

**Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Lake Hawea Community Centre, Myra Street, Hawea on Thursday 20 April 2017 commencing at 1.00pm**

**Present:**

Mayor Boulton; Councillors Clark, Ferguson, Forbes, Hill, Lawton, MacDonald, MacLeod, 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 Meaghan Miller (General Manager, Corporate Services), Mr Richard Pope (Property Manager), Mr Ian Bayliss (Planning Policy Manager), Ms Anita Vanstone (Senior Planner – Policy), Mr Myles Lind (Manager, Asset Planning) and Ms Jane Robertson (Senior Governance Advisor); two members of the media and approximately 25 members of the public

**Apologies/Requests for Leave of Absence**

There were no apologies.

The following requests for Leave of Absence were made:

- Councillor McRobie: 24 April – 5 May 2017
- Councillor Hill: 10-12 May 2017; 18-20 May 2017
- Councillor Forbes: 2-3 May 2017
- Councillor Miller: 17 June – 2 July 2017

**On the motion of the Mayor and Councillor Stevens the Council resolved that the requests for Leave of Absence be approved.**

**Declarations of Conflicts of Interest**

No declarations were made.

**Matters Lying on the Table**

There were no matters lying on the table.

**Public Forum**

1. Paul Cunningham, Hawea Community Association

Mr Cunningham stated that the Hawea community was opposed to permanent chlorination of the Hawea water supply. They wanted the item removed from the Annual Plan and a report prepared examining the necessity for it, as many viewed it as unnecessary. He noted that even with chlorination, water would still not meet national quality standards, adding that at the public meeting in January to discuss chlorination, the community had been promised full consultation and they expected this to happen.

2. Jennifer Rumore, Hawea Stand for Pure Water

Ms Rumore stated that she was also opposed to permanent chlorination of the Hawea water supply. She presented a flow chart setting out the processes a public service should follow in determining the best way forward.

Ms Rumore did not believe the Hawea community was seeing any research to discern the best 'how to' and no other alternatives besides a blanket approach to chlorination were being presented. She asked the Council to stop its present actions and undertake research so that it could present different options to the community. She noted that alternative approaches were available and were used in Christchurch and in other countries and she reminded the Council of the need to receive the community's approval in order to receive its money.

3. Don Robertson

Dr Robertson stated that he was not against chlorination itself, but he did oppose permanent chlorination of the water supply without evidence of it being necessary. He believed that Council's present consultation was token and the outcome would be permanent chlorination whether the community wanted it or not. Instead, he urged meaningful dialogue in a spirit of collegiality with the Council presenting evidence based reasons to the community.

4. Jude Battson

Ms Battson detailed the history of the water supply in Hawea. She asked the Council to 'go into bat' for the community on chlorination, as she did not believe the comparisons with Havelock North were relevant. She believed that the present system was up to scratch for what was required and there had been a history of no contamination.

Ms Battson spoke of her long association with Ruby Island and the working bees which took place there. She thanked the Council for the funding now provided, acknowledging in particular the work of staff members Diana Manson for getting the new Norski toilet installed and Jan Maxwell.

5. Ben Farrell, Planning Consultant, John Edmonds & Associates Limited,

Mr Farrell supported the recommendation to revisit the Gorge Road SHA, adding that a consent application was ready to be lodged if HASHAA status was received.

Mr Farrell commented that the Wakatipu Basin Land Use Study was a solid and robust report but he did not support the recommendation that the next step be a staff review. He suggested that instead of following the recommendation the Council should adopt the report with some minor tweaks and let it be tested by the statutory process in which the Council could itself participate. He urged the Council to ensure that this process was not dragged out and asked for a definite date to be placed on this consultation process.

6. John Heaton

Mr Heaton expressed concern about the Council's communication and consultation procedures, citing the information provided about chlorination as an example of poor performance. He had recently come to this community from a big city where he had observed an inability for the Council to communicate

effectively and he believed that with the chlorination debate, QLDC had failed to provide enough information to enable meaningful input. He considered that the fundamental decision was about safety and incomplete information had been provided. He also considered that consultation on this subject should have been taken out of the annual plan process.

### **Special Announcements**

The Mayor invited Councillor Lawton to address the Council in light of her impending resignation from the Council to lodge her candidacy for the Otago Regional Council.

Councillor Lawton advised of her intention to resign from the Wanaka Community Board and Council the following day and put in her nomination for the Otago Regional Council. She commented on her time as a member of the Queenstown Lakes District Council. She urged the Council not to forget social policy in its focus on economic development. She spoke of her desire for Otago to be well governed and planned for in the long term, and thanked the Council for its strong Annual Plan submission to the Regional Council.

