

QLDC Council
3 September 2020

Report for Agenda Item | Rīpoata moto e Rāraki take: 2

Department: Finance, Legal & Regulatory

Title | Taitara Setting of Rates for 2020/21

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to set the rates for the Queenstown Lakes District Council for the 2020/21 financial year as per section 23 of the Local Government (Rating) Act 2002.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Notes** the contents of this report; and
2. **Sets** the rates for the Queenstown Lakes District Council for the 2020/21 financial year as per section 23 of the Local Government (Rating) Act 2002 (as per Attachment A).

Prepared by:



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19/08/2020

Reviewed and Authorised by:



Mike Theelen
Chief Executive

20/08/2020

CONTEXT | HORPOAKI

- 1 The Council adopted the 2020/21 Annual Plan on 25 June 2020, and the detailed work required to calculate the rates for 2020/21 has been completed. The rates are largely as expected. The rates resolution can only be made after the Annual Plan has been adopted.
- 2 The process for setting and assessing rates changed in 2002. The enactment of the Local Government (Rating) Act 2002 and the Local Government Act 2002 has meant that the draft Annual Plan or draft 10 Year Plan (LTP) has become the primary notification to the public of the proposed rates for the new year.
- 3 Rates can only be set by resolution of the Council.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 4 The final rates for the 2020/21 year as per the attached resolution are substantially as expected. The indicative rates information published in the 2020/21 Annual Plan are the Council's best estimate at that time. They are subject to change as a result of alterations made to the draft budgets through the submission process which may have a funding impact and to changes in the capital value of the district which may occur between adoption of the draft plan and the 30th June.
- 5 District-wide the actual annual increase in capital value is 3.4% (2019: 4.1%) compared to 3.5% allowed for in the 10 Year Plan (LTP). The overall increase in the Wānaka ward was 3.92% (2019: 4.38%) compared to 3.20% (2019: 3.97%) within the combined Wakatipu/Arrowtown wards.
- 6 The total number of rateable properties for the 2020/21 year is estimated to be 28,573 (2019: 27,454) which represents an increase of 4.1% (2019: 4.8%) on last year. The overall growth factor for the year is therefore essentially as per forecast at 3.75%; slightly more than the 3.5% allowed for in the 10 Year Plan (LTP).

Impact on Rates

- 7 As a result of the revision of the draft Annual Plan following the initial impact of the COVID-19 pandemic on the district and the subsequent submission process, the overall average rates increase moved from 6.76% to 1.59% (after allowing for growth). As a result of the additional growth in the district (see above), this average increase now sits at 1.35%.
- 8 The impact of the rates increase for 2020/21 will not be even across all property types and locations. This is largely because of the impact of targeted rates which are often ward or scheme based. As a result of the different growth rates in the district, generally rates are lower than anticipated in Wanaka, slightly higher in Arrowtown and about the same in Queenstown.
- 9 In order to keep within the statutory cap of 30% rates revenue coming from fixed charges, we have had to alter the proportion of cost recovered from the Recreation Rate (capital value based) versus the Recreation Charge (targeted fixed charge). This has moved from

50:50 to 67:33 and has had a minimal impact on rates incidence, but is necessary to maintain compliance with Section 21 of the Rating Act. In order to minimize this impact we have adjusted the water rates for Queenstown by increasing the fixed charge by \$40 per property which reduces the capital value rate by around 13.5%. This results in the same amount of rates collected and mitigates any unintended change to rates allocation.

10 The main features of the 2020/21 rates movement for median value properties are:

- Most residential rates are set to increase by between \$26 and \$92 per annum for next year. The exception is Hawea with a small decrease of \$29 per annum. Whilst most components of residential rates are reduced, some elements have increased due to the impact of COVID-19 on Council income for recreational services (libraries, recreation centres and aquatic centres).
- Most business rates show a decrease to last year of between 1.09% to 4.39%, depending on value, location and property type;

The following tables shows the final indicative rate movements, in the majority of cases the movements shown here reflect a more favourable outcome than presented in the final 2020/21 Annual Plan. The draft columns represent the increase indicated in March 2020, when the consultation document was adopted. In all examples the revised rates movement is significantly less as a result of the major budget revisions undertaken since March.

