

Project Manawa

STATEMENT OF PROPOSAL

A vision for community and cultural facilities in the heart of Tāhuna Queenstown.

Look inside to find out how you can get involved in these first steps towards creating something special for our district.



Have your say at
letstalk.qldc.govt.nz by TBC.



STATEMENT OF PROPOSAL

This document is a statement of proposal for the purposes of section 83(1)(a)(i) of the Local Government Act 2002.

- > The proposals (LGA2002 S82A(2)(a)) are outlined on **pages 12 - 22**
- > The reasons for the proposals (LGA2002 S82A(2)(a)) are outlined on **pages 3 - 9**
- > An analysis of the reasonably practicable options (LGA2002 S82A(2)(b)) is included on **pages 15 - 22**
- > Information about how people can make a submission is provided on **page 23**.

Foreword

In this document you will find out more about the proposed Project Manawa, which if fully realised could deliver a range of community, cultural, commercial and civic buildings in central Tāhuna Queenstown.

We share the history of the project and the various activities and engagements that have informed where we are today. You will also see images and ideas that paint a picture of how the site could look and be used one day.

At this stage of the process, Council is inviting submissions on proposals to help deliver the future vision of Project Manawa. This can be broken down into two consultation topics:

- > **TOPIC 1:** Proposed land exchanges: this would involve a number of different land exchanges to optimise the potential for the Manawa site; and
- > **TOPIC 2:** Proposed joint venture arrangements: this involves a potential governance structure for constructing and administering the new civic administration building at the Manawa site.

These are the foundational first steps toward creating Project Manawa and your submission will assist Council in its future decision making.

It is important to be aware that this consultation is not seeking any feedback on the proposed buildings or facilities themselves. The community facilities will be subject to further consultation at a later date, following the outcome of this current process.

We look forward to continuing this important community conversation.

The vision and how it fits

Imagine a place in the heart of Tāhuna Queenstown that celebrates our district's culture, heritage and community.

A place that has people, creativity and connection at its core, supports a step change in public transport and provides easy access to the rest of town and the lakefront.

Project Manawa is an opportunity to achieve this vision. It proposes cultural and community facilities such as community and arts spaces, a purpose-built library, a performance and visual arts centre, a town square, commercial buildings, as well as a civic administration building which is key to keeping the centre alive with enterprise and community. All on a central and easily accessible site located at Stanley Street, Queenstown.

**MANAWA
IS TE REO
MĀORI FOR
'HEART'**



Planning and decision making on Project Manawa is guided by **Vision Beyond 2050**, the community-developed vision for our district which QLDC committed to in March 2019.¹ We aspire to be a community that holds true to the values that collectively define what is unique about Queenstown Lakes District – our home. These vision statements underpin everything we do.



Thriving people
| **Whakapuāwai Hapori**

Ours is a community with a strong heart and whānau roots that run deep.



Living Te Ao Māori
| **Whakatinana i te ao Māori**

Ours is a district that realises Te Tiriti o Waitangi and champions equity for all our people, now and into the future.



Opportunities for all
| **He ōhaka taurikura**

Our district is a place of social, environmental and technological enterprise.



Breathtaking creativity
| **Whakaohoho Auahataka**

Surrounded by the endless inspiration of our landscapes, ours is a place that nurtures the arts, culture and the spirit of invention.



Deafening dawn chorus
| **Waraki**

Our ecosystems flourish and are predator-free under our guardianship.



Zero carbon communities
| **Parakore hapori**

From Makarora to Kingston, our district sets the standard for regenerative, low-impact living, working and travel.



Disaster-defying resilience
| **He Hapori Aumangea**

Queenstown Lakes is a place that is ready and prepared for every emergency.



Pride in sharing our places
| **Kia noho tahi tātou katoa**

Our district is a place where our quality of life is enhanced by growth through innovation and thoughtful management.

It is also guided by the **Queenstown Town Centre Masterplan** which was endorsed by Council in 2018 following extensive community engagement.²

The aim of the Masterplan is to shape a thriving heart to Queenstown, now and into the future. It provides a spatial framework guiding how the town centre can develop over time to create an authentic, safe and accessible experience for locals and visitors. The Masterplan has the following goals:



Improved access to the town centre.



Increased commercial activity without negative impacts on the environment or local enjoyment.