The Mayor recorded that Councillor Lawton had provided a tireless service of the district as a whole but especially the Wanaka and Upper Clutha areas and extended best wishes to her for the election.

### **Confirmation of agenda**

The agenda was confirmed without addition or alteration.

### **Confirmation of minutes**

9 March 2017

**On the motion of Councillors Stevens and Forbes the Council resolved that the public part of the ordinary meeting of the Queenstown Lakes District Council held on 9 March 2017 be confirmed as a true and correct record.**

24 March 2017

**On the motion of Councillors Stevens and MacDonald the Council resolved that the public part of the ordinary meeting of the Queenstown Lakes District Council held on 24 March 2017 be confirmed as a true and correct record.**

*Councillor MacLeod abstained because he was not at the meeting.*

**1. Wanaka Airport Future Governance and Management Model**

A report from Richard Pope (Property Manager) detailed the special consultative procedure undertaken on the future governance and management of the Wanaka Airport and the hearings panel's recommendation that the future governance and management of the Wanaka Airport be under a long term lease to the Queenstown Airport Corporation ('QAC').

The report was presented by Mr Pope and Mr Hansby.

The Mayor expressed thanks to the hearings panel.

Members stressed the importance of protecting the interests of existing Wanaka Airport users and of QAC maintaining a strong partnership with the community. There was agreement that these issues should be addressed in the lease terms and the Statement of Intent, in which as QAC's major shareholder, the Council could have a significant influence every year.

Councillor Stevens suggested that the hearings panel should be included in those with delegated authority to finalise the lease and Statement of Intent. This was supported and the recommendation was amended accordingly.

Councillor Lawton noted that whilst the relationship between the Council and QAC was currently good, the situation could change over a 33 year lease term. She proposed that conditions be included in the agreements compelling QAC to consider the broader social and economic wellbeing of the community.

The Mayor agreed that the lease needed to contain very clear requirements for the future of Wanaka Airport and to provide guidance to a future Council.

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

- 1. Note the contents of this report;**
- 2. Agree the future governance and management of the Wanaka Airport will be under a long term lease to QAC; and**
- 3. Delegate to the Mayor, Chief Executive, Councillor Hill and Councillor MacLeod the power to negotiate and execute the lease, and to engage with QAC to make any changes necessary to the QAC Statement of Intent to incorporate the Council's expectations of governance of Wanaka Airport.**

**2. Wakatipu Basin Land Use Study**

A covering report from Anita Vanstone (Senior Policy Planner) introduced the Wakatipu Basin Land Use Study which was appended, summarising its

preliminary findings. The report noted that release of the study was for information purposes only, recommending that staff undertake further investigation into the findings of the report and its recommendations to ascertain their appropriateness.

This report and that following were presented by Ms Vanstone, Mr Avery and Mr Bayliss.

Ms Vanstone circulated an amendment to Appendix K which corrected the following sentence:

*'Very Low – corresponds to a situation where additional built development will have a ~~negligible~~ significant effect on the landscape and visual amenity values of the unit.'*

Mr Avery advised that there had been public requests for the study and staff had concluded that it should be publicly released, despite the fact that there was still work to be undertaken on it. He stressed that at present the study was not Council policy but simply an external consultant's document.

The Mayor asked whether informal public comment would help to shape the process. Mr Avery warned against informal consultation as there was the risk that it would only attract comment from interested parties.

There was also discussion about how the study and the development of a Wakatipu Basin variation would fit with submissions to the Proposed District Plan. It was noted that consideration of rural chapter had been deferred to allow for the possibility of a variation and submitters to the rural chapter would be notified of the option of submitting to any variation developed.

Councillor Stevens was critical of some conclusions drawn in the document particularly in relation to the locations identified with potential to absorb urban development. Councillor Miller was also critical of the report's assertion that there were no longer any genuine farmers left in the Wakatipu Basin.

The Mayor asked what actions would occur if the recommendation was adopted, especially as maintaining a reasonable pace with this project was a concern. Mr Avery stated that the next steps were to examine which aspects of the report were supported and prepare a variation to the Proposed District Plan containing those parts of the study with merit.