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 20/21						
Median Values			Revised Rates	Revised Rates	Draft Rates	Draft Rates
PROPERTY TYPE	CV	LOCATION	%	\$	%	\$
RESIDENTIAL	\$1,090,000	QUEENSTOWN	2.84%	\$92	8.03%	\$260
COMMERCIAL	\$1,890,000	QUEENSTOWN	-4.39%	-\$295	3.65%	\$245
ACCOMMODATION	\$2,081,000	QUEENSTOWN	-1.24%	-\$133	4.90%	\$522
M/U ACCOMMODATION	\$1,260,000	QUEENSTOWN	1.26%	\$54	7.01%	\$297
VACANT	\$700,000	QUEENSTOWN	5.34%	\$119	9.16%	\$204
M/U COMMERCIAL	\$1,250,000	QUEENSTOWN	0.80%	\$32	6.76%	\$269
RESIDENTIAL	\$845,000	WANAKA	1.68%	\$51	8.76%	\$267
COMMERCIAL	\$1,045,000	WANAKA	-4.08%	-\$208	5.53%	\$281
ACCOMMODATION	\$1,100,000	WANAKA	-1.97%	-\$147	7.06%	\$528
M/U ACCOMMODATION	\$900,000	WANAKA	0.07%	\$3	7.72%	\$299
PRIMARY INDUSTRY	\$5,050,000	WANAKA	-1.35%	-\$60	5.36%	\$237
COUNTRY DWELLING	\$1,560,000	WANAKA	1.34%	\$33	7.01%	\$175
VACANT	\$550,000	WANAKA	1.86%	\$41	9.92%	\$217
M/U COMMERCIAL	\$880,000	WANAKA	-0.02%	-\$1	7.56%	\$275
RESIDENTIAL	\$890,000	ARROWTOWN	2.12%	\$65	7.29%	\$224
COMMERCIAL	\$1,650,000	ARROWTOWN	-3.91%	-\$241	3.03%	\$187
ACCOMMODATION	\$1,700,000	ARROWTOWN	-1.09%	-\$86	4.22%	\$333
M/U ACCOMMODATION	\$900,000	ARROWTOWN	0.69%	\$26	6.61%	\$245
VACANT	\$720,000	ARROWTOWN	3.50%	\$78	8.64%	\$193
M/U COMMERCIAL	\$900,000	ARROWTOWN	0.62%	\$22	6.33%	\$223
PRIMARY INDUSTRY	\$4,100,000	WAKATIPU	0.76%	\$25	5.47%	\$178
COUNTRY DWELLING	\$2,050,000	WAKATIPU	3.53%	\$89	6.99%	\$177
RESIDENTIAL	\$700,000	GLENORCHY	3.38%	\$83	9.74%	\$239
RESIDENTIAL	\$820,000	LAKE HAYES	2.58%	\$72	6.58%	\$184
RESIDENTIAL	\$570,000	HAWEA	-1.10%	-\$29	8.43%	\$223
RESIDENTIAL	\$520,000	LUGGATE	2.53%	\$54	4.87%	\$104
RESIDENTIAL	\$650,000	KINGSTON	4.84%	\$81	9.49%	\$159
RESIDENTIAL	\$860,000	ARTHURS POINT	0.85%	\$26	5.13%	\$157

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 20/21						
Higher Values			Revised	Revised	Draft	Draft
			Rates	Rates	Rates	Rates
PROPERTY TYPE	CV	LOCATION	%	\$	%	\$
RESIDENTIAL	\$3,650,000	QUEENSTOWN	2.67%	\$161	6.88%	\$414
COMMERCIAL	\$22,700,000	QUEENSTOWN	-4.12%	-\$3,502	4.17%	\$3,544
ACCOMMODATION	\$57,000,000	QUEENSTOWN	-0.10%	-\$286	3.82%	\$10,940
M/U ACCOMMODATION	\$4,250,000	QUEENSTOWN	1.55%	\$140	5.51%	\$498
VACANT	\$1,010,000	QUEENSTOWN	5.29%	\$134	8.31%	\$211
M/U COMMERCIAL	\$1,655,000	QUEENSTOWN	0.51%	\$23	6.35%	\$291
RESIDENTIAL	\$1,820,000	WANAKA	2.08%	\$89	7.86%	\$335
COMMERCIAL	\$10,700,000	WANAKA	-4.22%	-\$2,164	5.52%	\$2,831
ACCOMMODATION	\$16,900,000	WANAKA	0.40%	\$343	4.93%	\$4,264
M/U ACCOMMODATION	\$3,550,000	WANAKA	1.04%	\$103	6.26%	\$619
PRIMARY INDUSTRY	\$21,750,000	WANAKA	-2.50%	-\$374	4.08%	\$610
COUNTRY DWELLING	\$3,710,000	WANAKA	1.25%	\$54	5.89%	\$255
VACANT	\$1,430,000	WANAKA	1.76%	\$58	8.09%	\$266
M/U COMMERCIAL	\$1,150,000	WANAKA	-0.13%	-\$5	7.12%	\$294
RESIDENTIAL	\$2,230,000	ARROWTOWN	2.94%	\$135	6.59%	\$304
COMMERCIAL	\$4,400,000	ARROWTOWN	-3.99%	-\$603	1.76%	\$266
ACCOMMODATION	\$3,000,000	ARROWTOWN	-0.44%	-\$67	3.21%	\$490
M/U ACCOMMODATION	\$2,200,000	ARROWTOWN	1.73%	\$102	5.55%	\$326
VACANT	\$980,000	ARROWTOWN	3.65%	\$91	7.98%	\$199
M/U COMMERCIAL	\$1,070,000	ARROWTOWN	0.61%	\$23	6.12%	\$231
PRIMARY INDUSTRY	\$18,300,000	WAKATIPU	-0.22%	-\$25	3.95%	\$454
COUNTRY DWELLING	\$6,080,000	WAKATIPU	3.31%	\$178	4.80%	\$258
RESIDENTIAL	\$920,000	GLENORCHY	3.56%	\$97	9.90%	\$270
RESIDENTIAL	\$1,150,000	LAKE HAYES	3.06%	\$95	6.31%	\$195
RESIDENTIAL	\$870,000	HAWEA	-1.65%	-\$50	7.89%	\$241
RESIDENTIAL	\$700,000	LUGGATE	2.67%	\$62	4.92%	\$115
RESIDENTIAL	\$900,000	KINGSTON	5.17%	\$98	8.82%	\$167
RESIDENTIAL	\$1,275,000	ARTHURS POINT	0.58%	\$21	4.67%	\$167