A liveable, thriving and authentically Aotearoa New Zealand Town Centre.



People enjoy spending time in town because the built environment complements the natural environment, referencing local history and culture.

The Stanley Street site was identified as the preferred location for a community heart and the bookend of a civic axis, providing a high quality pedestrian connection from community facilities and a public transport hub, through town to Lake Whakatipu.

OVER THE
PAST TWO YEARS
WE HAVE STARTED TO
SEE GOALS OF THE
MASTERPLAN COME
TO LIFE THROUGH
THE STREET UPGRADE
PROGRAMME

¹ Find out more about the Vision Beyond 2050: <https://www.qldc.govt.nz/your-council/our-vision-mission>

² Find out more about the Queenstown Town Centre Masterplan: <https://www.qldc.govt.nz/services/transport-and-parking/way-to-go/frankton-to-queenstown-queenstown-town-centre-masterplan>

The opportunity

A decision to explore a partnership with Ngāi Tahu Property was made by Council in 2019 (see timeline on pages 10-11). We have an opportunity to continue to build on the partnership to realise the potential of the site and support our goals to create an authentic and accessible experience for locals and visitors.

Taking a partnership approach with Ngāi Tahu Property helps to unlock the full potential of the land, brings development expertise and efficiencies, allowing us to deliver these facilities in a more timely and affordable way.

Imagery is artist's impression only and should only be used to visualise what's possible. Details and designs of proposed facilities will be subject to future community and stakeholder consultation.

**READ MORE
ABOUT OUR
PROPOSAL TO
WORK WITH NGĀI
TAHU PROPERTY
ON PAGE 20**

Project Manawa is a long-term vision. Over time it could include:

COMMUNITY FACILITIES

A range of community facilities form part of the vision including a new purpose-built modern library, a central community meeting place for civic gatherings, a space for markets or cultural festivals, spaces for visual and performing arts, and shared public workspaces. All proposed facilities are subject to available budget, would need to be staged over some time and reflect the needs and aspirations of the community.

AN INTEGRATED TRANSPORT HUB

The Town Centre Arterial Road³ is a key enabling project for the Queenstown Town Centre.

Stage 1 is due to be complete towards the end of 2024 and will link Melbourne and Henry Streets. This will remove general traffic from Stanley Street, creating space for pedestrian friendly shared streets, an improved public transport system and access to the town centre.

It will also unlock other investments that will vastly improve the town centre experience for locals and visitors, including a proposed public transport hub on Stanley Street. The hub would provide a new 'on street' facility for local and regional services - connecting directly to the Manawa site and wider town centre.



³ Find out more about the Queenstown Town Centre Arterial Road: <https://www.qldc.govt.nz/your-council/major-projects/queenstown-town-centre-arterial>

A MIXED-USE PRECINCT

This is a large site in a key location, so there is an opportunity to obtain private investment for a range of commercial, retail and hospitality functions which could enhance the site for the community. Income from this could be used to provide additional funding to help deliver a range of community and civic facilities.

MORE OPPORTUNITIES TO TELL LOCAL STORIES

Tāhuna Queenstown has a rich history and is a place of significance for Kāi Tahu Whānui. Project Manawa provides an opportunity to provide more cultural presence in the town centre, building on design elements and story-telling we're already starting to see come to life.

NEW SPACES AND PLACES

The site topography offers opportunities for a range of open spaces and terraces in and around the new community and civic facilities.

Central to this is a proposed new urban plaza, or town square, as a point of arrival/departure and a venue for gathering, connection, events and performance.

It is proposed to take a coordinated approach to indoor and outdoor spaces to ensure our facilities and spaces meet the needs of all abilities and remain accessible to everyone.



| A new civic heart

Project Manawa will include Council's new civic administration building, meaning Whakatipu-based staff can be housed under one roof rather than the five current town centre locations and the community can

better interact with Council. This was confirmed as the preferred location by Council in February 2016, and funding approved through the 2018-2028 Long Term Plan⁴ community consultation process.

The building will offer an opportunity to enhance participation in community and democratic functions.



