMA hearings and appeals process. – Decisions on submissions including possible Wakatipu Basin variation due 3rd quarter 2018 then appeals (refer separate agenda item) – Resource consents then lodged. 	<ul style="list-style-type: none"> 12 - 15 months plus appeals – Resource consents then lodged.
Estimated minimum timeframes for occupation of first houses	1.5 – 2 years	3 years but depends on number of appeals	3 years but depends on number of appeals	3 years but depends on number of appeals
Pro's	<ul style="list-style-type: none"> – Fastest option – Developers can be required to meet master plan and infrastructural obligations or no recommendation to the Minister – Limited appeals / litigation – Council seen as proactive – Can require a 10% contribution to QLCHT 	<ul style="list-style-type: none"> – Greater public input – Could be based around a structure plan setting out development bones – Separates Ladies Mile from other WBLUS issues 	<ul style="list-style-type: none"> – Greater public input – Could be based around a structure plan setting out development bones – Enables comprehensive look at entire Wakatipu Basin including Ladies Mile 	<ul style="list-style-type: none"> – Full public input through submission, further submissions and a hearing – Sticks to the Proposed District Plan as notified – Would retain generally open character of the Ladies Mile
Con's	<ul style="list-style-type: none"> – Limited public input – Council may have to help fund some 	<ul style="list-style-type: none"> – Slow – Subject to appeals / litigation (and submissions 	<ul style="list-style-type: none"> – Slow – Subject to appeals / litigation (and submissions 	<ul style="list-style-type: none"> – Does not provide land for housing – Could

	<p>infrastructure to ensure services put in are adequate for whole Ladies Mile not just the individual developers EOI</p>	<p>extending scope) - Would allow landowners to drive their own development agenda through submissions e.g. Rural Residential is easy to do but not necessarily what the district needs - Contribution to QLCHT required on a voluntary basis only</p>	<p>extending scope) - Would allow landowners to drive their own development agenda through submissions e.g. Rural Residential is easy to do but not necessarily what the district needs - Would get bogged down in wider WBLUS appeals - Contribution to QLCHT required on a voluntary basis only</p>	<p>jeopardise future use of the land for urban development through construction of expensive rural residential style homes</p>
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55 This report recommends that subject to consideration of public feedback, Council use the Lead Policy to enable expressions of interest for development on the Ladies Mile under the HASHAA (Option 1) because it will result in the right type of houses being built sooner. If the Lead Policy is amended, expressions of interest would be considered by Council and a recommendation made to the Minister to create a special housing area. Resource consents could then be lodged under the HASHAA and processed either non-notified or with notice to adjoining properties only.

56 The Government deliberately established the HASHAA to fast track housing and it is not subject to the same appeal rights afforded under the Resource Management Act (RMA). Officers consider the HASHAA is also more effective at requiring developers to build the appropriate infrastructure and in terms of making a contribution to the Queenstown Lakes Community Housing Trust (QLCHT).

57 The amended Lead Policy in **Attachment A** proposes requiring a 10% contribution of the developed value contribution to the QLCHT. A higher contribution is proposed in recognition of the benefits of the SHA process to developers in that they could go from lodging an expression of interest to obtaining resource consent within 12 months, as occurred with the Queenstown Country Club, whereas the Variation or rezoning process takes many years, is likely to involve expensive litigation and has a less certain outcome.

58 While the RMA processes involve more public input, the timeframes associated with submissions, further submissions, a hearing and then appeals means the provision of more housing can be delayed for many years.

The Ladies Mile Indicative Master Plan

59 It is recommended that expressions of interest for SHAs broadly align with the Indicative Master Plan, is appended as part of **Attachment A**. A design statement is also included which sets out the rationale for the design of the Indicative Master Plan. It is based on a grid layout to achieve an efficient use of this piece of land, and is based around the key principles of variation in built form

and dwelling type, flexibility of use, connectivity, and legibility. These principles in turn encourage the use of public transport, walking and cycling.

- 60 The Indicative Master Plan covers an area of 136ha and if fully utilised would enable a yield of 2224-2874 residential units. The maximum yield is highly unlikely to be achieved, as not all landowners will want to or be able to develop, and the HASHAA legislation is due to expire in less than three years.
- 61 The Indicative Master plan provides four different density types from low through to high density. While templates for each density type have been provided to give Councillors and landowners an indication of the type of development that would result, the Indicative Master Plan specifies densities to be achieved and how that is actioned is up to individual developers. i.e. a developer can come up with their own design to achieve medium density, which will be subject to review.
- 62 In addition to the Indicative Master Plan, a series of broad objectives have been developed that would guide future development of the area. These have been included as an Annex within the updated Lead Policy appended as **Attachment A**).

Entrances to Queenstown

- 63 The Ladies Mile is considered by many in the community to be the entrance to Queenstown. Others view the Amisfield Winery area to be the entrance to Queenstown, as this is the location of the first obvious residential development and views of the mountains surrounding Lake Wakatipu. Council's 2007 Growth Management Strategy indicated that the Shotover River was the edge of Queenstown, however since that document was prepared, Shotover Country and the QCC have been approved.
- 64 The Indicative Master Plan seeks to provide an attractive, landscaped entrance along the Ladies Mile, with a consistent theme regardless of who the developer is. The Indicative Landscape Strategy document is included within the amended Lead Policy in **Attachment A**.
- 65 Under this proposal, EOIs for SHA development would need to be consistent with the Indicative Landscape Strategy before Council would recommend them to the Minister, and this should ensure a consistently high level of amenity along the Ladies Mile. The Indicative Landscape Strategy does not seek to hide away urban development but rather have well designed urban environments that are softened by pleasant amenity plantings.

Transport Implications

- 66 Modelling of the transport implications was undertaken by Abley Consultants Ltd as part of the indicative business case for the Housing Infrastructure Fund application.
- 67 A specific assessment of the impacts from the Indicative Master Plan on the capacity of the Shotover Bridge has also been undertaken, as the Shotover Bridge has been identified as a key capacity constraint. The capacity of the existing bridge has been calculated as having a peak hour capacity of 1590 vehicles per lane.

- 68 Based on *current* QLDC growth forecasts published in 2016, the bridge will reach capacity when operating during the evening peak in 2035, which will extend out to 2044 if 10% of vehicle drivers shift to public transport or other alternative modes.
- 69 Additional residential development on the Ladies Mile brings forward the time at which the bridge reaches capacity. If an additional 1000 medium density dwellings were developed by 2025 the bridge will reach capacity at 2025 (or 2032 if a 10% shift to alternative modes is achieved).
- 70 A further scenario was assessed with 2000 medium density households developed by 2025 and it was concluded that the bridge would reach capacity well before the additional development was completed, irrespective of any additional uptake of alternative modes.
- 71 The New Zealand Transport Agency (NZTA) was involved at the very initial stages when the concept of medium density residential over the whole area was first proposed. The Indicative Master Plan is still broadly based on a medium density concept. The NZTA has only recently been provided with the results of the modelling, and at the time of the agenda cut-off, were still considering the implications.
- 72 Under either scenario, it is clear enabling further residential development on the Ladies Mile will bring forward the date at which the Shotover Bridge reaches its capacity.

If the Amendments to the Lead Policy are Adopted, what are the Next Steps?

- 73 If the Ladies Mile is added into Category 2 of the Council's Lead Policy, the following steps would occur:
- i. Expressions of interest (EOIs) are submitted*
 - ii. Report to Full Council (no further public feedback sought if consistent with the Indicative Master Plan)*
 - iii. Should the EOI be accepted in principle, negotiate an appropriate Stakeholder Deed*
 - iv. Once the development agreement is agreed and signed, the special housing area will be recommended to the Minister.*
 - v. Minister makes decision whether to approve as a SHA*
 - vi. Subdivision and resource consents lodged and processed under HAASHA framework.*

Options

- 74 High level options for the Ladies Mile are set above. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.
- 75 Option 1 – Enable development on the Ladies Mile through an amendment to the Lead Policy in a comprehensive manner in general accordance with an Indicative Master Plan

Advantages:

- 76 Is most likely to deliver housing quickly in a comprehensive and integrated manner
- 77 Enables Council to set the development agenda and require developers to align with an Indicative Master Plan.
- 78 Developers can be required to meet the Indicative Master Plan and infrastructural obligations or no recommendation to the Minister
- 79 Limited appeals / litigation
- 80 Council seen as proactive rather than reactive to development pressure
- 81 Can require a 10% contribution to QLCHT

Disadvantages:

- 82 Likely to be seen by many as an unacceptable development in an area seen as an important gateway
 - 83 Public input at the resource consent stage is limited to adjoining properties
 - 84 No appeal rights from the resource consent decision
 - 85 Council may have to help fund some infrastructure to ensure services put in are adequate for whole Ladies Mile not just the individual developers EOI
 - 86 Timing and sequencing of development could be challenging from an infrastructure perspective
- 87 Option 2 – Undertake a variation to the proposed district plan for the Ladies Mile separate from the results of the WBLUS

Advantages:

- 88 Greater public input
- 89 Could still be based around a Structure Plan for the 'Ladies Mile Gateway Precinct' setting out development bones
- 90 Separates Ladies Mile from other WBLUS issues

Disadvantages:

- 91 Slow as subject to appeals / litigation
 - 92 Would allow landowners to drive their own development agenda through submissions e.g. Rural Residential is easy to do but not necessarily what the district needs
 - 93 Contribution to QLCHT required on a voluntary basis only rather than mandated
- 94 Option 3 – Undertake a variation to the proposed district plan for the Ladies Mile as part of the response to the WBLUS

Advantages:

- 95 Greater public input

- 96 Could still be based around a Structure Plan for the 'Ladies Mile Gateway Precinct' setting out development bones
- 97 Enables comprehensive look at entire Wakatipu Basin, including Ladies Mile

Disadvantages:

- 98 Slow as subject to appeals / litigation
 - 99 Would allow landowners to drive their own development agenda through submissions e.g. Rural Residential is easy to do but not necessarily what the district needs
 - 100 Would get bogged down in WBLUS appeals
 - 101 Contribution to QLCHT required on a voluntary basis only
- 102 Option 4 – Treat the Ladies Mile separately to the Wakatipu Basin and do nothing and wait till 'decisions on submissions' are issued on the Proposed District Plan as notified (Rural Zoning)

Advantages:

- 103 Would retain generally open character of the Ladies Mile
- 104 Least cost / effort.
- 105 Sticks to the approach as set out in the notified Proposed District Plan.
- 106 Full public input through submission, further submissions and a hearing

Disadvantages:

- 107 Land may be rezoned to Rural Lifestyle (1 dwelling per 1-2 hectares) rather than a more efficient use that creates land for Queenstown's long term growth in an integrated manner.
 - 108 A Rural Lifestyle Zoning would result in large lots with large expensive houses that would be more difficult to enable urban development on at a later date.
 - 109 Relies on land already zoned coming on stream to address demand, whereas experience is that despite having a sizeable amount of zoned land, it is not being developed.
 - 110 May not result in a comprehensive development of the area that best provides for Queenstown's growth.
 - 111 Potential for piecemeal development without any connections between neighbourhoods.
 - 112 Environment Court will set direction for the Ladies Mile rather than QLDC.
- 113 This report recommends **Option 1** for addressing the matter because it will:
- a. Make the best use of the scarce land available for long term urban development in proximity to Queenstown's existing urban residential and employment areas.

- b. Makes use of the tools the Government has put in place to address housing affordability.
- c. Provides a structured approach that enables development to be comprehensively guided in accordance with an Indicative Master Plan, rather than a series of individual developer led projects.
- d. Provides a large area of land for residential development, to address the pressing need for more land for urban development to help combat the housing affordability challenges.

Public Feedback Proposal

114 In the past Council, has not sought feedback on changes to the Lead Policy. However given the strong degree of public interest in the area, the following programme to seek feedback is proposed:

- a. Prepare discussion document summarising the issues in this agenda item
- b. Prepare media advisory / Council website and Facebook page
- c. Seek public feedback on Ladies Mile proposal
- d. Following public feedback, consider proposed amendments to Lead Policy on or before the Full Council meeting of 17 August.

Significance and Engagement

115 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because:

- a. Importance: The Ladies Mile area could provide a large amount of new land supply for much needed residential housing. The area is considered by many to be the entrance to Queenstown and has high amenity values.
- b. Interest: For the reasons above the matter is of high interest to the community as evidenced by the feedback received and media publicity.
- c. Existing Policy and Strategy: The proposal is not consistent with the Operative and Proposed District Plans, or the 2007 Growth Management Strategy. The Lead Policy does anticipate areas being added into Category 2 and by definition, special housing areas tend to be contrary to district plans, otherwise resource consent would be sought like normal.
- d. Capability and Capacity: There is a significant impact on the Council's intended level of service provision as the Ladies Mile area is not currently in the Long Term Plan as an area where infrastructure development is intended. While the developer would provide the required infrastructure for their particular area, Council's role is to ensure the capacity is adequate to service the whole Ladies Mile area in a comprehensive fashion.

Risk

- 116 This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection)', as documented in the Council's risk register. The risk is classed as high.
- 117 This matter relates to this risk because the supply of housing is central to the current and future development needs of the community.

Financial Implications

- 118 Under the HASHAA, developers are required to provide the necessary infrastructure to service their developments. Council negotiates Stakeholder Deeds to ensure the necessary infrastructure is provided. The addition of the Ladies Mile area into the Lead Policy will likely lead to requests from Council to finance the additional infrastructural capacity required to service the wider 'Ladies Mile Study Area', beyond the demand generated by the individual expression of interest. This will have budgetary implications for Council.
- 119 Currently there is no budget for capital works on the Ladies Mile. The work is not included in the Long Term Plan. However as noted above, the Council has applied to the Governments HIF for formal approval to invest in infrastructure that will bring forward the supply of developable land for housing. The HIF is an interest free loan for ten years. The decision is expected by the end of June 2017. Should the application be successful, the HIF monies could fund the required capital works and be recouped through development contributions.
- 120 A parallel amendment to the development contributions policy would also be required to recoup the money as development occurs over the whole area over the next 10 – 20 years.
- 121 Should the HIF application not be successful, further work would be required with developers to better understand the component of their infrastructure investment that is required for their individual expression of interest and what is required to service the wider area. At that point budgets could be re-assessed to prioritise infrastructure spending where new housing is being developed, rather than in areas that are zoned but where little residential development is occurring.

Council Policies, Strategies and Bylaws

- 122 The following Council policies, strategies and bylaws were considered:
- a. The Operative District Plan
 - b. The Proposed District Plan
 - c. Growth Management Strategy 2007
 - d. Long Term Plan
 - e. Lead Policy for SHAs
- 123 The recommended option is not consistent with the first four named policies, but is consistent with the Lead Policy which envisages areas being added into Category 2.

124 This matter is not included in the 10-Year Plan/Annual Plan

Local Government Act 2002 Purpose Provisions

125 This item relates to an amendment to the Council's Lead Policy for Special Housing Areas. The proposed resolution accords with Section 10 of the Local Government Act 2002, in that it fulfils the need for good-quality performance of regulatory functions.

126 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by utilising the HASHAA to enable residential development on the Ladies Mile;
- Cannot currently be implemented through current funding under the 10-Year Plan and Annual Plan, but can be implemented should the Council's application to the Housing Infrastructure Fund be successful;
- Is not consistent with the Council's plans and policies; and
- Would alter significantly the intended level of infrastructural service provision undertaken by or on behalf of the Council.

Consultation: Landowner views

127 No consultation with the general public has been undertaken. In the past, the Council has not consulted the public when amending its Lead Policy. When it was last amended in October 2016 there was no public consultation. However given the high level of interest in the Ladies Mile area, the resolution sought is to seek public feedback on this change to the Lead Policy before making a decision on adoption.

128 A meeting was held with landowners on the northern side of Ladies Mile on 22 May 2017, and the southern side on 29 May 2017. Not all landowners were able to attend but a high proportion did attend or sent a representative. Written communications were also undertaken with some parties unable to attend the meeting. Written feedback was received from those meetings and resulted in a number of amendments to the Indicative Master Plan.

129 There was a range of views expressed by the landowners from complete opposition to full support. There was broad support for the concept of a comprehensive and integrated approach to the long term development of the area by the landowners, if the area is to be developed.

Legal Considerations and Statutory Responsibilities

130 The Council's Lead Policy relates to the application of HASHAA in the Queenstown Lakes District. The purpose of HASHAA is:

To enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1, identified as having housing supply and affordability issues.

- 131 HASHAA provides limited guidance as to the role of a Lead Policy, or to the assessment of potential SHAs, beyond housing demand and infrastructure concerns. HASHAA is silent on the relevance of planning considerations; however the Council's legal advice is that these are relevant considerations and this has been confirmed by the recent High Court decision on Ayrburn Farm. The weight to be given to these matters is at the Council's discretion, having regard to the overall purpose of HASHAA. These matters have been considered in this report.
- 132 The Council will need to consider the consistency of any decision to amend the Lead Policy and its decision in July 2015 to notify the PDP, which maintains the sites as Rural zoning. However since the PDP was notified, the Government has issued the NPSUDC has been issued, which requires greater assessment of the feasibility of zoned land coming on stream. This has been a fundamental change, particularly with regard to consideration of whether it is feasible the zoned capacity we have in certain areas will be released for development.

Attachments

- A. Proposed amendments to the Council's Lead Policy including Annexure D
- B. Indicative Master Plan

Housing Accords and Special Housing Areas Act 2013 Implementation Policy



24 November 2016

1. Background

The purpose of the Housing Accords and Special Housing Areas Act 2013 (**HASHAA**) is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, including Queenstown-Lakes District.

In October 2014 Queenstown Lakes District Council (**Council**) and Government entered into the Queenstown-Lakes District Housing Accord (**Housing Accord**). The Housing Accord is intended to increase housing supply and improve housing affordability in the district by facilitating development of quality housing that meets the needs of the growing local population.

The Housing Accord included agreed targets related to housing supply for Years 1-3 of the Accord. Targets for years 4-6 are to be agreed between the Council and the Minister for Building and Housing (**Minister**). The Housing Accord includes priority actions aiming to increase the supply of housing in the district and to guide the Council's exercise of powers provided by HASHAA. It also addresses governance, processes, monitoring and review.

Under HASHAA the Council may at any time recommend to the Minister that one or more areas within the district be established as special housing areas.

If the Minister agrees with the Council, he or she may recommend that the Governor-General make an Order in Council declaring an area within the district to be a special housing area for the purpose of HASHAA.

HASHAA then provides an alternative approach for applications for resource consent for qualifying developments in special housing areas to the usual process under the Resource Management Act 1991 (**RMA**). Under that alternative approach, applications for resource consent for qualifying developments must not be publicly notified, although there is provision for limited notification of adjoining property owners and occupiers. There are no appeal rights in relation to decisions on such applications, except where development over four storeys is proposed. In addition, while Part 2 (the purpose and principles) of the RMA and District Plan provisions (both Operative and Proposed) are relevant assessment matters when considering applications for resource consent for qualifying developments, these matters are given a lower weighting than the purpose of HASHAA.

The purpose of this policy is to assist the Council in deciding whether to recommend the establishment of special housing areas to the Minister and in considering applications for resource consent for qualifying developments within special housing areas.

The contents of this policy are not intended to be exhaustive and do not limit the Council's discretion whether to make a recommendation or whether to grant resource consent. The Council may take into account additional factors and changed circumstances where relevant. All matters are to be considered in the context of the purpose of HASHAA.

In September 2016 HASHAA was amended to extend the deadline for establishing special housing areas to 16 September 2019 and to extend the date of its repeal (for the purpose of consenting qualifying developments) to 16 September 2021.

Before HASHAA was amended the Council recommended a number of special housing areas to the Minister in accordance with its previous Lead Policy: *Housing Accords and Special Housing Areas Act 2013 Implementation Guidelines*, adopted on 30 October 2014 and updated on 30 April 2015. From the date of its adoption, this new policy applies to the recommendation of all further special housing areas by Council to the Minister and the consideration of all further applications for resource consent for qualifying developments.

2. Objectives

The Council's objectives in recommending the establishment of special housing areas to the Minister and considering applications for resource consent for qualifying developments are that:

1. Recommendation of special housing areas facilitates an increase in land for housing supply.
2. Special housing areas are established in appropriate locations, where there is evidence of demand for residential housing.
3. The establishment of special housing areas accords with the Council's overall strategic direction for urban development in the District.
4. Adequate infrastructure exists or is likely to exist to service qualifying developments in special housing areas.
5. Qualifying developments within special housing areas take a proactive approach to improving housing affordability issues by providing an appropriate mix of housing options including housing for owner occupiers, first home buyers, accommodation for workers, and facilitating the provision of community housing.
6. There is community feedback as part of the establishment of proposed special housing areas.
7. The development of special housing areas will achieve high quality urban design outcomes.
8. Development of housing in special housing areas occurs as quickly as practicable.

3. Criteria and Process for considering Special Housing Areas and qualifying developments

Special housing areas may originate from:

- The Council identifying, considering and recommending areas to the Minister on its

own initiative; and

- Expressions of interest (**EOIs**) from landowners and developers for special housing areas that the Council considers meet the criteria listed below.

The Council will consider each proposed special housing area on its merits. In addition to the degree of consistency with this policy, other factors, such as planning and RMA matters, may be relevant to the Council's exercise of discretion to make a recommendation to the Minister.¹ Council has full discretion whether to recommend an area to the Minister to be a special housing area.

The below process will generally be followed on receipt of an EOI:

1. An initial consideration of an EOI to ensure it is consistent with the Council's intent, and there is sufficient information provided to be able to assess it;
2. Seek public feedback including statutory agencies and iwi;
3. Seek comments from internal Council departments and others as necessary;
4. Report to Full Council or a Council Committee with delegated authority;
5. Should the EOI be accepted in principle, negotiate an appropriate development agreement which may or may not need to be reported back to Full Council or a Council Committee with delegated authority; and
6. Once the development agreement is agreed and signed, the special housing area will be recommended to the Minister.

Note: Pre-application discussions are encouraged. Development agreements may not be required for Council-led proposals.

The deadline for establishing special housing areas has been extended by HASHAA to the 16 September 2019. The Council may, in its discretion, decide not to assess any EOI received after 16 April 2019.

In deciding whether to recommend a special housing area to the Minister the Council will consider the statutory criteria, as well as the following matters:

1. Location

The Council will group areas of land in the District into three categories:

- a. **Category 1** includes areas that are considered suitable for establishment as special housing areas. These areas have been identified or zoned in the Proposed District Plan for residential development or intensification and/or are located within the proposed urban growth boundary. Category 1 areas are listed in **Attachment A**.
- b. **Category 2** includes areas that may be suitable for establishment as special housing areas, subject to further assessment against this policy.

This category can only be updated following resolution by full Council, which

¹ *Ayrburn Farm Developments Limited v Queenstown Lakes District Council* [2016] NZHC 693.

includes the addition and removal of areas from this category. The Council will not accept proposals or EOIs from landowners or developers to include areas on this schedule. Category 2 areas are listed in **Attachment A**.

- c. **Category 3** includes areas that are not considered suitable for establishment as special housing areas. Category 3 areas are listed in **Attachment A**.

The Council is not precluded from considering EOIs outside of these categories for the establishment of special housing areas. However, Criterion 2 – Strategic direction (below) will be stringently applied to the effect that successful EOIs will be exceptional cases.

2. Strategic direction

The Council will consider proposed special housing areas in light of its overall strategic direction for development in the District. This includes ensuring that urban development occurs in a logical manner:

- to promote a compact, well designed and integrated urban form;
- to manage the cost of Council infrastructure; and
- to protect the District's rural landscapes from sporadic and sprawling development.

This includes establishing special housing areas within existing urban areas, or proposed urban areas in the Proposed District Plan, including those that are anticipated to fall within urban growth boundaries.

The Council may also consider the findings of other relevant investigations, such as but not limited to the Wakatipu Basin Land Use Study and the Ladies Mile Masterplan, which is investigating the future capacity of this area to absorb change.

3. Infrastructure

The Council must be satisfied that either:

- a. Adequate infrastructure exists to service qualifying development in the area; or
- b. Infrastructure can and will be provided and funded by the landowner or developer at no cost to, and without unforeseen or adverse financial or environmental costs on the Council or other relevant infrastructure providers.

The Council will assess the infrastructure requirements of a proposed special housing area against the matters listed in **Attachment B**.

4. Affordability

Housing affordability is a key issue for the Queenstown Lakes District. The Council is committed to ensuring that as development takes place across the District, the provision of affordable housing is incorporated as part of each development. The Council is particularly interested in ensuring that affordability is retained overtime.

The Council expects landowners and developers to identify appropriate mechanisms

to ensure that housing developed in a special housing area addresses the district's housing affordability issues. The Council considers that an appropriate mix of housing is necessary in the district, including housing for owner-occupiers, first home buyers, and accommodation for workers.

Examples of mechanisms to achieve affordability may include:

- a range of appropriately sized sections (including smaller sized sections of 240-400m²);
- a mixture of housing typologies and sizes is also desirable;
- the nature of any covenants (or similar restrictions) imposed on sections;
- methods to reduce property speculation of vacant sections; and
- methods to retain affordability in the medium to long term.

Housing developed in special housing areas will be expected not to be used solely for visitor accommodation and landowners and developers should identify an appropriate legal mechanism for securing this outcome.

5. Community housing

The Council will require at least 5% of the residential component of any development, by developed market value or by area (depending on the nature of development), to be provided for community housing.

Within the Ladies Mile Project Boundary shown in Attachment D, the Council will require at least 10% of the residential component of any development, by developed market value or by area (depending on the nature of development), to be provided for community housing.

The contribution is to be made to the Queenstown Lakes Community Housing Trust (**the Trust**) which has been established to assist with the design and delivery of community housing in the District. The Council in partnership with the Trust will negotiate this contribution with landowners and developers to ensure the community housing outcomes of this Policy are met.

The Council is open to proposals that achieve community housing through other mechanisms that are consistent with the policy objectives and above community housing outcomes, but retains preference for the Trust's involvement.

6. Community feedback

The Council will seek community feedback on all expressions of interest for special housing areas.

This will include the Council seeking advice from the New Zealand Transport Agency, Ministry of Education, Otago Regional Council, Local Iwi and any other parties considered to be relevant to the consideration of a special housing area.

The Council will generally not seek community feedback where a proposed

expression of interest is within the Ladies Mile Project Boundary and the proposal is considered to be generally consistent with the documents in **Attachment D**.

7. Quality and design outcomes

The Council will expect all qualifying developments in special housing areas to achieve high quality urban design outcomes.

The Council's development quality expectations are set out in **Attachment C**.

8. Timely development

The Council wishes to see evidence that the special housing area proponent is motivated to obtain resource consent before the repeal of HASHAA and to implement the resource consent in a timely manner, such that the development assists in addressing the District's housing supply and affordability issues.

4. Agreements with Land Owners / Developers

For every EOI approved by Council, the Council will secure the agreed outcomes of negotiations with landowners and developers through a suitable and legally binding agreement to ensure their delivery in an appropriate and timely manner. This shall occur before the EOI is recommended to the Minister.

These agreements will cover matters including, but not limited to, the provision of infrastructure, securing housing affordability and community housing outcomes, securing design outcomes, and the timely resource consenting and development of special housing areas.

The Council will not enter into any agreement that fails to address issues of affordability and community housing to the satisfaction of the Council.

5. Recommendations to the Minister

The Council will only recommend the establishment of a special housing area to the Minister following a formal report to the Council, and the Council resolving to recommend the proposed special housing area to the Minister, only if satisfied that:

1. The criteria in section 3 of this policy have been met to the Council's satisfaction; and
2. The outcomes of negotiations with the landowner or developer resulting from sections 3 and 4 have been appropriately secured via a suitable and legally binding method.

6. Expressions of interest within the Ladies Mile

The Council will require expressions of interest to be generally consistent with the following documents in Attachment D:

- The Ladies Mile Indicative Master Plan
- The Ladies Mile Indicative Landscape Strategy
- The Ladies Mile development objectives

7. Applications for resource consent for qualifying developments

Should the Minister approve the special housing area, then prior to the making of any application for resource consent for a qualifying development, the land owner or developer and the Council shall enter into pre-application discussions. These discussions will involve input from various Council departments.

The Council will consider any application for resource consent for a qualifying development in a special housing area in accordance with this policy. This is subject to the matters listed for consideration in s 34(1) of HASHAA.

Where a special housing areas was established prior to the adoption of this policy, the Council may consider any application for resource consent for a qualifying development under the previous policy or this policy, or both, as appropriate.

All Council staff time and other costs of processing and considering any resource consent application will be on-charged to the landowner or developer in accordance with the Resource Consent and Engineering Fees and Other Charges Schedule adopted by Council on the 1 July 2016.

The final date an application for resource consent for a qualifying development in a special housing area can be lodged is 16 September 2019.

Attachment A – Categories 1, 2 and 3

Category 1: Areas suitable for the establishment of special housing areas

Queenstown

The following zoned areas within the Queenstown Urban Growth Boundaries of the Proposed District Plan:

- Low Density Residential Zone;
- Medium Density Residential Zone;
- High Density Residential Zone; and
- Business Mixed Use Zone.

This excludes any land that is located within the Queenstown Airport Air Noise Boundary and Outer Control Boundary.

Category 2: May be suitable for the establishment of special housing areas

- Land within the 'Ladies Mile SHA Boundary' as shown on the indicative masterplan appended as Attachment D to this Policy.

To be completed following further consideration by Council.

Category 3: Not suitable for the establishment of Special Housing Areas

To be completed following further consideration by Council.