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 20/21						
Lower Values			Revised	Revised	Draft	Draft
			Rates	Rates	Rates	Rates
PROPERTY TYPE	CV	LOCATION	%	\$	%	\$
RESIDENTIAL	\$750,000	QUEENSTOWN	2.89%	\$83	8.35%	\$240
COMMERCIAL	\$430,000	QUEENSTOWN	-2.43%	-\$68	6.96%	\$194
ACCOMMODATION	\$685,000	QUEENSTOWN	-3.33%	-\$140	6.83%	\$287
M/U ACCOMMODATION	\$830,000	QUEENSTOWN	1.16%	\$41	7.56%	\$268
VACANT	\$345,000	QUEENSTOWN	5.41%	\$102	10.46%	\$197
M/U COMMERCIAL	\$800,000	QUEENSTOWN	1.25%	\$41	7.38%	\$244
RESIDENTIAL	\$730,000	WANAKA	1.61%	\$47	8.92%	\$259
COMMERCIAL	\$520,000	WANAKA	-3.44%	-\$113	7.51%	\$246
ACCOMMODATION	\$570,000	WANAKA	-4.18%	-\$173	7.90%	\$326
M/U ACCOMMODATION	\$690,000	WANAKA	-0.12%	-\$4	8.12%	\$282
PRIMARY INDUSTRY	\$1,330,000	WANAKA	0.49%	\$10	7.41%	\$154
COUNTRY DWELLING	\$1,100,000	WANAKA	1.37%	\$29	7.50%	\$157
VACANT	\$440,000	WANAKA	1.88%	\$39	10.29%	\$211
M/U COMMERCIAL	\$600,000	WANAKA	0.12%	\$4	8.16%	\$256
RESIDENTIAL	\$925,000	ARROWTOWN	2.16%	\$67	7.26%	\$226
COMMERCIAL	\$550,000	ARROWTOWN	-3.51%	-\$110	5.29%	\$166
ACCOMMODATION	\$520,000	ARROWTOWN	-4.53%	-\$168	6.48%	\$241
M/U ACCOMMODATION	\$760,000	ARROWTOWN	0.50%	\$17	6.80%	\$236
VACANT	\$390,000	ARROWTOWN	3.25%	\$62	9.74%	\$186
M/U COMMERCIAL	\$775,000	ARROWTOWN	0.62%	\$21	6.52%	\$216
PRIMARY INDUSTRY	\$1,410,000	WAKATIPU	2.58%	\$49	8.24%	\$156
COUNTRY DWELLING	\$1,015,000	WAKATIPU	3.70%	\$66	8.68%	\$156
RESIDENTIAL	\$480,000	GLENORCHY	3.16%	\$68	9.55%	\$207
RESIDENTIAL	\$730,000	LAKE HAYES	2.44%	\$66	6.66%	\$181
RESIDENTIAL	\$480,000	HAWEA	-0.91%	-\$23	8.62%	\$217
RESIDENTIAL	\$430,000	LUGGATE	2.46%	\$50	4.84%	\$99
RESIDENTIAL	\$460,000	KINGSTON	4.52%	\$68	10.14%	\$153
RESIDENTIAL	\$690,000	ARTHURS POINT	0.99%	\$28	5.36%	\$154

Options:

- 11 Option 1 Set the Rates for 2020/21
- 12 Option 2 Do not Set the Rates for 2020/21
- 13 This report recommends Option 1.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 14 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because the setting of rates impacts on all ratepayers and is a matter of high public interest. The 10 Year Plan/ Annual Plan process, however, requires the Special Consultative Process, and as the rates are in line with those consulted on, no further consultation is required.

> MĀORI CONSULTATION | IWI RŪNANGA

- 15 The Council consulted with Te Ao Marama and Aukaha on behalf of Mana Whenua and undertook a hui to outline Annual Plan projects. A subsequent submission was received from Aukaha to the Annual Plan.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 16 This matter relates to the Regulatory/Legal/Compliance risk category.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 17 The rates which are set as a result of this decision have no direct financial implication for Council. They represent the mechanism for collecting budgeted revenues adopted The 10 Year Plan/ Annual Plan.