⁴ Find out more about the 2018-2021 Long Term Plan:
<https://www.qldc.govt.nz/your-council/council-documents/ten-year-plan-ltp>

BENEFITS INCLUDE:

- > streamlined access to Council services for the community
- > alignment with Council's aim to ensure the town centre remains vibrant and authentic
- > a thriving civic presence will support a stronger sense of local community and place for public activities
- > indirect support for a range of other centrally-operated businesses and professionals
- > improved efficiencies between Council departments who are currently based across five locations in Tāhuna Queenstown.



Progress so far

The Stanley Street site has long been a topic of conversation in our community. While we're still in the very early stages of this long-term project, here's a rundown of what's happened so far:

2017

2018

2019

2020

2017: Community engagement on Queenstown Town Centre Masterplan, which identified the Stanley Street site as an appropriate location for a comprehensive community heart.

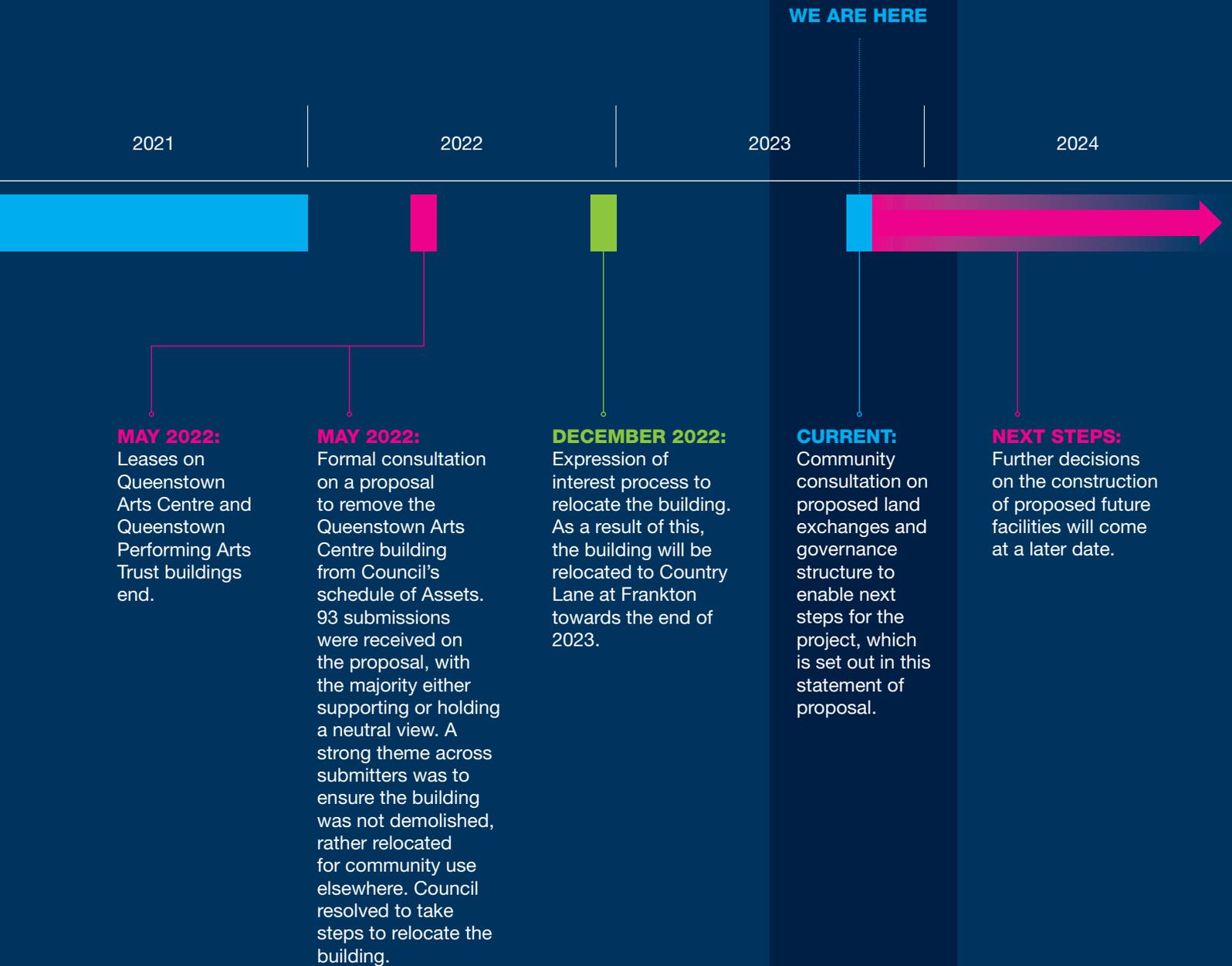
2018: Councillors endorse Queenstown Town Centre Masterplan.

