

Risk & Assurance Committee

9 April 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [4]

Department: Corporate Services

Title | Taitara: Lakeview Development Programme — Background Summary and Current Status

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to provide the Risk & Assurance Committee (RAC, the Committee) with an update on the Lakeview Development Programme, consolidating background information for new members and recording material progress since the report to the Audit, Finance & Risk Committee report in October 2025.

The report also reflects that settlement of Lakeview Lot 8 has been completed and that stage 1 development has commenced, and it incorporates the outcomes of the Developer's update provided at the Council workshop held on 10 March 2026. This report is for noting and supports ongoing oversight of programme risks, obligations and assurance activities.

Recommendation | Kā Tūtohuka

That the Risk & Assurance Committee:

1. **Note** the contents of this report.

Prepared by:



Name: Paul Speedy
Title: Manager Strategic Projects
18 March 2026

Reviewed and Authorised by:



Name: Meaghan Miller
Title: General Manager Corporate Services
19 March 2026

Context | Horopaki

1. In August and October 2017, Council adopted development objectives for the Lakeview land centred on maximising financial return while minimising risk to ratepayers and delivering a high-quality, residential-focused mixed-use precinct integrated with the town centre. Council also resolved to credit 5% of land receipts to the Queenstown Community Housing Trust and to set aside the Lynch Block for future use including potential worker or affordable housing.
2. In October 2019, Council executed a development agreement (DA) with QT Lakeview Developments (the Developer) for the development of eight land parcels within the Lakeview precinct.
3. The DA is structured in a way that Council will progressively sell the land parcels (Super Lots) to the Developer in seven stages, which must then develop each Super Lot in accordance with a master development plan and documentation approved by Council having regard to the Project Objectives and Material Outcomes for the development of the Lakeview precinct. The Project Objectives and Material Outcomes are provided as **Attachment A**.
4. The Developer will progressively purchase the Super Lots. It will pay a base land payment to Council on settlement as and when it takes title to each Super Lot, together with 50% share of any super profit that may be achieved in respect of a stage calculated at the development completion of each stage. The Lakeview precinct plan and proposed delivery staging are provided as **Attachment B**.
5. The Council must undertake the subdivision of the precinct to create the Super Lots (and separate title for each), which requires Council to complete specified roading and services infrastructure and site preparation works (Council Works). The Developer will develop each stage progressively in line with a programme, with key milestones and milestone dates.
6. Before the Developer can call for settlement of a Super Lot, it must satisfy a range of settlement conditions relating to document/design approval, consenting, funding, equity commitment and contractor engagement in respect of the Super Lot it wants to acquire.
7. Governance for the programme was strengthened in 2022 with enhanced monitoring through the Audit, Finance & Risk Committee and scheduled (six-monthly) workshops with elected members and the Developer. On 3 February 2022 the Council resolved to review the internal governance arrangements for the project and on 8 July 2022, having considered an independent review, agreed that enhanced monitoring arrangements be put in place with the Audit, Finance & Risk Committee to ensure adequate monitoring of the project objectives and material outcomes, as set out in the DA.

8. This report provides RAC with an initial overview of the DA and obligations of Council and the Developer under that agreement. Management's on-going reporting to the Committee will include:
 - a. quarterly risk assessments associated with achieving the Project Objectives and Material Outcomes and Council's own deliverable commitments under the DA;
 - b. key decisions made under delegation including material modifications and minor modifications; and
 - c. potential future decisions for Council in the coming quarter.

Analysis and Advice | Tatāritaka me kā Tohutohu

9. The Audit, Finance & Risk Committee's October 2025 report recorded achievement of Council works on 21 August 2024, noted deferred stormwater and market square elements, and anticipated stage 1 settlement and commencement of construction to follow. In terms of progress after that report, transfer of Lakeview Lot 8 was completed in December 2025, and stage 1 development commenced in February 2026.
10. Following this, the Developer provided a routine six-monthly update to elected members at a public workshop held on 10 March 2026, covering programme status, updated stage 1 timings, consenting pathways and current and upcoming site activities, with Ninety Four Feet Managing Director, Dean Rzechta, in attendance. At this workshop the Developer mentioned it was considering changing the development staging, to bring forward development of Lot 12, something that would need to be considered by Council through its modification assessment process.
11. The programme has transitioned into active delivery following Lot 8 settlement and establishment on site for the stage 1 works. Key dependencies now centre on maintaining momentum in construction, sequencing interfaces with deferred stormwater and market square elements, and ensuring any proposed modifications are assessed through the established methodology to confirm materiality and impacts on the Project Objectives and Material Outcomes.
12. Overall, the programme is on track based on the achievement of DA milestones.

Council Works programme

13. There are deferred market square (public realm) works to be completed by Council before the Developer's stage 3 completion date. These works are currently phased in the Long Term Plan for years 4 and 5 (2027/28 to 2028/29).

Table 1: Council Obligations

Milestone	Milestone Date	Status	Risk Rating
Council Works completion target date.	30 Sept 2022	Council Works completion achieved 21 August 2024. Deferred market square (public realm) works budget in Years 4 and 5 (2027/28 to 2028/29) of Long Term Plan.	Low risk.