Attachment B – Infrastructure Requirements

The relevant infrastructure **includes**:

- Stormwater
- Wastewater
- Water
- Transport (including impact on state highways, impact on local roads, public transport, provision of public transport facilities, under passes, trails and tracks etc)
- Parks and Reserves
- Social and Community Infrastructure
- Education
- Network utilities (electricity, gas and telecommunications)

For Council-related services of water supply, wastewater, transport, stormwater and reserves the Council is satisfied:

- 1) That infrastructure exists and has additional capacity to accommodate the likely cumulative demand from a qualifying development/s in the special housing area or infrastructure is planned or programmed in the Council's Long Term Plan and Development Contributions Policy, and/or
- 2) That infrastructure would be provided and funded by the private sector ahead of the Long Term Plan programmed time at no additional cost to Council, and/or
- 3) Where not planned or programmed in the Council's Long Term Plan and Development Contributions Policy, infrastructure would be fully provided and funded by the private sector at no cost to Council and can connect to existing infrastructure that has additional capacity to accommodate the likely cumulative demand from a qualifying development/s in the special housing area, and
- 4) For stormwater, mitigation will meet the conditions of any relevant consent held by the Council or such other relevant engineering standards that are applicable, and
- 5) That infrastructure will be designed and constructed in accordance with the relevant requirements of the Council's Infrastructure Development Code, and any other specific design, specifications and plans for infrastructure works arising from any consent or infrastructure agreement between the Council and any other party.

For other (non-Council) infrastructure of state highways, public transport, government facilities such as education, or network utilities (electricity, gas and telecommunications) the Council is satisfied that infrastructure exists or is planned by the relevant service provider with additional capacity to accommodate the likely cumulative demand generated from a qualifying development/s in the special housing area.

Attachment C –Quality and Design Outcomes

Attachment D – Ladies Mile Indicative Master Plan, Design Statement, Landscape Strategy and Development Objectives

LADIES MILE INDICATIVE MASTER PLAN DESIGN STATEMENT

The Draft Ladies Mile Master Plan is designed around the key principles of Connectivity, Variation in built form and dwelling type, flexibility of use, and legibility. The design follows recognized urban design principles, based on the seven 'c's of the New Zealand Urban Design Protocol*, to development Mixed Use, Residential and Open Space areas with a potential development yield of 2,500-3,000 dwelling units (approximately 2,874 on the current design but this is likely to fluctuate). The principles are designed to encourage walkability, improve the relationship between buildings and the street, recognise CPTED** principles and encourage designs which are future proofed:

CONNECTIVITY

The grid street pattern allows a high level of walkability by minimizing distances between destinations, wherever they maybe, and providing a variety of options to be taken. Design controls would ensure the streetscape is not compromised by developments which do not relate to the street or poor connectivity. Designs should seek to maximise connections through laneways, walkways, shared spaces and barrier free access.

The formal street pattern is recognized to work extremely well with providing Public Transport services, with the main collector street potentially acting as spine road and allowing most residents to be within 100m of a bus stop, thereby reducing travel distances/times. It would be possible for a Queenstown-Arrowtown bus route to move through the indicative master plan picking up and dropping off passengers without having to deviate greatly from the most direct route (SH6), resulting in a relatively efficient trip.

The master plan proposes a hierarchy of street types which relate to their classification and likely use. The design of streets is important to the overall feel of an urban areas, and more importantly how residents and visitors use this space. Street types would vary in modal hierarchy and width, varying from 10m through to 20m. Main streets would allow for public transport, on street parking wider footpaths and street trees, and potentially segregated cycle-lanes. Where possible garages would be removed from the street frontage with the provision of rear lanes. The creation of laneways removes vehicle crossings from the street, a positive design outcome for pedestrians as it removes potential conflict points. It also maximises the ability for street tree planting and maximise the amount of space available for on-street parking. I have reviewed several developments where the road carriageway has been designed to allow for on street parking, but with the number of vehicle crossings in

close proximity, on street parking is not possible and results in an unnecessarily wide road surface. Removing garages from the street frontage also allows dwellings to have a better relationship to the street, improving passive surveillance over the public space.

VARIATION OF BUILT FORM AND DWELLING TYPE

The proposed master plan provides 4 different density types being:

- Mixed Use;
- High Density Residential;
- Medium Density Residential; and
- Medium to Low Residential

Each density type proposes different rules for site coverage, height, set-backs and outdoor living space requirements to encourage different building stock to be developed. Diversity and variation are considered important to meet market demands. There is a known shortage of one and two bedroom dwellings in Queenstown and in many other district in New Zealand. Developments should seek to encourage diversity in building stock, unit type and character providing for a wider range of the community (budget and family type) which will encourage intensification and greater community interaction.

a. MIXED USE

While this density type has the ability for retail and office space to be developed, it is considered that the buildings will be predominantly residential in character but with the flexibility to change/adapt over time depending on market conditions and demands. Mixed use areas form the focal point for the design and should include high quality public spaces, plazas and laneways. Some streets would potentially be shared spaces with slow vehicle speeds encouraged and pedestrian priority. The provision of public transport is important to the success of this area. Buildings could be up to 12m high, 3 storeys with a site coverage up to 65%. The key design considerations of the Mixed-Use Activity area are:

- Large front setbacks would be discouraged, being only 0-3m with a maximum setback applied;
- No minimum lot size but likely to be 150-200m²;
- No height recession planes or side yards would apply. No street frontage recession plane will be required; and
- Communal carparking, the creation of laneways and the removal of minimum carparking provision would be permitted to provide for more flexible approaches to residential building types and functionality;
- It is envisaged that the overall density in the Mixed Use area would be +30Hh/Ha.

The current layout allows for 575 dwelling units based on a 3 storey, 360m² building with 5 residential units and one retail/office.

b. HIGH DENSITY RESIDENTIAL

This density type is purely residential and envisioned to be a mix of apartments and terrace houses. Buildings could be up to 12m high, 3 storeys with a site coverage up to 55%. The key design considerations of the High Density Residential Activity area are:

- Large front setbacks would be discouraged, being only 1-3m with a maximum setback applied;
- An average minimum lot size 150m²;
- No height recession planes or side yards would apply. No street frontage recession plane will be required; and
- Communal carparking, the creation of laneways and the removal of minimum carparking provision would be permitted to provide for more flexible approaches to residential building types and functionality;
- It is envisaged that the overall density in the Mixed-Use area would be +30Hh/Ha.

The current layout allows for 963 dwelling units based on 64 units per development block ((160x100m).

c. MEDIUM DENSITY RESIDENTIAL

This purely residential area is envisioned to be mostly terrace house developments with vehicle access via a laneway. A second dwelling per lot would be allowed to be developed above the garage subject to design controls. Buildings could be up to 8m high, 2 storeys with a site coverage up to 45%. The key design considerations of the Medium Activity area are:

- Large front setbacks would be discouraged, being only 3-6m with a maximum setback applied;
- A minimum lot size of 240m² but a second unit allowed per lot;
- No height recession planes or side yards would apply. No street frontage recession plane will be required; and
- Laneways required;
- It is envisaged that the overall density in the Mixed-Use area would be +19Hh/Ha.

The current layout allows for 681+553 dwelling units based on 40+40 units per development block ((160x100m).

d. MEDIUM TO LOW RESIDENTIAL

This purely residential area is envisioned to be individual house developments with vehicle access via the street. Buildings could be up to 8m high, 1-2 storeys with a site coverage up to 35%. The key design considerations of the Medium Activity area are:

- Large front setbacks would be discouraged, being only 3-6m with a maximum setback applied;
- A minimum lot size of 400m² but a second unit allowed per lot;
- Height recession planes and side yards would apply.
- It is envisaged that the overall density in the Mixed-Use area would be +11Hh/Ha.

The current layout allows for 102 dwelling units based on 24 units per development block ((160x100m).

FLEXIBILITY OF USE

Developments should be able to adapt to future conditions in order to provide for continued success. They should be diverse enough to provide for and attract various groups of people and activities to fulfil the needs of a diverse range of users, increasing the resilience of the development over time. This is particularly important in the Mixed-Use areas.

LEGIBILITY AND UNIQUE CHARACTER

While not yet developed for this master plan, developments should create a strong sense of place through the design of unique amenities and buildings in order to provide an identity for the community and encourage respect for the design. Incorporating landmarks and unique spaces into the design will increase the legibility of the development for its users. The use of a grid street pattern allows for vistas to be created, or to align with important landmarks.

Prepared by Dave Compton-Moen

1 June 2017

GLOSSARY OF TERMS

*The seven 'c's of the New Zealand Urban Design Protocol are:

Context, Character, Choice, Connections, Creativity, Custodianship and Collaboration.
These are a combination of design processes and outcomes.

The seven Cs:

- provide a checklist of qualities that contribute to quality urban design
- are based on sound urban design principles recognised and demonstrated throughout the world
- explain these qualities in simple language, providing a common basis for discussing urban issues and objectives
- provide core concepts to use in urban design projects and policies
- can be adapted for use in towns and cities throughout New Zealand.

(Source: NZ Urban Design Protocol, MfE)

LADIES MILE INDICATIVE LANDSCAPE STRATEGY

LANDSCAPE DESIGN STATEMENT

The following draft Landscape Design Statement relates to the Indicative Master Plan prepared for Ladies Mile in June 2017 by DCM Urban Design Limited. The Indicative Master Plan proposes a 75m landscape strip on either side of the SH6 - Ladies Mile, where possible to retain a high amenity entrance into Frankton and Queenstown. The statement outlines the Master Plan design philosophy; requirements for pedestrian and cycle movement; possible options for providing active recreation facilities; stormwater treatment and low impact design solutions; and possible plant types and species to be considered within the strip.

INDICATIVE LANDSCAPE STRATEGY DESIGN PHILOSOPHY

The 75m landscape strip or green belt on either side of SH6 is an important design element in the Indicative Master Plan design, maintaining an open corridor which affords views through to Slope Hill and the Remarkables for motorists entering and leaving Queenstown. The intention of the green belt is not to screen development in all entirety from the highway but to allow framed and partial views through to well-designed developments.

The green belt provides several key attributes which help to strengthen the intensive residential developments proposed for Ladies Mile, including:

A very legible design which maintains open views to the mountains and slope hill;

Allows views through to future development but with sufficient planting and distance to frame views and create interesting vistas;

Potential for both passive and active recreation opportunities including playing fields;

To provide a physical connection between the Shotover River corridor and Lake Hayes with minimal road crossings;

Stormwater treatment areas to capture and slow runoff

A buffer between highway noise and future residential dwellings;

An internal local road would run along the outer edges of the green belt so that properties face out onto the open space as opposed to backing onto the reserve. The local street would be 10-15m wide and is included in the 75m wide landscape strip.

Where possible, existing trees and vegetation will be retained and mixed with new planting to provide a sense of establishment. Each area will be reviewed on a case-by-case basis depending on the form, species and position of the plants.

REQUIREMENTS FOR PEDESTRIAN AND CYCLE MOVEMENT

The green belt would provide off road routes for cyclist and pedestrians, providing a more direct route for commuters as well as provide an interesting alternative for tourists travelling out to Lake Hayes, AJ Hackett Bungy and Gibbston Valley. The width of the belt also allows

the future design of the SH6 underpasses to be as open as possible (CPTED) and to provide a shallow gradient improving accessibility for all users. Cycle facilities including shelters could be included in the design at key meeting points.

POSSIBLE OPTIONS FOR PROVIDING ACTIVE RECREATION FACILITIES

There are number of different facilities which could be provided in the Green Belt including:

- Sports field(s)
- Playground(s)
- BMX bike track / skate park
- Shelters / toilets
- Walking / running paths and fitness stations
- Shared paths
- Seating / lighting

STORMWATER TREATMENT AND LOW IMPACT DESIGN SOLUTIONS

Landscape materials used for surfacing should be designed with drainage and low impact design solutions in mind, be low maintenance but of a quality and style which enhance the amenity of Ladies Mile. By incorporating low impact design solutions on-site to minimize runoff and peak flows it is possible achieve stormwater neutrality or at least a reduction. All systems are more cost effective if incorporated during the design phase (as opposed to being retrofitted) but require maintenance to ensure their effectiveness is retained. By implementing systems such as those listed below, it is possible to reduce peak flows and peak stormwater discharges reducing the impact on Council owned stormwater infrastructure, subject to on-site solutions being well-designed and maintained.

- Swales alongside streets to collect runoff;
- Rain gardens to collect stormwater in more urban, engineered areas;
- Detention basins;
- Permeable paving and limiting hard stand areas for carparking areas, paths and play areas;
- Avoidance of 'kerb and channel' detailing which appears heavily engineered.

POSSIBLE PLANT TYPES AND SPACES

An important aspect of the green belt will be the species selection and placement of trees to enhance the colour and character of the SH6 road corridor. The Ladies Mile corridor is well known for its rows of deciduous trees on the southern side, and the proposed planting list builds on that theme of exotic deciduous species. The following are suggested tree and shrub species:

Avenue and Street Trees

Botanical Name	Common Name	Botanical Name	Common Name
<i>Aesculus hippocastanum</i>	Horse Chestnut	<i>Platanus orientalis</i>	Oriental Plane
<i>Carpinus betulinus</i> 'Fastigiata'	Upright Hornbeam	<i>Quercus palustris</i>	Pin Oak
<i>Fagus sylvatica</i>	English Beech	<i>Quercus robur</i>	English Oak
<i>Juglans regia</i>	Common walnut	<i>Tilia x europaea</i>	European Lime
<i>Liquidamber styraciflua</i>	Liquidamber	<i>Ulmus procera</i>	Green English Elm

Amenity / Orchard Trees

Botanical Name	Common Name	Botanical Name	Common Name
<i>Acer davidii</i>	Snakebark Maple	<i>Prunus 'Awanui'</i>	Sweet Cherry
<i>Acer rubrum</i>	Maple	<i>Prunus 'Thunder Cloud'</i>	Flowering Cherry
Magnolia 'Little Gem'	Evergreen Magnoli	<i>Malus x domestica</i>	Apple
<i>Prunus avium</i> 'pendula'	Flowering Plum	<i>Prunus species</i>	Flowering cherry species

Hedging

Botanical Name	Common Name	Botanical Name	Common Name
<i>Griselinia littoralis</i>	Broadleaf	<i>Prunus lusitanica</i>	Portuguese laurel
<i>Carpinus betulinus</i>	Hornbeam		

Prepared by Dave Compton-Moen

7 June 2017

GLOSSARY OF TERMS

*The seven 'c's of the New Zealand Urban Design Protocol are:

The Urban Design Protocol identifies seven essential design qualities that create quality urban design: the seven Cs. They are: Context, Character, Choice, Connections, Creativity, Custodianship and Collaboration. These are a combination of design processes and outcomes.

The seven Cs:

- provide a checklist of qualities that contribute to quality urban design
- are based on sound urban design principles recognised and demonstrated throughout the world
- explain these qualities in simple language, providing a common basis for discussing urban issues and objectives
- provide core concepts to use in urban design projects and policies
- can be adapted for use in towns and cities throughout New Zealand.

(Source: NZ Urban Design Protocol, MfE)

** CPTED Principles

Crime prevention through environmental design (CPTED) is a multi-disciplinary approach to deterring criminal behavior through environmental design. CPTED strategies rely upon the ability to influence offender decisions that precede criminal acts. Generally speaking, most implementations of CPTED occur solely within the urbanized, built environment. Specifically altering the physical design of the communities in which humans reside and congregate in order to deter criminal activity is the main goal of CPTED. CPTED principles of design affect elements of the built environment ranging from the small-scale (such as the strategic use of shrubbery and other vegetation) to the overarching, including building form of an entire urban neighbourhood and the amount of opportunity for "eyes on the street". (Source: Wikipedia)

Ladies Mile Development Objectives

Land use

- *A comprehensive and integrated development based in general accordance with an indicative master plan to provide for Queenstown's future urban growth*
- *Development is based on a grid layout to facilitate public transport, walking and cycling and reduce dependence on private vehicle use.*
- *A central small format retail area shall provide a village centre and focus for the wider Ladies Mile area including Shotover Country and Lake Hayes Estate.*
- *A predominance of medium and high density residential (attached, two-three storey) is desired to ensure valuable land suitable for urban development is used efficiently.*
- *Ensure standard engineering and planning solutions are applied to address any likely geotechnical issues or hazards that may arise.*

Landscaping / Reserves

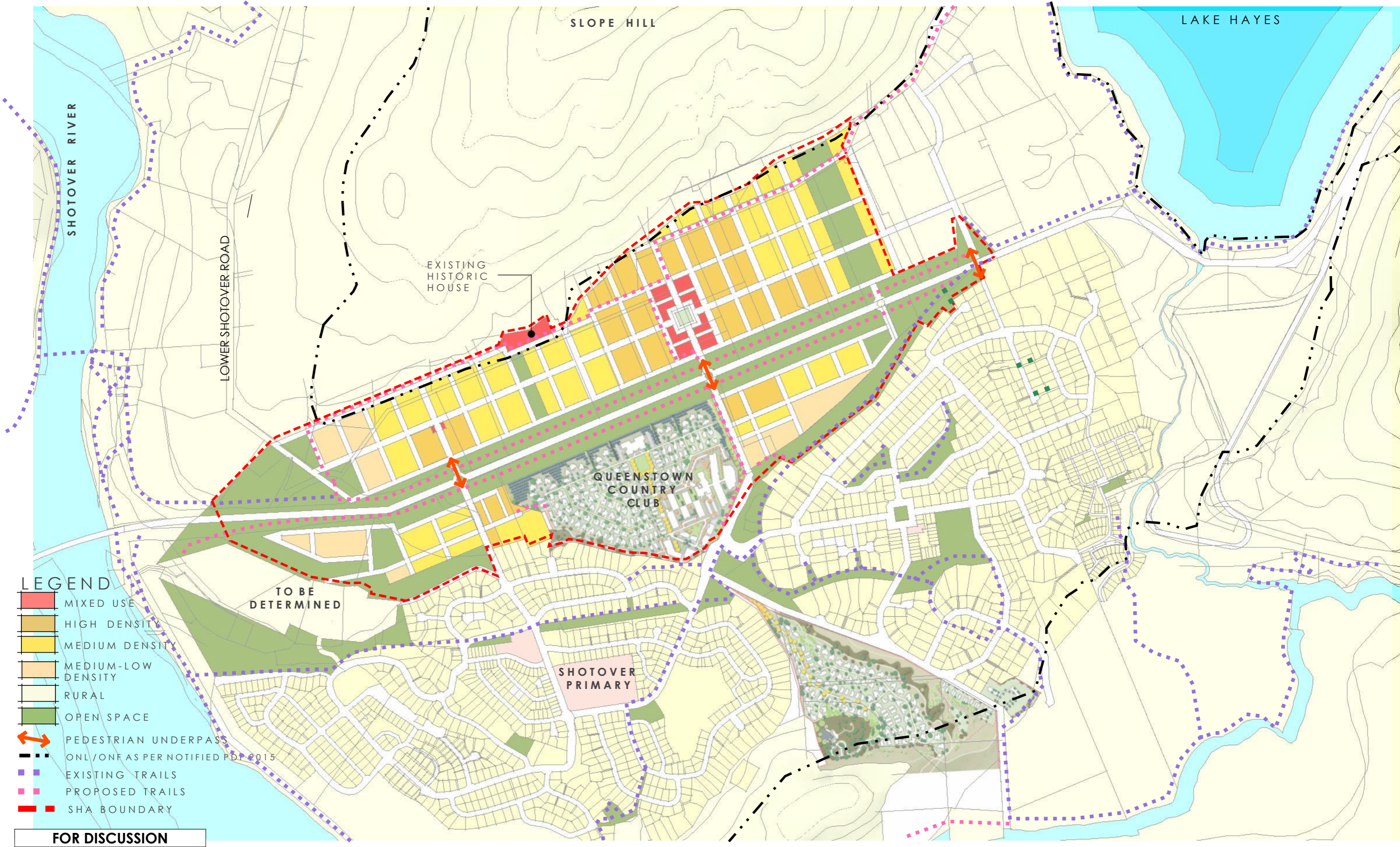
- *A landscaped set back along the Ladies Mile is required, consistent with the 'Indicative Master Plan' and 'Indicative Landscape Strategy', to ensure high amenity levels along the Ladies Mile as a key entranceway to Queenstown, without trying to hide development behind mounds.*
- *Locality based reserves are required in accordance with Councils Parks and Open Space Strategy 2017 (rather than a plethora of minor reserves).*

Transport

- *Vehicle and pedestrian access points to, and across the State Highway shall be defined and restricted to a limited number of points (but recognising some temporary access arrangements will be necessary to facilitate out of sequence developments)*
- *New walking and cycling trails are required and need to integrate with existing trails and link under / across the State Highway.*

Infrastructure

- *Infrastructure and specifically stormwater requires a holistic approach across the whole of the Ladies Mile.*
- *Key wastewater and potable water network elements require definition and funding.*



2. INDICATIVE MASTER PLAN

**QLDC Council
23 June 2017****Report for Agenda Item: 2****Department: Corporate Services****2017/18 Annual Plan Adoption****Purpose**

The purpose of this report is to adopt the Queenstown Lakes District Council 2017-2018 Annual Plan.

Executive Summary

- 1 The Council adopted the 2015-2025 10 Year Plan on 30 June 2015 in accordance with section 93 of the Local Government Act 2002. In the interim years Council must adopt an Annual Plan which must identify significant changes to the 10 Year Plan. Next year we will adopt a 10 Year Plan.
- 2 Submissions opened on 27 March 2017 and closed on 28 April 2017. The Council received 593 submissions. Hearings were held on 31 May and 1 June 2017 at Queenstown and Wanaka.
- 3 The Draft Annual Plan has been amended to reflect the submission and hearing process and deliberation relating to internal submissions.
- 4 The rating effect of the proposed Annual Plan budget for 2017/18 is an average overall rates increase of 4.15% (after allowing for growth at 3.0%). The proposed rates increase has reduced slightly (down from 4.25%) as result of the submission process. An increase of \$829k in operating costs has been offset by the decision to increase in refuse user charges (\$1.01m), which has positively offset the rates. Additional capital costs of \$4.07m has increased interest costs by \$88k and will further impact operating costs once the new assets are completed; in the form of increased depreciation and maintenance costs. This will impact future Annual Plan years beyond 2017/18.

Recommendation

That Council:

1. **Adopt** the 2017-2018 Annual Plan pursuant to sections 95 and 82 of the Local Government Act 2002 [subject to decisions as outlined];
2. **Adopt** the amendments to the Policy on Development Contributions as per section 102 (4) of the Local Government Act 2002; and
3. **Adopt** the amendments to the Building and Resource Consent Fee Schedules as per **section 219 of the Building Act 2004** and section 36 of the Resource Management Act 1991.

Prepared by:



Meaghan Miller
GM, Corporate Services

8/06/2017

Reviewed and Authorised by:



Mike Theelen
Chief Executive

8/06/2017

Comment

- 5 Council would like to acknowledge all those who took the opportunity to make a submission on the Annual Plan. All submissions were considered but not all can be funded.
- 6 Apart from the obvious funding constraints, there are often policy issues or jurisdictional considerations that must be taken into account. Council did make a number of changes to the budgets as a direct result of the submission process.
- 7 The following is a summary of the changes to the 2017/18 Annual Plan that have been approved as a result of the submission process.
- 8 **Summary of external submissions approved for funding:**
 1. Approve grant to Arrowtown Charitable Trust upgrade of lighting on Council property of sculpture and feature trees Buckingham Green (\$57k)
 2. Approve grant to Festive Lighting Strategy Downtown Queenstown (\$15k)
 3. Approve further grant to Downtown Queenstown (\$50k)
 4. Approve an increase of grant for Allenby Park Upgrade Friends of Allenby Park (\$30k increase)
 5. Queenstown Mountain Bike Club (\$20k)
 6. Approve increase in Glenorchy Swimming Pool budget (\$2.5k increase)
 7. Approve grant to Lakes District Air Rescue Trust (\$25k)
 8. Approve grant for Red Bridge Reserve to Luggate Community Association (\$5k per annum for two years)
 9. Approve additional Community Association Annual Grant to the Jacks Point Residents Association (\$5k)
 10. Approve additional grant funding for Shaping our Future (\$10k increase)
 11. Approve grant to Upper Clutha Water Group (\$22.5k – note Council seeking ‘dollar for dollar’ equivalent funding from Otago Regional Council)
 12. Approve grant for Wakatipu Reforestation Trust (\$5k)
 13. Approve grant to Wanaka Chamber for CUBE (\$50k)
 14. Approve grant to Wanaka Residents Association for Corrections Supervision of Community Projects (\$5k)
- 9 **The following external submissions in support of budgeted funding and were also approved:**
 1. Community Association Grants
 2. Arrowtown Promotion and Business Association
 3. Community Networks Wanaka

4. Destination Queenstown
5. Happiness House
6. Lake Wanaka Tourism (note the additional \$30k sought for data collection was not approved)
7. Queenstown Trails Trust
8. Ruby Island Management Committee
9. Skyline Queenstown MTB
10. Sport Central
11. Upper Clutha Tracks Trust
12. Wilding Conifer Group
13. Queenstown Chamber of Commerce

10 The following external submissions were recommended for consideration for 'in-kind' funding under \$5k and encouraged to apply:

1. Anti-Plastic Population (Sustainable Queenstown)
2. Plastic Bag Free Wanaka
3. Te Kakano Aotearoa Trust

11 Summary of internal submissions approved for funding:

1. Approve two additional waste storage areas for Queenstown CBD (\$80K)
2. Sludge Disposal Investigation and vermicomposting trial with CODC (\$80K)
3. Public litter bin upgrade (\$180k)
4. Pipeline Replacement (\$485k)
5. Kawarau Falls Bridge Pipeline additional budget (\$2.9m)
6. Trim replacement escalation additional budget (\$255k)
7. Arrowtown Pool heating investigation (\$25k)
8. Increase Refuse Fees & Charges to recover cost of carbon credits (\$1.01m)
9. Increase Refuse disposal costs to cover additional cost of carbon credits (\$668k)
10. Update property revenue to reflect latest lease details (\$32k)
11. Increase cemetery budgets to allow for natural burials (\$15k)
12. Increase corporate vehicle budgets (\$11k)

12 Key Issues

The Council has agreed to support the key issues as outlined in the consultation document. These include:

- The Public Transport Commitment towards a proposed blanket \$2 fare for the Wakatipu Basin (\$600k)
- Queenstown Town Centre Master Plan Projects (\$2m)
- District Plan Budget Adjustment (\$1.6m)
- Lakeside Playground (\$680k)
- Organisational resourcing to respond to unprecedented growth (\$2.6m)
- Increasing Levels of Service (toilets and bins)

Chlorination

- 13 One of the issues that attracted a high level of interest throughout the district was the proposal to permanently chlorinate supplies that are not currently subject to

permanent chlorination. This includes Arrowtown, Hawea, Luggate, Glenorchy, Arthurs Point and Glendhu Bay.

14 The Council has considered all submission on this matter and would like to acknowledge those people that then took the time to address the matter further through the hearing process. It is acknowledged as a difficult and contentious issue.

15 In direct response to community submissions on the matter the Council is seeking additional information before it is prepared to make a decision. In particular the Council is seeking to better understand:

- The risks associated with non-chlorination of supplies?
- The liability of staff and Councillors if Council's decision is non-chlorination of supplies. Including the implications of taking 'all practical steps' to mitigate risk?
- What if any options exist to alleviate the requirement to chlorinate with a particular focus on the risk of contamination through 'back flow'?
- What we are doing to mitigate the risk in terms of scheduled works for example bore head security?
- What future proofing of supplies are scheduled?

16 The Council has decided to continue to include a placeholder of the \$500k budget for the permanent treatment of supplies. This is pragmatic approach to ensure that if required, the funds are included in the budgets. This decision must not be considered in any way prejudicial to the decision whether to proceed as outlined, amend the proposal or not proceed. Council has requested a paper on the matter and will determine the decision at a later date.

Special Consultation Issues

17 As outlined in the Annual Plan Consultation Document the Council undertook three further special consultations in regard to:

- the early harvesting of Coronet Forest,
- changes to development contributions policy
- changes to building and resource consent fees.

18 These consultations were undertaken in parallel with the Annual Plan consultation process and with the exception of Coronet Forest, the hearing of submissions has now been held and recommendations are included in this paper. In summary the following changes are recommended.

Policy on Development Contributions

19 Council has completed consultation on the proposed amendments to the Policy on Development Contributions for 2017/18. In total 4 submissions were received in relation to this matter and after due consideration of the issues raised, Council intends to adopt the proposed amendments as proposed.

20 As well as the annual update of contribution levels as a result of the incorporation of the latest actual expenditure and the revised capital programme proposed by the Annual Plan 2017/18, there are additional proposed amendments to the Policy on Development Contributions.

21 The main reason for these amendments is to simplify and clarify areas of the policy that have not been amended since the policy was first introduced. The proposed changes involve the introduction of clearer definitions and a simpler assessment methodology for non-residential subdivisions where the details of the proposed development are not known.

Building and Resource Consent Fees

22 The Council has undertaken a review of the present fees and charges, which were reviewed as part of the 2016/17 Annual Plan. The Council is now considering whether a small number of fees and charges should be amended and replaced for the 2017/18 year.

23 These changes are best summarised into three categories:

A. Proposed changes to monitoring fees

B. Proposed removal of footpath bonds

C. Proposed amendments to update some fees following a review of actual costs and to make other updates and amendments.

24 In total 2 submissions were received in relation to this matter and after due consideration of the issues raised, Council intends to adopt the proposed amendments as proposed.

Coronet Forest

25 As outlined submissions were sought regarding the proposal to early harvest Coronet Forest. The hearing of submissions was not able to be scheduled prior to the adoption of the Annual Plan.

26 The Council has taken the decision to include budgets for early harvest in the event the decision is favourable. This is pragmatic approach to ensure that a placeholder is included in the budgets. This decision must not be considered in any way prejudicial to a fair hearing of the matter before any decision is taken by Council as to whether to proceed as outlined, amend the proposal or not proceed.

Rating Implications

27 As outlined the proposed rates increase for 2017/18 is 4.15% (after allowing for growth of 3.0% in the rates database). This is above the 2.8% signalled in the 10 Year Plan for 2017/18.