2018: QLDC enters into a memorandum of understanding with Ngāi Tahu Property to explore the opportunity to develop the site for mutual benefit and the benefit of the whole Queenstown Lakes District.

2019: Councillors approve a proposal to enter a partnering agreement with Ngāi Tahu Property.⁵ This formally enabled us to continue to work together on the Project Manawa proposal with Ngāi Tahu Property. Since then, QLDC and Ngāi Tahu Property have worked closely to develop options to plan and enable development on the site.

2020-21: Three Lakes Cultural Trust, with Council's assistance, secured a lease of premises in Frankton to develop the Te Atamira community facility which provide a significantly improved space for a wide range of groups, including those who were tenants at the Stanley Street site.

⁵ <https://www.qldc.govt.nz/your-council/major-projects/project-manawa#partnership>



Options for realising future development potential of the site

To deliver Project Manawa, a land strategy needs to be developed which enables the various community and civic facilities to be delivered in the most beneficial way for the community. This is because the current legal designation or defined purpose of the land parcels making up the site will not allow the best outcome for the community.

Making changes to the status of the land will:

- > enable community assets to be located on reserve land and commercial opportunities can be explored for freehold land on the site
- > enable and facilitate private/public partnerships to help deliver key community assets
- > enable funding for community facilities through private investment in appropriate future development and commercial activities.

Council has been developing a strategy to create an arts and cultural precinct for community assets on reserve land at the heart of the Manawa site, with freehold land (including the civic administration building) surrounding it to enable future development opportunities and activate the site.

We have considered a number of different ways to achieve this, including (but not limited to) the following criteria:

- > how affordable an option is
- > does it deliver the desired outcome for the community
- > would it create a coherent whole-of-precinct development?

As part of this strategy, Council entered into a Partnering Agreement in June 2019 with Ngāi Tahu Property (see above timeline). Since that date the two parties have worked together to explore ways to unlock the potential of the site given their respective land interests in the site.

CONSULTATION TOPICS: TOPIC 1 – LAND EXCHANGES

Below we have set out a preferred option and an alternative strategy to achieve the above outcomes.

Glossary: Freehold land means outright ownership of land, which can be used in any way subject to the District Plan zoning rules. This provides greater flexibility in terms of use and commercial opportunities. A local purpose reserve is a piece of land protected under the Reserves Act 1977, intended for use such as roads, access, service lanes, esplanade or community facilities.

Disclaimer: Land boundaries shown on the following plans are indicative only.

The Manawa site:

The proposed Manawa site is currently made up of:

- > local purpose reserve land
- > land held for educational purposes
- > Council-owned freehold land
- > freehold land at 8 Henry Street owned by Ngāi Tahu Property.

Current make up of the site:



This land is currently reserve vested with the Ministry of Education. An historic decision by the Crown agreed to transfer this land to Council in exchange for the former secondary school site in Gorge Road, Queenstown (now Te Pā Tāhuna, developed by Ngāi Tahu Property). The current playcentre is being transferred to new buildings at Queenstown Primary School, Robins Road, Queenstown. This will finally enable this land to be transferred to Council.

What's proposed

We are inviting submissions on two options for the land exchange, which would simplify the site arrangement and provide the foundation to deliver Project Manawa for the community.

OPTION 1 - LAND EXCHANGE (PREFERRED OPTION)

OPTION 2 - ALTERNATIVE: LIMITED LAND EXCHANGE

OPTION 1

Option 1: Land exchange



The plan below shows the outcome of the preferred option following land exchanges, the stopping of part of Ballarat Street, and a joint venture arrangement with Ngāi Tahu Property for the civic administration building (shown in orange).



