

QLDC Council
8 October 2020

Report for Agenda Item | Rīpoata moto e Rāraki take 5

Department: Property & Infrastructure

Title | Taitara Te Kirikiri/Frankton Masterplan for Endorsement

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

- 1 The purpose of this report is to present the *Te Kirikiri/Frankton Masterplan* and *Integrated Transport Programme Business Case* for endorsement as QLDC's vision for Frankton at this point in time.

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

- 2 The *Te Kirikiri/Frankton Masterplan* and *Integrated Transport Programme Business Case* demonstrate how to integrate land use and transport to address the future needs of Te Kirikiri/Frankton, outlining a vision, spatial framework and recommended programme of transport interventions. The Masterplan and Business Case were developed in accordance with QLDC policies for engagement, risk and funding.
- 3 Recent developments related to Queenstown Airport and the coronavirus pandemic do not alter the assumptions of the Masterplan and Business Case.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Endorse** the *Te Kirikiri/Frankton Masterplan* as QLDC's vision for Frankton at this point in time; and
3. **Endorse** the *Te Kirikiri/Frankton Integrated Transport Programme Business Case* as QLDC's transport programme for Te Kirikiri/Frankton.

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21/09/2020

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CONTEXT | HOROPAKI

- 4 The *Te Kirikiri/Frankton Masterplan* (the Masterplan; Attachment A) and *Integrated Transport Programme Business Case* (the Business Case; Attachment B) were developed in tandem by QLDC as part of the Way to Go transport programme between May 2018 and January 2020.
- 5 The Masterplan demonstrates how to integrate land use and transport to address the future needs of Te Kirikiri/Frankton by setting out a vision, design principles, a spatial framework and implementation strategy, with a 30 year time horizon. The Masterplan is not a statutory document but does provide strategic direction for statutory documents. It is considered as a detailed sub-plan for the district-wide Spatial Plan, currently under development. It is intended that the Masterplan is updated periodically to maintain relevance, with a cycle of five to ten years.
- 6 The Business Case documents the transport problems, sets objectives and details a preferred programme of interventions for Frankton. A combined Network Operating Framework sets out stakeholders' principles and strategic network maps. The Business Case is not a commitment to fund projects but provides direction for the ongoing development of transport projects in Frankton. This is aligned with the wider Way to Go transport programme, including the *Queenstown Integrated Transport Programme Business Case* (2017).
- 7 Since the Masterplan and Business Case were completed, there have been a number of rapid developments in Frankton:
 - a. Queenstown Airport:
 - i. Socio-economic impact assessment commissioned by QLDC
 - ii. Queenstown Airport Corporation masterplanning now on hold
 - b. Christchurch International Airport purchase of land in Tarras for a future airport
 - c. The coronavirus pandemic
- 8 Council staff decided to wait until the effects of these developments were understood before closing out the Masterplan and Business Case. The effects are summarised in the Analysis and Advice section below.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

Recent developments

- 9 The effects of the recent developments have been assessed with respect to the Masterplan and Business Case, and are as follows.
- 10 The Masterplan and Business Case assume that Queenstown Airport will continue to be located in Frankton.

- 11 The *Socio-Economic Impacts of Airport Infrastructure in the Queenstown Lakes District* report (the Socio-Economic Assessment), commissioned by QLDC, was completed in June 2020. The assessment found a range of positive and negative effects from the airport across four different scenarios, but made no recommendation on the future direction. For all scenarios, Queenstown Airport is assumed to continue to operate in Frankton for the foreseeable future. The Masterplan and Business Case make this same assumption.
- 12 QLDC acknowledges that alternative scenarios have been socialised by community groups. However, these do not reflect current council direction and therefore do not change the current assumptions in the Masterplan.
- 13 Over the long-term, Christchurch International Airport Limited is proposing a potential airport in Tarras. QLDC's position is that Queenstown Airport will continue to remain a viable asset to the district. Therefore there are no changes to the current assumptions in the Masterplan.
- 14 The Queenstown Airport Corporation has placed its long-term development planning on hold due to current operating conditions related to the coronavirus pandemic¹. Council staff understand that the corporation is supportive of the Masterplan and Business Case, therefore there is no change to the assumptions in either.
- 15 Any changes to the current assumptions can be addressed in future updates to the Masterplan.
- 16 The coronavirus pandemic has dramatically affected visitor numbers and the ongoing development of the district. QLDC's latest projections² predict slower growth for the next ten years, which may delay some of the interventions in the Masterplan and Business Case. However, by 2050 the level of growth is predicted to be unchanged from the pre-coronavirus predictions. Therefore, the overall outcome of the Masterplan and Business Case remains unchanged.