28 The main changes from the 10 Year Plan from a rating perspective are as follows:

- No rating impact for the Queenstown Convention Centre for 2017/18 as the project is currently on hold.
- Some timing changes in relation to the rates impact of large capital projects under construction (i.e. Project Shotover; Wanaka Swimming Pool)

Options

- 29 The Annual Plan is a statutory requirement under the Local Government Act 2002 (section 95). Council must prepare and adopt an Annual Plan each financial year.

Significance and Engagement

- 30 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy. In accordance with section 95 (2) a local authority must consult in a manner that gives effect to the consultation requirement of section 82 before adopting an Annual Plan (given the plan contained material changes to the 10 Year Plan). The Annual Plan triggers three of the criteria for assessing the significance threshold namely: importance to the district; community interest and; impact on the 10 Year Plan and Financial Strategy.

Risk

- 31 This matter relates to the strategic risks namely SR1 current and future development needs, SR3 Legislation and SR5 Business capacity. The Annual Plan highlights changes to Council's core business, financial strategy and work programme.

Financial Implications

- 32 The financial implications are in accordance with the 10 Year Plan funding and financial policies which are in accordance with section 102 of the Local Government Act.

Council Policies, Strategies and Bylaws

- 33 The following Council policies, strategies and bylaws were considered:

- Policy on Significance – the adoption of the Annual Plan was subject to consultation.
- 10-Year Plan 2012-22

Local Government Act 2002 Purpose Provisions

- 34 The Annual Plan is core to the Local Government Act 2002 purpose provisions (ss10, 11, 11A) because it provides for public accountability around Council activities and their associated costs. The following are therefore all relevant to the Annual Plan:

- Activity (local democracy, infrastructure, local public services or performance of regulatory functions);
- Quality (efficient, effective and appropriate to present and future circumstances); and, or
- Economic (most cost-effective for households and businesses).

Consultation: Community Views and Preferences

35 The 2017/18 Annual Plan consultation saw a Consultation Document published online, available from Libraries and Council offices and circulated as per Scuttlebutt (Council newsletter) distribution, in accordance with sections 95 and 82. The following is an outline of consultation key dates:

Date	Milestone
24 March 2016	Consultation Document adopted
27 March 2017	Public Submissions opened
28 April 2017	Public Submissions closed
31 May-1June 2017	Hearing of Submissions
23 June 2017	Annual Plan recommended for adoption

Legal Considerations and Statutory Responsibilities

36 The Annual Plan is a statutory requirement under the Local Government Act 2002 (section 95).

Attachments

- A 2017/18 Annual Plan (circulated separately)
- B Consenting Fee Proposal

Resource Consent and Engineering Fees and Other Charges – from 1 July 2017

Charges for processing resource consents, private plan changes and undertaking related activities have been set by the Queenstown Lakes District Council in accordance with section 36(1) of the Resource Management Act 1991 (RMA) and section 150 of the Local Government Act. Council has fixed a formula for charges as provided by section 36(1). The charges are comprised of an administrative fee of \$225.00 including GST per consent, plus an amount calculated as the reasonable time spent processing the application by the staff involved at the hourly rates scheduled below. The initial fees and charges are set out below.

In accordance with section 36(3) of the RMA, the applicant is also required to pay an additional charge to cover the actual and reasonable cost of items such as printing, advertising, postage, additional reports and commissioners that may be required in the processing of their application.

At the time of lodging an application the applicant is required to pay the applicable initial fee set out below. They will then be invoiced monthly for other amounts payable under the fixed formula and for any additional charges payable under section 36(3).

Applications will not be received and processing will not continue while charges remain unpaid or overdue.

The following schedule of initial fees and charges is effective from 1st July 2017.

- All charges and initial fees are inclusive of GST and are payable on application.
- The initial fees are minimum charges based on the expected reasonable costs relative to the work. Further costs will be invoiced on a time basis and are payable before further work is completed.
- The use of external consultants where required will be charged on a full recovery basis. Disbursements will be charged on a full recovery basis.

HOURLY RATES	\$
Senior Planner	165.00
Planner	145.00
Monitoring / Compliance	145.00
Development Contributions Officer	145.00
Engineering	165.00
Environmental Health	125.00
Administration Support	90.00

INFRASTRUCTURE AND PARKS	\$
Senior Infrastructure Engineer	165.00
Infrastructure Engineer/ Logistics	145.00
Infrastructure Other	145.00
Parks & Reserves Senior Planner / Planning Manager	165.00
Parks & Reserves Planner / Officer	145.00

MONITORING (Initial Fees)	\$
Compliance inspections	hourly rate

ADMINISTRATIVE CHARGE (Fixed fee)	\$
Administrative charge per consent	225.00
Administrative charge per pre-application request	90.00

PRE-APPLICATION MEETINGS (Initial Fees)	\$
Pre-Application Meeting including preparation - first hour free, after which at the applicable hourly rate.	hourly rate

LAND USE CONSENTS (Initial fees, plus a fixed monitoring fee of \$215)	
Breach of site standard other than earthworks (all zones except Town Centre, Business and Industrial)	1045.00
Breach of site standard other than earthworks, Town Centre, Business and Industrial zones	1240.00
Breach of zone standard (all zones except Town Centre, Business and Industrial)	1,515.00
Breach of zone standard Town Centre, Business and Industrial zones	2165.00
Comprehensive residential development Low Density Residential zone	5,865.00
Controlled Activity	1,195.00
Design control minor (e.g. building in Town Centre, Business or Industrial zones or dwelling in any special zone)	1,195.00
Design control other (e.g. dwelling in Rural Residential zone or dwelling on a platform in Rural Lifestyle zone)	1,495.00
Earthworks minor (e.g. single dwelling or similar)	1,240.00
Earthworks other	3,340.00
Establish residential building platform in Rural General	4,065.00
Extensions or alterations to existing Rural General dwelling	1,515.00
Heritage Orders	2,165.00
Minor alterations to heritage building	730.00
New Rural General dwelling not on building platform	4065.00
Non-residential activity in residential or special zones	3,415.00

Signs	855.00
Visitor accommodation 1-2 units Low Density Residential zone	1,240.00
Visitor accommodation multi-units Low Density Residential zone	6,615.00
Visitor accommodation 1-2 units High Density Residential zone	855.00
Visitor accommodation or residential multi-units High Density Residential zone	5340.00
Other applications	1,240.00

SUBDIVISION CONSENTS (Initial fees)	\$
Amalgamation Certificate - fixed fee	102.00
Boundary adjustment	1,025.00
Controlled activity up to two lots	1,300.00
Controlled activity more than two lots	1,950.00
Engineering Review & Acceptances, Inspections and Road Naming	412.50
Other subdivision (e.g. Rural Residential, Rural Lifestyle)	3,200.00
Rural General subdivision	3,850.00
Registered Bond / release of Registered Bond (each)	102.00
Cancellation of amalgamation conditions (s241)	1025.00
Section 223 Certificate	140.00
Section 224(c) Certificate	250.00
Signing and Sealing other plan or certificate	102.00

MULTIPLE ACTIVITIES

Where an application includes both land-use and subdivision activities or multiple activities, only the higher or highest relevant charge is payable

OTHER APPLICATIONS / PROCESSES (Initial Fees)	
Notice of Requirement for a Designation	3,850.00
Alteration of Designation	640.00
Removal of Designation or Heritage Order	195.00
Certificate of Compliance	640.00
Existing Use Certificate	640.00
Extension of lapse period of a resource consent	640.00
Outline Plan Approval Section 176A	640.00
Outline Plan Waivers Section 176A(2)(c)	300.00
Surrender of consent	195.00
Trees e.g. <i>trimming or removal of protected or heritage tree</i> Residential Arrowtown Historic Management zone (with supporting Arboriculturist's report)	195.00
Variation to resource consent conditions	640.00
Private plan change	10,000.00

LOCAL GOVERNMENT ACT CHARGES (Initial Fees)		
Section 348 Right of Way certificate	512.00	
Development Contribution Assessment and Estimates – residential	hourly rate	
Development Contribution Assessment and Estimates – commercial	hourly rate	
Traffic Management Plans	125.00	
Licence to Occupy	600.00	
Temporary Road Closures	500.00	
Corridor Access (Road Opening Permits)		
	< 20 m	185.00
	20-100 m	375.00
	100-500 m	560.00
	500-2000 m	750.00
	> 2000 m	1,875.00
Engineering Connection to Council Services (one connection)	280.00	
Engineering Connection to Council Services (for each additional connection)	120.00	
OTHER APPLICATIONS / PROCESSES (Fixed Fees)		
Urban Design Panel (prior to lodging resource consent)	250.00	
Urban Design Panel (post lodging resource consent)	500.00	

NOTIFIED AND LIMITED NOTIFIED APPLICATIONS (Initial Fees)	
<p>Limited Notification / Service (Section 95B)</p> <p>The charges fixed by council under section 36(1) include the following extra charge if limited notification of an application is required. The extra limited notification charge is also payable at the time of lodgement. However, where the need for notification / service is not apparent at the time of lodgement, the extra \$1,300 is payable as soon as it becomes apparent that limited notification is required.</p>	1,300.00
<p>Notified Applications (Section 95A or 95C) (Initial Fees)</p> <p>The charges fixed by council under section 36(1) include the following extra charge if full notification of a resource consent or designation is required. The extra notification charge is payable at the time of lodgement or as soon as it becomes apparent that notification is required and is to proceed. Public notification will not occur before payment is made.</p>	4,500.00

INITIAL CHARGES FOR HEARINGS (Initial Fees)		
<p>Where a hearing is required the applicant is liable to pay the costs for Commissioners attending hearings, undertaking site inspections and writing decisions as well as the cost of attendance of professional and secretarial staff.</p>	Half Day	6,000.00
	Full Day	11,000.00
<p>Prior to a hearing date being confirmed, an estimate of the hearing time (including site visit) will be made and the applicant will be required to pay the appropriate hearing initial fee. If the cost of the hearing and decision writing exceeds the hearing initial fee, the additional amounts will be invoiced. If actual charges are less than the initial fee, a refund will be issued.</p>	Each additional day	9,700.00

Building Consent Initial Fees and Other Charges

Charges for processing building consents and for the performance of other building control functions or services have been set by the Queenstown Lakes District Council in accordance with section 219 of the Building Act 2004.

The following schedule of initial fees and charges is effective from 1 July 2017.

- All charges and initial fees are inclusive of GST and are payable on application.
- The initial fees are minimum charges based on the expected reasonable costs relative to the estimate value of work. Further costs will be invoiced on a time basis and are payable before further work is completed.
- The Estimated Value of Building Work is defined in section 10 of the Goods and Services Act 1985, which includes the cost of building materials, labour, design costs, siteworks, but excludes furnishings, carpets and appliances.
- The use of external consultants where required will be charged on a full recovery basis. Disbursements will be charged on a full recovery basis.

HOURLY RATES	\$
Building Control Officer (BCO)	145.00
Administration	90.00

BUILDING CONSENT NO PIM (Initial Fee)	(No PIM) \$
Estimated Value of Building Work (Incl GST)	
- - 5,000	325.00
5,001 - 20,000	715.00
20,001 - 180,000 Unlined Accessory Building	1,155.00
20,001 - 180,000	1,750.00
180,001 - 500,000 Single Residential	2,850.00
180,001 - 500,000 Commercial	3,100.00
500,001 - 1,000,000 Single Residential	4,350.00
500,001 - 1,000,000 Commercial	4,800.00
Over 1,000,000 *	5,300.00
* for every \$50,000 or part thereof over \$1,000,000 an additional initial fee of \$55.00	

BUILDING CONSENT INCL PIM (Initial Fee)	(Incl PIM) \$
- - 5,000	365.00
5,001 - 20,000	755.00
20,001 - 180,000 Unlined Accessory Building	1,180.00
20,001 - 180,000	1,775.00
180,001 - 500,000 Single Residential	2,875.00
180,001 - 500,000 Commercial	3,125.00
500,001 - 1,000,000 Single Residential	4,375.00
500,001 - 1,000,000 Commercial	4,825.00
Over 1,000,000 *	5,325.00
* for every \$50,000 or part thereof over \$1,000,000 an additional initial fee of \$55.00	

SPECIFIC BUILDING TYPE (Initial Fee)	\$
Heating Appliances	335.00

Demolition - Residential	230.00
Demolition - Commercial	335.00
Demolition - Minor	115.00

GOVERNMENT LEVIES (for all building work of value \$20,000 and over)	
Building Research Levy BRANZ	\$1.00 per \$1,000 of building work
Department of Building and Housing Levy	\$2.01 per \$1,000 of building work

BUILDING ADMINISTRATION		\$
Minor Plan Variation (No additional processing work and very simple changes)	hourly BCO rate	
Relodged / Split Building Consent Application (no change in value of work)		420.00
PIM only - Residential (cost is later deducted from subsequent full Building Consent Initial Fee)		230.00
PIM only - Commercial (cost is later deducted from subsequent full Building Consent Initial Fee)		390.00
PIM Amendment Assessment		70.00
Certificate of Public Use (sect 363)		250.00 (Com 1&2) 350.00(Com3)
Certificate of Public Use amendment (sect 363)		190.00
Change of Use Consideration (if no building work required)		145.00
Exempted Building Work consideration		250.00 initial fee plus hourly rate
Certificate of Acceptance		Full Building Initial Fee based on value of work
Relocation assessment and report		235.00
Notice to Fix (where no building consent active)		235.00
Building Across 2 allotments (sect 75)		hourly rate plus legal disbursements
Natural Hazards (sect 72 certificate)		hourly rate plus legal disbursements
Alternative Solution Approval		hourly BCO rate
Pre-Application meetings		hourly BCO rate
Cancellation of Building Consent		unused initial fee returned
Application to extend time frame for which Building Consent is valid		hourly rate 70.00
Monthly BC Issue information report - per annum (or \$35 per month)		360.00

RELATED APPROVALS (Fixed Fee)	\$
Building Certification - Sale of Liquor Act	140.00

BUILDING WARRANT OF FITNESS CHARGES (Fixed Fees)	\$
Compliance Schedule (issue and register)	235.00
Amended Compliance Schedule	145.00
Annual BWOFF certificate	90.00
BWOFF audit on-site (approx 3 year intervals)	hourly rate

FENCING OF SWIMMING POOLS (Fixed Fee)	\$
Pool Registration	220.00
Pool Inspection	145.00
Waiver and Modifications	145.00

NEW ZEALAND FIRE SERVICE - DESIGN REVIEW UNIT (Fixed Fee)	\$
Some plans will require assessment by the NZ Fire Service. This assessment will incur a charge from the Fire Service, based on the time required, which will be passed on to the applicant, and an administration fee of \$60 will also be charged to cover costs incurred by Queenstown Lakes District Council.	65.00

LAND INFORMATION MEMORANDUM (Fixed Fee)	\$
Residential - standard 10 working days	200.00
Commercial - Standard 10 working days	305.00
Residential - Speedy 3 working days	315.00
Commercial - Speedy 3 working days	420.00

QLDC Council**23 June 2017****Report for Agenda Item: 3****Department:****Finance and Regulatory****Statement of Intent, Queenstown Airport Corporation 2017/18****Purpose**

To receive the Statement of Intent for Queenstown Airport Corporation (QAC) for the 2017/18 year in accordance with sections 64 and 65 of the Local Government Act 2002

Recommendation

That the Council:

- a. ***Receive the Statement of Intent for 2017/18 for the Queenstown Airport Corporation.***

Prepared by:



Stewart Burns
Chief Financial Officer

9/06/2017

Reviewed and Authorised by:



Mike Theelen
Chief Executive

9/06/2017

Background

- 1 The QAC is a Council Controlled Trading Organisation (CCTO) as per Section 6 of the Local Government Act 2002 (the Act).
- 2 Section 64 of the Act requires all CCOs to have a Statement of Intent.
- 3 The Draft Statement of Intent for 2017/18 must be delivered to the shareholder (Council) before 1 March 2017. This was considered by the Council at the 9 March 2017 meeting.
- 4 QAC must consider any comments that are made by Council on the draft Statement of Intent within 2 months i.e. before 30 April 2017.
- 5 The completed Statement of Intent must be delivered to Council by 30 June 2017.

Comment

6. Section 6 of the Local Government Act 2002 (the Act) creates the following types of organisations for which Councils have governance responsibilities:
 - Council Organisations (CO) - organisations in which one or more local authorities controls any proportion of the voting rights or rights to appoint directors;
 - Council Controlled Organisations (CCO) – Council organisations in which one or more local authorities control 50% or more of the voting rights or have the rights to appoint 50% or more of the directors;
 - Council Controlled Trading Organisations (CCTO) - Council Controlled organisations which operate a trading undertaking with the intent of making a profit.

7. The QAC is a Council Controlled Trading Organisations (CCTO) as per Section 6 of the Local Government Act 2002 (the Act). Section 64 of the Act requires all CCOs to have a Statement of Intent (SOI).

8. Schedule 8 of the Act contains the process for adoption of the SOI, which is:
 - Draft SOI to be delivered to Council before 1 March each year
 - CCO must consider any comments on the SOI that are made by Council within 2 months i.e. before 30 April
 - Completed SOI delivered to Council by 30 June.
 - Council can, by resolution, compel the Board to amend the SOI by omitting or including any of the following:
 - Objectives
 - Statements of the Boards approach to governance
 - Nature and scope of activities to be undertaken
 - Ratio of shareholders funds to total assets
 - Accounting Policies
 - Performance targets and measures by which the CCO will be judged
 - Estimates of the amount or proportion of Accumulated profits or Reserves that may be distributed
 - Kind of information to be provided to Council, including the content of the six monthly report
 - Procedures to follow for the CCO to purchase shares in any other venture

Financial Implications

9. There are no budget or cost implications resulting from the decision.

Local Government Act 2002 Purpose Provisions

10. The Queenstown Airport is a key infrastructure asset for the district. As such, the Council's consideration of its Statement of Intent is appropriate and within the ambit of section 10 which requires Councils to meet the current and future needs of communities for good-quality local infrastructure in the most cost-effective way for households and businesses.

Consultation

11. The report provides a basis for communication between the company and the shareholder, and as such no wider consultation is required.

Queenstown Airport Corporation Statement of Intent

12. The Statement of Intent is one of QAC's key strategic documents. The content forms a summary of its 10-year Strategic Plan and its annual Operating Plan.

13. As noted in the covering report submitted with the draft Statement of Intent in March, more detailed timing and measures for specific projects and three years of financial forecasts have been updated in the final Statement of Intent. This follows the finalisation of Queenstown Airport's Master Plan which was recently signed off by its Board of Directors.

14. Changes from the February draft are as follows (page references are the tracked revisions version):

- Page 3: References to Wanaka Airport more fully describing the nature of activities at the airport – drafted by QLDC;
- Page 5: Further insight into our transport strategy and our role in assisting QLDC in solving transport challenges – requested by QLDC;
- Page 5: An update on the Wanaka governance process;
- Pages 8-17: Minor updates to initiatives, performance targets and timing arising primarily from the new Master Plan options;
- Page 19: Changes to financial forecasts driven by the Master Plan options (these changes were flagged in the footnote in the February draft):
 - Revenues grow faster than previously forecast due to improved aero pricing and commercial returns;
 - Net Profit After Tax grows more consistently over FY18 to FY20 but is weaker than previously forecast as we invest in Master Plan strategies including noise and land planning;
 - Capital Expenditure is higher primarily due to planned land investments and terminal capacity expansion;
 - Dividends are higher than previously forecast due to a proposed new dividend policy (assuming 60% of normalised NPAT);
 - Consistent with the draft SOI, any new governance arrangement at Wanaka is excluded from this forecast.

15. The tracked changes version of the final Statement of Intent is provided to provide clarity on what has changed.

Attachments

A Queenstown Airport Corporation Statement of Intent 2017-18 (Final).



Queenstown Airport Corporation Ltd

Statement of Intent 2018-2020

FINAL: 12 June 2017



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Introduction

As a Council-Controlled Trading Organisation, Queenstown Airport Corporation (QAC) is required to prepare an annual Statement of Intent (SOI) which publicly states its strategic priorities for the next three years in accordance with Section 64(1) of the Local Government Act 2002. The SOI takes shareholder comments into consideration and provides performance targets for organisational accountability.

About Us

Queenstown Airport Corporation

Queenstown Airport Corporation (QAC) was incorporated in 1988 and is responsible for the management of Queenstown Airport. QAC strives to deliver an efficient and operationally safe airport with world-class facilities and an outstanding passenger experience that reflects the best the region has to offer.

The company, comprising approximately 49 staff, is owned:

- 75.01% by the Queenstown Lakes District Council (QLDC); and
- 24.99% by Auckland International Airport Limited (AIAL)

QAC is also engaged by QLDC to provide general airport and property management for Wanaka Airport and property maintenance for the Glenorchy Aerodrome.

Queenstown Airport

As New Zealand's fourth busiest airport by passenger numbers, Queenstown Airport's continuing growth and profitability have made it a strategic national asset and a key driver of the region's tourism industry and broader economy. The airport is the direct domestic and international entry point to the lower South Island, providing easy access to Queenstown, one of the world's premium visitor destinations, and to some of New Zealand's most renowned scenery and visitor experiences. As such, it serves the communities across the region and contributes significantly to the growth and prosperity of New Zealand's tourism sector.

~~Located 10 minutes from~~ Queenstown, ~~the~~ Airport services the region with ~~daily frequent~~ domestic flights and ~~regular direct~~ and trans-Tasman flights. It receives direct scheduled services from New Zealand's main metropolitan ports of Auckland, Wellington and Christchurch which provide strong regional links throughout the country, as well as from the Australian cities of Brisbane, Coolangatta, Sydney and Melbourne. Auckland and Sydney airports are the major international hub airports for long-haul visitors to the region.

Queenstown Airport is heavily used for tourist 'flightseeing', especially to Milford Sound and Aoraki Mount Cook, and is New Zealand's busiest helicopter port. Private jets are also a growing market, both short and long haul, with aircraft now flying direct from north Asia and the west coast of the United States.

Wanaka Airport

~~Internationally renowned for the bi-annual Warbirds over Wanaka air show, and awarded New Zealand Regional Airport of the Year in 2015, Wanaka Airport serves a broad range of visitors to the region and holds considerable potential for growth. Nearly 300 people work in and around the airport on day-to-day operations, including flightseeing to Milford and Mount Cook and surrounding areas, helicopter training and chartering, private recreational aviation, and charter operations. In 2015, Wanaka Airport also became formed a partnership with NASA to become the site of New Zealand's first scientific space balloon launch.~~

Commercial Value

As at 30 June 2016, QAC's land, land improvements and buildings were valued at \$231 million and included 137.3 ha on Frankton Flats. This comprised:

- 83ha incorporating the airfield, runways and aprons, rescue fire facilities and air traffic control tower
- 8ha of terminal, car parking, road network and commercial land leased to airport-related businesses
- 17ha of commercial land used by General Aviation
- 17ha of underdeveloped land recently rezoned for Plan Change 19 land to the north of the runway
- 12ha of underdeveloped rural and golf course lease.
- 0.3 ha of residential land

QAC's estimated commercial value, as adopted by its Board of Directors in 2014, was between \$177 million and \$206 million. This was in line with a PwC valuation in November 2013. The Board will commission a new valuation as at 30 June 2017.

Situational Overview

QAC's business success and growth is intrinsically linked to the health of New Zealand's tourism and visitor industry. In turn, the industry depends on [Queenstown and Wanaka](#) airports to provide sustainable air connectivity and a world-class visitor experience to help it achieve its tourism industry goal of \$41 billion annual revenue by 2025.

Visitor growth and demand has been strong, driven by the attractiveness of New Zealand and our region as a destination, a multitude of new air services, relatively cheap fuel prices and support from strong marketing campaigns.

Queenstown Airport has responded to this sustained passenger growth by delivering infrastructure 'just in time' which has suited those stakeholders who provide funding for such improvements. We continue to work closely with aviation and tourism partners to identify future growth opportunities, particularly building evening flight capacity and maintaining a consistent daily and seasonal schedule. We are committed to ensuring airport infrastructure is developed to meet that demand and pursuing operational efficiencies through technology and process innovation.

Our demand forecasts predict that annual passenger numbers have the potential to increase from 1.8 million in 2017 to 3.2 million by 2025, [subject to infrastructure constraints](#), so we are mindful that there is a need to [sustainably](#) manage future growth in line with stakeholder and community expectations.

Appropriately targeted investment in regional infrastructure and tourism facilities continues to be a critical factor in keeping pace with anticipated growth and retaining a quality visitor experience. Both from an airport perspective and as a proud community member, we are committed to working with communities and stakeholders to address these issues and maintain a healthy balance.

Continued pressure on the availability and affordability of visitor accommodation in peak periods, congestion on transport and road networks, high demand on services and a lack of affordable worker accommodation at a suitable standard are impacting visitors and locals and may eventually impact visitor demand.

Until these infrastructure challenges are resolved, they pose a risk to achieving our strategic objectives. In order to fulfil the growth and development potential of the airport, we are developing mitigating strategies in a collaborative manner with key stakeholders and local communities to build a shared understanding, support and pride in the value we deliver. [There is a need for a shift towards more sustainable transport modes and a lower reliance on motor vehicles. As a member of the Queenstown Governance group we are collectively developing a Queenstown Integrated Transport Strategy addressing infrastructure, public transport, and demand management to deliver this mode shift and improve transport choices.](#)

Our 30-year master plan for Queenstown Airport will be released later this year for discussion and will provide a roadmap for future developments to deliver a memorable visitor experience and generate sustainable growth and value to our communities and stakeholders alike.

[Following a review of the governance of Wanaka Airport, QLDC recently decided to grant QAC a long term lease. We look forward to working with QLDC on the lease terms and engaging with the community to develop an airport at Wanaka that we can all be proud of well into the future.](#) ~~[has announced that it will negotiate a long term lease over Wanaka Airport with](#)~~ ~~[this currently reviewing the governance of Wanaka Airport. QAC, has made a public submission supporting QLDC's proposed approach and confirming its interest in playing a role in the future development of Wanaka Airport.](#)~~

Key Strategic Projects

	FY2016 - completed	FY2017	FY2018	FY2019	FY2020
Evening flights	Successful delivery of airport infrastructure, staff, communications.	Successful rollout. Expand on winter evening flights - airlines, schedules.	Expand on winter evening flights - airlines, schedules.	Identify further opportunities.	Identify further opportunities.
Master plan	Consultant procurement. Planning commences.	Development of plan. Stakeholder and community engagement.	Continue Stakeholder and community engagement. Implementation.	Implementation.	Implementation.
Noise planning	Submissions on PDP to ensure provisions for PC35 are adequately incorporated.	Hearings progressed in PDP process to ensure PC35 provisions are incorporated. Review current noise	Continuation of PDP hearings incorporating PC35 provisions.	Continue to progress changes to noise planning framework if required.	Finalise any changes to noise planning framework.

		boundaries in relation to demand forecasts.	Progress changes to noise planning framework if required.		
Aircraft noise mitigation	Commence full noise mitigation packages for 13 homes in Inner Noise Sector.	Complete work in Inner Noise Sector. Commence Mid Noise Sector.	Continue works in annual or two-yearly tranches for next 20 years.	Continue works in annual or 2-yearly tranches for next 20 years.	Continue works in annual or 2-yearly tranches for next 20 years.
Strategic land acquisition	Aeronautical study demonstrating operational effectiveness of taxiway on Lot 6.	Environment Court decision. Public Works Act (PWA) proceedings reinstated.		PWA decision.	Continue to assess opportunities as they arise.

Vision and Objectives for Queenstown Airport

Vision

Our vision is to position ourselves as **a World Leading Tourism Airport**, taking full advantage of the region’s appeal as a leisure and visitor destination.

Our key point of difference is that we are a destination airport with a high potential for return visitation. Our ‘fly direct to destination’ value proposition is attractive to both domestic and international travellers, particularly those who are time-poor or those looking for an Australia/New Zealand dual destination holiday.

The sheer scale and beauty of our natural environment also sets us apart - the moment a passenger flies in to Queenstown and steps off their aircraft, whether they be a resident or visitor, they experience a wow factor. Our vision will never lose sight of creating a wonderful and unique lasting impression through our scenery, our people-first focus on safety, comfort and experience, and the boutique retail offering within the terminal designed to reflect the best of our region.

Our vision will deliver **sustainable growth for our region by connecting people**. This will be demonstrated in the way we work with the wider airport community and with the Queenstown District community. It cannot be achieved without this close co-operation.

Objectives

The success of our vision will be measured in 3 areas - **People, Place and Performance**, each with objectives related to our four major stakeholder groups - **Our Visitors, QAC Team, Airport Community and Local Community**.