OPTION 1

Advantages:

- > Supports a whole-of-precinct development approach
- > Community assets that typically do not provide a financial return can be located on reserve land
- > It places reserve land at the heart of the site in one large connected block which provides flexibility for the development of integrated public spaces and community assets
- > It unlocks more freehold land surrounding the reserve land which makes the overall vision of a vibrant site more achievable
- > In unlocking more freehold land, it provides greater income for QLDC to offset the costs of the community assets or to apply elsewhere
- > It is understood to be the preferred option of Ngāi Tahu Property, and would allow QLDC to work together with Ngāi Tahu Property to unlock the potential of the site given the various land interests held by QLDC and Ngāi Tahu Property
- > Utilises Ngāi Tahu Property's development expertise
- > Shared development risk with Ngāi Tahu Property for the civic administration building.

Disadvantages:

- > The exchanges can be staged but will take some time to deliver
- > Although a joint venture arrangement with Ngāi Tahu Property shares the development risk, it means there is less control for QLDC
- > Increases freehold land at the Manawa site, on the assumption that it is preferable for enabling future options, rather than leaving the land with reserve status.

STEPS REQUIRED TO ACHIEVE OPTION 1:

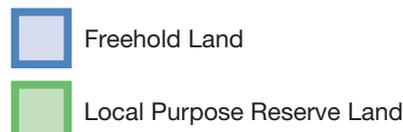
There are two steps required to achieve the preferred option:

STEP 1: A land exchange within the site as shown on the plan below.

This involves stopping part of Ballarat Street⁶ and exchanging⁷ the freehold land created by stopping that road, with the reserve land to the east of the site, to form:

- > Freehold land at the east of the site (shown blue); and
- > Reserve land for future community assets at the heart of the site.

This can be illustrated by the following plan:



⁶ The stopping of part of Ballarat Street is likely to take place under the prescribed process set out in the Public Works Act 1981 and will be subject to Ministerial approval.

⁷ The swapping of the land will likely take place under the prescribed process set out in the Reserves Act 1977 and is subject to Ministerial approval.

OPTION 1

STEP 2: A land exchange external to the site.

This would see QLDC and Ngāi Tahu Property exchanging freehold land from another location with the reserve land on the site (highlighted blue on the following plan).

This will change the existing status of that land from Local Purpose Reserve to freehold, thereby enabling possible future development opportunities to create revenue to help deliver community assets on the site. This can be shown as follows:

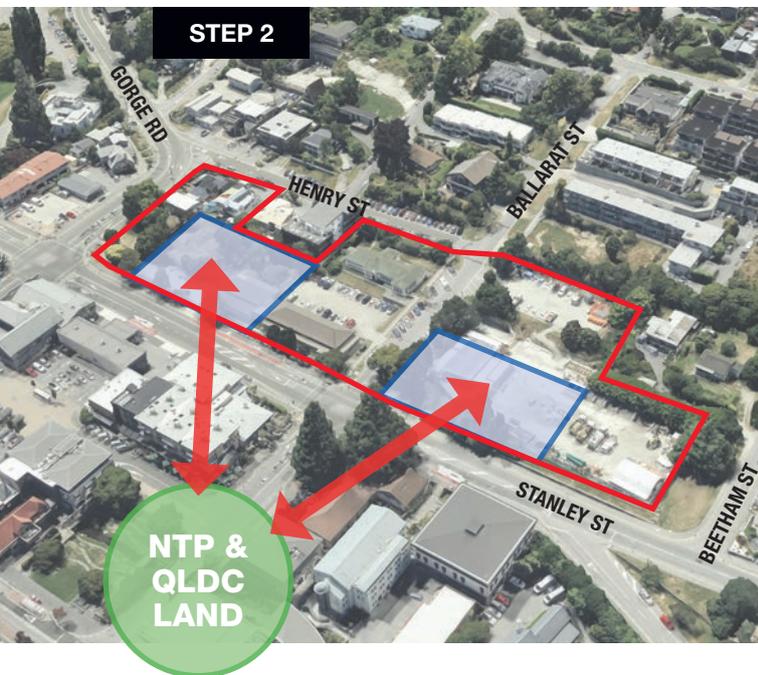
Council is proposing to achieve this land exchange in conjunction with Ngāi Tahu Property so the land is jointly owned by QLDC and Ngāi Tahu Property.

Council has identified freehold land at Robertson Street, Frankton as potentially suitable for the exchange.

This step would change the status of the exchanged part of the land at Robertson Street to Local Purpose Reserve, for the benefit of the community.