Current use and next steps

- 17 The Masterplan and Business Case are supported by the Way to Go partners (Waka Kotahi/New Zealand Transport Agency and Otago Regional Council). The Business Case was not formally endorsed for funding by Waka Kotahi as the programme is not significantly different from the existing *Queenstown Integrated Transport Programme Business Case*.
- 18 A wide range of work across QLDC is currently being informed by the Masterplan and Business Case, including:
 - a. Spatial Plan

¹ Queenstown Airport Corporation: *Statement of Intent* (year ending June 30 2021); <https://www.queenstownairport.co.nz/assets/documents/QAC-Statement-of-Intent-April-2022.pdf>

² Queenstown Lakes District Council: *Demand Projections Summary – July 2020*; https://www.qldc.govt.nz/media/jg3bkh5a/qldc-demand-projections-summary_july2020.pdf

- b. *Queenstown Events Centre Masterplan*
- c. *Way to Go: Queenstown Transport Business Case*
- d. Future District Plan changes by the Policy Planning team
- e. Long Term Plan portfolios by the Parks and Reserves, Property and Transport Strategy teams

19 Council staff stakeholders have agreed to review and update the Masterplan Action Plan Schedule periodically.

20 The Masterplan and Business Case will continue to be owned by the QLDC Strategy & Asset Planning team.

21 Option 1 Do not endorse the Masterplan or Business Case.

Advantages:

22 No internal resources or funding are required to action the Masterplan Implementation Strategy, or for subsequent updates.

23 Less funding is required to develop the transport network in Frankton.

Disadvantages:

24 QLDC's strategic direction for Frankton reverts to the district-wide Spatial Plan or District Plan, with no specific strategic direction for Frankton and a risk of continued ad-hoc development.

25 The transport network continues to develop in an ad-hoc fashion, with a risk that the existing problems and trends continue.

26 Stakeholders and community members who had input into the Masterplan view the engagement process poorly.

27 Option 2 Update the Masterplan and Business Case to reflect recent rapid developments.

Advantages:

28 Masterplan and Business Case reflect the latest developments.

Disadvantages:

29 Resources, funding and time are required to action the update. This will comprise project management and a stakeholder workshop, with an estimated cost of \$50,000 and Council endorsement deferred by three months.

30 There is a risk that circumstances continue to change and approval continues to be delayed.

31 Investment will also be required to periodically update the Masterplan (see Clause 39).

32 Option 3 Endorse the Masterplan and Business Case.

Advantages:

33 Strategic direction guides development of Frankton to achieve outcomes agreed by the community.

34 Transport interventions are developed in an integrated and timely manner to achieve agreed transport objectives.

35 The Masterplan and Business Case can be periodically updated to maintain the relevance of the document.

Disadvantages:

36 Not all stakeholders or community members may agree with the outcomes.

37 Investment required to achieve Business Case outcomes, through the Way to Go programme.

38 This report recommends **Option 3** for addressing the matter to because it provides the best outcomes for future development of Frankton and its transport network and integrates with other QLDC initiatives.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

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

a. Important to the Queenstown lakes District: the strategic direction moderately impacts the environment, culture and people of the district, and particularly Frankton, by shaping the future development of Frankton. This has repercussions for the sustainable and economic development of the entire district.

b. Community interest: the strategic direction moderately affects the community.

c. Impact on the Council's capability and capacity: the Masterplan and Business Case informs the capital programme.

40 The persons who are affected by or interested in this matter are as follows:

a. The community, residents and ratepayers of Frankton

b. The wider community, residents and ratepayers of Queenstown Lakes District

- c. Project stakeholders, including mana whenua, local businesses, residents, landowners, interest groups, QLDC staff, Queenstown Airport Corporation, education providers, and emergency, health, social and community services.
- d. Project partners, including the Way to Go partners and iwi groups.

41 The Council has engaged with project partners, stakeholders and the community throughout the development of the Masterplan and Business Case. This included workshops, youth workshops, interviews, drop-in sessions and surveys. The results of this engagement directly shaped the outcomes of the Masterplan and Business Case.

> MĀORI CONSULTATION | IWI RŪNANGA

42 The Council has engaged with mana whenua throughout the development of the Masterplan and Business Case, through workshops and ongoing discussions with Way to Go.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 43 This matter relates to the Strategic/Political/Reputation. It is associated with RISK00056: 'ineffective provision for the future planning and development needs of the district' within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 44 The approval of the recommended option will support the Council by allowing us to implement additional controls for this risk. This shall be achieved by setting a strategic direction for development and infrastructure investment in Frankton.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 45 The Masterplan and Business Case are informing the development of the Long Term Plan 2021-31. The capital costs are significant: the indicative cost for the QLDC share of the Business Case preferred programme is \$83 million over ten years. However, this is not a significant change from the investment already set out in the *Queenstown Integrated Transport Programme Business Case* and other programmes of work.
- 46 The periodic Masterplan updates are also being considered in the development of the Long Term Plan 2021-31.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 47 The following Council policies, strategies and bylaws were considered:
- Vision Beyond 2050: The Masterplan and Business Case are well aligned with the vision statements
 - Significance and Engagement Policy: determined level of engagement for the Masterplan and Business Case

- Infrastructure Asset Management Strategy 2018-2048: sets out key issues, objectives and means to manage infrastructure development
- Disability Policy: the Masterplan and Business Case outcomes are well aligned with the policy statement, focussing on reducing severance and improving accessibility.

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

49 This matter is under consideration for the Ten Year Plan 2021-31. It is guiding and informing the investment portfolios for the Parks and Reserves, Property and Strategy and Asset Planning teams.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

50 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 strategic direction to the development of Frankton;
- Can be implemented through current funding under the Ten 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.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	TE KIRIKIRI/FRANKTON MASTERPLAN
B	TE KIRIKIRI/FRANKTON INTEGRATED TRANSPORT PROGRAMME BUSINESS CASE

Note that both attachments are circulated separately.