World Leading Tourism Airport Sustaining our region, connecting people				
	People	Place	Performance	
Visitor	Every visitor feels cared for and valued	Visitors find the airport to be a safe, relaxed and innovative environment that anticipates their needs and represents the best of the region	Exceptional visitor feedback across the end-to-end airport experience	
QAC	A team that feels respected and empowered to deliver an outstanding visitor experience	A safe, healthy and friendly work environment that supports “one team”	Optimised return on assets with sustainable growth in shareholder value while ensuring operational integrity	
Airport	An airport community that works together to ensure an outstanding visitor experience	A well planned airport connecting all activities, creating a sense of place and providing a platform for the airport community to grow and prosper	Airport partners consistently meeting their objectives supported by safe and efficient operations and an outstanding visitor experience	
Community	A local community that is proud of and engaged with its growing airport	Connecting the region to the world whilst minimising the impact on the unique environment	Sustainable regional growth achieved across a long time horizon	

Strategic Pillars

We will achieve our vision and adhere to our objectives through four strategic pillars:

OPERATIONS <i>Making journeys safe, secure, efficient and rewarding for us all</i>	COMMERCIAL <i>Providing value to our visitors</i>	PROPERTY <i>Making best use of our land</i>	ONETEAM <i>Working together to deliver the best outcomes</i>
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OPERATIONS STRATEGY

Making journeys safe, secure, efficient and rewarding for us all

Objectives	Key initiatives	Performance targets	Timing
Work with our airline and airport stakeholders to deliver passenger growth and share the rewards	<ul style="list-style-type: none"> Continue to work on initiatives to encourage airlines to fly directly to Queenstown and to grow sustainable air connectivity with a focus on expanding existing links and capitalising on new opportunities Further evaluate how visitors connect with Queenstown based on our 30-year demand forecasting and our route development strategy 	<ul style="list-style-type: none"> Airline route development strategy 	<ul style="list-style-type: none"> June 2018
Deliver affordable, timely infrastructure for the safe, secure and efficient movement of people	<ul style="list-style-type: none"> Maximise existing Queenstown Airport terminal capacity through the introduction and expansion after-dark flights. After dark flights will allow the airport to take advantage of its full consented operational hours between 06:00 and 22:00, moving from an approximate 8-hour operating window during the winter peak to a 16-hour operating window Continue to manage resourcing within QAC's Operations team to manage both overall growth and growth into the expanded hours of operation. A strong focus on collaborative operations, continuous improvement and facilities management continues across the business The acquisition of Lot 6 continues to be a priority in order to optimise airfield operations, allowing the positioning of a parallel taxiway and relocating the general aviation precinct away from scheduled operations and enabling additional apron capacity for scheduled operations 	<ul style="list-style-type: none"> Purchase and implement new winter operations equipment Increase capacity in baggage make-up area Apron asphalt overlay Terminal upgrade PWA completed 	<ul style="list-style-type: none"> July 2017 June 2018 March 2018 Dec 2017 to June 2020 June 2019

OPERATIONS STRATEGY

Making journeys safe, secure, efficient and rewarding for us all

Objectives	Key initiatives	Performance targets	Timing
<p>Deliver New Zealand's safest, most secure and efficient passenger experience through engaging with the airport community in collaborative operations</p>	<ul style="list-style-type: none"> • Operations team will continue to lead the promotion, scope and delivery of improvements for passenger facilitation, operational processes and systems • Establish baseline passenger processing time in arrivals and departure processing halls and set processing performance targets with border agencies • Continue to work with Customs to expand the nationalities which can utilise E-Gates • <u>IATA service level C maintained for all but peak days</u> • <u>Work collaboratively with Airways to introduce technology to manage the increasing risk of unmanned aerial vehicle (Drone) risks to historic aviation activities.</u> 	<ul style="list-style-type: none"> • Collaborative Border Agency Space Modification (BASM) group to focus on terminal capacity optimisation, end-to-end process improvement of passenger facilitation and operational efficiencies • Seasonally-based passenger processing targets agreed by border agencies, reviewed weekly and reported • New biometric automated passenger processing expanded to more nationalities • <u>Top 5 and bottom 5 quarterly targets shared with collaborative operations team and improvement targets set.</u> • <u>Trial and identify Unmanned Traffic Management ("UTM") systems to approve, track and more effectively manage drone flight activities in controlled airspace.</u> 	<ul style="list-style-type: none"> • June December 2017 • <u>Ongoing</u> • August 2017 • Ongoing • <u>July 2018</u>

OPERATIONS STRATEGY

Making journeys safe, secure, efficient and rewarding for us all

Objectives	Key initiatives	Performance targets	Timing
<p>Achieve Zero Harm (People and Environmental Incident) through leadership focused on health, safety and risk management, clear accountabilities and effective systems</p>	<ul style="list-style-type: none"> • Continue to engage the wider airport community in a collaborative approach toward continuous improvement in site health and safety • <u>Develop and implement an Operations-based risk management assurance standard</u>Continue to develop the organisation's risk management framework • Through focused leadership, continue to drive a strong Health and Safety culture within QAC • Promote a 'just culture' and open reporting system where we focus on key learnings • Maintain effective Health & Safety environmental systems which exceed legislative requirements • Regularly review the QAC Business Continuity Management (BCM) framework to reflect the size and response scale of operation • Continue to practise and stress-test our emergency preparedness (airport emergency plan) 	<ul style="list-style-type: none"> • Target = achieve zero harm to people and environment • Target = zero harm injuries to airport community and passengers in airport precinct • <u>Implement comprehensive layered audit programme</u>Comprehensive safety leadership engagement programme for the Senior Leadership team • 'Just culture' procedures embedded in business as usual operations • Achieve health and safety accreditation against AS/NZS 4801 and continue to implement <u>ICAO/CAR based SMS</u> against 3-year plan • Stress-test BCM plan/contingency procedures • Further non-aeronautical (i.e. earthquake, terminal fire) exercises planned and delivered to stress-test our emergency preparedness 	<ul style="list-style-type: none"> • Ongoing • Ongoing • December <u>March</u> 2017 • Ongoing <u>June</u> 2017 • January <u>September</u> 201<u>6</u> • June 2017 onwards • June 2017 <u>– April 2018</u>
<p>Deliver reliable facilities and infrastructure through asset lifecycle management, effective maintenance and contingency planning</p>	<ul style="list-style-type: none"> • Build a comprehensive inventory of assets and understand their current performance/condition in order to develop a Asset Management Plan • Implement a Project Management system to manage the delivery of capital projects • Implement <u>maintenance management and corrective action ticketing and reporting software to more efficiently track and manage maintenance activities.</u> Management System • Contingency plans and/or infrastructure in place for key utility services and aeronautical systems, i.e. power, water, waste water, runway lighting, CCTV, access control, FIDs, ATC • Develop an energy conservation programme for airport terminal infrastructure • Waste minimisation programmes developed 	<ul style="list-style-type: none"> • Comprehensive facilities maintenance and lifecycle replacement programme scoped • Projects can be easily and effectively managed through their entire life cycle. • <u>Implement Maintenance fault, defect and corrective action reporting and recoding software, s and defects can be identified and managed through to resolution</u> • Airport utility and systems contingency risks identified, documented and an implementation plan in place • Set energy conservation targets 	<ul style="list-style-type: none"> • August 2017 • Ongoing <u>May</u> 2017 • November <u>June</u> 2016 and June 2017 • January 2017 onwards • Ongoing <u>May</u> 2017 • February 2018

OPERATIONS STRATEGY

Making journeys safe, secure, efficient and rewarding for us all

Objectives	Key initiatives	Performance targets	Timing
		<ul style="list-style-type: none"> • Set waste minimisation targets 	

COMMERCIAL STRATEGY

Providing value to our visitors

Objectives	Key initiatives	Performance targets	Timing
Develop a boutique terminal retail mix that reflects the uniqueness and quality of the regional experience and optimises returns and customer satisfaction	<ul style="list-style-type: none"> Continue to develop terminal retail to provide a boutique shopping environment for consumers, with a mix of local owner-operators and larger corporate-owned stores Continue to optimise and expand the terminal for passenger flow, processing areas and retail mix through the master planning process 	<ul style="list-style-type: none"> Commercial revenue growth as per financial forecast 	<ul style="list-style-type: none"> 2018-2020
Optimise returns from transport networking activity by optimising products, price and partnerships	<ul style="list-style-type: none"> Changes to the Queenstown Airport terminal road network and carparks will be made in 2016/17 by 30 June 2017 to improve flow and reduce congestion. This will in turn provide us with opportunities to review and diversify products and the pricing structure for the commercial and public car parks Launch a 12-month park and ride trial A new car parking and transport strategy will assist us in future planning for car parking, ground transport capacity and new related products 	<ul style="list-style-type: none"> Improvements to road layout and flow completed New commercial vehicle layout and licence structure introduced Public car park pricing reviewed and new products and sales channels added Park and ride trial provides sufficient data to inform a long-term off-terminal strategy 	<ul style="list-style-type: none"> June 2017 June 2017 June 2017 – June 2019 April 2017 – April 2018
Introduce innovative new revenue opportunities, particularly through the use of digital media and technology	<ul style="list-style-type: none"> Monitor new technologies and trends and form strategic partnerships to provide new revenue opportunities, customer enhancements or airport efficiencies Use WiFi heatmapping technology to monitor dwell times and use the information to develop most valuable terminal spaces Work collaboratively with advertising agencies and potential advertisers to create new and different ways to connect with customers. Focus on experiential advertising to help create a sense of place and ambience in the terminal Input into master plan to ensure there are optimal spaces for advertising with a focus on more flexibility to introduce/update digital technology 	<ul style="list-style-type: none"> Monitor customer experience and behaviours via quarterly research results (i.e. airport experience survey) Review advertising assets, contracts and suppliers Roll out a phased plan of digital media and technology improvements 	<ul style="list-style-type: none"> Quarterly February 2017 and June 2018 July 2017

PROPERTY STRATEGY

Making best use of our land

Objectives	Key initiatives	Performance targets	Timing
Develop a master plan for Queenstown Airport that will inform internal planning, facilitate stakeholder & community engagement and provide a spatial framework for the airport's future	<ul style="list-style-type: none"> The 30-year master plan process will provide guidance on the land needed for future aeronautical operations and planning requirements for planned growth Explore the opportunity to capitalise on the growth in Frankton Flats by integrating the airport into the surrounding area to support other economic areas for the district 	<ul style="list-style-type: none"> Draft Master Plan developed Draft Master Plan Options completed Stakeholder engagement on Draft Master Plan Community engagement on Draft Master Plan 	<ul style="list-style-type: none"> February 2017 June 2017 June 2017 2017 – ongoing Dec 2017
Protect the airport's long term objectives and capacity by inputting to national, regional and local planning, and addressing proposed developments/land uses within the airport's designations	<ul style="list-style-type: none"> Be proactive in regulatory planning issues, submitting as required on national, regional and local planning frameworks Engage with the QLDC Proposed District Plan (PDP) process to ensure Queenstown and Wanaka airport's planning frameworks are provided for, protected or enhanced Actively participate in community discussions to help maintain visitor experience and quality of life for the permanent resident base. This would assist in integrating the airport in the local community as it expands over the coming 30 years 	<ul style="list-style-type: none"> Airport Mixed Use Zone is approved and operative for both Queenstown and Wanaka Airports PC35 (QAC) and PC26 (Wanaka) provisions and recognition of Queenstown Airport as nationally significant infrastructure is effectively confirmed within the District Plan review 	<ul style="list-style-type: none"> December 2017 2020 (subject to QLDC's final PDP time-line)
Develop land holdings to maximise return on investment while complementing long term aviation growth	<ul style="list-style-type: none"> Assess development opportunities for their long term sustainable value to the airport within our relatively constrained land available for this use. Specific opportunities being explored include working with QLDC on the development of a transport hub linked to QAC's transport network, visitor accommodation, and commercial/industrial development. 	<ul style="list-style-type: none"> Broad land uses determined in Master Plan process 	<ul style="list-style-type: none"> June 2017
Work with key partners to ensure infrastructure outside the airport supports and does not constrain long term airport growth and vis versa	<ul style="list-style-type: none"> Participate and provide joint leadership in the Transport Governance Group together with QLDC, NZTA and ORC 	<ul style="list-style-type: none"> Joint development of a Queenstown Integrated Programmed Business Case 	<ul style="list-style-type: none"> August June 2017

PROPERTY STRATEGY

Making best use of our land

Objectives	Key initiatives	Performance targets	Timing
Acquire or rationalise land holdings to support our strategies	<ul style="list-style-type: none"> Secure and develop Lot 6 to accommodate a 168m separated heavy taxiway and a new aviation precinct. Assess opportunities to acquire other land that will support the long term growth of the airport 	<ul style="list-style-type: none"> Secure the acquisition of 'Lot 6' Assess and present land acquisition opportunities on case by case merits 	<ul style="list-style-type: none"> FY19 Ongoing
Optimise returns on property, leases, licences and commercial property held within QAC's portfolio <u>consistent with strategic objectives</u>	<ul style="list-style-type: none"> Continue to evaluate opportunities to grow commercial property portfolio revenues are focused on re-negotiating rents during reviews and when establishing new leases in existing areas based on benchmarking and market dynamics. 	<ul style="list-style-type: none"> Implement property management system Leases and licences reviewed and renewed and up to date New lease and licence opportunities evaluated and implemented on case by case merits Revenue targets – as per Financial Forecast 	<ul style="list-style-type: none"> June 2017 FY17Dec 2017 Ongoing 2018-2020
Design & deliver affordable, timely transport infrastructure for the safe and efficient movement of people and supporting an outstanding visitor experience	<ul style="list-style-type: none"> Implement improvements to the vehicle transport and roading networks within landholdings. Integrate with and support the economic development of Queenstown and the surrounding region including a transport hub which would support local and visitor traffic, linking private vehicles, commercial tourism transport, public buses and possibly ferries. 	<ul style="list-style-type: none"> Airport carpark and roading network (Stage IV) improvements delivered Evaluate further opportunities for car parking capacity increases Draft car parking and ground transport (CPT) strategy and plan developed Support the promotion of multi-modal transport choices available at the airport 	<ul style="list-style-type: none"> June 2017 Dec 2017 and ongoing June 2017 Ongoing
Provide for region-wide aviation growth and opportunities <u>by working to develop a long term plan for Wanaka Airport</u>	<ul style="list-style-type: none"> Participate/Agree within QLDC a long term lease's governance review process for over Wanaka Airport If a decision is made by QLDC to issue a long term lease of Wanaka Airport to QAC lease is signed, develop plans to ensure a smooth transition and integration, with strong community support. 	<ul style="list-style-type: none"> Input as required into QLDC's governance review process Complete negotiation and documentation of long term any lease Agree transition plan 	<ul style="list-style-type: none"> March 2017 June 2017DecSep 2017 Nov 2017

ONE TEAM STRATEGY

Working together to deliver the best outcomes

Objectives	Key initiatives	Performance targets	Timing
Invest in our team's development and wellbeing and build an empowered one team culture	<ul style="list-style-type: none"> Roll out QAC's team values programme and embed throughout the company and wider airport community Consolidate wellness programme throughout organisation 	<ul style="list-style-type: none"> Employee survey engagement matrix analysis Staff feel valued and are recognised for a job well done High level of engaged and motivated staff 	<ul style="list-style-type: none"> Ongoing
Create a deep understanding of our customers, their needs and desires - and how they'll change - to provide a memorable airport experience and effective value propositions	<ul style="list-style-type: none"> Consolidate the data sets built over the past 18 months to build a comprehensive framework of customer insights 	<ul style="list-style-type: none"> Create customer experience and journey framework 	<ul style="list-style-type: none"> Dec 2017 Mar 2018
Work with our airline & airport partners to optimise operational efficiency and visitor experience through lean and continuous improvement initiatives	<ul style="list-style-type: none"> Work with airline, agency and other airport stakeholders to deliver cross-airport process improvement using lean and other tools. Initial focus is departures processing and ground transport and car parking 	<ul style="list-style-type: none"> Complete 2 lean proof of concept projects (Wave 1): Baggage Make Up Apron Optimisation, Baggage Make Up Unit Subsequent lean improvement projects implemented (Wave 2, Wave 3) 	<ul style="list-style-type: none"> Sept 2017 (Wave 1) Mar 2018 (Wave 2) Q1 2019 (Wave 3)

ONE TEAM STRATEGY

Working together to deliver the best outcomes

Objectives	Key initiatives	Performance targets	Timing
Build engagement with stakeholders and the wider region to connect more deeply with the community served by the airport	<ul style="list-style-type: none"> Refresh stakeholder engagement plan Proactive and regular communication to stakeholders Develop and roll out project-specific communications Use our company values to identify/refine community engagement opportunities Actively participate in community discussions to help maintain visitor experience and quality of life for the permanent resident base. 	<ul style="list-style-type: none"> QAC staff are recognised leaders and role models among the wider airport team and community High level of engaged and motivated staff Supportive environment for wider airport community to work as one team 	<ul style="list-style-type: none"> Ongoing Ongoing Ongoing
Be a leader, working collaboratively at a local, regional and national level to find solutions to the region's destination management issues	<ul style="list-style-type: none"> Work with QLDC, relevant agencies, the business community and the wider resident communities on discussing solutions to destination management issues 	<ul style="list-style-type: none"> Regular report to the Board Be an integral member and respected voice within the wider business community on key issues 	<ul style="list-style-type: none"> Monthly
Implement the noise management plan to mitigate noise impacts and address community concerns	<ul style="list-style-type: none"> Mitigation work will continue rolling out for homes in the inner noise sector Commence^{Start} work on homes in the mid noise sector Noise mitigation works to continue in annual or two-yearly tranches for the next 20 years 	<ul style="list-style-type: none"> Airport noise, as measured, is within the levels set in the District Plan Inner noise sector mitigation works commenced on first round of homes Mid noise sector consultation commences Communications are regular, accurate and relevant e.g. passenger stats, website content, ZQN Newsletter, and media releases 	<ul style="list-style-type: none"> Ongoing June-July 2017 Sep 2017

ONE TEAM STRATEGY

Working together to deliver the best outcomes

Objectives	Key initiatives	Performance targets	Timing
Optimise facilities and infrastructure to reduce energy consumption, reduce waste and enhance environmental sustainability	<ul style="list-style-type: none"> Reduce the climate change impacts of Queenstown Airport and realise cost savings from energy and fuel efficiencies Set targets for annual total potable water consumption (m3), annual total potable water savings (m3) and uptake water efficient technologies and opportunities, e.g. bore water, grey water, rain capture etc. Set targets for annual waste production (tonnes), annual waste recycled (tonnes), and annual waste minimised (tonnes) Build targeted supply chain partnerships to enhance Queenstown Airport's sustainability performance Set annual environmental performance targets, (including aircraft noise), identify opportunities and implement projects to enhance New Zealand's biodiversity. Identify an appropriate sustainable business accreditation to measure and benchmark ongoing improvement in environmental sustainability. 	<ul style="list-style-type: none"> Refer Aeronautical Strategy targets Quarterly report to the Board Baseline metrics and measurements established in line with a sustainable business accreditation process. 	<ul style="list-style-type: none"> Refer Aeronautical Strategy timing March 2017 ongoing June 2017 ongoing
Fund airport strategies cost-effectively through banking and other partnerships	<ul style="list-style-type: none"> Prepare a funding plan-strategy for the Master Plan capital requirements, including review of dividend policy. 	<ul style="list-style-type: none"> Medium term Funding strategy completed Long term funding strategy completed 	<ul style="list-style-type: none"> June-Dec 2017 June 2018
Technology improvements to improve visitor experience, business resilience and operational efficiency	<ul style="list-style-type: none"> Implement a cyber security strategy and enhance business continuity to strengthen Queenstown Airport's resilience Implement Car Parking and Ground Transport technology improvements to improve efficiency and visitor experience Improved CCTV to enhance visitor safety and operational efficiency 	<ul style="list-style-type: none"> Cyber security strategy implemented Car parking and ground transport improvements implemented Business continuity technology improvements are implemented CCTV upgrade completed 	<ul style="list-style-type: none"> Oct 2017 Dec 2017 Dec 2017 July 2018

Financial Forecast FY2018-2020

FINANCIAL FORECAST 2018-20

For the Financial Years Ending 30th June

Year Ending 30 June	Forecast	Forecast	Forecast
	FY18	FY19	FY20
	\$'000	\$'000	\$'000
Total Revenue	43,663	49,035	53,886
Operating Expenditure	15,002	16,750	18,146
EBITDA	28,660	32,285	35,740
Interest Expense	2,214	2,947	4,236
Depreciation & Amortisation	8,388	9,772	10,640
Profit Before Tax	18,059	19,567	20,864
Net Profit After Tax	12,007	13,048	14,137
Dividends Paid ¹	6,610	7,204	7,829
Total Assets	357,573	394,224	436,347
Shareholders Funds	256,361	279,505	300,849
Operating Cash Flow	23,331	26,303	29,283
Capital Expenditure	41,257	28,712	37,660
Closing Debt	80,310	94,570	114,022
Net Drawdown/(Repayment) of Debt	26,416	14,260	19,452

Financial Ratios	Forecast	Forecast	Forecast
	FY18	FY19	FY20
Total Pax (000)	2,001	2,107	2,180
Percentage International Pax	28%	31%	32%
Revenue per Pax	\$ 21.82	\$ 23.27	\$ 24.72
NPAT per Pax	\$ 6.00	\$ 6.19	\$ 6.48
Return on Equity (NPAT to Avg SH Funds ²)	4.9%	4.9%	4.9%
Return on Assets (NPAT to Avg Total Assets ³)	3.6%	3.5%	3.4%
Gearing: Debt : EBITDA	2.8	2.9	3.2
EBITDA > 2 times funding expense	10.5	9.2	6.9
Shareholders Funds to Total Tangible Assets > 50%	71%	70%	68%

Notes

1. Dividends calculated on a paid basis rather than earned.
2. Average Shareholders' funds based on opening and closing balances.
3. Average Total Assets based on opening and closing balances.

For the Financial Years Ending 30th June

	Forecast FY18 \$'000	Forecast FY19 \$'000	Forecast FY20 \$'000
Total Revenue	43,663	49,035	53,886
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Notes

1. Dividends calculated on a paid basis rather than earned. 2. Average Shareholders' funds based on opening and closing balances.

3. Average Total Assets based on opening and closing balances.

These forecasts will be refined by June 2017, as the Master Plan and related strategies (including aero-pricing) are finalised. They exclude the impact of any change in the Wanaka Airport Governance structure.

Shareholder Interaction and Corporate Governance

Regulatory Framework

QAC is a Council Controlled Trading Organisation (CCTO) for the purposes of the Local Government Act 2002. Section 59 sets out the principal objectives of a CCTO which are to:

- (a) *achieve the objectives of its Shareholders, both commercial and non-commercial, as specified in the statement of intent; and*
- (b) *be a good employer; and*
- (c) *exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and*
- (d) *conduct its affairs in accordance with sound business practice.*

QAC's business is also subject to regulatory control under the Airport Authorities Act 1966 and complies with the disclosure requirements of a specified airport company pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations.

The Airport Authorities Act 1966 (section 4(3)) states that the Airport "...must be operated or managed as a commercial undertaking."

The company's governance is also covered by the Companies Act 1993.

QAC's aeronautical operations are governed by the Civil Aviation Act 1990 and Civil Aviation Rules Part 139.

Statement of Intent (SOI) Process

As a CCTO, QAC must prepare a SOI in accordance with Section 64(1) of the Local Government Act 2002.

QAC submits a draft SOI for the coming financial year to Queenstown Lakes District Council (QLDC) by 1 March. Following consultation with QLDC, and after considering any comments from QLDC, the final SOI is approved by the airport's Board of Directors and delivered to QLDC by 30 June.

Board of Directors

QAC Board of Directors and management are committed to ensuring the Company meets recommended best practice governance principles and maintains the highest ethical standards.

The Board of Directors is appointed by the Shareholders to govern and direct QAC's activities. The Board is the overall final body responsible for all decision-making within the Company. It is accountable to its Shareholders for the financial and non-financial performance of the Company.

The Board works collaboratively with its Shareholders to ensure a "no surprises" relationship. As part of that relationship, Shareholder representatives are invited to attend board meetings as observers.

The Board has established an Audit and Financial Risk Committee to oversee the Company's financial reporting processes, system of internal control, and the external audit process, and its processes for identifying and managing risk, and for monitoring compliance with applicable law and its own policies. The Board also has established a Safety and Operations Risk Committee to oversee the Company's performance and reporting related to health & safety and operational activities and monitor compliance with applicable law and its own policies.

Role of the Board

The Board is responsible for the proper direction and oversight of QAC's activities. This responsibility includes:

- Approving strategic plans, budgets and the SOI
- Corporate policies, including financial and dividend policies, and delegated authorities
- Monitoring financial performance and achievement of the strategic initiatives and SOI objectives
- Appointment and monitoring of the performance and remuneration of the Chief Executive Officer (CEO)
- Integrity of management information systems
- Assessment of business opportunities and business risks
- Internal control and assurance systems
- Compliance with relevant law
- Reporting to Shareholders

Code of Conduct

The Board has adopted a code of conduct based on the New Zealand Institute of Directors' Code of Practice for Directors. The purpose of the code is to clarify how the Board of Directors shall define and deal with:

- The role and fundamental obligations of the Board
- Independence and conflict of interest, including conflict with management
- Board procedures, including the role of the Chairman and interaction with the CEO
- Reliance on information and independent advice
- Confidentiality of company information
- Board and Director performance review and development

Reporting to Shareholders

The Company has adopted 30 June as its balance date.

Within two months of the end of the first half of each financial year, Directors will deliver an Interim report to Shareholders including unaudited Interim financial statements for the period ending 31 December.

Within three months of the end of each financial year, Directors will deliver to Shareholders an Annual Report which will consist of:

- Chairman's and CEO's report
- Directors' Responsibility statement
- Audited financial statements
- Notes to the financial statements including accounting policies
- A Statement of Service Performance summarising QAC's performance of the SOI goals and objectives
- Independent Auditor's Report

Quarterly meetings are held between QAC's Chairman and CEO and QLDC's Mayor and CEO. These meetings are an opportunity to provide greater insights and information on business performance and issues of importance.

Dividend Policy

The Board will declare dividends according to the following policy:

- A base dividend payment from normalised Net Profit After Tax (NPAT) of \$2 million each year 50 percent payable by 31 January. The balance of the base payment will be paid after year end accounts are finalised with an additional 50 percent of normalised NPAT that exceeds \$2 million.
- In the event that the normalised NPAT is forecasted to be less than \$3 million then the Board will reconsider a dividend payment and will apply prudent governance prior to declaring any dividend.

The Board will consider any request from the Shareholders for further dividend payments and will apply prudent governance when considering such requests.

Prior to declaring a dividend the Board will consult with the Shareholders, and seek advice where necessary, to ensure that the tax consequences for each Shareholder are managed.

The Board will not issue shares wholly or partly in lieu of the proposed dividend or proposed future dividends, without the approval of Shareholders.

A review of the Dividend Policy ~~will be~~ [being](#) completed to ensure QAC's policy is consistent with industry best practice.

Capital Subscription

No new shares in the company will be issued without the consent of Shareholders.

The company is confident it can fund its capital growth plans from internal sources (cash flow and/or debt) during the forecast period 2018-2020. The Board will assess this position annually as part of the SOI process.

Investment in Other Entities

The Company must consult with the Shareholders prior to any investment being made in another entity.

Services Provided to QLDC

QAC receives a fee from QLDC for the provision of management services at Wanaka Airport calculated on a cost recovery basis only. This fee includes the cost of an onsite [Operations Manager and Administration Manager staff](#), providing operations, safety and property management as well as accounting and administration services.

QAC also provides property maintenance services at Glenorchy Aerodrome on behalf of QLDC.

QAC leases land to QLDC which forms part of the Frankton Golf Course for \$25,000 p.a.

Strategic Alliance with AIAL

Auckland International Airport Limited's (AIAL) investment in QAC includes an undertaking between the two companies to work together to grow QAC's business returns and increase passenger numbers.

The financial and passenger growth targets that were initially set have been exceeded and the strategic alliance continues to deliver long term value for QAC. AIAL's sharing of intellectual property and airport expertise, particularly in route development, operational systems and processes, and commercial expertise has been of significant benefit. These benefits have been reflected in passenger growth and improved operational and cost efficiencies within QAC.

The focus of the strategic alliance for the next five years will be for the two airports to leverage the scale and connectivity of a multi-airport relationship to grow visitor activity and deliver superior earnings growth to both airports and economic growth to their respective communities.

Where appropriate, QAC will seek to leverage AIAL's market and operational scale, intellectual property and management capabilities in aeronautical, retail, commercial and property development functions including:

- Collaboration to further develop air services between the airports, sharing relevant market information and analysis
- Joint ventures on relevant tourism-related marketing and tactical promotions
- Optimising operational efficiency through technology and process innovation
- Support in maximising non-aero revenue through the sharing of data and retail/transport expertise
- Input on industry/airport trends and operating efficiencies, particularly in identifying and managing common strategic risks
- Training and/or mentoring support for personnel
- Support with procurement

AIAL will continue its own route development into markets such as the US, China, South East Asia and South America that cannot support direct flights to Queenstown due to aircraft size. Promotions will feature Queenstown and promote passengers travelling through AIAL to Queenstown on domestic carriers.

Audit

The Office of the Auditor General (OAG) has appointed Deloitte to undertake the financial audit of QAC for the three years ended 30 June 2017 to 2019.

Accounting Policies

QAC will maintain accounting records in accordance with the Companies Act 1993.

QAC will prepare financial statements in accordance with the Financial Reporting Act 2013; the Companies Act 1993, the Local Government Act 2002, the Airport Authorities Act 1966 and the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 (as amended in 2014). These include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

Corporate Directory

Location:	Queenstown Airport Corporation Airport Administration, Queenstown Airport Sir Henry Wigley Drive Frankton Queenstown 9300	
Mailing address:	PO Box 2641 Queenstown 9349 NEW ZEALAND	
Phone:	+64 3 450 9031	
Email:	admin@queenstownairport.co.nz	
Website:	www.queenstownairport.co.nz	
Shareholders	Queenstown Lakes District Council (75.01%) Auckland Airport Holdings (No2) Limited (24.99%)	
Directors	John Gilks (Chairman) James Hadley Grant Lilly Michael Stiasny Norman Thompson	
Senior Management	Chief Executive Officer	Colin Keel colin.keel@queenstownairport.co.nz
	Chief Financial Officer	Mark Edghill marke@queenstownairport.co.nz
	GM Operations and Safety	Mike Clay mikec@queenstownairport.co.nz
	GM Property	Rachel Tregidga rachelt@queenstownairport.co.nz
	Communications Manager	Jen Andrews jen@queenstownairport.co.nz
Senior persons per Civil Aviation Rules, part 139	Chief Executive Officer	Colin Keel
	Chief Financial Officer	Mark Edghill
	GM Operations and Safety	Mike Clay
	Manager Airfield and Compliance	Chris Johnson

Abbreviations

AIAL	Auckland International Airport Limited
CAA	Civil Aviation Authority of New Zealand
CEO	Chief Executive Officer
CCTO	Council-Controlled Trading Organisation
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
F&B	Food and Beverage
FY	Financial Year – 1 July to 30 June
GA	General Aviation
IATA	International Air Transport Association
NPAT	Net Profit After Tax
OCB	Outer Control Boundary
PC35	Queenstown Lakes District Council Plan Change 35 relating to Airport Noise boundaries
PDP	Proposed District Plan
QAC	Queenstown Airport Corporation, the company that operates Queenstown Airport
QLDC	Queenstown Lakes District Council
RMA	Resource Management Act
RPL	Remarkables Park Limited
SOI	Statement of Intent
ZQN	Queenstown Aerodrome including airfield and terminal

**QLDC Council
23 June 2017**

Report for Agenda Item: 4

Department: Planning & Development

Title: Updated Queenstown Lakes District Housing Accord

Purpose

The purpose of this report is to enable the Queenstown Lakes District Housing Accord (“**the Accord**”) to be updated in collaboration with the Minister of Construction and Housing. The original Accord was signed on the 23 October 2014, with the targets being recently updated in August 2016. The updated Accord includes new targets that relate to the entire Queenstown Lakes District.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve and Adopt** the updated Queenstown Lakes District Housing Accord, including the updated targets;
3. **Note** the updated targets apply to the entire Queenstown Lakes District; and
4. **Delegate** that the Mayor and Chief Executive refine and finalise the Queenstown Lakes District Housing Accord in conjunction with the Minister of Building and Construction.