The land and terms for the proposed Ngāi Tahu Property exchange are to be confirmed. If terms are not agreed with Ngāi Tahu Property to jointly contribute land for the exchange then it is open to Council to explore the land exchange on its own by utilising the freehold land at Robertson Street, Frankton for the exchange. This would be subject to approval by the Minister of Conservation.

If the land exchange proceeded on that basis, the land identified (shown in blue) would be wholly owned by QLDC as opposed to jointly owned with Ngāi Tahu Property.



OPTION 1

This 3D model is an artist's impression illustrating the proposed built form of Project Manawa, as enabled by the preferred land strategy.



Key to proposed building purpose and location

- A** Proposed Civic Administration Building
- B** Proposed Library - indicative images page 6 (left hand image, interior), page 8 (exterior), and page 24 (interior)
- C** Proposed Performing and Visual Arts Centre - indicative image page 8 (exterior)
- D** Commercial - indicative images page 6 (right hand image, exterior), and page 7 (exterior)
- E** Commercial
- F** Town Square - indicative image on cover

OPTION 2

Option 2 – Alternative: Limited land exchange

This option is more limited and provides for the stopping of part of Ballarat Street and the exchange of the freehold land created by that process with the reserve land under the proposed civic administration building.

This creates freehold land under the civic administration building and adjacent reserve land in the centre of the site but no other freehold land is created.

Advantages:

- > Being a more limited proposal, it may enable QLDC to progress the civic administration building quicker and potentially realise the benefits of one building sooner
- > It creates adjacent reserve land for public spaces and community facilities in the future as budget allows and freehold land for the civic administration building
- > It utilises land within the site for the land exchange rather than outside the site.

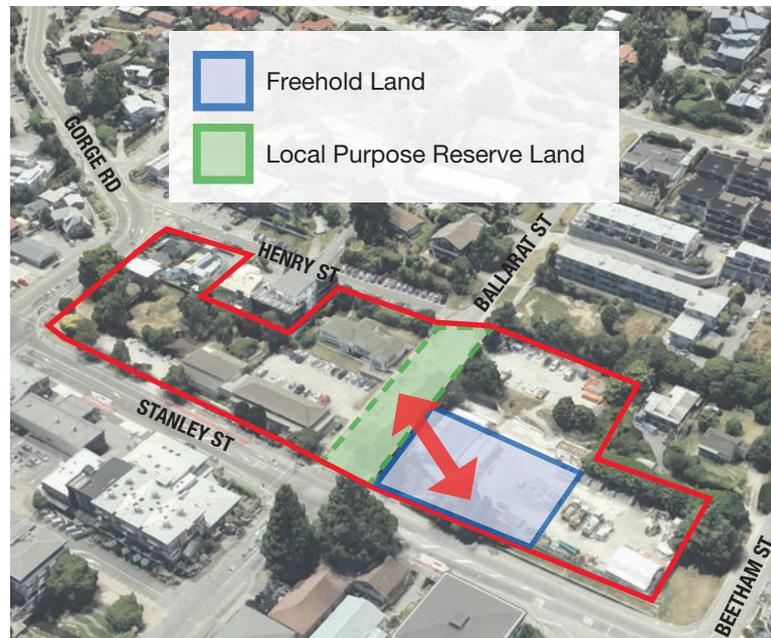
Disadvantages:

- > Not a whole-of-precinct option, and reduces the opportunity to create an integrated development
- > Significantly less freehold land is created under this option and therefore limits future commercial opportunities
- > Less certain future ability to unlock other areas of the site (namely future commercial opportunities) which reduces certainty about income to potentially fund the civic administration building and other community assets
- > Defers opportunities to create other community and commercial assets, such as the Performing Arts Centre
- > Further discussion with Ngāi Tahu Property would be required if this option was explored to see if the proposed joint venture agreements could proceed.

STEPS REQUIRED TO ACHIEVE ALTERNATIVE OPTION:

The process is limited to:

Stopping part of Ballarat Street and swapping the freehold land created through that process with the reserve land under the land proposed for the civic administration building, as shown on the plan.



Have your say on the two options for the land exchange. Go to letstalk.qldc.govt.nz to complete an online form.