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

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

- 19 2018-28 Ten Year Plan, Revenue and Financing Policy

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

- 20 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.
- 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	A Rates and Charges for 2020/21
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Proposed Rates and Charges for 2020/21

The rating system used by Council is based on Capital Value. Property valuations produced by Quotable Value as at 1 July 2017 are to be used for the 2020/21 rating year. All proposed rates in the section that follows are inclusive of GST.

Uniform Annual General Charge

Pursuant to sections 15 of the Local Government (Rating) Act 2002 (the Act), Council proposes to set a uniform annual general charge of \$65.00 on each separately used or inhabited part of every rating unit in the district.

The uniform annual general charge revenue (\$1,846,857) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community development and grants.
- Property including housing and Wanaka airport
- A general contribution to the promotion of the district.

Sports, Halls & Libraries Annual Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted annual charge on each separately used or inhabited part of every rating unit in the district as follows:

1. Residential	\$387.00
2. Residence plus Flat	\$542.00
3. Vacant Sections	\$387.00
4. Primary Industry	\$387.00
5. Country Dwelling	\$387.00
6. Country Dwelling plus Flat	\$542.00
7. Mixed Use Apportioned	\$387.00

The targeted Sports, Halls & Libraries Annual charge revenue (\$9,327,304) will be used to fund the costs associated with the following activities:

Community grants (for recreational activities).

District library services.

Public halls and other community facilities.

Active recreation facilities including sportsfields and community swimming pools (excludes Alpine Aqualand and Wanaka Aquatic Centre).

Governance Rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential governance rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1. Residential	0.000135 cents in the \$
2. Residence plus Flat	0.000135 cents in the \$
3. Hydro Electric/Utilities	0.0000675 cents in the \$
4. Vacant Sections	0.000135 cents in the \$
5. Accommodation	0.000135 cents in the \$
6. CBD Accommodation	0.000135 cents in the \$
7. Commercial	0.000135 cents in the \$
8. CBD Commercial	0.000135 cents in the \$
9. Primary Industry	0.00010125 cents in the \$
10. Country Dwelling	0.000135 cents in the \$
11. Country Dwelling plus Flat	0.000135 cents in the \$
12. Other	0.000135 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The governance rate revenue (\$4,560,406) will be used to fund 80% of the costs associated with the following activities:

- Cost of democratic functions including Council and standing committees
- Cost of communications and management of Council including corporate, financial and rating administration services.

Regulatory Rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential regulatory rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1. Residential	0.000231 cents in the \$
2. Residence plus Flat	0.000231 cents in the \$
3. Hydro Electric/Utilities	0.00012127 cents in the \$
4. Vacant Sections	0.000231 cents in the \$
5. Accommodation	0.00024255 cents in the \$
6. CBD Accommodation	0.00024255 cents in the \$
7. Commercial	0.00024255 cents in the \$
8. CBD Commercial	0.00024255 cents in the \$
9. Primary Industry	0.00017325 cents in the \$
10. Country Dwelling	0.000231 cents in the \$
11. Country Dwelling plus Flat	0.000231 cents in the \$
12. Other	0.000231 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The regulatory rate revenue (\$7,915,059) will be used to fund 80% of the costs associated with the following activities:

- Regulatory and advisory services relating to planning and resource management, the district plan, building control, dog control and health and liquor licensing.

Governance & Regulatory Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Governance & Regulatory Charge on each separately used or inhabited part of every rating unit in the district as follows:

1. Residential	\$100.00
2. Residence plus Flat	\$140.00
3. Hydro Electric/Utilities	\$182.00
4. Vacant Sections	\$100.00
5. Accommodation	\$130.00
6. CBD Accommodation	\$130.00
7. Commercial	\$182.00
8. CBD Commercial	\$182.00
9. Primary Industry	\$185.00
10. Country Dwelling	\$100.00
11. Country Dwelling plus Flat	\$140.00
12. Other	\$100.00
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Governance & Regulatory Charge revenue (\$3,118,866) will be used to fund 20% of the costs associated with the following activities:

- Cost of democratic functions including Council and standing committees
- Cost of communications and management of Council including corporate, financial and rating administration services.

- Regulatory and advisory services relating to planning and resource management, the district plan, building control, dog control and health and liquor licensing.

Recreation & Events Rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential recreation and events rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1. Residential	0.000253 cents in the \$
2. Residence plus Flat	0.000253 cents in the \$
3. Hydro Electric/Utilities	0.0001265 cents in the \$
4. Vacant Sections	0.000253 cents in the \$
5. Accommodation	0.0008855 cents in the \$
6. CBD Accommodation	0.0008855 cents in the \$
7. Commercial	0.000253 cents in the \$
8. CBD Commercial	0.000253 cents in the \$
9. Primary Industry	0.0000506 cents in the \$
10. Country Dwelling	0.0001518 cents in the \$
11. Country Dwelling plus Flat	0.0001518 cents in the \$
12. Other	0.000253 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The recreation and events rate revenue (\$9,914,286) will be used to fund 67% of the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- The provision on public toilets.
- Provision of events and facilitation events.
- Contribution to the operating shortfall of Alpine Aqualand attributable to non-residents