Prepared by:



Anita Vanstone
Senior Policy Planner

7/06/2017

Reviewed and Authorised by:



Tony Avery
General Manager, Planning &
Development

7/06/2017

Background

- 1 The original Queenstown-Lakes District Housing Accord (“**the original Accord**”) was signed between the QLDC and the Minister of Building and Housing (“**the Minister**”) on 23 October 2014. The Accord is a tool used to facilitate residential development in the Wakatipu Basin. The intention of the Accord was to increase housing supply and improve housing affordability in the Queenstown-Lakes district by facilitating development of quality housing that meets the needs of the growing population.
- 2 The Council and the Government both agree that joint action is needed to improve the supply of housing supply and affordability in this District. The Accord provides a basis of collaboration between both parties, who have sought to work collaboratively to focus on the unique housing issues that Queenstown faces.
- 3 The Accord sets targets for the consenting of new sections and dwellings in the Wakatipu Basin area of the Queenstown-Lakes District over three years.
- 4 The Steering Group (comprising of the Minister and Mayor) has the ability to amend the Accord, including the targets, upon agreement. These targets are to be reviewed annually, subject to reports on progress and the state of the building/construction sector.
- 5 The housing targets were set following extensive analysis of the supply and demand characteristics of the local housing market and discussions with staff of Ministry of Business, Innovation and Employment (“**MBIE**”). The targets were developed having regard to:
 - Recent historical data for building and resource consent approvals.
 - Resourcing capacity of Council as regulatory authority
 - Capacity of the development sector
 - An assessment of population projections and housing demand (for both permanent and second homes)
- 6 The results of the monitoring reports showed that Council was significantly meeting its targets. For example, the first six months of Year 2 of the Accord, the adjusted number of new sections and dwellings consented was 399, which was 88% of the original Year 2 targets. This was substantially higher than the five year historical average of approximately 275 sections and dwellings consented per year.
- 7 The original agreed targets for the Wakatipu Basin were based on historical data that indicated slower rates of growth. The data highlights that there has been a significant surge in activity over the past 18 months. This surge could be attributed to several factors including the boom in development and construction activity following the global financial crisis.

- 8 As a result, the Minister and the Mayor agreed to review the targets to set more ambitious targets that are more in line with the current construction boom and the high growth rates that Queenstown is experiencing. In August last year the Minister and Mayor amended the targets to be as per the below:

Total number of dwellings and sections consented			
	Year 1	Year 2	Year 3
	October 2014 – September 2015	October 2015 – September 2016	October 2016 – September 2017
Targets	350	450 650	500 750
Actual	557	741	317 (at the 30 April 2017)

- 9 The Council has to monitor its tracking against the targets every 6 months, in October and April every year. The monitoring reports for Year 2 and the first half of Year 3 are contained in **Attachment A**. The Monitoring reports show that the Council has met its Year 2 targets and is on track to meeting the Year 3 targets.
- 10 The Minister and the Mayor met on the 16 May 2017 and agreed to review the contents of the Accord and set new targets that apply to the entire Queenstown Lakes District, as opposed to just the Wakatipu Basin only.
- 11 This report summarises the findings of the review of both the Accord and the targets. It also provides an analysis of the updated targets that were supplied by MBIE and discussed with the Minister.

Comment

Updated draft Accord

- 12 The proposed updated Housing Accord has been discussed with MBIE and Council staff. Essentially MBIE have agreed to the majority of amendments that have been promoted by Council staff. A copy of the draft updated Accord is contained in **Attachment B**.
- 13 The key changes to the Accord are as follows:
- It relates to the entire District (as opposed to a concentration on the Wakatipu Basin);
 - Emphasis on an increase of both land and housing supply, as opposed to housing supply only;
 - The format has been changed so that it is clear what the purpose of the Accord is;
 - The background data has been updated and tourism/visitor accommodation has been included as a competing factor;
 - The Queenstown Lakes Community Housing Trust has been added in as an agency the Council works collaboratively with;

- Date for monitoring targets is Jan to Dec (as opposed to Oct to Oct). This is more in line with the other monitoring that Council undertakes; and
- A point regarding surplus Council and Crown land that may be used to facilitate residential housing has also been included.

Analysis of resource and building consent data

- 14 A review of the past five years of resource and building consent data has taken place. The aim of this review was to set more ambitious targets for the Accord that are applicable to the entire District, which are more in line with the current construction boom and the high population growth rates that the District is experiencing.
- 15 Table One below provides a summary of the new lots and building consents approved from 2012 to 2016. The building consent numbers have been adjusted to remove any double ups (i.e. new section and new dwelling only one has been counted in the figures). This is inline with how the targets are monitored in the original Accord.

Table One: New Sections and Building Consents from 2012 to 2016

Year	Subdivision (New Lots)	Building Consents Adjusted	Total
2012	118	335 (365)	453
2013	354	409 (446)	763
2014	445	436 (597)	881
2015	373	452 (799)	825
2016	986	524 (890)	1510

- 16 The total number of dwelling and sections consented from 2012 to 2016 is highlighted in Figure One below (this does not remove double ups):

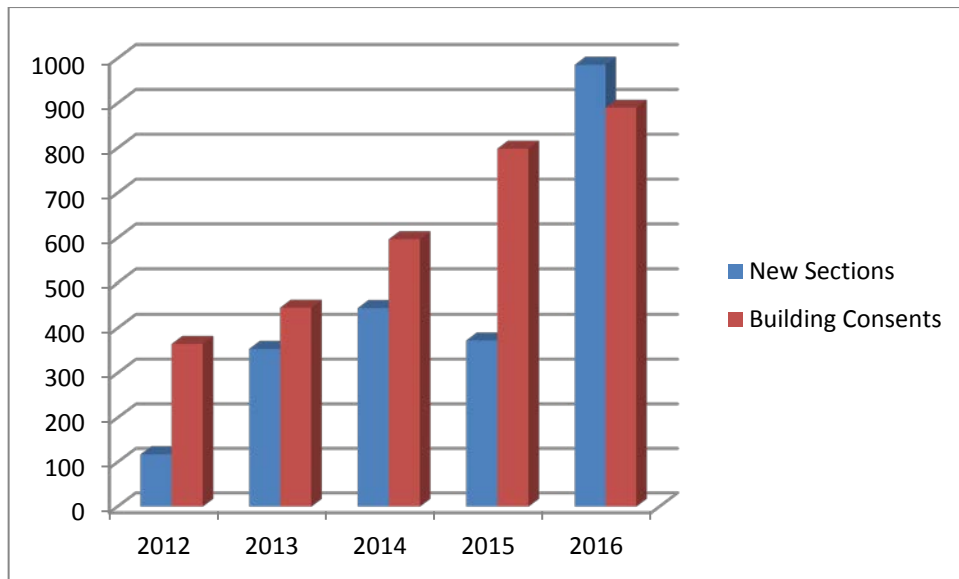


Figure One – Total number of dwellings and sections consented from 2012 to 2016

- 17 This shows a significant increase in both building consents and new sections from 2012 to 2016. The data also shows that there was a considerable increase in building consents issued and new sections approved in 2016, which was almost double that of the previous year. This increase in figures can be attributed to a number of factors including the release of the Bridesdale resource consent decision, multiple Shotover Country consents and Wanaka developments including Three Parks and Northlake.
- 18 Council have discussed the 2016 figures with MBIE and have argued that the high consent rates of 2016 were an anomaly and preference was to review the previous five years and use these trends to set new targets. However, a review of current building and resource consents suggests the Council will continue to process a high number of consents in the foreseeable future.
- 19 An analysis of the historic data was the starting point for discussions with MBIE.

Analysis of updated targets and background data

- 20 The District is one of the fastest growth areas in New Zealand in relation to the percentage increase in population growth and has also become one of the least affordable in terms of the cost of housing.
- 21 In August 2016 the Council contracted Rationale Ltd to produce fine grain population growth and visitor growth projections for the next 40 years (to 2058) to use for its 10 Year Long Term Plan, 30 Year Infrastructure Strategy and other strategic. These projections forecast a higher growth rate than what has ever been previously forecast. Updated information from MBIE also indicates much greater visitor numbers than previously projected.
- 22 These updated projections are showing a district wide population growth of 2.6% per annum increase to 2028 (representing a possible increase in population in 2015 from 32,410 to approximately 66,355 in 2048). Current vs

additional dwellings needed across the district to 2048 are illustrated in Table Two below:

Table Two: Current and existing dwellings needed by 2048

	Wakatipu	Wanaka	Total
Current Dwellings	10,631	6,412	17,043
Projected Additional Dwellings Needed	9,630	4,922	14,552
% Increase	91%	77%	85%

- 23 These projections are indicating that the District will double in size within the next 30 years. This equates to approximately 500 new dwellings per year district wide. In light of the above, the District has been defined as a 'high growth area; within the National Policy Statement for Urban Development Capacity.
- 24 Increases in both the holiday home market and tourism have an impact upon the PDP's capacity to cater for the District's usually resident population. This is through properties either remaining empty for the majority of the year or being utilised for visitor accommodation purposes rather than for residential activity, including the growing online house rental market through websites such as BookaBach and AirBnB.
- 25 In terms, of future residential growth across the District there are a number of areas zoned in the Wakatipu Basin for residential growth including Jacks Point, Frankton Flats, Kelvin Heights and Frankton. In addition, there are 7 approved Special Housing Areas, which contribute approx. 885 new residential dwellings (It is noted that the approved resource consent within the Business Mixed Use Zone has not been counted towards these figures). In Wanaka residential development rates continue to grow with high volumes of consents being issued from Northlake, Three Parks and zoned residential sites. These developments are likely to impact on the Years 1 and 3 targets of the updated Accord. While approved Special Housing Areas are likely to contribute to Years 1 to 3 of the updated Accord.
- 26 It is acknowledged that not all land owners are willing or able to develop their land in accordance with the zoning of the Operative District Plan and as a result land banking is a significant issue for our District, but more so in the Wakatipu Basin. Pre-application discussions with some developers have indicated that some of these areas are proposed to be developed in the foreseeable future.
- 27 Therefore, taking into consideration all of the data (including the higher rates of population growth, historical data, projections from the approved SHAs and proposed residential developments in the Wakatipu Basin and Wanaka), it is considered that the targets should be the range recommended by the Council

being 1100 to 1200 for Year 1, 1200 to 1300 for Year 2 and 1300 to 1400 for Year 3.

28 In addition, similarly to the original Accord the following clause has been included in the updated Accord:

The section and building consents are based on current market conditions (ie experience over the past 12 months) remaining similar over the three years to 31 December 2019. Should there be a change in the market conditions or other relevant factors, these targets may be reviewed and new targets agreed between the Government and the Council.

29 This gives the Council the flexibility to review the targets in consultation with the Minister if the market conditions dramatically change.

Initial targets suggested by MBIE

30 As a starting point for discussions MBIE suggested the targets be updated to the below:

Year 1 – Jan-Dec 2017	Year 2 – Jan-Dec 2018	Year 3 – Jan-Dec 2019
1300 (MBIE suggested targets)	1400 (MBIE suggested targets)	1500 (MBIE suggested targets)
(1100-1200) (QLDC suggested targets)	(1200-1300)(QLDC suggested targets)	(1300-1400)(QLDC suggested targets)

31 At the Steering Group Meeting that took place on the 16 May 2017 the Minister agreed with the targets that were suggested by Council staff. It was noted at this meeting that these needed to be agreed by Full Council.

Options

Option 1: The Mayor and the Chief Executive negotiate and agree the updated Accord, including updated targets with the Minister.

Advantages:

32 Allows Council to put forward its views and negotiate the amended Accord and targets.

33 Allows Council to critically analyse the amended targets promoted by the Minister.

34 Supports the aims of the Accord by promoting the collaboration between the Government and the Council.

35 Promotes the increase in supply of land and houses across the District.

Disadvantages:

- 36 Time and resourcing required by Council to negotiate the amended Accord and targets.

Option 2 – Retain the status quo

Advantages:

- 37 Avoids further time and resources required to negotiate the amended targets.

Disadvantages:

- 38 Council would forgo the opportunity for the Accord to relate to the whole District.
- 39 Not changing the Accord and collaborating with the Minister would be inconsistent with the existing Accord.
- 40 Council would forgo the opportunity to work collaboratively with the Minister.

- 41 This report recommends **Option 1**.

Significance and Engagement

- 42 This matter is of high significance, as determined by reference to the Council's Significance and Engagement Policy because of:
- a. the potential risks to the environment, landscape and social, economic and cultural wellbeing
 - b. the importance of growth management approaches to the community
 - c. the financial implications associated with meeting the targets, and processes of the Financial Strategy, Ten Year Plan and Annual Plan.

Risk

- 43 This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection)' as documented in the Council's risk register. The risk is classed as high. This is because of economic, social, environmental and reputational risks. This matter relates to this risk because the Accord will have an influence on future planning processes under both the Operative and Proposed District Plans, in addition to affecting processes of the 10 Year Plan and Asset Management Plans. There is some social risk relating to the economic and social consequences of not meeting development needs, which includes housing provision.

Financial Implications

- 44 There are no direct financial implications resulting from the proposal.

Council Policies, Strategies and Bylaws

45 The following Council policies, strategies and bylaws were considered:

- Lead Policy, which provides guidance for Council's assessment of SHAs.
- The Queenstown-Lakes District Housing Accord.
- ODP, which regulates housing development and urban growth management.
- PDP, which sets out proposed changes to the ODP.
- Housing Our People in our Environment Strategy, which is relevant as it seeks to address the housing affordability issue in the District.
- Economic Development Strategy, a key action of which is to "investigate all options for improving housing affordability in the District".
- 2016/2017 Annual Plan, within which a number of Community Outcomes that are relevant as they relate to the economy, and the natural and built environment.
- 10 Year Plan 2015-2025.

46 The recommended option is consistent with the principles set out in the named policy/policies.

47 This matter is included in the 10-Year Plan/Annual Plan to the extent that it affects strategic regulatory functions and services, and will potentially lead to financial implications for the provision of core infrastructure and services.

Local Government Act 2002 Purpose Provisions

48 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by ensuring that the best possible outcomes are achieved through out the HASHAA process;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

49 The persons who are affected by or interested in this matter are:

- residents/ratepayers of the Queenstown Lakes district community;
- the business, investment and tourism sectors located within and outside of the district;
- infrastructure providers; and

- Government.

50 The Council has not undertaken any consultation or engagement with the community. The updated Accord is based on discussions with MBIE a review of existing data and forecasted growth across the entire District.

Legal Considerations and Statutory Responsibilities

51 The review of the Accord and setting of updated targets in collaboration with the Minister is in accordance with the requirements agreed within the original Accord.

Attachments

- A Joint Monitoring Reports
- B Draft Updated Queenstown Lakes District Housing Accord

Queenstown-Lakes District Housing Accord Monitoring Report

Year 2 of the Accord
(24 October 2015 – 23 October 2016)

Based on:

- Building consent and new section data for the period from 24 October 2015 to 23 October 2016



Executive Summary

The Queenstown-Lakes District Housing Accord (**the Accord**) was signed on 23 October 2014. The Accord is a tool used to facilitate residential development in the Wakatipu Basin. The intention of the Accord is to increase land and housing supply and to improve housing affordability in the Queenstown-Lakes district by facilitating development of quality housing that meets the needs of the growing population.

For Year 2 of the Accord, the adjusted number of new sections and dwellings consented was **760**. As with Year 1, this is substantially higher than the five-year historical average of approximately 275 sections and dwellings consented per year. The surge in activity may be attributed to several factors including a boom in development and construction activity following the global financial crisis, increasing visitor accommodation numbers and the rate of population growth within the Wakatipu Basin.

The only Special Housing Area that has contributed to the Year 2 targets is the approved Bridesdale resource consent application (SH150001) of approximately 134 sections. Other developments that have been consented in Year 2 are Stage 1 of the Hanley Downs Farm development and Shotover Country, which have a combined total of approximately 249 new sections.

Queenstown-Lakes District Housing Accord

The Accord sets targets for the consenting of new sections and dwellings in the Wakatipu Basin area of the Queenstown-Lakes District over three years. The Housing Accord targets were amended by the Minister and Mayor in October 2016 to increase the Year 2 and 3 targets from 450 and 500, to 650 and 750 respectively. The Minister and the Mayor are currently negotiating a new Accord which will set new targets that relate to the entire Queenstown-Lakes District for Years 3 to 6 of the Accord.

This monitoring report provides building consents granted for new dwellings and subdivision consents issued for new residential lots created for Years 1 and 2 (24 October 2014 to 23 October 2016) since the Housing Accord was signed.

Total number of dwellings and sections consented in the Wakatipu Basin			
	Year 1 24 October 2014 – 23 October 2015	Year 2 24 October 2015 – 23 October 2016	Year 3 24 October 2016 – 23 October 2017
Targets	350	450 650	500 750
Actual	557	760	

The data shows that the Council is significantly ahead of its targets set by the Housing Accord and is processing a very high number of building and resource consents.

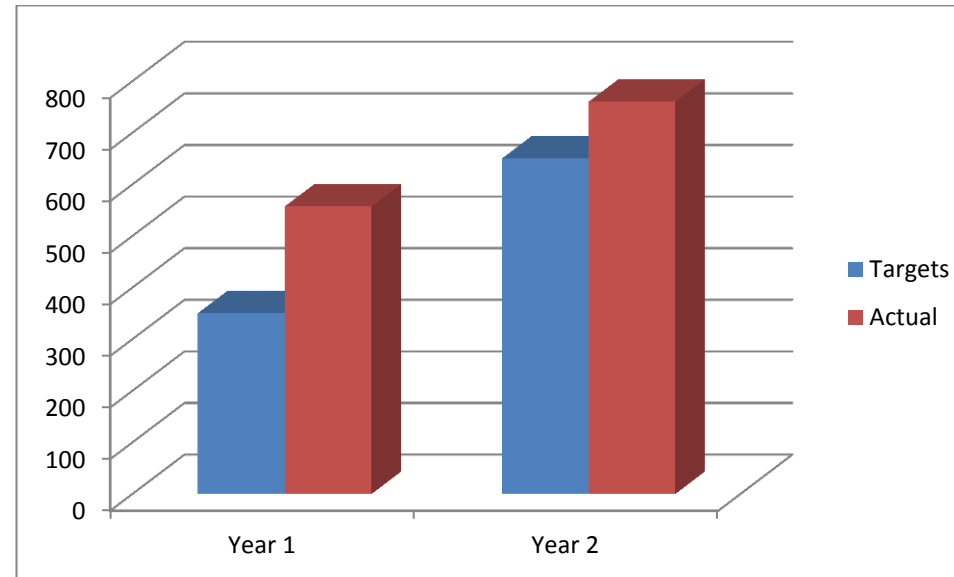


Figure 1 - Total number of dwellings and sections consented in the Wakatipu Basin Year 1 & 2 of the Accord

Consenting Numbers

- At the end of the second year of the Queenstown-Lakes District Housing Accord, Council has met its target of 650 new sections and dwellings with an **adjusted total of 760** across the Wakatipu Basin. This total comprises approximately **484 new dwellings** approved via building consent and **545 new sections** approved by resource consent (these do not add to 760 as the double ups (i.e. new section and new dwelling) have been removed). These figures are above the targets set in the Accord.
- These results can be attributed to the increased number of both resource consents and buildings consents, with numbers increasing by approximately 22 per cent from 2015.
- In addition, Stage 1 of the Hanley Downs Farm development (located near Jacks Point) approved the development of 109 sections. It is noted the remaining stages are currently on hold pending the outcome of the Environment Court appeal. Residential development in the Shotover Country Special Zone contributed 140 additional sections.
- Subdivision consent rates have been averaging **46 sections per month**.
- Building consent rates have been averaging **40 dwellings per month**.

Special Housing Areas

Resource consents have been approved for the following special housing areas:

- Bridesdale Farm resource consent was approved on 21 March 2016. This approved 136 residential allotments and 1 commercial allotment. The developer has commenced works and titles are expected to be released in early 2017. This resource consent contributed significantly to the consenting numbers in the first six months of Year 2.
- The New Ground Capital resource consent within the Business Mixed Use Zone (Gorge Road) SHA was approved on 28 October 2016. This approved 143 x 1 bedroom worker accommodation units with associated earthworks, landscaping and access. This resource consent has not contributed to the Year 2 targets as it was land use consent only. Unfortunately, the developer has been unable to secure funding for this development and it is no longer moving forward in its approved location. The developer is investigating alternative sites in the Wakatipu Basin. The site and base plans have been picked up by a subsequent developer who is currently in discussions with the Council.

Housing Accord Implementation

Proposed District Plan (PDP)

On the 26th August 2015 the Council notified the PDP. The PDP seeks to increase residential densities in Residential Zoned land including the introduction of a Medium Density Zone, Large Lot Residential Zone and the Business Mixed Use zone. It also seeks to allow a much larger number of landowners to potentially develop their properties.

The PDP provides capacity for some 3,000 to 5,000 additional dwellings in its urban zones throughout the entire Queenstown Lakes district over and above the existing capacity of approximately 17,000 currently enabled by the Operative District Plan (ODP).

Dwelling Capacity Model (DCM)

The DCM was first created by the Council in the early 2000's and has been the subject of a number of reviews. This DCM estimates the capacity for the provision of residential units under the Operative District Plan (ODP). The DCM was further reviewed in 2014 and 2015 prior to notification of the PDP, as it was found that the DCM was overstating the realistic capacity. The release of the National Policy Statement for Urban Development Capacity the DCM has prompted the commencement of a further review of the DCM. The boom in development over the more recent years will also be included in the DCM.

The ODP DCM identifies that the approximate total residential capacity under the ODP for the Wakatipu Basin is between 17,000 and 18,000 dwellings. However, the constraints of the existing ODP DCM are acknowledged, being the age of the dwelling number data and that more recent ODP plan changes, such as Northlake are not included. The DCM is being updated as part of the Proposed District Plan.

Queenstown Lakes Community Housing Trust (QLCHT)

The establishment of the QLCHT was initiated by the Council in 2007 when it was recognised that the affordability of dwellings was a growing problem for the district. The QLCHT is now an independent entity.

The QLCHT has completed 44 residential units at Shotover Country. 33 of the units are shared ownership and 11 are for social housing. The shared ownership programme helps people buy their first home in the district in partnership with the QLCHT. The QLCHT have commenced building 11 units in Riverside, Wanaka.

Conclusion

This monitoring report for Year 2 of the Queenstown-Lakes District Housing Accord shows that residential development in the district continues to grow. The Council is seeking to increase the supply of housing and land through the PDP and the HASHAA. The DCM shows that there is already significant capacity within existing zoned land for residential development and the PDP seeks to increase this further through intensification. However, the release of zoned land to the market is not meeting the high levels of demand.

As at 23 October 2016, two qualifying developments have been granted resource consent contributing approximately 134 sections to the Year 2 targets. A further four qualifying developments are expected to contribute to targets for years 3 through 6. The Council is also entering into pre-application discussions with land owners/developers about other potential SHA locations and new proposed developments within the Business Mixed Use Zone (Gorge Road) SHA.

These SHAs could deliver a yield of approximately 885 residential units or sections (excluding the New Ground Capital resource consent that falls in the Business Mixed Use (Gorge Road) SHA), plus a 182 bed aged care facility, thus contributing significantly to the Council's commitments under the Accord.

Queenstown-Lakes District Housing Accord Monitoring Report

**First 6 months of Accord Year 3
(24 October 2016 – 30 April 2017)**

Based on:

- Building consent and new section data for the 6 month period from 24 October 2016 to 30 April 2017



Executive Summary

The Queenstown-Lakes District Housing Accord (**the Accord**) was signed on 23 October 2014. The Accord is a tool used to facilitate residential development in the Wakatipu Basin. The intention of the Accord is to increase land and housing supply and to improve housing affordability in the Queenstown-Lakes district by facilitating development of quality housing that meets the needs of the growing population.

For the first 6 months of Year 3 of the Accord, the adjusted number of new sections and dwellings consented was **317, which is 42% of the Year 3 target of 750**. As with Years 1 and 2, this is substantially higher than the five-year historical average of approximately 275 sections and dwellings consented per year.

A number of Special Housing Areas have been approved within Year 3 of the Accord. These include the New Ground Capital Consent (SH160147), Arrowtown Retirement Village (SH160141), Arthurs Point (SH160143), Onslow Road (SH160140) and Queenstown Country Club (SH160140). These approved resource consents will contribute approximately 600 new dwellings (excluding the dwellings approved as part of SH160143). At this stage the only resource consents that have contributed to the first half of the Year 3 targets is the 66 sections approved as part of the Arthurs Point, Onslow Road and Queenstown Country Club SHAs.

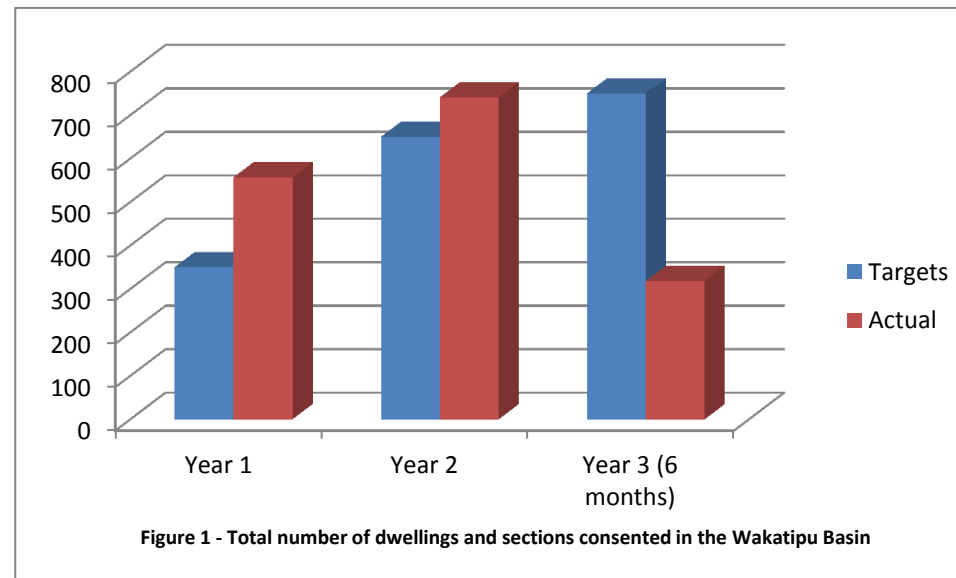
Queenstown-Lakes District Housing Accord

The Accord sets targets for the consenting of new sections and dwellings in the Wakatipu Basin area of the Queenstown-Lakes District over three years. The Housing Accord targets were amended by the Minister and Mayor in October 2016 to increase the Year 2 and 3 targets from 450 and 500, to 650 and 750 respectively. The Minister and Mayor are currently negotiating a new Accord which will set new targets that relate to the entire Queenstown Lakes District for Years 3 to 6 of the Accord.

This monitoring report provides building consents granted for new dwellings and subdivision consents issued for new residential lots created for Years 1 and 2 (24 October 2014 to 23 October 2016) since the Housing Accord was signed.

Total number of dwellings and sections consented in the Wakatipu Basin			
	Year 1 24 October 2014 – 23 October 2015	Year 2 24 October 2015 – 23 October 2016	Year 3 24 October 2016 – 23 October 2017
Targets	350	450 650	500 750
Actual	557	760	317 (at 30 April 2017)

The data shows that the Council is tracking well against the Accord targets and the 317 is 42% of the Year 3 Target of 750, although this is slightly lower than the 399 achieved at the same time last year.



Consenting Numbers

- Halfway through the second year (as at 30 April 2017) of the Queenstown-Lakes District Housing Accord, Council is tracking well towards the Year 3 targets as **153 new dwellings** have been consented and **255 new sections** approved by resource consent for an **adjusted total of 317** across the Wakatipu Basin. This is approximately 42% of the Year 3 targets.
- Approximately 60% of the building consents issued were already accounted for as a new section approved in Year 1 and 2 of the Accord.
- Subdivision consent rates have been averaging **43 sections per month**.
- Building consent rates have been averaging **26 dwellings per month**. This time last year building consents issued for the Wakatipu Basin were approximately 40 dwellings per month. A review of the data shows that the Council is still processing a very high number of building consents, however these involve new builds outside of the Wakatipu Basin and for other types of activities, such as commercial buildings.