Proposed joint venture partnership with Ngāi Tahu Property

The following pages outline a proposed joint venture and governance model with Ngāi Tahu Property for the purposes of constructing the civic administration building only. This proposal, if it proceeds, unlocks opportunities on the site to develop other community assets, commercial assets and public space in an integrated way that would not be possible as a development led only by Council.

While we have already been working closely with Ngāi Tahu Property on early planning for Manawa under the partnering agreement, the next step involves further consideration of an opportunity to jointly develop the civic administration building.

We have considered other options including developing the site alone or with a third party (other than Ngāi Tahu Property). These options were not considered viable for the following reasons:

- > Going alone would require QLDC to take on all of the development risk, including a higher upfront financial commitment and less ability to realise the full potential of the site; and
- > Partnering with another third party would likely be restricted as Kāi Tahu has land interests in the site, meaning it could limit the opportunity to take a ‘whole of precinct’ approach to the future use of the land.

The terms of any joint venture arrangements have not been agreed. However both parties have been working on the basis that the civic administration building and land could be jointly owned and developed by QLDC and Ngāi Tahu Property on a 50/50 basis for QLDC to occupy as a tenant.

While the structure has not been agreed, under the Local Government Act 2002,⁸ joint ownership and joint decision making may require the creation of a Council Controlled Organisation (CCO). This consultation does not establish a CCO but is intended to present the concept to the community to seek submissions on this possible and preferred governance model.

**CREATING A CCO
REQUIRES PUBLIC
CONSULTATION.
HAVE YOUR SAY AT
LETSTALK.QLDC.
GOVT.NZ**

⁸ Meaning of a council-controlled organisation and council organisation, Local Government Act 2002, section 6: <https://www.legislation.govt.nz/act/public/2002/0084/latest/whole.html>

CONSULTATION TOPICS: TOPIC 2 – PROPOSED JOINT VENTURE PARTNERSHIP

What's a CCO?

A CCO is an entity in which a local authority controls 50% or more of the voting rights and/or can appoint 50% or more of the members controlling the entity.

The structure is designed to provide an appropriate level of QLDC oversight and involvement and a strong basis for public accountability and control of the project.

Once established, a CCO would be subject to the governance, accountability and reporting requirements of the Local Government Act 2002. This includes preparing Statements of Intent and Expectations, performance monitoring, half-yearly and annual reports, audit and oversight by the Auditor-General.

What might this look like?

The structure for the development and ownership of the civic administration building has not been agreed with Ngāi Tahu Property and is subject to community consultation. However one potential structure is described below.

This option would see a project specific holding company created. It would be 100% owned and controlled by QLDC and responsible for overall governance of the development and ownership of the civic administration building.

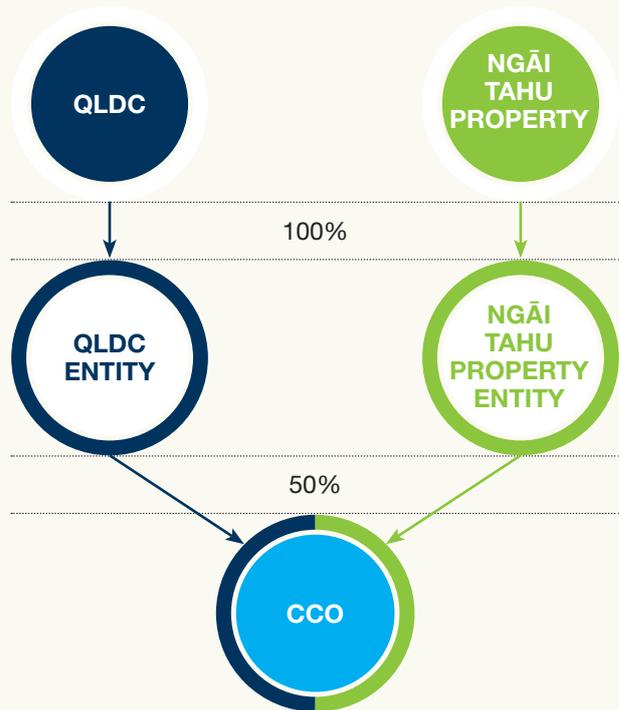
It would likely include councillors and other appointed expert members and allows for detailed oversight of the project. It will report to the full Council, publish a Statement of Intent and report on progress against programme and budget.