Developer's programme

14. The programme currently sits in the site-preparation phase after which the project transitions into two years of vertical construction to deliver the first three buildings in stage 1. CMP Construction, the contractor for stage 1, reports that the first phase involves approximately nine months of site-preparation works. These works include earthworks, infrastructure servicing, ground preparation, and establishing the construction footprint for the first buildings.
15. There are deferred Council stormwater works, to be completed by the Developer as part of its stage 1 works package and allowed for in the subdivision consent approval, which will then be vested as a Council asset.
16. All resource consents have been obtained for stage 1. Building consent exception has been obtained for the substructure of the first building. Approval(s) of proposed retaining anchor easements encroaching past the Developer's boundary (including for the Council stormwater works) are to be considered by Full Council.
17. This initial phase of the Developer's programme has onsite works and design integrated with the necessary consents and approvals. The Developer has advised this integrated approach, where civil and design works inform each other, is specific to the stage 1 and 2 (Lots 8 and 7) development because of the extent of retaining required.
18. There is moderately heightened risk (from low to moderate) associated with likely timeframes for the programme which has onsite works and design integrated with the necessary consents and approvals. The Developer's programme is expected to achieve the stage 1 completion milestone of April 2028.

Table 2: Developer Obligations

Milestone	Milestone Date	Status	Risk Rating
Stage 1			
Commencement of Stage 1 Substantive Construction.	18 February 2026	Contractor mobilised on site, civil works package including piling programmed with building foundation work expected within 6-9 months. Moderately heightened risk (from low to moderate) associated with likely timeframes for the programme which has onsite works and design integrated with the necessary consents and approvals.	Moderate risk.
Stage 1 Completion.	18 April 2028	28 months following satisfaction of Settlement Conditions (Programmed Build Period). Developers programme expected to achieve milestone date.	Moderate risk.
Stage 2			
Satisfaction of Stage 2 Settlement Conditions.	18 December 2027	24 months following satisfaction of Settlement Conditions for Stage 1 .	Low risk.
Commencement of Stage 2 Substantive Construction.	18 February 2028	2 months following satisfaction of the Settlement Conditions for Stage 2 .	Low risk.
Stage 2 Completion.	18 April 2030	28 months following satisfaction of Settlement Conditions (Programmed Build Period).	Low risk.
Future Stages			
Fixed settlement sunset date - Stage 3	21 April 2031	5 years and 20 months following the date of Council Completion.	Low risk.
Fixed settlement sunset date – Stage 7	21 April 2041	15 years and 20 months following the date of Council Completion.	Low risk.

NB: Milestones for future stages i.e. 3 to 7, can be reported on after the stage 2 settlement milestone is achieved.

Assessment of Modifications

19. Modifications to Council's agreed documentation manage programme and design flexibility appropriately balancing the Council's needs to retain adequate control and the Developer's imperative to respond to market conditions and commercial drivers.
20. Council has developed a modification assessment plan which sets out a consistent methodology for the assessment of modification proposals. Using an evaluation panel any request for a modification is reviewed and assessed against the specific criteria set out in the DA to determine whether the modification is a material modification requiring approval.
21. If the modification will lessen the likelihood of achievement, then the modification will be material modification. Once the evaluation is complete, the evaluation panel reports its findings and makes a recommendation as to whether the modification is a material modification, and if so, whether the material modification should be approved or not, having regard to the impact on the Project Objectives and Material Outcomes.
22. A schedule of development decisions, including modifications to agreed documentation, is provided as **Attachment C**.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

23. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because it is consistent with existing strategy and does not impact on the objectives set out in the Financial Strategy, Long Term Plan or Annual Plan.
24. Although the matter is of importance to the district and is of community interest, it is of low significance due to its alignment with the Councils existing contractual commitments.
25. The persons who are affected by or interested in this matter are all residents/ratepayers of the Queenstown lakes district community. As the significance of this matter is low and only for noting, no consultation with the community or local iwi is required.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

26. This matter relates to the Strategic/Political/Reputation risk category. It is associated with RISK10015 Ineffective Governance within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.
27. The transparent reporting and monitoring of key development milestones will support Council by allowing it to retain the risk at its current level. The effectiveness of these controls shall be supported by the continued governance of the development milestones by RAC.

Financial Implications | Kā Riteka ā-Pūtea

28. There are no new budget, cost or resource implications arising from this report, which is for noting. The October 2025 report provided a nominal cash-flow view indicating expected gross land receipts of \$88 million¹, net income from property disposal of \$77 million after transaction costs², capital works costs of \$52 million, and an indicative net surplus of \$25 million. These amounts will continue to be monitored through routine financial reporting and will be updated considering progress through stage 1 delivery.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

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

- Vision Beyond 2050: Our Strategic Framework | Queenstown Lakes District Council
- Property Sale and Acquisition Policy (2014)
- Significance & Engagement Policy | Te Kaupapa Here Hiraka Whakapā (2024).
- Disability Policy
- Financial Contributions Headworks Policy
- Revenue and Financing Policy
- Infrastructure Asset Management Strategy

30. The recommended option is consistent with the principles set out in the named policy/policies and included in the Long Term Plan/Annual Plan.

Attachments | Kā Tāpirihaka

A	Lakeview Project Objectives and Material Outcomes
B	Lakeview precinct plan and proposed delivery staging
C	Lakeview development schedule of decisions and modifications, March 2026

¹ Does not include super profit payment(s) or value of Lynch Block land (circa. 1 ha).

² Includes contribution(s) to the Queenstown Community Housing Trust.