Recreation & Events Charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a new targeted Recreation & Events Charge on each separately used or inhabited part of every rating unit in the district as follows:

1. Residential	\$136.00
2. Residence plus Flat	\$190.40
3. Hydro Electric/Utilities	\$231.00
4. Vacant Sections	\$136.00
5. Accommodation	\$544.00
6. CBD Accommodation	\$544.00
7. Commercial	\$231.00
8. CBD Commercial	\$231.00
9. Primary Industry	\$109.00
10. Country Dwelling	\$109.00
11. Country Dwelling plus Flat	\$159.80
12. Other	\$136.00
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The recreation and events charge revenue (\$4,883,156) will be used to fund 33% of the costs associated with the following activities:

- Passive recreation areas, gardens, walkways and reserves.
- The provision on public toilets.
- Provision of events and facilitation events.
- Contribution to the operating shortfall of Alpine Aqualand attributable to non residents

General Rate

Pursuant to Sections 13 and 14 of the Act, Council proposes to set a differential general rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:

1. Residential	0.000026 cents in the \$
2. Residence plus Flat	0.000026 cents in the \$
3. Hydro Electric/Utilities	0.000013 cents in the \$
4. Vacant Sections	0.000026 cents in the \$
5. Accommodation	0.0000312 cents in the \$
6. CBD Accommodation	0.0000312 cents in the \$
7. Commercial	0.000026 cents in the \$
8. CBD Commercial	0.000026 cents in the \$
9. Primary Industry	0.0000312 cents in the \$
10. Country Dwelling	0.0000312 cents in the \$
11. Country Dwelling plus Flat	0.0000312 cents in the \$
12. Other	0.000026 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The general rate revenue (\$940,584) will be used to fund the costs associated with the following activities:

- Provision of emergency services (civil defence & rural fire).
- Waste management including landfill establishment.
- Forestry including wilding pine control

Roading Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Wanaka ward on the Queenstown Lakes District as follows:

1. Residential	0.000315 cents in the \$
2. Residence plus Flat	0.000315 cents in the \$
3. Hydro Electric/Utilities	0.000079 cents in the \$
4. Vacant Sections	0.000473 cents in the \$
5. Accommodation	0.001181 cents in the \$
6. CBD Accommodation	0.001181 cents in the \$
7. Commercial	0.001181 cents in the \$
8. CBD Commercial	0.001181 cents in the \$
9. Primary Industry	0.000255 cents in the \$
10. Country Dwelling	0.000315 cents in the \$
11. Country Dwelling plus Flat	0.000315 cents in the \$
12. Other	0.000315 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Wanaka roading rate revenue (\$4,499,748) will be used to fund the costs associated with the following activities:

- Wanaka wards roading network, which includes footpaths and other amenities within the road reserve.
- The development of town centre areas.
- The maintenance and upgrading of roading drainage systems.

Roading Rate (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1. Residential	0.000180 cents in the \$
2. Residence plus Flat	0.000180 cents in the \$
3. Hydro Electric/Utilities	0.000045 cents in the \$
4. Vacant Sections	0.000270 cents in the \$
5. Accommodation	0.000675 cents in the \$
6. CBD Accommodation	0.000675 cents in the \$
7. Commercial	0.000675 cents in the \$
8. CBD Commercial	0.000675 cents in the \$
9. Primary Industry	0.000146 cents in the \$
10. Country Dwelling	0.000180 cents in the \$
11. Country Dwelling plus Flat	0.000180 cents in the \$
12. Other	0.000180 cents in the \$
13. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Wakatipu/Arrowtown roading rate revenue (\$7,336,268) will be used to fund the costs associated with the following activities:

- Wakatipu/Arrowtown ward's roading network, which includes footpaths and other amenities within the road reserve.
- The development of town centre areas.
- The maintenance and upgrading of roading drainage systems.

Stormwater Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1. Residential	0.000158 cents in the \$
2. Residence plus Flat	0.000158 cents in the \$
3. Hydro Electric/Utilities	0.000040 cents in the \$
4. Vacant Sections	0.000158 cents in the \$
5. Accommodation	0.000158 cents in the \$
6. CBD Accommodation	0.000158 cents in the \$
7. Commercial	0.000158 cents in the \$
8. CBD Commercial	0.000158 cents in the \$
9. Other	0.000158 cents in the \$
10. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Wanaka stormwater rate revenue (\$1,247,485) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

Stormwater Rate (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Queenstown/Wakatipu and Arrowtown wards of the Queenstown Lakes District as follows:

1. Residential (ii)	0.000127 cents in the \$
2. Residence plus Flat plus Flat (ii)	0.000127 cents in the \$
3. Hydro Electric/Utilities	0.000032 cents in the \$
4. Vacant Sections (ii)	0.000127 cents in the \$
5. Accommodation	0.000127 cents in the \$
6. CBD Accommodation	0.000127 cents in the \$
7. Commercial	0.000127 cents in the \$
8. CBD Commercial	0.000127 cents in the \$
9. Other	0.000127 cents in the \$
10. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii) Excludes property within the Jacks Point Special Zone.