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

- 1. Note the contents of this report, and that the release of the Wakatipu Basin Land Use Study is for information purposes only and that it does not represent Council's view at this time; and**
- 2. Instruct staff to review the Wakatipu Basin Land Use Study and to develop possible planning responses to be reported back to Council.**

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

A report from Anita Vanstone (Senior Planner Policy) proposed the re-establishment and extension of the existing Business Mixed Use Zone Special Housing Area (BMU SHA) prior to it expiring on 23 June 2017, with the extension to include 133 Hallenstein Street and Warren Park. The report recommended that the Council seek public feedback on the proposed re-establishment and for a report to be presented to the next ordinary Council meeting on 25 May 2017 detailing measures necessary for the SHA to be recommended with confidence to the Minister of Building and Construction.

Ms Vanstone advised that since preparation of the report, the Property and Infrastructure Department had confirmed that adequate infrastructural servicing existed for the area.

A question was raised about the use of 'may' in relation to the negotiation of a Stakeholder Deed [part (3) of the recommendation] and whether this was too weak. Ms Vanstone advised that with SHAs established over a number of sites, the ability to secure a stakeholder deed was lost. It was also noted that the criteria under (2), in particular the requirement for at least 30% of dwellings to be studio, one or two bedroom apartments served to achieve affordable objectives.

Councillor Miller expressed concern about potential social problems with high density accommodation. Councillor Clark agreed, stating that building designs needed to be mixed up to avoid a ghetto type of development. Ms Vanstone noted that each application would be assessed on amenity and urban design as part of resource consent process. She added that regard would also be had to the rules and objectives of the District Plan during consenting.

**On the motion of Councillors MacLeod and Stevens 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) and the proposed disestablishment date for the new SHA being 16 September 2019;**
- 2. Resolve to seek public feedback on the proposed re-establishment and extension of the BMU SHA subject to the following criteria for qualifying developments:**
  - 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 studio, 1 or 2 bedroom apartments.
3. Instruct Council officers to report back to the Council meeting on 25 May 2017 on any measures necessary for Councillors to, with confidence, recommend the proposal as an SHA to the Minister of Building and Construction. This may include the negotiation of a Stakeholder Deed to secure compliance with a recession plane and a contribution to the Queenstown Lakes Community Housing Trust;
  4. Note that Council's intent in extending the timeframe for the SHA for the BMU zone 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 12m in height would be forwarded to the Urban Design Panel for review, to ensure positive streetscape and living environment; and
  7. Instruct Council officers to report back to Council on issues and options relating to traffic and car parking within the BMU SHA.

**Councillor Miller recorded her vote against the motion.**

#### **4. Declaration of upper Beach Street as a Pedestrian Mall**

A report from Andrew Edgar (Senior Engineer) presented the outcome of the special consultative procedure undertaken to determine whether to declare upper Beach Street as a pedestrian mall permanently. The report noted that a hearings panel had heard submissions at a meeting on 15 February 2017 and recommended to Council that it declare Beach Street between Camp Street and Cow Lane a pedestrian mall except for:

- Emergency services vehicles at all times;
- Good services vehicles between 5am and 10am each day; and
- Any other vehicles authorised by the Council.

The report was presented by Mr Lind and Mr Hansby.

It was agreed that the trial had been successful with generally positive feedback, with the only concerns expressed about what the street space was used for.

Staff confirmed that they did not see the need for additional loading zones, stating that they wished to avoid making reactive changes to CBD parking.

Councillor Clark questioned the recommendation that making upper Beach Street smoke-free should be progressed via the Town Centre Master Plan, expressing concern that this would take too long. The Mayor noted that Town Centre Master Plan had a fast timetable on it and dealing with the smoke-free question in it should not result in undue delay.

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

- 1. Note the contents of this report, in particular the deliberations of the hearings panel;**
- 2. Declare Beach Street, between Camp Street and Cow Lane, in Queenstown, a pedestrian mall.**

**The restrictions the pedestrian mall will impose are:**

- The driving, riding or parking of any vehicle will be prohibited on all of the pedestrian mall area.**
  - The restriction will remain in place at all times.**
  - Emergency service vehicles are excluded from the restriction and may access the pedestrian mall area at all times.**
  - Between the hours of 5am and 10am each day, goods service vehicles are excluded from the restriction and may access the pedestrian mall area.**
  - Any other vehicles specifically authorised by Council are excluded from the restriction.**
- 3. Note that the related additional loading zone, 9pm parking restriction and Smoke free requests raised during the hearing will be addressed through the Queenstown Town Centre Master Plan and Queenstown Town Centre Transport Strategy.**



**5. 2016/17 Capital Works Programme – Second Re-forecast**

A covering report from Peter Hansby (General Manager Property and Infrastructure) presented changes to the 2016/17 capital works programme for the second quarter of the financial year for Council's approval.

The report was presented by Mr Hansby.