Special Housing Areas

Resource consents have been approved for the following special housing areas:

- New Ground Capital resource consent was approved on the 28 October 2016. This approved 143 x 1 bedroom worker accommodation units with associated earthworks, landscaping and access. This resource consent has not contributed to the Year 2 targets as it was land use consent only. This site falls within the Business Mixed Use Zone (Gorge Road) SHA. Unfortunately, the developer has been unable to secure funding for this development and it is no longer moving forward in its approved location. The developer is investigating alternative sites in the Wakatipu Basin. The site and base plans have been picked up by a subsequent developer who is currently in discussions with the Council.
- Arrowtown Retirement Village resource consent was approved on the 14 November 2016. This approved land use consent to construct and operate a retirement village, which is broken down into the following: 120 villas, 75 apartments, 100 aged bed care facility, Community Centre and associated facilities and amenity. This resource consent has not contributed to the Year 2 targets as it was land use consent only. It is likely that this will contribute to the Year 3 to 6 targets of the Accord.

- Arthurs Point resource consent was approved on the 23 December 2016. This approved land use consent for 88 residential units and subdivision consent for 30 fee simple lots and the two lots that will be eventually subdivided into unit title allotments. This will contribute to Year 3 of the Accord, with the subsequent subdivisions (if these proceed) likely to contribute to Years 3 to 5 of the Accord.
- Queenstown Country Club and Onslow Road approved 4 April 2017 – 332 residential units (including 82 bed care facility: offering rest home, hospital and dementia care; commercial node: ancillary services including a doctor, dentist, pharmacy and child care; club house: offering a café, theatre, gymnasium, health spa, bowling green and croquet lawn; 12 unit housing development and 2 vacant lots. The Onslow Road portion involves the development of 21 residential allotments. This qualifying development is likely to count towards the second half of Year 3 and Years 4 to 6 of the Accord.

Council officials have entered into pre-application discussions with a number of different landowners/developers regarding the establishment of further SHAs. Council is proposing to re-establish and extend the Business Mixed Use (Gorge Road) SHA due to a number of discussions held with land owners and developers. The Council is currently seeking public comment / feedback on the proposal. A determination on whether or not to recommend it to the Minister as an SHA will be made at the Full Council meeting on 25 May 2017.

Conclusion

This monitoring report for Year 3 of the Queenstown-Lakes District Housing Accord shows that residential development in the Wakatipu Basin continues to grow. The Council is seeking to increase the supply of housing and land through the Proposed District Plan and the HASHAA. However, the release of zoned land to the market is not meeting the high levels of demand.

Five qualifying developments have been granted resource consent in first half of Year 3 of the Accord. The Council is also entering into pre-application discussions with land owners/developers about other potential SHA locations and new proposed developments within the Business Mixed Use Zone (Gorge Road) SHA.

The approved qualifying developments only contribute 66 new sections to first half of Year 3 of the Accord. This is because the approved SHAs include the development of apartments and retirement villages, which do not involve the submission of building consents at this point in time. These are likely to contribute to the second half of Year 3 and Years 4 to 6 of the Accord.



QUEENSTOWN-LAKES HOUSING ACCORD

DRAFT

Queenstown-Lakes Housing Accord

Purpose

1. This agreement between the Government and the Queenstown-Lakes District Council (the Council) is the Queenstown-Lakes Housing Accord (the Accord).
2. The Accord recognises that a fully functioning housing market is essential to building strong and healthy communities, and supporting a strong economy.
3. The Accord sets out the Government's and the Council's commitment to work together to facilitate an increase in land and housing supply, and improve housing affordability and suitability in the Queenstown-Lakes District (the District).
4. The Accord recognises that by working collaboratively the Government and the Council can achieve better housing outcomes for the District. The priorities are:
 - the continued development of additional land supply, as quickly as possible, to alleviate pressures in the housing market
 - the development of a mix of housing types that are aligned with the Council's intended plan for residential development to be more affordable, of medium density, closer to key central areas, and on good public transport routes.
5. The Accord replaces the Queenstown-Lakes Housing Accord signed in October 2014.
6. The Accord expires on the date the Housing Accords and Special Housing Areas Act 2013 (the Act) is repealed.

Background

7. Housing affordability and an adequate supply of suitable housing are key elements to maintaining a well-functioning, dynamic community with a strong economy. Currently the District's housing market is experiencing issues with the supply, affordability, and suitability of housing.
8. Businesses report difficulties attracting and retaining long-term and short-term staff due to a lack of affordable or suitable housing. This issue may become more pronounced if housing supply does not respond adequately to housing demand, especially demand for more compact and affordable housing closer to employment.
9. In February 2017, the average house value in the District was \$1,039,434, a 29.5 percent increase from \$802,634 in February 2016. This is comparable to the average house value in Auckland (\$1,043,680) and well above the national average (\$631,349).

10. In January 2017, average weekly rents in Queenstown were the highest in the country at \$550, up 22.8 percent from \$448 in January 2016 and above average rents in Auckland (at \$518).
11. The median multiple (the ratio of median house prices to median incomes) for Queenstown was the highest in the country in February 2017 at 10.71; above the North Shore (10.04), Auckland Central (9.45), and the wider Auckland metropolitan area (8.84).
12. Queenstown's median multiple has increased from 10.16 in February 2016, and 7.55 in February 2015, indicating an increasingly unaffordable housing market over the last three years. Unaffordable homes contribute to increased pressures on families, communities, the social housing system, and on Government and Council support.
13. Real Estate Institute of New Zealand (REINZ) data shows sales volumes in Queenstown rose 2 percent from 54 in February 2016 to 55 in February 2017. The number of days to sell rose to 53 in February 2017, 12 more than the 41 in February 2016 and closer to the 10-year February average of 58 days.
14. The Statistics New Zealand population estimates indicate between 2.3 percent and 5.5 percent population growth per annum over the next three years. However, in 2016, Queenstown's population grew 7.1 percent.
15. As a tourist area, the District has a high proportion of holiday homes and visitor accommodation which adds further pressure to the housing market and residential land supply. The increasing prevalence of existing housing stock used for short-term rental through websites like Airbnb (due to the higher rental returns) further constrains the local rental market.
16. The District will require between approximately 750 and 1200 new dwellings per annum to account for projected population growth over the next three years.
17. Under the October 2014 Accord, a total of seven Special Housing Areas (SHAs) were gazetted in accordance with the Act, with a total potential yield of 1030 proposed dwellings.
18. The Act forms part of the government's housing affordability programme, which includes initiatives to address:
 - the supply of land available for residential purposes;
 - the efficiency and timeliness of the provision of infrastructure to new development;
 - the cost of construction materials;
 - costs and delays in regulatory processes; and
 - productivity in the construction sector.

19. The parties acknowledge that improving housing affordability is a complex issue and requires consideration of wider issues, not all of which will be able to be addressed under this Accord.

Special Housing Areas

20. This Accord provides the Council with the legal ability to recommend the creation of SHAs to the Minister for Building and Construction (the Minister) under the Act.

21. If the Minister agrees with the Council, he may recommend that an Order in Council be made to establish the SHAs. This makes the area subject to more enabling development controls and streamlined resource consent processing. The Council can also access the powers available under the Act to facilitate faster consideration of housing developments that might otherwise struggle to achieve timely approval under the Council's District Plan and the Resource Management Act 1991.

22. The Accord is a key tool to facilitate development in SHAs that align with the Council's policy and regulatory framework (including the District Plan), and is therefore an important component of the Council's approach to housing in the District.

Principles to guide how the Government and the Council will work together

23. The Government and the Council agree to:

- work collaboratively to facilitate an increase in appropriate housing supply in the District by working in productive partnerships together and with others who may contribute to Accord priority actions;
- allocate appropriate resources;
- prioritise achievement of the targets in this Accord;
- adopt a no surprises approach, sharing information in a timely manner, with appropriate regard to the likely sensitivity of some information; and
- seek to resolve differences quickly; and
- respect the obligations resulting from each party's statutory and legislative requirements.

Targets

24. The Government and the Council agree on the importance of targets to give effect to the purpose of this Accord and meet the District's housing needs.

25. These targets will be achieved through a combination of private sector development, direct Government and Council action, and collaborative action with other agencies including, Otago Regional Council, New Zealand Transport Agency, and the Queenstown Lakes Community Housing Trust.

26. The targets relate to the total number of sections and buildings consented (adjusted for overlap) over the whole Queenstown-Lakes District; including consents that do not fall within a SHA.
27. The Government and the Council agree, within their respective areas of control, to endeavour in good faith to achieve the agreed targets outlined in the table below within the timeframe of the Accord.

	Jan 17-Dec 17	Jan 18-Dec 18	Jan 19-Dec 19
Section and building consents	1100-1200	1200-1300	1300-1400

Note: Sections measured at point of resource consent and dwellings measured at building consent

28. The section and building consents are based on current market conditions (i.e. experience over the past 12 months) remaining similar over the three years to 31 December 2019. Should there be a change in the market conditions or other relevant factors, these targets may be reviewed and new targets agreed between the Government and the Council.
29. If the Council achieves the targets outlined above, the increase in housing supply will contribute to addressing current pressures on the affordability, availability, and suitability of housing in Queenstown.

Priority actions

30. The Government and the Council agree to work together on the following priority actions under the Accord:

Aim	Actions	Commitments
Increase the supply of appropriate housing in Queenstown-Lakes	<p>Encourage developers to prepare their land and to build houses more quickly than has been the case over the last three years.</p> <p>Ensure housing developments provide a mix of house types and include more compact affordable homes which can be sold at different price points.</p>	<p>The Council will recommend the establishment of SHAs, to assist in improving the feasibility of development and realising more compact and more affordable housing options.</p> <p>As part of this process, the Council will consider applying minimum requirements for qualifying developments in terms of housing diversity, related to bedroom numbers, allotment sizes and density requirements.</p> <p>The Council will consider incentives which may potentially include, but not be limited to, the levying of development contributions and differential rating approaches.</p>

Aim	Actions	Commitments
Implement the powers provided by the Act to work with developers	Monitor resource and building consenting processes to ensure that they are efficient and do not create unnecessary delays to development.	The Council will respond to increased application processing workloads by attaining additional resource through either recruitment or contracting.
Facilitate the development of surplus Crown and Council land into residential housing	The Ministry for Business, Innovation and Employment (MBIE) and the Council will identify appropriate surplus Crown and Council land that may be used to facilitate residential development.	The Council will inform MBIE of any Crown land that would have the potential to be developed into residential housing.

Factors outside scope

31. The Accord does not limit the Council or the Government from coming to differing positions on Government programmes of reform to the Resource Management Act or other legislation. The Government welcomes submissions from the Council at the appropriate stages in the process.

Governance, processes, monitoring and review

32. Governance of the Accord will rest with a joint steering group (the Steering Group) comprising of the Minister and the Mayor.

33. The Steering Group may amend the Accord and its terms, including targets, by agreement. The targets shall be reviewed annually, subject to reports on progress and the state of the building/construction sector.

34. To operate the Accord, the Council and the Ministry of Business, Innovation and Employment will establish an officials' working group (the Working Group) which will meet as appropriate to:

- review progress in implementing the Accord;
- review progress towards the declaration of SHAs;
- review progress towards the implementation of SHAs and meeting Accord targets; and
- discuss and agree other areas of joint action or information sharing.

35. The Working Group will report to the Steering Group and will prepare any progress or monitoring reports requested by the Steering Group.

36. The Steering Group will meet six-monthly to monitor and review the progress in implementing and achieving the purposes and targets of the Accord. An official from each of MBIE and the Council will be present to advise and observe the Steering Group meetings.

Dispute Resolution

37. The Government and Council will attempt to resolve any dispute or difference that may arise under or in connection with the Accord (including seeking to terminate) amicably and in good faith as set out below.
38. The initiating party must immediately refer the dispute to the other party in writing.
39. The Steering Group must meet for the purpose of resolving the dispute within 10 business days of the dispute being referred to the parties.
40. If, for any reason, the Steering Group is unable to resolve the dispute in the initial meeting referred to in clause 39 above, the Steering Group must reconvene for the purpose of resolving the dispute within 20 business days of the meeting referred to in clause 39 above.
41. If the Steering Group remains unable to resolve the dispute at the second meeting, then either party may elect to terminate the Accord in accordance with clause 44 below.
42. The parties must continue to perform their obligations under the Accord as if the dispute had not arisen, pending final resolution of the dispute in accordance with this section of the Accord.

Termination of the Accord

43. The grounds on which the Accord may be terminated are:
 - failure to make substantial progress towards the agreed targets as set out in the Accord if failure results from inaction or ineffective action
 - failure of either party to allocate adequate resources to support the purpose or the exercising of powers and functions under the Act
 - failure on the part of the Council to exercise the powers and functions of an Authorised Agency under the Act
 - agreement between the parties that there is an irretrievable breakdown in the relationship. Notwithstanding any other provision of this Accord, the parties agree that clauses 37 to 42 shall not apply to a termination on this ground
 - the removal of the District from Schedule 1 of the Act (e.g. if the District no longer meets the affordability and land supply criteria provided for under the Act).
44. Subject to first complying with the requirements in clauses 37 to 42, either party may terminate this Accord, on any of the grounds set out in clause 43, by giving not less than six (6) months' notice to the other party.

Publicity

45. The Government and the Council agree that the Steering Group must mutually agree any communications or publicity relating to the Accord prior to release.

Ratification and Commencement of the Accord

46. The Accord commences from the date at which the latter of the following occurs:

- The Accord is signed by the Minister and the Mayor, and;
- The Council ratifies the agreement by formal Council resolution.

Signed on this day of

2017

Hon Dr Nick Smith
Minister for Building and Construction

His Worship Jim Boult ONZM
Mayor of Queenstown-Lakes

DRAFT

**QLDC Council
23 June 2017****Report for Agenda Item: 5****Department: Planning & Development****Amendments to Resource Management Act 1991 Register of Delegations****Purpose**

The purpose of this report is to amend the Resource Management Act 1991 (RMA) Register of Delegations to enable the efficient and effective conduct of Council matters relating to the RMA.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Amend** from 23 June 2017, the existing Resource Management Act delegations to Council officers and appointed Commissioners as set out in **Attachment A**.

Prepared by:



Quinn McIntyre
Manager, Resource Consents

9/06/2017

Reviewed and Authorised
by:



Tony Avery
General Manager,
Planning & Development
9/06/2017

Background

- 1 The current Resource Management Act (RMA) delegations were adopted by Council at its meeting in November 2016 when all RMA delegations were considered by Full Council following the establishment of the Planning and Strategy Committee.
- 2 Changes to the Register of Delegations are necessary for a variety of reasons described below.

(a) Changes to Organisational Structure

- 3 Following an independent external review of the Resource Consent and Planning Policy teams in 2016, the Resource Consent Manager role was reinstated after being disestablished in 2015. This position sits alongside the current Manager of Planning Practice Position. The current two Team Leader: Resource Consent positions report directly to the Resource Consent Manager.
- 4 The Resource Consent Manager is responsible for the strategic and business level operations of the Resource Consents team, with the Team Leaders (based in Queenstown and Wanaka) having direct oversight of day to day resource consent processing and staff management / mentoring. Going forward, the Team Leader positions will have less delegation responsibility than they had previously. The Manager of Planning Practice is akin to a 'Principal Planner' type role focused on technical planning matters. The addition of the Resource Consent Manager and down-sizing of the Team Leader positions need to be reflected in the delegations.

(b) Changes to Position Titles

- 5 The current delegations refer to position titles that no longer exist or have been modified. There was a change of title for the Subdivision and Property Supervisor to Team Leader Subdivision and Property to provide consistency of titles within Planning and Development. The Team Leader, Subdivision and Property has direct oversight of the signing and sealing certification process and this needs to be reflected in the delegations. These changes are as follows:

Previous Position Title	Current Position Title
Subdivision and Property Supervisor	Team Leader, Subdivision and Property

- 6 The delegations have consequently been updated with the new position titles (refer to track changes in Register of Delegation appended as **Attachment A**).

(c) Delegation of s104 to Adonica Giborees

- 7 An opportunity has presented where a former QLDC Senior Planner will be available during the first quarter of the 2017/2018 financial year to provide support to our internal senior staff in the decision-making space. This will provide cover until the full complement of three additional senior planners currently advertised are recruited and on-boarded. This will require a specific fixed delegation of authority under s104 of the RMA as Ms Giborees will be acting as a consultant not as an employee.

Comment

- 8 This report proposes amendments to the delegations from Council to officers pursuant to Section 34A of the RMA. The proposed changes to the RMA Register of Delegations are in response to a number of matters are set out in **Attachment A**.
- 9 The changes primarily arise from changes to the organisational structure and job titles. Making the changes will enable the efficient implementation of the Council's RMA functions.

Options

10 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:

11 Option 1 – Adopt the amendments to the Register of Delegations.

Advantages:

12 The change in position titles to reflect the current organisational structure and position titles and will ensure that decisions of the relevant staff members are not open to challenge on this matter.

13 The delegation of s104 decision-making authority to Adonica Giborees will provide an additional decision-making resource to the resource consent team during the period that Ms Giborees is able to assist QLDC.

Disadvantages:

14 No known disadvantages.

15 Option 2 – Retain the Status Quo

Advantages:

16 None identified.

Disadvantages:

17 Would not reflect organisational and job title changes and would continue uncertainty around who has what delegation.

18 The Senior Planner and management group within the resource consent team will continue to absorb additional decision-making demands during workload peaks. This will come at the cost of not getting other consent processing and business improvement work completed in a timely fashion.

19 This report recommends **Option 1** for addressing the matter.

Significance and Engagement

20 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because it is a decision relating to the administration of Council affairs.

Risk

21 This matter related to the operational risk OR011 'Decision Making: Staff Delegations' as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because there are potential political, economic, technical and legal risks associated with the determination of resource consent applications.

22 The recommended option considered above mitigates the risk by:

Treating the risk - putting measures in place which directly impact the risk.

Financial Implications

23 There are no financial implications as a result of this proposal.

Local Government Act 2002 Purpose Provisions

24 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

25 No persons are considered to be affected or interested in this matter.

Legal Considerations and Statutory Responsibilities

26 The proposed amendments to the existing delegations are in accordance with the powers delegated under the RMA.

Attachments

A Proposed amendments to the QLDC – Register of Delegations Resource Management Act 1991

B General Rules Applying to all Delegations

Resource Management Act 1991

Section	Description	Delegated to
10	Extension of existing use rights	Manager Planning Practice Manager Resource Consents
10A	Authority to allow certain existing activities (now made unlawful/not permitted) to continue while application for resource consent is pending	Manager Planning Practice Manager Resource Consents
10B	Authority to allow certain building work to continue where it has been subsequently made unlawful by a district plan	Manager Planning Practice Manager Resource Consents
32	Duty to meet requirements for preparing s 32 reports and evaluations.	Planning Policy Manager
36(3) 36(3A) 36(5)	Authority to make decisions about additional administrative charges	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents
37	Power to extend time periods as provided in this section	Manager Planning Practice Manager Resource Consents Team leader, Resource Consents
37A	Requirement to consider matters before extending a time limit.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Hearings Commissioner(s)
39B	Selection of commissioners for specific hearings from pool of commissioners appointed by the Council.	General Manager, Planning and Development
41B 41C	Power to direct applicant to provide evidence before hearings; power to make directions about conduct of hearings	Manager Planning Practice Manager Resource Consents Planning Policy Manager Team Leader, Resource Consents
42	Power to make directions about hearings to protect sensitive information.	Hearing Commissioner(s)

The officers specified in “Delegate” column of tables in this section are delegated to perform the powers, functions and duties specified in the “Description” column. Every exercise of this sub-delegation must comply with **Schedule 2 “General Rules Applying to all Delegations – Queenstown Lakes District Council”**

42A	Powers regarding the preparation, commissioning and provision of reports	Manager Planning Practice Manager Resource Consents Planning Policy Manager Team Leader, Resource Consents Senior Planner
44A	Power to amend plans to address national environmental standards	Planning Policy Manager
55(2)	Duty to amend plan or proposed plan if directed by national policy statement.	Planning Policy Manager
86D	Ability to apply to Environment Court for a rule to have legal effect.	General Manager, Planning and Development
87E 87F 87G	Power to determine Council position on a request for direct referral (87E), prepare reports (87F) and provide information to Environment Court (87G).	87E: Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee. 87F and 87G: GM Planning & Development
88	Authority to receive consent applications and determine whether the information meets the minimum requirements of the Act.	General Manager Property and Infrastructure General Manager Planning and Development General Manager Corporate Services
88(1)	Authority to receive consent applications and determine whether the information meets the minimum requirements of the Act.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner

88(3) & 3A	Power to determine an application is incomplete	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner
91	Power to determine not to proceed with a resource consent application on certain grounds	Manager Planning Practice Manager Resource Consents
92 92A 23	Authority to request further information to be provided, or to commission a report	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner
95 95A 95B 95C 95D	Requirement to comply with time limit on notification. Authority to determine whether the adverse effects on the environment of an application will be minor. Requirement for notification or limited notification of the application where applicable.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner
95E	Duty to determine which persons may be adversely affected by an application and to serve notice of the application on them if required.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner
99	Power to call pre-hearing meetings and invite or require parties to attend and the duty to prepare a report of the meeting.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents
99A	Power to refer parties who have made a resource consent application or submissions on the application to mediation	Manager Planning Practice Team Leader, Resource Consents

100	Authority to determine whether a hearing should be held in respect of any application for a resource consent	Manager Planning Practice Manager Resource Consents
101	Authority to decide when and where a hearing is to be held within the constraints of section 37	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Team Leader Planning
102	Authority to determine issues concerning joint considerations by two or more consent applications in relation to the same proposal.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents
103	Authority to determine issues concerning two or more consent authorities.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents
104	Duty to take matters into consideration and to exclude other matters when considering an application	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Planner Hearings Commissioner(s)
104A 104B 104C 104D 105 106	Power to determine resource consent applications and impose conditions Power to decline subdivision consent	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s) Adonica Giborees (July – December 2017 only)

108 108A	Power to impose conditions on resource consent. Power to impose a bond as one of the conditions.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s) Adonica Giborees (July – December 2017 only)
108 108A	Power to execute documents to register a bond (whether cash or by registered guarantee) or covenant together with all ancillary administrative tasks	Manager Planning Practice Manager Resource Consents Team Leader, Subdivision and Property Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
109	Conditions relating to bonds; power to enter on to land to ensure work for which bond is given is being completed.	Manager Planning Practice Manager Resource Consents Team Leader, Subdivision and Property Team Leader, Resource Consents Senior Planner Planner Hearings Commissioner(s)
109	Power to execute documents to discharge, cancel or vary bonds (in part or whole), together with all ancillary administrative tasks including certification and online registration of certificates as authorised officer. Power to register a land charge (or remove a land charge) on the land for costs of performing works where costs exceed funds secured.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner
110	Power to refund financial contribution to consent holder where consent has lapsed.	Manager Planning Practice Manager Resource Consents

113	Recording reasons for decisions on resource consent applications in writing.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
114	Authority to serve consent applicant and submitters with notice of the decision on an application	Manager, Planning Support Planning Support
116	Authority to consent to commencement of consent which is subject to Environment Court appeal	Manager Planning Practice
120	Authority to lodge appeal on Council's behalf in Environment Court	Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee
124(2)	Power to allow a consent holder to continue to operate while applicant is seeking a new resource consent	Manager Planning Practice Manager Resource Consents
125	Power to grant extension of period after which a consent will lapse	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
126	Power to cancel a resource consent by written notice	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents
127	Power to change or cancel conditions imposed on a resource consent	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)

128 129	Power to review a resource consent and to give notice of review.	Manager Planning Practice Manager Resource Consents
132	Power to change the conditions of a resource consent on a review under s128, or to cancel resource consent	Manager Planning Practice Manager Resource Consents Hearings Commissioner(s)
133A	Power to make minor changes or corrections to resource consent (within 20 working days of grant).	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner
138	Authority to issue a notice of acceptance of surrender of consent	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner
139 139A	Authority to issue certificate of compliance, other powers and existing use certificates.	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner
149B	Duty of local authority to provide EPA with all related information to a matter (where the Minister has called in a matter and the local authority has been served with a direction under s149A).	General Manager, Planning and Development
149E	Power to make a submission on behalf of Council on a matter of national importance. Duty to prepare	Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee
149G	Duty to prepare a report commissioned by the EPA.	General Manager, Planning and Development
149Q	Authority to receive report from EPA and to make comments on it.	General Manager, Planning and Development
149T	Power to give notice on Council's behalf under s274 of matter referred directly to the Environment Court.	General Manager, Planning and Development

149V	Power to lodge appeal to the High Court on question of law on Council's behalf.	Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee
149ZD	Power to recover costs incurred by the Council from the applicant.	General Manager, Planning and Development
149V 149ZD	<p>a report commissioned by the EPA.</p> <p>Authority to receive report from EPA and to make comments on it.</p> <p>Power to give notice on Council's behalf under s274 of matter referred directly to the Environment Court.</p> <p>Power to lodge appeal to the High Court on question of law on Council's behalf.</p> <p>Power to recover costs incurred by the Council from the applicant.</p>	<p>Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee 149G, 149Q, 149T: General Manager, Planning and Development</p> <p>149V: Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee</p>
149W(2) (a) and (4)	Power to implement decision of Board or Court about proposed plan or change or variation.	General Manager, Planning and Development
168 168A	Duty to receive notice of requirement	<p>Manager Planning Practice</p> <p>Manager Resource Consents</p> <p>Team Leader, Resource Consents</p> <p>Senior Planner</p>
168A	Authority to lodge notice of requirement on behalf of Council	<p>Chief Executive Officer</p> <p>General Manager Planning and Development</p> <p>General Manager Property and Infrastructure</p>
168A	Power to determine whether to publicly notify Council's notice of requirement for a designation	<p>Hearings Commissioner(s)</p> <p>Manager Planning Practice</p> <p>Manager Resource Consents</p> <p>Team Leader, Resource Consents</p>

168A	Power to make decision on Council's notice of requirement for a designation	Manager Planning Practice Manager Resource Consents Manager Planning Policy Team Leader, Resource Consents Hearings Commissioner(s)
169	Power to request further information and determine whether to publicly notify notice of requirement for a designation	Manager Planning Practice Manager Resource Consents Manager Planning Policy Team Leader, Resource Consents Senior Planner
171	Power to consider and make recommendations on requirements for a designation	Manager Planning Practice Manager Resource Consents Manager Planning Policy Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
173	Power to give notice of requiring authority's decision on designation	Manager, Planning Support Planning Support
174	Power to appeal to Environment Court against requiring authority's decision on designation	General Manager, Planning and Development
175	Authority to include a designation in district plan	Policy Planning Manager
176	Power to give written consent in relation to land subject to Council designation NOTE: (this is where Council has designated the land, and another party seeks to undertake an activity within Council's designation)	General Manager Property and Infrastructure General Manager Planning and Development Parks and Reserves Planning Manager

176A	Power to lodge an outline plan Power to request changes & to waive requirement for an outline plan	General Manager Property and Infrastructure Parks and Reserves Planning Manager Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner (<i>to request changes or waive requirement only</i>)
181	Power to receive application for alterations to designations Power to determine applications for alteration of designations	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
182	Authority to receive withdrawals of designations and to amend the District Plan accordingly	Planning Policy Manager
184	Power to extend designation which has not been given effect to	Planning Policy Manager
189	Duty to receive notice of requirement for heritage order	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner
189A	Authority to lodge notice of requirement for a heritage order on behalf of Council	General Manager, Planning and Development
189A	Power to determine whether to publicly notify Council's notice of requirement for a heritage order	Hearings Commissioner(s)
189A	Power to make decision on Council's notice of requirement for a heritage order	Hearings Commissioner(s)
190	Power to request further information and determine notification of notice of requirement for heritage order	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner

191	Power to make recommendations on notice of requirement for heritage order	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
193	Authority to give written consent in relation to land protected by Council's heritage order	General Manager, Planning and Development
195	Power to appeal to Environment Court against heritage protection authority's decisions under sections 193 or 194	General Manager, Planning and Development
195A	Power to receive application for alterations to heritage order Power to determine applications for alteration of heritage order	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Hearings Commissioner(s)
196	Power to receive withdrawals of heritage orders and to amend the District Plan accordingly	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Policy Planning Manager
220	Power to impose conditions on subdivision consents	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Team Leader, Subdivision and Property Subdivision and Property Supervisor Hearings Commissioner(s) Adonica Giborees (July – December 2017 only)

220(1)(a) and(2)(b)	Authority to undertake registration of certificates as authorised officer	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Team Leader, Subdivision and Property Subdivision and Property Supervisor
221(2)	Authority to issue and sign a consent notice	Manager Planning Practice Team Leader, Subdivision and Property
221(3)	Authority to vary or cancel a condition specified in a consent notice	Manager Planning Practice Manager Resource Consents Team Leader, Resource Consents Senior Planner Team Leader, Subdivision and Property Subdivision and Property Supervisor Hearings Commissioner(s) Adonica Giborees (July – December 2017 only)
221(5)	Authority to execute, as authorized person instrument(s) creating, varying, cancelling or recording expiry of consent notice	Manager Planning Practice Subdivision Planner Team Leader, Subdivision and Property
222	Powers related to the issues of completion certificates enabling the deposit of survey plan	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
223	Powers related to approval of survey plan as authorised officer	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor

224 (c),(f)	<p>Authority to certify compliance of survey plan as authorised officer (includes circumstances where a bond is registered)</p> <p>Authority to issue certificate of approval as authorised officer, and all ancillary tasks including the execution of documents for consent notices, bonds and completion certificates.</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor</p>
226(1)(e)	<p>Authority to certify any plans of subdivision or copy thereof, which has not had a previous statutory approval.</p> <p>Authority to issue a certificate for cancellation of an amalgamation condition</p> <p>Authority to confirm compliance with relevant district plan rules.</p> <p>Authority to execute all documents (as authorised officer) for registration</p> <p>Authority to undertake online deregistration of certificates as authorised officer.</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor</p>
234	<p>Power to vary or cancel esplanade strips on application</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor NOTE: Decisions will be considered on a case-by-case basis and will be escalated to Full Council where appropriate.</p>
235	<p>Power to agree on Council's behalf to creation of esplanade strip</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision Planner NOTE: Decisions will be considered on a case-by-case basis and will be escalated to full Council where appropriate.</p>
237	<p>Power to approve a survey plan where esplanade reserves or strips are required</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision Planner</p>
237B	<p>Power to acquire an easement for access strip</p>	<p>Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor</p>