The Wakatipu/Arrowtown stormwater rate revenue (\$2,305,910) will be used to fund the costs associated with the following activities:

- The maintenance and upgrading of stormwater reticulation systems.

Tourism Promotion Rate (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Wanaka ward of the Queenstown Lakes District as follows:

1. Accommodation	0.001002 cents in the \$
2. CBD Accommodation	0.001002 cents in the \$
3. Commercial	0.001002 cents in the \$
4. CBD Commercial	0.001002 cents in the \$
5. Hydro Electric/Utilities	0.000251 cents in the \$
6. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Wanaka tourism promotion rate revenue (\$1,215,204) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Lake Wanaka Tourism.

Tourism Promotion Rate (Queenstown/Wakatipu Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Queenstown/Wakatipu Wards of the Queenstown Lakes District as follows:

1. Accommodation	0.000818 cents in the \$
2. CBD Accommodation	0.000818 cents in the \$
3. Commercial	0.000818 cents in the \$
4. CBD Commercial	0.000818 cents in the \$
5. Hydro Electric/Utilities	0.000205 cents in the \$
6. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Wakatipu tourism promotion rate revenue (\$4,710,852) will be used to fund the costs associated with the following activities:

- To finance promotional activities of Destination Queenstown

Tourism Promotion Rate (Arrowtown Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Arrowtown Ward of the Queenstown Lakes District as follows:

1. Accommodation	0.000775 cents in the \$
2. CBD Accommodation	0.000775 cents in the \$
3. Commercial	0.000775 cents in the \$
4. CBD Commercial	0.000775 cents in the \$
5. Hydro Electric/Utilities	0.000194 cents in the \$
6. Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The Arrowtown tourism promotion rate revenue (\$217,545) will be used to fund the costs associated with financing the following activities:

- To finance promotional activities of the Arrowtown Promotion Association.

Waste Management Charges

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted waste management charge on each separately used or inhabited part of every rating unit in the district, as follows:

1. Residential	\$313.00
2. Residence plus Flat	\$438.00
3. Hydro Electric/Utilities	\$148.00
4. Vacant Sections	\$148.00
5. Accommodation	\$148.00
6. CBD Accommodation	\$148.00
7. Commercial	\$148.00
8. CBD Commercial	\$148.00
9. Primary Industry	\$313.00
10. Country Dwelling	\$313.00
11. Country Dwelling plus Flat	\$438.00
12. Other	\$148.00
13. Mixed Use Apportioned	\$313.00

The Waste Management Charge revenue (\$7,458,225) will be used to fund the costs associated with the following activities:

- To fund the operating deficit of the transfer stations and the recycling initiatives proposed in the Waste Management Strategy.

Aquatic Centre Charge (Queenstown/Wakatipu and Arrowtown Wards)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Aquatic Centre charge on each separately used or inhabited part of every rating unit with a residential component in the Queenstown / Wakatipu and Arrowtown Wards, as follows:

1. Residential	\$136.00
2. Residence plus Flat	\$190.00
3. Vacant Sections	\$136.00
4. Primary Industry	\$136.00
5. Country Dwelling	\$136.00
6. Country Dwelling plus Flat	\$190.00
7. Mixed Use Apportioned	\$136.00

The Aquatic Centre Charge revenue (\$1,990,330) will be used to fund the costs associated with the following activities:

- To fund the operating shortfall of Alpine Aqualand attributable to residents

Aquatic Centre Charge (Wanaka Ward)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Aquatic Centre charge on each separately used or inhabited part of every rating unit with a residential component in the Wanaka Ward, as follows:

1. Residential	\$190.00
2. Residence plus Flat	\$266.00
3. Vacant Sections	\$190.00
4. Primary Industry	\$190.00
5. Country Dwelling	\$190.00
6. Country Dwelling plus Flat	\$266.00
7. Mixed Use Apportioned	\$190.00

The Aquatic Centre Charge revenue (\$1,790,754) will be used to fund the costs associated with the following activities:

To fund the operating shortfall of Wanaka Aquatic Centre attributable to residents

Water Supply Rates

Queenstown and District Water Supply, Arrowtown Water Supply and Wanaka Water Supply

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted rate for water supply on each separately used or inhabited part of every connected or serviceable rating unit within the respective water supply areas as follows:

Queenstown and District water supply:	\$320.00
Arrowtown water supply:	\$250.00
Wanaka and District water supply:	\$180.00
Arthurs Point water supply:	\$300.00
Glenorchy water supply:	\$450.00
Hawea water supply:	\$160.00

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential water supply rate based on land use on the rateable capital value of all rating units connected in the following water supply areas.