**On the motion of Councillors McRobie and Forbes it was resolved that the Council:**

- 1. Note the contents of this report; and**
- 2. Approve the budget changes proposed and detailed in Attachment A to these minutes.**

**6. Joint Otago Councils Section 17A Shared Services Reviews**

A report from Myles Lind (Manager, Asset Planning) updated the Council on the joint Otago Councils Shared Services reviews undertaken in accordance with Section 17A – Delivery of Services (LGA 2002).

The report was presented by Ms Miller and Mr Lind.

The next step was for the Otago group of Chief Executives to consider where to take the project, especially in terms of meeting statutory obligations and this detail would be presented to the Council. It was noted that these could involve decisions of high significance.

**On the motion of the Mayor and Councillor Forbes it was resolved that the Council note the contents of this report.**

**7. Otago Regional Council Annual Plan 2017/18 Submission**

A covering report from Meaghan Miller (General Manager, Corporate Services) introduced the proposed submission to the Otago Regional Council's 2017/18 Annual Plan for the Council's approval.

The report was presented by Ms Miller.

It was suggested that reference should also be made to the levels of growth in the district which were the highest in New Zealand and that it would be useful to refer to the numbers coming through the airport.

Members stressed the need for more funding to be allocated to air quality monitoring, as emissions from cars backed up along Frankton Road was becoming a significant problem. Councillor Stevens added that funding was needed for air quality enforcement action in Arrowtown.

Councillor Hill questioned the need for a rates rise when the regional council had huge cash reserves.

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

- 1. Note the contents of this report;**
- 2. Approve the Queenstown Lakes District Council submission to the Otago Regional Council Annual Plan 2017/18; and**
- 3. Authorise the Mayor and Chief Executive or delegated officers and elected members to speak to the submission at the Otago Regional Council Annual Plan hearing, 22-26 May 2017.**

**8. Chief Executive's Report**

A report from the Chief Executive:

- Presented a recommendation to amend a Council resolution establishing the hearings panel for the Coronet Forest Management Plan 2017;
- Presented a recommendation from the Wanaka Community board to change the lease area for Upper Clutha Sawmill and Wanaka Firewood Ltd;
- Summarised the delegations exercised over the period 15 February – 31 March for Licences to Occupy and temporary road closures; and
- Detailed the business conducted by committees and the Wanaka Community Board over the previous meeting round.

Councillor Clark stated that she was happy to replace Councillor Lawton on the hearings panel for the Coronet Forest Management Plan 2017.

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

- 1. Note the contents of this report;**
- 2. Revoke the following resolution made at the ordinary Council meeting held on 24 March 2017:**  
**That the Council:**  
**Appoint Councillors Ferguson, Lawton and Stevens to participate in a hearing panel to consider and hear submissions on the proposed Coronet Forest Management Plan 2017.**

**And replace it with:**

**That the Council:**  
**Appoint Councillors Ferguson, Stevens and Clark to participate in a hearing panel to consider and hear submissions on the**

proposed Coronet Forest Management Plan  
2017.

Change of Lease Area: Upper Clutha Sawmill and  
Wanaka Firewood Ltd

3. Approve the amended area [as shown in Attachment B to these minutes] for the lease to be granted to Upper Clutha Sawmill and Wanaka Firewood Ltd on Section 37 Block III Lower Wanaka SD;
4. Note the delegations exercised for licences to occupy and temporary road closures by the Chief Executive during the period 15 February – 31 March 2017; and
5. Note the items considered during the past meeting round by the Audit, Finance and Risk Committee, Planning and Strategy Committee, Appeals Subcommittee, Infrastructure Committee and Wanaka Community Board.

*The meeting adjourned at 2.30pm and reconvened at 2.38pm.*

**Resolution to Exclude the Public**

On the motion of Councillor MacLeod and the Mayor the Council resolved 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 9 March 2017**

Item 10: Pre-approval for settlement clearance

Item 11: District Licensing Committee Membership

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

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<b>General subject to be considered.</b>	<b>Reason for passing this resolution.</b>	<b>Grounds under Section 7 for the passing of this resolution.</b>
10. Pre-approval for settlement clearance	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)
11. District Licensing Committee Membership	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.	Section 7(2)(a)

**Confirmation of minutes of ordinary meeting held on 24 March 2017**

**Item 6: Housing Infrastructure Fund – Final Proposals**

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
6. Housing Infrastructure Fund – Final Proposals	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: j) prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7(2)(j)

**Agenda Items**

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: b) 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)

**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 2.39pm.*

*The meeting came out of public excluded and concluded at 2.51pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

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**M A Y O R**

**25 May 2017**

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**D A T E**