237C	Authority to close access strips and give notice of closure	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
237D	Authority to agree to transfer of access strip to Crown or regional council	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
237H	Authority to object to compensation valuation determination	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
239	Authority to certify survey plans subject to specified interests and undertake online registration of certificates as authorised officer.	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
240	Authority to cancel an existing amalgamation condition (in whole or part) and undertake online de-registration of certificates as authorised officer	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
240(3) and (4)	Authority to certify survey plans subject to an amalgamation covenant against transfer of allotments and execute as authorised officer all documents (includes online de-registration of certificates).	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor
241(1) and (3)	Authority to deal with amalgamation conditions and undertake online registration of certificates as authorised officer. Authority to issue a certificate for cancellation of an amalgamation condition and execute all necessary documents (including online deregistration of certificates) as authorised officer.	Manager Planning Practice Team Leader, Subdivision and Property Subdivision and Property Supervisor Manager Planning Practice Team Leader, Subdivision and Property Hearings Commissioner(s)
243	Authority to deal with survey plans subject to grant or reservation of easements and undertake online registration of certificates as authorised officer, (includes variation and cancellation of easement instruments).	Manager Planning Practice Team Leader, Subdivision and Property

245	Authority to approve survey plan of reclamation	Manager Planning Practice Team Leader, Subdivision and Property Subdivision Planner
269 – 291	Authority to determine and direct Council involvement in Environment Court proceedings	Manager Planning Practice Planning Policy Manager
292	Authority to seek that Environment Court remedy defect in plan	Planning Policy Manager
294	Authority to seek that Environment Court review a decision or rehear proceedings	General Manager, Planning and Development
299 – 308	Authority to determine and direct Council involvement in High Court and Court of Appeal proceedings	General Manager, Planning and Development
311 312	Authority to initiate declaration proceedings and take other necessary steps	General Manager, Planning and Development
314 – 321	Authority to initiate enforcement order and interim enforcement order proceedings and take other necessary steps	Chief Financial Officer Regulatory Manager
325	Authority to consent to a stay of abatement notice	Regulatory Manager
325A	Power to cancel abatement notice	Regulatory Manager
330	Power to take preventative or remedial action in emergency circumstances	General Manager, Property and Infrastructure
331	Power to seek reimbursement of Council's costs for emergency works	General Manager, Property and Infrastructure
336	Duty to return property seized under warrant or otherwise dispose of property if not claimed	Principal Enforcement Officer
338	Authority to commence prosecution for breach of the Act	Chief Financial Officer Regulatory Manager
357D	Power to consider and determine objections	Hearings Commissioner
Sch 1 CI 3, 3B	Duty to consult on proposed plan, including consultation with local iwi	Planning Policy Manager
Sch 1 CI 3C	Authority to determine whether consultation has already occurred under other enactments	Planning Policy Manager

Sch 1 CI 4	Duty to invite requiring authorities by written request on designations in proposed plans.	Planning Policy Manager
Sch 1 CI 5	Authority to prepare s32 report and publicly notify proposed plan	Planning Policy Manager – but subject to authority of Planning & Strategy Committee Planning
Sch 1 CI 6	Authority to make submissions on Council's behalf	Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee.
Sch 1 CI 7	Duty to give public notice of submissions on proposed plan	Planning Policy Manager
Sch 1 CI 8, 8A	Authority to make further submissions on Council's behalf	General Manager, Planning and Development
Sch 1 CI 8AA	Authority to invite submitters to meetings or refer matters to mediation	Planning Policy Manager
Sch 1 CI 8B	Duty to give notice of hearings	District Plan Administrator
Sch 1 CI 8C	Authority to determine whether hearing is required	Planning Policy Manager
Sch 1 CI 8D	Authority to withdraw proposed plan	General Manager, Planning and Development
Sch 1 CI 9	Power to hear and make recommendations and decisions on requirements	Hearings Commissioner(s)
Sch 1 CI 10	Power to hear and make recommendations on provisions and matters raised in submissions	Hearings Commissioner(s)
Sch 1 CI 11	Duty to give notice of decisions	District Plan Administrator
Sch 1 CI 14	Authority to lodge appeal with Environment Court	General Manager, Planning and Development

Sch 1 CI 16(1)	Duty to amend proposed plan if directed by Court	Planning Policy Manager
Sch 1 CI 16(2)	Authority to amend proposed plan to correct minor errors	Planning Policy Manager
Sch 1 CI 16A	Authority to initiate variation to proposed plan	General Manager, Planning and Development
Sch 1 CI 20	Duty to give notice of plan becoming operative	Planning Policy Manager
Sch 1 CI 20A	Authority to amend operative plan to correct minor errors	Planning Policy Manager
Sch 1 CI 21	Authority to request change to regional plan or regional policy statement	General Manager, Planning and Development
Sch 1 CI 23	Power to seek further information relating to private plan change requests	Planning Policy Manager Senior Policy Planner Policy Planner Hearings Commissioner(s)
Sch 1 CI 24	Power to modify plan change request	General Manager, Planning and Development
Sch 1 CI 25	Power to determine how to proceed with plan change request, including power to reject request	General Manager, Planning and Development, subject to authority of Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee.
Sch 1 CI 26	Authority to prepare and notify plan change request	Planning Policy Manager
Sch 1 CI 28	Power to withdraw plan change request	Planning & Strategy Committee or if insufficient time, a group of Councillors comprising the Mayor, Chairperson and Deputy Chairperson of the Planning & Strategy Committee.

Sch 1 CI 29(4)	Power to hear and make recommendations on plan change request	Hearings Commissioner(s)
Sch 1 CI 29(2) and (5)	Duty to send submissions to person who made plan change request and serve copy of its decision	District Plan Administrator
Sch 1 CI 29(9)	Power to vary plan change request	Planning Policy Manager
Sch 1 CI 32	Authority to certify material incorporated by reference	Planning Policy Manager
Sch 1 CI 34	Duty to consult on incorporation of material by reference	Planning Policy Manager
Sch 1 CI 35	Duty to make information available and give public notice regarding material incorporated by reference	District Plan Administrator
MISCELLANEOUS		
Alternative dispute resolution	Authority to enter into and participate in mediation for appeals under the Resource Management Act 1991 and to reach a mediated agreement within guidelines and parameters set by the Appeals Subcommittee.	Manager, Planning Practice Manager Resource Consents Team Leader, Resource Consents
Senior planner	For the period of July 2017 to December 2017 only, all functions, powers and duties delegated to the role of Senior Planner shall also apply to Adonica Giborees	Adonica Giborees

Queenstown Lakes District Council Delegations

General rules applying to all delegations

13 January 2014

1. A responsibility, duty or power delegated to an officer holding a named position or level of authority is also delegated to all officers in a direct line of authority above that officer.
2. A responsibility, duty or power delegated to an officer holding a named position is also delegated to any officer who performs or exercises the same or a substantially similar role or function, whatever the name of his or her position.
3. An officer who is delegated a responsibility, duty or power is also delegated any ancillary responsibilities, duties or powers necessary to give effect to that delegation.
4. Where the description of a delegated legislative function is ambiguous or appears to conflict with the wording of the legislation, the wording of the legislation will prevail.
5. Where a delegation refers to repealed legislation, the reference is to be read as a reference to the legislation that, with or without modification, replaces or corresponds to the repealed legislation.
6. Responsibilities, duties or powers delegated to officers by the Chief Executive may not be sub-delegated. Nor may responsibilities, duties or powers delegated to officers (including the Chief Executive) by the Council under the Resource Management Act 1991 or the Local Government (Rating) Act 2002 be sub-delegated.
7. Unless specifically time-limited, a delegation continues in force until revoked, altered or varied by the delegator or the Council.
8. When an officer is exercising a delegation in an acting capacity, this should be expressly stated.
9. An officer must comply with any conditions (such as financial limits and reporting or other procedural requirements) relevant to the exercise of a delegated authority, and should also comply where required with all applicable Council policies.
10. The following matters cannot be delegated to an officer:

-
- (a) the following powers:
 - (i) the power to make a rate;
 - (ii) the power to make a bylaw;
 - (iii) the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan;
 - (iv) the power to adopt a long-term plan, annual plan, or annual report; or
 - (v) the power to appoint a chief executive;
 - (b) the power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement; and
 - (c) any matter not permitted to be delegated by any other Act (for example the approval of a policy statement or plan under the Resource Management Act 1991 or the granting of special exemptions under s.6 of the Fencing of Swimming Pools Act 1987); and
 - (d) any matter that can only be given effect to by a Council resolution.

Note: The conferring of delegated authority means that the officer may exercise the responsibility, duty or power, but not that he or she should do so (either at all, or in a particular case). Whether or not it is appropriate for an officer to exercise a delegated authority which they have will depend on their job description and instructions in particular circumstances etc. Further, where a delegated responsibility, duty or power may be exercised by an officer in more than one department, those officers will be under the direction of the appropriate departmental managers who will work to minimise any potential conflicts in the exercise of that responsibility, power or duty.

**QLDC Council
23 June 2017**

Report for Agenda Item: 6

Department: Planning & Development

Road Dedication – Quartz Development Group Limited – Grandview Stage 3 Subdivision, Hawea

Purpose

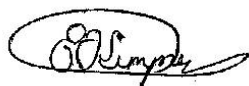
The purpose of this report is to consider accepting two roads to be transferred to Council subject to a 'no complaints' covenant within Stage 3 of the Grandview subdivision, Hawea.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Accept** Grandview Road and Sentinel Place, currently described as Lot 45 DP 325203, to be transferred to QLDC subject to the following:
 - a. Obtaining an indemnity from Quartz Development Group Ltd (and its directors and shareholders) in relation to any costs incurred by Council arising from any potential enforcement of the 'no complaints' covenant against Council.

Prepared by:



Liz Simpson
Team Leader Subdivision and
Property

6/06/2017

Reviewed and Authorised by:



Tony Avery
General Manager, Planning
and Development

9/06/2017

Background

- 1 Quartz Development Group Limited (**Quartz**) has asked Queenstown Lakes District Council (**Council**) to accept a the transfer of a future road in a new subdivision (shown in Attachment A) subject to restrictive Land Covenant 8095711.1, a copy of which is annexed to this report at Attachment B (**Covenant**)

- 2 This type of covenant can be considered high risk in terms of Council's 'Vesting of Roads and Reserves Policy', and so under normal circumstances it would be required to be removed prior to the transfer of road to Council.
- 3 However, Quartz have advised it is highly unlikely that they will be able to remove the covenant from the land to dedicate as road due to another party (Willowridge Developments Limited (**Willowridge**)) refusing to surrender the covenant. Willowridge is the owner of the land which benefits from the covenant. Willowridge has been approached by the applicant and has so far refused to have the covenant removed.
- 4 In order for Quartz to be able to complete Stage 3 of the Grandview subdivision, the road must either be transferred with the covenant remaining or the road will be required to remain in private ownership.

Comment

- 5 This report is to resolve an unforeseen issue regarding Willowridge not being amenable to removing a private covenant from the area to be transferred as road.
- 6 Council is satisfied on the basis of legal advice received from that it is highly unlikely that Willowridge would be able to successfully enforce the covenant on Council for the reasons detailed below.
- 7 The covenant provides that the Grantor "shall not submit in opposition to any relevant authority or permit any agent employee or other representative to submit in opposition". Council in carrying out its regulatory function of processing resource consent applications or reviewing submissions on the District Plan does not "submit in opposition" at any stage of these process. It is Council's legal advisor's (Lane Neave's) view that Willowridge could not enforce this part of the covenant against Council in its regulatory capacity.
- 8 The covenant further provides that the Grantor shall not "*support any submission in opposition*". Again, Council in carrying out its regulatory function of processing resource consent applications or reviewing submissions on the District Plan does not technically "support" submissions. Rather, it considers, assesses, and makes decisions based on submissions received. It is Lane Neave's view that Willowridge could not enforce this part of the covenant against Council in its regulatory capacity.
- 9 Notwithstanding the above advice, Lane Neave has recommended that Council seek an indemnity from Quartz so that Council is fully indemnified in the unlikely event that Willowridge do attempt to enforce the covenant against Council. The proposed wording is shown in Attachment C.
- 10 This indemnity would be required to remain in place until all of the Willowridge land was fully subdivided down. Lane Neave's view is that once the land has been fully subdivided down into residential lots, the risk of the covenant being enforced becomes almost zero.
- 11 In terms of road ownership as these roads will serve 90 lots it is undesirable to have this road remain in private ownership.

12 This report is also being presented with the same recommendation to the Wanaka Community Board's meeting to be held on 22 June 2017. The recommendation is the same.

Options

13 Option 1 Accept the road to be dedicated subject to obtaining an indemnity from Quartz (and its directors and shareholders) in relation to any costs incurred by Council arising from any potential enforcement of the 'no complaints' covenant against Council.

Advantages:

14 Quartz can complete their 90 lot development, alleviating the demand for new residential sections.

15 Any costs arising from Willowridge trying to enforce the covenant can be secured against Quartz.

16 Road is vested, as is normal practice, in Council.

Disadvantages:

17 Willowridge could attempt to enforce the Covenant against Council.

18 If Quartz went into receivership/is wound up, then this indemnity is worthless.

19 Option 2 Do not accept the transfer and require the road to remain in private ownership.

Advantages:

20 No risk of Willowridge enforcing the covenant against Council.

21 Road remains in private ownership, so no maintenance costs for Council.

Disadvantages:

22 A private road serving more than 90 lots is against Council policy (accesses serving more than 12 lots are required to be vested).

23 There is the possibility that the road could in the future be transferred to Council anyway if there are issues with its management and maintenance.

24 This report recommends **Option 1** for addressing the matter for the reasons outlined above.

Significance and Engagement

25 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because accepting a road to be dedicated with a high risk interest is inconsistent with Council's policy on vesting Roads and Reserves.

Risk

26 This matter relates to the strategic risk SR3 Management Practice - working within legislation, as documented in the Council's risk register. The risk is classed as moderate. Decision-making on this matter has followed proper processes and the recommendation is considered reasonable.

27 The risk is considered mitigated by seeking an indemnity clause, thereby transferring the risk through to Quartz and its directors and shareholders.

Financial Implications

28 There should be no cost implication based on the indemnity clause

Council Policies, Strategies and Bylaws

29 The following Council policies, strategies and bylaws were considered:

- <http://www.qldc.govt.nz/assets/Uploads/Council-Documents/Policies/Reserves-and-Campgrounds/Vesting-of-Roads-and-Reserves-Policy-2016.pdf>

30 This policy governs the vesting of roads and reserves and its purpose is to minimise prejudice to the Council from the transfer of land to the Council.

31 The recommendation is contrary to the policy for the reasons outlined in this report.

32 This matter is not included in the 10-Year Plan/Annual Plan and is not required to be.

Local Government Act 2002 Purpose Provisions

33 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing a timely decision for dedication of a road;
- Is consistent with the Council's plans and policies apart from the vesting of Roads and Reserves Policy as identified herein; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, but it will result in the transfer the ownership or control of a strategic asset (road) to the Council which is considered appropriate in this case.

Consultation: Community Views and Preferences

34 No external consultation undertaken and not considered required

Legal Considerations and Statutory Responsibilities

35 Legal advice was sought and has been discussed in the report.

Attachments

- A Location of land and Plan of Subdivision for the Quartz land
- B Covenant 8095711.1
- C Indemnity Wording

Attachment A – Location of land and Plan of Subdivision for the Quartz land

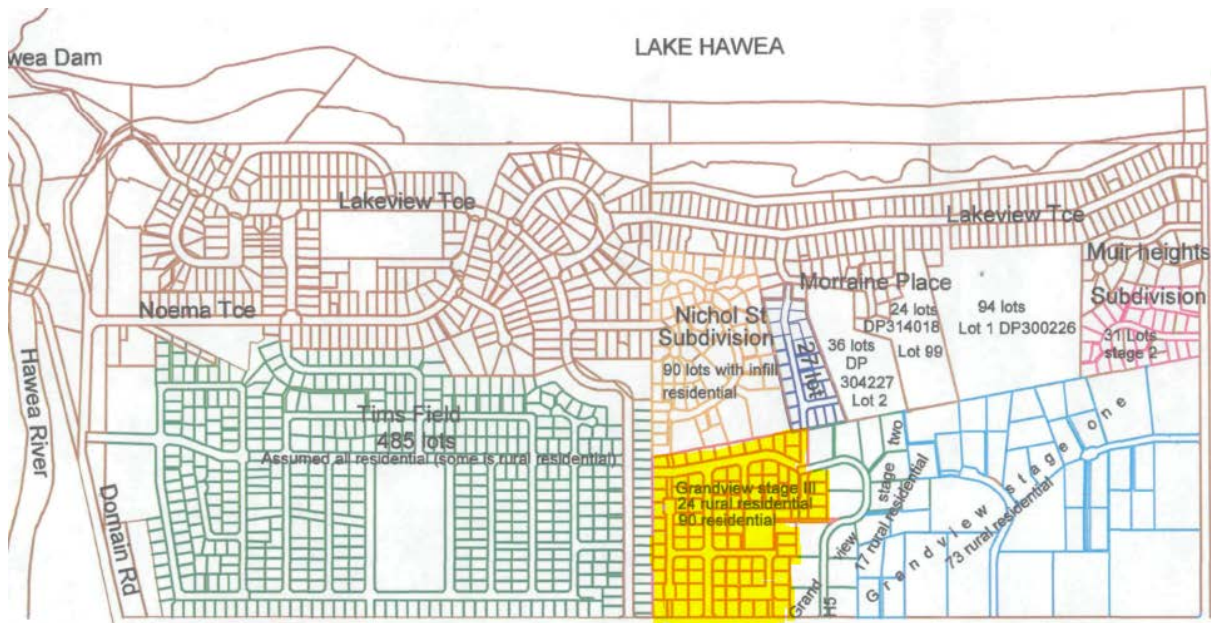
Location of land, sites are adjacent to Cemetery Road, Hawea



Note:

- Quartz Land - Grandview Rd and Sentinel Place are the roads to be transferred subject to the restrictive covenant.
- Willowridge land is to the west of Capell Avenue.

Plan of Subdivision



Note: Highlighted yellow area is the Quartz subdivision

Attachment B: Covenant 8095711.1

Easement instrument to grant easement or profit à prendre or create land covenant
 Sections 90A and 90F, Land Transfer Act 1952

2003/5100EF
 Approved
 Registrar-General of Land

Land registration district
 OTAGO

BARCODE

Grantor *Surname(s) must be underlined or in CAPITALS.*
 STREAT DEVELOPMENTS LIMITED

Grantee *Surname(s) must be underlined or in CAPITALS.*
 WILLOWRIDGE DEVELOPMENTS LIMITED

Grant* of easement or profit à prendre or creation or covenant
 The Grantor, being the registered proprietor of the servient tenement(s) set out in Schedule A, grants to the Grantee (and, if so stated, in gross) the easement(s) or profit(s) à prendre set out in Schedule A, or creates the covenant(s) set out in Schedule A, with the rights and powers or provisions set out in the Annexure Schedule(s).

DATED this 12th day of December 2008

Attestation

Signed by Streat Developments Limited by its Directors

 Christopher Garth STREAT

 Garth William STREAT
 Signature [Common Seal] of Grantor

Signed in my presence by the Grantor

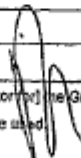
 Signature of Witness
 Witness to complete in BLOCK letters (unless legibly printed)
 Witness name: A.M. Evans.
 Occupation: Retired
 Address: 26 Lennox Terrace, Christchurch.

Signed by Willowridge Developments Limited by its Director

 Allan Stuart DIPPIE
 Signature [Common Seal] of Grantee

Signed in my presence by the Grantee

 Signature of Witness
 Witness to complete in BLOCK letters (unless legibly printed)
 Witness name:
 Occupation:
 Address:

Certified correct for the purposes of the Land Transfer Act 1952

 (Solicitor for) the Grantee

* if the consent of any person is required for the grant, the specified consent form must be used

THIS INSTRUMENT IS VALID FOR REGISTRATION IN THE LAND REGISTRY OF NEW ZEALAND FROM THE DATE OF REGISTRATION UNTIL THE DATE OF CANCELLATION OF REGISTRATION.

Annexure Schedule 1

2003/6180EF
Approved
Registrar-General of Land

Easement Instrument

Dated 12/12/08

Page 2 of 3 pages

Schedule A

Continue in additional Annexure Schedule if required.

Purpose (nature and extent) of easement, profit, or covenant	Shown (plan reference)	Servient tenement (Identifier/CT)	Dominant tenement (Identifier/CT or in gross)
Covenant		CT 101463 and 101457	CT 362103

Easements or profits à prendre rights and powers (including terms, covenants, and conditions)

Delete phrases in [] and insert memorandum number as required. Continue in additional Annexure Schedule if required.

Unless otherwise provided below, the rights and powers provided in specific classes of easement are those prescribed by the Land Transfer Regulations 2002 and/or the Ninth Schedule of the Property Law Act 1952.

The implied rights and powers are [varied] [negalived] [added to] or [substituted] by:

[Memorandum number , registered under section 155A of the Land Transfer Act 1952].

[The provisions set out in Annexure Schedule 2].

Covenant provisions

Delete phrases in [] and insert memorandum number as required.

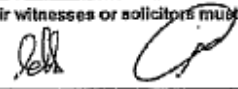
Continue in additional Annexure Schedule if required.

The provisions applying to the specified covenants are those set out in:

[Memorandum number , registered under section 155A of the Land Transfer Act 1952].

[The provisions set out in Annexure Schedule 2].

All signing parties and either their witnesses or solicitors must sign or initial in this box.



1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050 2051 2052 2053 2054 2055 2056 2057 2058 2059 2060 2061 2062 2063 2064 2065 2066 2067 2068 2069 2070 2071 2072 2073 2074 2075 2076 2077 2078 2079 2080 2081 2082 2083 2084 2085 2086 2087 2088 2089 2090 2091 2092 2093 2094 2095 2096 2097 2098 2099 2100

Annexure Schedule 1

2002/6038EF
Approved
Registrar-General of Land

*Easement

Dated 12/12/2008

Page 3 of 3 pages

* Insert type of instrument.

Continue in additional Annexure Schedule if required.

Not to object to further residential development or rezoning of land:

1. The Grantor shall not submit in opposition to any relevant authority or permit any agent employee or other representative to submit in opposition or support any submission in opposition to any future application for any resource consent for any purpose made by the Grantee or supported in part or in full by the Grantee to any relevant authority to:

- a.) Subdivide or develop residentially any land owned by the Grantee or any party nominated by the Grantee which is part or all of the land contained in Certificates of Title 362103.
- b.) Any change or variations to or review of any Council plan (including any re-zoning whether or not initiated by the Council) in respect of the residential development of any land owned by the Grantee or any party nominated by the Grantee which is part or all of the land contained in Certificates of Title 362103.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or solicitors must sign or initial in this box.

2002/6038EF Approved Registrar-General of Land

Attachment C: Indemnity wording as proposed by Lane Neave

Quartz Development Group Limited, its directors, and its shareholders indemnify (with effect from the date of road dedication) Queenstown Lakes District Council against any loss, claim, damage, expense, liability or proceeding suffered or incurred at any time subject to the below time limitation by Queenstown Lakes District Council occurring as a result of, or resulting directly from any enforcement or attempted enforcement of Land Covenant 8095711.1 against the Queenstown Lakes District Council as grantor under that instrument. The obligations and liabilities of each director and shareholder of Quartz Development Group Limited shall be joint and several with the obligations and liabilities of Quartz Development Group Limited.

This indemnity shall remain in place until all of the land comprised in certificate of title 362103 has been sold or disposed of by Willowridge Developments Limited or has been fully developed into residential/commercial or such other arrangement where further development is not anticipated.

**QLDC Council
23 June 2017****Report for Agenda Item: 7****Department: Property & Infrastructure****Queenstown Commercial Parapenters – New Reserve Licence****Purpose**

The purpose of this report is to consider granting a new commercial reserve licence to Queenstown Commercial Parapenters Limited, operating as GForce Paragliding, to land at the Queenstown Recreation Ground, as a secondary location.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve** a new licence over Section 134 BLK XX Shotover SD, classified as Recreation Reserve to the Queenstown Commercial Parapenters Ltd, for commercial parapent landings, subject to the following terms and conditions:

Commencement	Immediate
Term	5 years
Renewal	One further term of 5 years by agreement of both parties
Rent	\$10.00 (incl. GST) per landing, landing logs to be provided to Council on a 6-monthly basis.
Reviews	At renewal.
Use	Daytime only, when primary landing site is unavailable at the Queenstown Primary School.
Insurance	Requirement to have public liability insurance of \$2 million
Safety/Suspension	Council to retain ability to suspend the licence for safety purposes or to avoid large public events. Health and Safety plan to be provided to Council. CAA certification to be supplied to Council and kept up to date. Incident and near miss reporting to QLDC and Council as soon as is reasonably possible.

Other Must ensure that a safe landing location is used free of other reserve users and members of the public, at all times. Not to interfere with Rugby club use of the grounds. Council event bookings to take priority over licence activity.

3. **Agree** to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of a licence to Queenstown Commercial Parapenters Limited over Section 134 BLK XX Shotover SD.
4. **Delegate** signing authority to the General Manager, Property and Infrastructure.

Prepared by:



Dan Cruickshank
APL Property – Property
Advisor
5/06/2017

Reviewed and Authorised by:



Aaron Burt
Senior Planner: Parks &
Reserves
6/06/2017

Background

- 1 Queenstown Commercial Parapenters Limited (GForce) have operated in Queenstown for some decades. They currently have a lease from Council to take off from Bobs Peak above the Skyline Restaurant building. This lease commenced on the 1st June 2000 and expires on the 31st May 2020.
- 2 The Parapenters will typically land on the Queenstown Primary School's sports fields, where they have approval to do so, unless they are in use by the School, at which point they require a secondary landing site. This usually occurs during lunch time at the School, or when some other event is taking place on the grounds.
- 3 GForce currently hold a temporary reserve permit to land on the Queenstown Recreation Ground (Rec. Ground), adjacent to Memorial Centre. This allows them to land for a maximum of no more than 6 days consecutively or 40 days in total per year, which is a Reserves Act 1977 requirement.
- 4 Council developed and adopted a Reserve Management Plan for the Rec. Ground in 2005/6. This approved parapent landings taking place at the grounds, subject to limits and restrictions being imposed to limit user conflicts and to mitigate safety concerns that might arise.
- 5 Along with passive users, the Wakatipu Rugby Club are the main users of the Rec. Ground rugby field, and currently hold a lease over part of the Queenstown

Memorial Centre building. This lease commenced on the 1st October 2012 and expires on the 30th September 2032.

Comment

- 6 GForce provide an iconic adventure tourism activity in the heart of the Queenstown town centre. They have requested a licence over the Rec. Ground to formalise their use of the site, which has been ongoing for some decades.
- 7 We understand that previous approval for landings at the Rec. Ground was likely obtained on an informal basis through Council's CCO Lakes Leisure, prior to the sport and recreation portfolio being taken back in house at Council. Both private recreation and commercial users land at the site when the School's field is unavailable.
- 8 They are experienced operators, and require use of the site only as a backup location when the Queenstown Primary School is unavailable.
- 9 With an activity such as this, safety is a paramount consideration for both GForce and Council. The applicants have supplied a Safety Operating Plan and confirmed that they are also CAA approved.
- 10 The intention to grant a licence to GForce does not need to be publicly notified under the Reserves Act 1977, as the use was approved under the Reserve Management Plan process.
- 11 GForce have confirmed that they no longer land at Warren Park and therefore this location has not been included in the licence request.

Options

- 12 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:
- 13 Option 1 To approve a licence over Section 134 BLK XX Shotover SD, classified as Recreation Reserve to the Queenstown Commercial Parapenters Ltd for commercial parapent landings, subject to the terms and conditions outlined above.

Advantages:

- 14 Will provide long term surety of use for an iconic Queenstown tourism activity.
- 15 Will generate additional income for Council.
- 16 Will enable Council to monitor and control use of the site by commercial operators.

Disadvantages:

17 There are potential safety concerns to other users of the Rec. Ground, which need to be managed closely by GForce and monitored by Council.

18 Option 2 To approve a licence over Section 134 BLK XX Shotover SD, classified as Recreation Reserve to the Queenstown Commercial Parapenters Ltd for commercial parapent landings, subject to different terms and conditions.

Advantages:

19 Similar to the above.

Disadvantages:

20 Similar to the above.

21 Option 3 To decline the application by Queenstown Commercial Parapenters Ltd over Section 134 BLK XX Shotover SD.

Advantages:

22 Would not create potential safety concerns to other users of the Rec. Ground.

Disadvantages:

23 Would not provide long term surety of use for an iconic Queenstown tourism activity.

24 Would not generate additional income for Council.

25 Would not enable Council to monitor and control use of the site by Commercial operators.

26 This report recommends Option 1 for addressing the matter as it provides a pragmatic licensing process which will aid in the management of the reserve and provide a long-term approval and surety of tenure to the commercial operator.

Significance and Engagement

27 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it formalises a commercial use of an important reserve in the Queenstown Town Centre.

Risk

28 This matter related to the operational risk OR011A Decision Making as documented in the Council's risk register. The risk is classed as moderate. The risk is mitigated because the use was foreseen and approved under a reserve management plan process.

Financial Implications

29 Council is set to received income of \$10.00 (incl. GST) per landing. Licence administration costs will be covered by existing property OPEX budgets.