	Queenstown (cents in the \$)	Arrowtown (cents in the \$)	Wanaka (cents in the \$)	Arthurs Pt (cents in the \$)	Glenorchy (cents in the \$)	Hawea (cents in the \$)
1. Residential	0.000160	0.000245	0.000163	0.000259	0.000399	0.000174
2. Residential plus Flat	0.000160	0.000245	0.000163	0.000259	0.000399	0.000174
3. Accommodation	0.000288	0.000441	0.0002934	0.0004662	0.0007182	0.0003132
4. CBD Accommodation	0.000288	0.000441	0.0002934	-	-	-
5. Commercial	0.000256	0.000392	0.0002608	0.0004144	0.0006384	0.0002784
6. CBD Commercial	0.000256	0.000392	0.0002608	-	-	-
7. Primary Industry	0.000118	0.0001813	0.00012062	0.00019166	0.00029526	0.00012876
8. Country Dwelling	0.000131	0.0002009	0.00013366	0.00021238	0.00032718	0.00014268
9. Country Dwelling plus Flat	0.000131	0.0002009	0.00013366	0.00021238	0.00032718	0.00014268
10. Other	0.000160	0.000245	0.000163	0.000259	0.000399	0.000174
11. Mixed Use Apportioned	See note (i)	See note (i)	See note (i)	See note (i)	See note (i)	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii) those properties comprising a Residence plus Flat and Country Dwelling plus Flat will charged the targeted rate a factor of 1.5.

Other Water Supplies

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted rate for water supply on each separately used or inhabited part of every rating unit connected to the respective scheme, and a half charge on each separately used or inhabited part of every serviceable rating unit.

Water Supply	Full Charge (\$)	Half Charge (\$)
Lake Hayes	480.00	240.00
Luggate	500.00	250.00

The Targeted Water Supply Rates revenue (\$11,043,088) will be used to fund the costs associated with the following activities:

- (i) To provide supplies of potable (drinkable) water to the above communities.

Note (i) those properties comprising a Residence plus Flat and Country Dwelling plus Flat will charged the targeted rate a factor of 1.5.

Sewerage Rates

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted sewerage rate on every rating unit connected to a district sewerage scheme, on the basis on one full charge per first pan or urinal connected, with a discounted charge on every subsequent pan or urinal connected. A half charge will apply to every serviceable rating unit. The charges for each scheme are set out in the schedule below.

Note (i): every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

Note (ii) those properties comprising a Residence plus Flat and Country Dwelling plus Flat will charged the targeted rate a factor of 1.5.

Sewerage Scheme	Charge for 1st pan connected (\$)	Half Charge capable of connection (\$)	Charge per pan after 1 connected (\$)
Wanaka/Albert Town	648.00	324.00	324.00
Arrowtown	690.00	345.00	345.00
Arthurs Point	620.00	310.00	446.40
Hawea	530.00	265.00	265.00
Lake Hayes	480.00	240.00	240.00
Luggate	800.00	400.00	400.00
Queenstown	664.00	332.00	332.00

The Targeted Sewerage Rates revenue (\$15,543,109) will be used to fund the costs associated with providing public sewerage services to the above communities.

Due Dates for Payments

The Council proposes that the above rates and charges for the financial year commencing on the 1st day of July 2020 are payable in four instalments, the due dates and last days for payment without penalty being as follows:

	Due Date	Last Day for Payment (without penalty)
Instalment One	4 September 2020	25 September 2020
Instalment Two	23 October 2020	27 November 2020
Instalment Three	15 January 2021	26 February 2021
Instalment Four	16 April 2021	28 May 2021

Payment of Rates

Rates payments can be made during normal office hours at:

- Civic Centre, 10 Gorge Road, Queenstown
- Wanaka Service Centre, Ardmore Street, Wanaka
- Arrowtown Public Library, Buckingham Street, Arrowtown

Or by direct debit and internet banking.

Additional Charges (Penalties)

Pursuant to Sections 24, 57 and 58 of the Act, Council proposes that the following penalties will apply under delegated authority to the Rating Administrator:

- A penalty of 5% will be added to the rates and charges levied in each instalment which remains unpaid on the day after the last day for payment date as shown above (i.e. the penalty will be added on 26 September 2020, 28 November 2020, 27 February 2021 and 29 May 2021 respectively).
- A penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year and remaining unpaid on 30 September 2020.
- A second penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year which remains unpaid on 31 March 2021.

Differential Matters Used to Define Categories of Rateable Land

Where Council's propose to assess rates on a differential basis they are limited to the list of matters specified in Schedule Two of the Local Government (Rating) Act 2002. Council is required to state which matters will be used for what purpose, and the category or categories of any differentials.

Differentials by Land Use

The categories are:

1. Residential

All rating units which are used exclusively or principally for residential purposes, but excluding properties categorised as pursuant to clause 9 (Primary Industry), clause 10 (Country Dwelling) or to clause 13 (Mixed Use Apportioned).

2. Residential Plus Flat

All rating units comprising a single dwelling and a residential flat which are used exclusively or principally for residential purposes, but excluding properties categorised as clause 11 (Country Dwelling plus Flat).

3. Hydro Electric/ Utilities

All rating units on which there are structures used exclusively or principally for, or in connection with, the generation of hydro-electric power, including structures used to control the flow of water to other structures used for generating hydro-electric power and all rating units used exclusively or principally for network utility services including water supply, wastewater, stormwater, electricity, gas & telecommunications.

4. Vacant Sections

All rating units which are vacant properties and suitable for development.

5. Accommodation

All rating units used exclusively or principally for the accommodation of paying guests on a short term basis (nightly, weekly or for periods up to a month) including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties; but excluding properties categorised as pursuant to clause 13 (Mixed Use Apportioned) or clause 6 (CBD Accommodation).

6. CBD Accommodation

All rating units used exclusively or principally for the accommodation of paying guests on a short term basis including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as pursuant to clause 13 (Mixed Use Apportioned).

7. Commercial

All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes; but excluding properties categorised as Hydro-Electric Power, Accommodation, CBD Accommodation, Primary Industry, or pursuant to clause 13 (Mixed Use Apportioned) or clause 8 (CBD Commercial).

8. CBD Commercial

All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices, or rest homes located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as CBD Accommodation or pursuant to clause 13 (Mixed Use Apportioned).

9. Primary Industry

All rating units:

Used exclusively or principally for agricultural or horticultural purposes including dairying, stock fattening, arable farming, sheep, market gardens, vineyards, orchards, specialist livestock, forestry or other similar uses, or which are ten hectares or more in area and located in any of the Rural or Special Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year.

10. Country Dwelling

All rating units of less than 10 hectares, located in any of the Rural Zones (except for the land zoned as Rural Residential north of Wanaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east and the land zoned as Rural General off Mt Iron Drive comprising of Liverpool Way; Cascade Drive; Bevan Place and Islington Place) or Special Zones (excluding Penrith Park; Remarkables Park; Quail Rise; Woodbury Park; Lake Hayes Estate; Shotover Country; Jacks Point; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's District Plan, which are used exclusively for Residential purposes.

11. Country Dwelling Plus Flat

All rating units comprising a single dwelling pursuant to clause 10 and a residential flat which are used exclusively or principally for residential purposes.

12. Other

Any rating unit not classified under any of the other categories.

13. Mixed Use Apportioned

All rating units which are used in part, but not exclusively, for residential purposes, and in part, but not principally, for commercial or accommodation purposes. Usage in part may be determined by:

- a. The physical portion of the rating unit used for the purpose, or
- b. The amount of time (on an annual basis) that the rating unit is used for the purpose.

Note: the Mixed Use Apportioned classification will not be applied to residential rating units used for accommodation purposes for a single period of up to 28 consecutive days in any rating year.

These categories are used to differentiate the following rates:

general rate, targeted rates: sports halls & libraries charge; governance rate; regulatory rate; recreation & events rate; governance & regulatory charge; recreation & events charge; roading rate; stormwater rate; tourism promotion rates; waste management charge; aquatic centre charges; water supply rates.

Targeted Rates Based on Location

The categories are:

1. Location within the Wanaka ward.
2. Location within the Queenstown/Wakatipu ward or the Arrowtown ward.

These categories are used to differentiate the following targeted rates:

- roading rate; stormwater rate; tourism promotion rates; aquatic centre charge.

Targeted Rates Based on Availability of Service

The categories are:

1. Connected
Any rating unit that is connected to a Council operated water scheme or is connected to a public sewerage drain.
2. Serviceable
Any rating unit within the area of service that is not connected to a Council operated water scheme but is within 100 metres of any part of the waterworks and to which water can be supplied. Any rating unit within the area of service, that is not connected to a public sewerage drain, but is within 30 metres of such a drain, and is capable of being connected.

These categories are used to differentiate the following targeted rates:

- water supply rates, water scheme loan rates, sewerage rates, sewerage scheme loan rates.

Definition of “Separately Used or Inhabited Parts of a Rating Unit”

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

- Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.
- Any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

- Individual flats or apartments
- Separately leased commercial areas which are leased on a rating unit basis
- Vacant rating units
- Single rating units which contain multiple uses such as a shop with a dwelling or commercial activity with a dwelling
- A residential building or part of a residential building that is used, or can be used as an independent residence.

An independent residence is defined as a liveable space with its own kitchen, living and toilet/bathroom facilities that can be deemed to be a secondary unit to the main residence. Note: the definition of a kitchen comes from the District Plan.

The following are not considered to be separately used parts of a rating unit:

- A residential sleep-out or granny flat that does not meet the definition of an independent residence
- A hotel room with or without kitchen facilities
- A motel room with or without kitchen facilities
- Individual storage garages/sheds/portioned areas of a warehouse
- Individual offices or premises of business partners.

District Plan definition of a Kitchen:

Means any space, facilities and surfaces for the storage, rinsing preparation and/or cooking food, the washing of utensils and the disposal of waste water, including a food preparation bench, sink, oven, stove, hot-plate or separate hob, refrigerator, dish-washer and other kitchen appliances.