Council Policies, Strategies and Bylaws

30 The following Council policies, strategies and bylaws were considered:

- Queenstown Recreation Reserve Management Plan 2006
- Community Facility Pricing Policy 2011

31 The recommended option is consistent with the principles set out in the named policy/policies.

32 This matter is included in the 10-Year Plan/Annual Plan

- Through existing property OPEX budgets.

Local Government Act 2002 Purpose Provisions

33 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing income to Council and a decision in a timely manner;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

Consultation: Community Views and Preferences

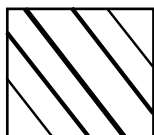
34 The persons who are affected by or interested in this matter are the users of the Rec. Ground. Specifically, the Wakatipu Rugby Club have been consulted with by GForce, and approve of the licence being granted, subject to rugby training and match use taking priority. The use was also publicly notified during the reserve management plan process.

Attachments

A Plan of proposed operating area

Figure 1: The Queenstown Recreation Reserve



 Landing Area

**QLDC Council
23 June 2017****Report for Agenda Item: 8****Department: Property & Infrastructure****Easement to Aurora Energy – Lake Hawea Holiday Park****Purpose**

The purpose of this report is to consider granting an electrical easement over Recreation Reserve with legal description Section 2 Block II Lower Hawea Survey District to Aurora Energy Ltd. The easement is required to replace existing overhead lines and transformer with a new underground power cable and ground based transformer.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve** an electrical easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District be granted subject to section 48 (1)(d) of the Reserves Act 1977, to Aurora Energy Ltd subject to the following conditions:
 - a. Aurora Energy Ltd to notify and liaise with QLDC Infrastructure Department and the lessee of the land Glen Dene Holdings Ltd in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;
 - b. Requirement for a bond payable to QLDC prior to construction works commencing will be waived in this instance;
 - c. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - d. A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site;
 - e. Certificate of adequate public liability cover to be received;
 - f. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Property & Infrastructure Department and lessee Glen Dene Holdings Ltd. Reinstatement to include any fencing or other structures.
 - g. Within 3 months of completion of the work, the applicant to provide QLDC with a surveyed easement and signed Deed of Easement.

3. **Endorse a recommendation** to full Council on 23 June 2017, that notification of the intention to grant the easement is not required, as the statutory test in section 48(3) of Reserves Act 1977 is met for the reasons set out in this report;

Prepared by:



Dan Cruickshank
APL Property – Property
Advisor

7/06/2017

Reviewed and Authorised by:



Aaron Burt
Senior Planner: Parks &
Reserves

2/06/2017

Background

- 1 Council administers the reserve over which the Lake Hawea Holiday Park is situated, legally described as Section 2 Block II Lower Hawea Survey District, Certificate of title 370244.
- 2 The reserve is classified as Recreation Reserve under NZ Gazette 1986 p 2401, and vested in Council to administer under NZ Gazette 1999 p 2418.
- 3 The land carries an existing overhead power line and transformer, owned by lines company Aurora Energy Ltd. These assets have been in place for some decades and are now in need of replacement due to their condition. The existing lines were installed prior to the Electricity Act 1992, and therefore did not require an easement at the time.
- 4 The land upon which the easement will be placed is in the general vicinity of the existing powerline, on land leased to Glen Dene Holdings Ltd as a camping ground, with lease expiry on the 31/12/2036. Glen Dene Holdings also hold a commercial licence from Council for the surrounding reserve land, however this area is unaffected by the easement location.
- 5 This report will be considered by the Wanaka Community Board at its meeting on 22 June. The recommendation is that the Board endorse the recommendation.

Comment

- 6 Aurora wish to replace existing overhead lines with an underground power cable that will run for approximately 110m, terminating at an above ground transformer. This is intended to ensure a safe supply of electricity to the site, currently considered potentially at risk.
- 7 Access to the site will be able to be made through the main reserve area and camping ground, in conjunction with the lessees, who are keen to see the work take place with urgency.

- 8 The undergrounding of the power lines will create an area of land that will need to be reinstated by Aurora afterwards, along with replacement of any vegetation. As most of the area is in the main built area of the camping ground, it is suggested that this aspect be coordinated directly with the lessee.
- 9 The underground cable will require a 3m wide easement channel and the transformer requires an area of 3x4m, equating to a total area of 342m². There is also the possibility that the underground cable easement width may be reduced if ducting can be provided.
- 10 As per the Easement Policy 2008, an application fee and a one-off underground services easement fee are applicable. In accordance with the policy, the easement fee is calculated at \$249.66 plus GST.

Land value of property	= \$390,000
Size of property	= 160,000 m ²
Easement area	= 342 m ²

Calculation:

\$390,000 / 160,000 m ²	= \$2.44 / m ²
30% of \$2.44	= \$0.73 / m ²
\$0.73 x 342 m ²	= \$249.66 plus GST

- 11 Existing infrastructure may exist in the recreation reserve which may be crossed by the easement. The applicant will need to liaise with QLDC's Infrastructure team to ensure existing infrastructure is not damaged during the installation.
- 12 Under the Reserves Act 1977, Ministerial consent is required before an easement can be granted over a reserve. This consent is now delegated to Council and must be granted prior to the easement being lodged with LINZ.
- 13 Granting an easement is permitted by the Reserves Act 1977, however, such easement must be publicly notified in accordance with Section 48(2) unless it can be shown that people's ability to enjoy the reserve is not affected and that there is no long-term effect on the land. These matters are considered below.

Does the easement affect the ability of people to use and enjoy the reserve?

- 14 While there would be some temporary minor disruption during the installation of the underground power lines, long term there will be no detrimental effect on the ability of the public to use and enjoy the reserve. Once the installation is complete, users of the reserve would be unaware that any changes have been made to the reserve.

Does the easement create any long term permanent effect on the reserve?

- 15 Aside from during the installation process, this easement will not affect the ability of the reserve to provide for its current purpose. As the infrastructure will be mostly underground apart from the transformer, it is considered that the creation of the easement will not have any long-term effect on the reserve.

- 16 Taking into account the above factors, it is not considered that the easement will permanently affect the reserve or the ability of people to use and enjoy the reserve, and therefore public notification is not deemed necessary.
- 17 This report recommends that any approval granted for an easement be subject to the following conditions:
- a. Aurora Energy Ltd to notify and liaise with QLDC Property & Infrastructure Department and the lessee of the land Glen Dene Holdings in advance of any onsite works so that they can oversee and provide input relating to existing in ground infrastructure;
 - b. Requirement for a bond payable to QLDC prior to construction works commencing will be waived in this instance;
 - c. The work site to be evidenced by before and after photographs or video to be provided by the applicant;
 - d. A comprehensive safety plan must be prepared and implemented, at the applicant's cost, to ensure a safe environment is maintained around the subject site;
 - e. Certificate of adequate public liability cover to be received;
 - f. Reinstatement of the area to be completed immediately following installation and to the satisfaction of QLDC's Infrastructure Department and lessee Glen Dene Holdings Ltd. Reinstatement to include any fencing or other structures.
 - g. Within 3 months of completion of the work, the applicant is to provide QLDC with a surveyed easement and signed Deed of Easement.

Options

- 18 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.
- 19 Option 1 Endorse a recommendation to full Council to grant the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District, subject to the conditions outlined above.

Advantages:

- 20 The power supply to Lake Hawea Holiday Park will be upgraded and undergrounded at no cost to the ratepayers, community or lessee.
- 21 A potential health and safety concern will be removed from the property.
- 22 Council will receive an easement fee of approximately \$249.66 plus GST.

Disadvantages:

- 23 The easement area will not be available for other utility infrastructure, without the consent of Aurora Energy.

24 Access to a small area of the camping ground will be temporarily limited during the undergrounding process.

25 Option 2 Recommend to full Council to grant the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District, subject to alternative conditions.

Advantages:

26 Similar to Option 1

Disadvantages:

27 Similar to Option 1.

28 Option 3 Recommend to full Council to decline the easement over Recreation Reserve, Section 2 Block II Lower Hawea Survey District.

Advantages:

29 The easement area would be available for other utility infrastructure.

30 Access to a small area of the camping ground would not be temporarily limited during the undergrounding process.

Disadvantages:

31 The power supply to Lake Hawea Holiday Park would not be upgraded and undergrounded at no cost to the ratepayers, community or lessee.

32 A potential health and safety concern would not be removed from the property.

33 Council would not receive an easement fee of approximately \$249.66 plus GST.

34 This report recommends **Option 1** for addressing the matter, as it will improve and underground the electricity supply to a Council property and lease area.

Significance and Engagement

35 This matter is of low significance, as determined by reference to the Council's Significance and Engagement policy because it does not involve a Council strategic asset, is of low importance to the Queenstown Lakes District, is not of interest to the general community, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity.

Risk

36 This matter relates to operation risk OR011A, 'Decision Making'. The risk is classed as moderate. A perpetual property right contained in the recreational reserve does carry risk to Council for any future development, and this risk needs to be highlighted when considering approving the easement.

Financial Implications

- 37 Council will receive an easement fee of approximately \$249.66 plus GST in accordance with the easement policy.
- 38 All costs associated with the survey and registration of the easement on Council's title will be paid for by the applicant, Aurora Energy Ltd.

Council Policies, Strategies and Bylaws

- 39 The following Council policies, strategies and bylaws were considered:
- Identify Significance & Engagement Policy 2014 – the proposal is a matter with low significance in terms of this policy as it does not impact Council's strategic assets, affect a large number of residents, ratepayers and the environment and is not expected to create a community interest in the matter.
 - Easement Policy 2008 – the application is consistent with the policy.
- 40 The recommended option is consistent with the principles set out in the named policy/policies.
- 41 This matter is not included in the 10-Year Plan/Annual Plan, however can be met from existing property operating budgets.

Local Government Act 2002 Purpose Provisions

- 42 The recommended option:
- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by allowing a power line to be undergrounded and improved at no cost to Council;
 - Can be implemented through current funding under the 10-Year Plan and Annual Plan;
 - Is consistent with the Council's plans and policies; and
 - Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

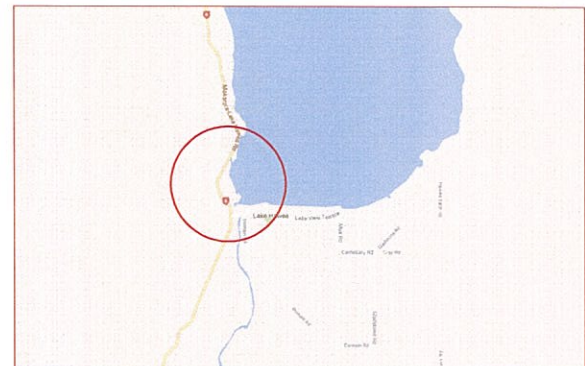
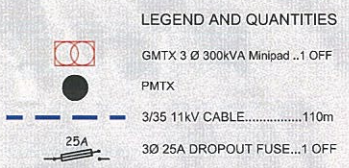
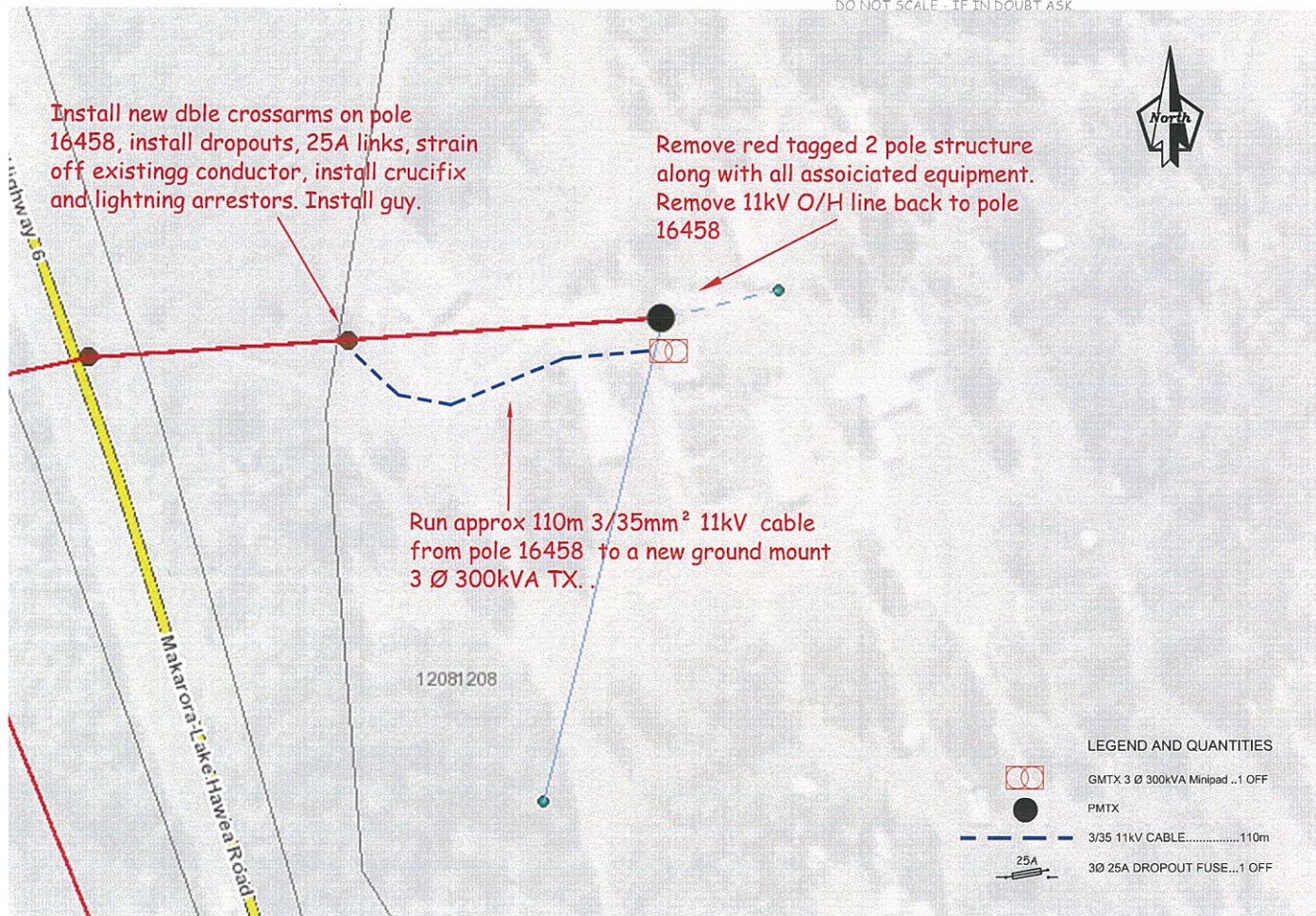
Consultation: Community Views and Preferences

- 43 No consultation is envisaged or required by Council as it has low significance with regard to the Significance & Engagement Policy 2014, is consistent with s10 of the Local Government Act and is not included in the 10-Year Plan/Annual Plan.
- 44 The lessee Glen Dene Holdings have also confirmed that they are in approval of the electricity supply being upgraded.

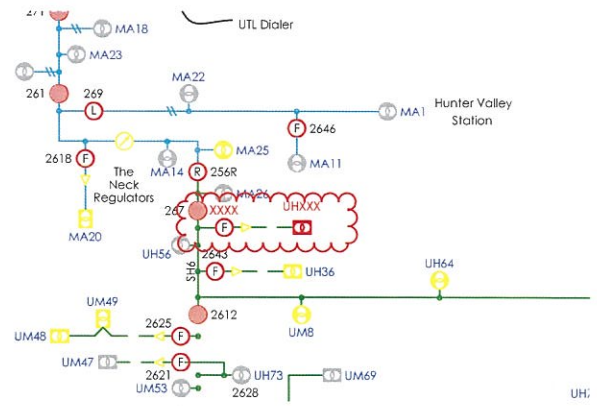
Attachments

- A Site Installation Plan and Aerial

DO NOT SCALE - IF IN DOUBT ASK

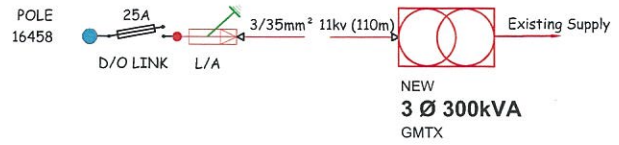


LOCALITY PLAN



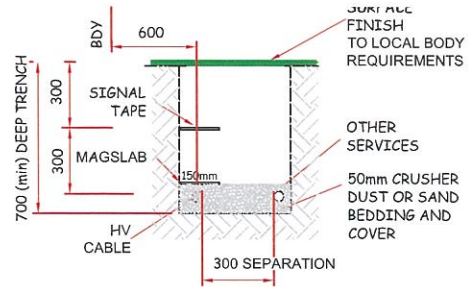
HV NETWORK SCHEMATIC

CONSTRUCTION PLAN



HV SCHEMATIC

EASEMENTS
 EASEMENTS IN GROSS TO AEL REQUIRED FOR ALL OVERHEAD LINES, TRANSFORMERS 11kV AND LV CABLES AND EQUIPMENT ON PRIVATE PROPERTY



HV TRENCH DETAILS (TYP) SCALE NTS

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NOV 26

ISS	APPROVAL	REVISION	DATE	INTL
			MAY 17	RCM

NES CENTRAL LIMITED
 CHURCH ROAD LUGGATE
 PH 03 443 8340 FAX 03 444 2748
 www.4nes.co.nz



PROJECT:
 LAKE HAWEA CAMPING
 TRANSFORMER RELOCATION

ORG TITLE:
 CONSTRUCTION PLAN
 LAKE HAWEA CAMPING GROUND
 HAWEA

APPROVED:	CHECKED:	STATUS:
PJS	PJS	APPROVED
DRAWN:	SCALE:	CR:
MF	AS SHOWN	A3
DATE:	PROJECT NO.:	DWG NO.:
NOV 26	QC1611.22	01
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QLDC Council**23 June 2017****Report for Agenda Item: 9****Department: CEO Office****Chief Executive's Monthly Report****Purpose**

- a) To update the Council on some minor matters;
- b) To provide a summary of approvals made under delegated authority; and
- c) To provide a summary of items and recommendations from other meetings which have occurred during the previous meeting round.

Recommendation

That the Council:

1. **Note** the contents of this report;
2. **Agree** to budget reforecasts for 2016/17 and 2017/18 to provide for acceleration of Queenstown Town Centre Masterplan project.
3. Community and Services Committee (18 May 2017)
Adopt and sign the Te Rōpū Taiao Otago Governance Charter and commit to becoming a fully participatory member of the Otago Te Rōpū.
4. Wanaka Community Board (22 June 2017)
Proposal to Vest Various Lands as Reserve and to Offset Reserve Land and Reserve Improvements Contributions as per the Development Contributions Policy
 1. **Approve** the vesting of the 13 identified proposed reserves;
 - a. Lots 200 and 201, Orchard Road Holdings 'Alpha Ridge' Meadowstone Drive.
 - b. Lots 96 and 97, GAD Ltd, Kirimoko Crescent.
 - c. Lots 100 - 105, Quartz Development Group Ltd 'Sentinel Park' Hawea
 - d. Lots 998 and 999, Willowridge Developments Ltd 'Timsfield' Hawea
 - e. Lot 1000, Universal Developments Ltd, 'Hikuwai' Aubrey Road.subject to the following works being undertaken at the applicant's expense:
 - i. Consent being granted (as necessary) for any subdivision required to formally create the reserve;
 - ii. Presentation of the reserve in accordance with Council's standards for reserves;
 - iii. A potable water supply point to be provided at the boundary of the reserve lot;
 - iv. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;

- v. A three year maintenance period by the current landowner commencing from vesting of the reserve, except for Lots 998 and 999 in 'Timsfield', which shall have a one year maintenance period;
 - vi. Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy.
2. **Offset** reserve land contributions in accordance with the Development Contributions Policy current at the time of contributions payment and the Parks and Open Space Strategy 2017, subject to recommendation three above, and excluding part of Lot 1000 'Hikuwai' (area of stormwater detention to be defined), all of Lots 998 and 999 in 'Timsfield' and all of Lot 200 in 'Alpha Ridge'.
3. **Offset** reserve improvement contributions against those payable in accordance with the Development Contributions Policy current at the time of contributions payment (excluding Lots 998 and 999 in 'Timsfield' and Lot 200 in 'Alpha Ridge'), subject to:
- a. Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the Parks and Reserves Planning Manager.
 - b. Final approval of reserve improvement costs to be delegated to the Parks and Reserves Planning Manager and is subject to the applicant demonstrating the actual costs of the improvements.
 - c. If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the applicant's expense.

Comment

1. 2016/17 & 2017/18 Budget Reforecast: Queenstown Town Centre Masterplan

Adjustments to the budget for the Masterplan project are proposed for Council approval because:

- a) Since preparation of the budgets, the scope of works for the project has been clarified and a detailed programme schedule and budget has been developed; and
- b) The workstreams have been accelerated to ensure that the various business cases and cost estimates are completed in time to be captured within the 10-Year Plan in October 2017.

The following budget re-allocation and adjustments are required to the 2016/17 and 2017/18 budgets:

Queenstown Town Centre Masterplan Projects	Budget	FORECAST Budget	Variance
Feasibility phase 16/17	\$728,980.00	\$1,524,003.00	-\$795,095.00
Feasibility phase 17/18	\$729,000.00	\$503,798.00	\$225,202.00
Implementation (design phase) 17/18	\$2,000,000.00	\$1,430,107.00	\$569.893.00

The combined 2016/17 & 2017/18 revised budget of \$2,027,801 is in excess of the current total budget (pre-implementation) by **\$569,893**. Note that this revised budget includes a contingency sum of \$100,000. To address this shortfall, the following adjustments are sought to the 2016/17 and 2017/2019 budgets:

Budget Adjustment 16/17						
Project Code	Project Description	Budget 16/17	Budget B/Forward from 17/18	Budget Transfer	Forecast 16/17	Total Budget versus Forecast
000448	The Mall	\$ 250,000		-\$ 250,000	\$ -	-\$ 250,000
New Project 16/17	Town Centre Master Plan & Spatial Framework	\$ -	\$ 237,069	\$ 250,000	\$ 487,069	\$ 487,069
	Total	\$ 250,000	\$ 237,069	\$ -	\$ 487,069	\$ 237,069
000449	Inner Links & Carpark	\$ 420,000	\$ -	-\$ 420,000	\$ -	-\$ 420,000
000179	Inner Links Business Case (NZTA subsidised)	\$ 58,908	\$ -	-\$ 58,908	\$ -	-\$ 58,908
New 17/18	Inner Links CBD Bypass Road	\$ -	\$ -	\$ 408,723	\$ 408,723	\$ 408,723
	Total	\$ 478,908	\$ -	-\$ 70,185	\$ 408,723	-\$ 70,185
New 17/18	New Public Transport Hub in CBD	\$ -	\$ 240,061	\$ 70,185	\$ 310,246	\$ 310,246
New 17/18	New Parking Facilities in CBD	\$ -	\$ 317,965	\$ -	\$ 317,965	\$ 317,965
	Total	\$ -	\$ 558,026	\$ 70,185	\$ 628,211	\$ 628,211
	Grand Total	\$ 728,908	\$ 795,095	\$ -	\$ 1,524,003	\$ 795,095

Budget Adjustment 17/18							
Project Code	Project Description	Draft AP 17/18	Budget B/Forward to 16/17	Revised Budget 17/18	Budget Transfer	Forecast 17/18	Total Budget versus Forecast
New 17/18	Town Centre Master Plan (Incl Mall)	\$ 158,000	-\$ 122,069	\$ 35,931	-\$ 35,931	\$ -	-\$ 158,000
New 17/18	Spatial Framework	\$ 115,000	-\$ 115,000	\$ -	\$ -	\$ -	-\$ 115,000
New Project 16/17	Town Centre Master Plan & Spatial Framework	\$ -	\$ -	\$ -	\$ 126,539	\$ 126,539	\$ 126,539
	Total	\$ 273,000	-\$ 237,069	\$ 35,931	\$ 90,608	\$ 126,539	-\$ 146,461
New 17/18	Inner Links CBD Bypass Road	\$ 186,000	\$ -	\$ 186,000	-\$ 33,242	\$ 152,758	-\$ 33,242
New 17/18	New Public Transport Hub in CBD	\$ 122,000	-\$ 122,000	\$ -	\$ 111,058	\$ 111,058	-\$ 10,942
New 17/18	New Parking Facilities in CBD	\$ 148,000	-\$ 148,000	\$ -	\$ 113,443	\$ 113,443	-\$ 34,557
	Total	\$ 456,000	-\$ 270,000	\$ 186,000	\$ 191,259	\$ 377,259	-\$ 78,741
New 17/18	Town Centre Master Plan Implementation	\$ 2,000,000	-\$ 288,026	\$ 1,711,974	-\$ 281,867	\$ 1,430,107	-\$ 569,893
	Total	\$ 2,000,000	-\$ 288,026	\$ 1,711,974	-\$ 281,867	\$ 1,430,107	-\$ 569,893
	Grand Total	\$ 2,729,000	-\$ 795,095	\$ 1,933,905	\$ -	\$ 1,933,905	-\$ 795,095
	Pre-Implementation Budgets	\$ 729,000	-\$ 507,069	\$ 221,931	\$ 281,867	\$ 503,798	-\$ 225,202
	Pre-Implementation projects						\$ 569,893
	Total Budget versus forecast						\$ 569,893

2. Delegations Exercised

Presented below is a list of applications for licences to occupy and temporary road closures considered recently by the Chief Executive under delegated authority:

Address/Site/Event	Type	Brief Description	Date of Decision	Outcome
Queenstown Winter Festival	Temporary Road Closure	Various temporary road closures in central Queenstown 22-25 June.	6/06/2017	Approved
Madam Woo	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved
Jervois Steak House	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved
Atlas Beer Café	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved

Address/Site/Event	Type	Brief Description	Date of Decision	Outcome
Ivy and Lola's	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved
Caribe Latin Kitchen	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved
Cookie Time	Table and Chair Licence	Variation to provide for new furniture	9/06/2017	Approved
New commercial building, 27 Shotover Street	Licence to Occupy Road Reserve	Licence to Occupy Road Reserve to erect hoarding over the adjacent footpath to enable construction activities to take place	12/06/2017	Approved

3. Committee meetings of previous meeting round

Community and Services Committee – Councillor Stevens (18 May 2017)

Ratification:

2. Progressing towards QLDC joining the Local Authorities of the Otago Region in a Te Rōpū with the Papatipu Rūnanga of the Kai Tahu ki Otago Takiwa

Planning and Strategy Committee – Councillor Hill (8 June 2017)

Information:

1. Proposed District Plan Review Timeline

Appeals Subcommittee – Councillor Hill (8 June 2017)

Information:

1. Request to Mediate in Relation to the Appeal by Willowridge Developments Ltd: Against the Decline of Consent RM160606
2. Request to Mediate in Relation to the Appeal by Glencoe (Joint Venture) Ltd: Against the Decline of Consent RM160137

Audit, Finance and Risk Committee – Councillor McRobie (8 June 2017)

Information:

1. QLDC Organisational Health Safety and Wellbeing Performance
2. Risk Management Update
3. Ten Year Plan (Long Term Plan) Project Update
4. Sensitive Expenditure
5. Quarterly Financial Overview – March 2017
6. Treasury Update: May 2017 (public excluded)
7. Deloitte Planning Report for 2016/17 Audit (public excluded)
8. Legal Update (public excluded)

Infrastructure Committee – Councillor Forbes (15 June 2017)

Information:

1. QLDC Water Meter Policy Update

Wanaka Community Board – Ms R Brown (22 June 2017)

Ratification:

1. Easement to Aurora Energy – Lake Hawea Holiday Park*
5. Proposal to Vest Various Lands as Reserve and to Offset Reserve Land and Reserve Improvements Contributions as per the Development Contributions Policy

7. Road Dedication – Quartz Development Group Limited – Grandview Stage 3 Subdivision, Hawea*

Information

2. Licence to Occupy Road Reserve – 59 Stratford Terrace, Wanaka
3. Glen Dene Holdings – Affected Person's Approval for Hawea Holiday Park Redevelopment
4. Classification & Reclassification of Reserves – Luggate Red Bridge
6. Road Naming Application – New subdivision of Lot 2 DP362505 off Orchard Road
8. Chair's Report

*Presented as a separate report.

Recommendation to Exclude the Public

It is recommended that the Council resolve that the public be excluded from the following parts of the proceedings of the meeting:

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

Confirmation of minutes of ordinary meeting held on 25 May 2017

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
3. Special Housing Area: Business Mixed Use Zone (Gorge Road): Attachment B: Draft Deed	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(h) Section 7(2)(i)
8a. Chief Executive's Report: ICC U19 Cricket World Cup 2018	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: 2(b)(ii) protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;	Section 7(2)(b)(ii)

<p>9. Kawarau Falls Bridge Water and Wastewater Infrastructure Funding</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities;</p>	<p>Section 7(2)(h)</p>
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Agenda Items

<p>General subject to be considered.</p>	<p>Reason for passing this resolution.</p>	<p>Grounds under Section 7 for the passing of this resolution.</p>
<p>10. 14 Nairn Street, - Lease Variation, Purchase and Disposal</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p>	<p>Section 7(2)(h) Section 7(2)(i)</p>
<p>11. 43 Bedford Street, Lessee Request to Freehold</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);</p>	<p>Section 7(2)(h) Section 7(2)(i)</p>

12. Resolution of appeals to private Plan Change 44: Hanley Downs	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: g) maintain legal professional privilege; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(g) Section 7(2)(i)
13. Events Funding Round 2017/18	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: b)ii) protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Section 7(2)(b)(ii)
14. New Management and Maintenance Services for High Profile Turf Contract	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)
15. Settlement Approval	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(i)

16. Governance Update – Queenstown Airport Corporation (QAC)	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: a) protect the privacy of natural persons, including that of deceased natural persons h) enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities;	Section 7(2)(a) Section 7(2)(h)
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This resolution is made in reliance on Section 48 [1] [a] of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.