The holding company in turn could own a 50% interest in the joint venture development entity with Ngāi Tahu Property which would be the entity responsible for the day-to-day delivery of the project and the running of the building.

This entity may be a subsidiary of the CCO holding company or may be an unincorporated joint venture.⁹ It is possible that this entity may also be deemed to be a CCO but the reporting requirements will be largely the same.

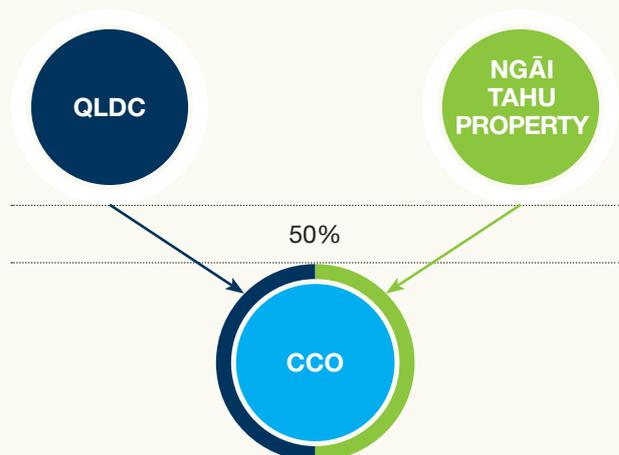
The proposed remit of the joint venture / CCO is limited only to the civic administration building and has no powers or responsibilities for the remainder of the Project Manawa development or otherwise.

It is important to note the proposal to form a CCO is subject to the outcomes of this consultation and could only be formed after commercial terms and a detailed development agreement for the building are agreed by Council and Ngāi Tahu Property. Council will also need to formally resolve to create a CCO. The preferred structure is illustrated below.



While this structure has been adopted by other Councils due to the advantages of having a dedicated holding company with relevant experts on the board to assist the nominated Councillors to oversee the development and running of the civic administration building, it may be that there is no holding company and Council owns the development entity directly. The final structure would be confirmed following this community consultation and further negotiations with Ngāi Tahu Property.

The alternative structure would look like this:



⁹ A type of partnership through a contractual arrangement without establishing a separate company.

CONSULTATION TOPICS:**TOPIC 2 – PROPOSED JOINT VENTURE PARTNERSHIP****Advantages of the preferred structure with dedicated holding company:**

The preferred structure sees a dedicated holding company created to oversee the development entity rather than the development entity being owned directly by Council. The advantages of a dedicated entity are:

- > A dedicated holding company can be solely focused on the development and is not distracted with other Council matters
- > It frees up the Council
- > The dedicated company will report to Council and seek decisions on key matters rather than Council having to make all the decisions that may be required
- > There can be a mix of selected Councillors and experts on the board of a holding company to make decisions rather than the full Council
- > Decisions can be made quicker rather than waiting for a Council meeting or calling for an emergency meeting as required
- > It has direct and current information on a day-to-day basis which is important on a construction site so matters such as Health and Safety can be dealt with quickly and efficiently
- > There is clear responsibility and accountability for a dedicated board that could be changed to meet Council's requirements
- > It is difficult for a third party to deal with Council on a day-to-day basis rather than a dedicated board.

Disadvantages of the preferred structure:

- > Full Council would have more direct control and influence of the construction and administration of the building with no holding company
- > There would be some additional costs and duplication in establishing a dedicated holding company.

By way of comparison:

Advantages of the alternative structure (no dedicated holding company):

- > Full Council would have more direct control and influence of the construction and administration of the building if it had direct control of the development entity
- > There would be some cost savings in having one fewer company to administer.

Disadvantages of the alternative structure (no dedicated holding company):

- > Council would need to take more time to focus on the development which consumes valuable Council time
- > Council would be required to make more decisions and possibly under urgency which may be difficult given Council's schedule
- > Council may not be across all the issues on a construction site such as Health and Safety matters which may need to be dealt with quickly
- > Council would need to separately engage experts to assist in the decision making
- > It is difficult for a third party to deal with a Council on a day to day basis rather than a dedicated entity.

Let us know your thoughts on the proposed joint venture with Ngāi Tahu Property. Go to letstalk.qldc.govt.nz and complete the survey.

Help create something special

Your submission will help us confirm an appropriate land strategy and take this next step towards achieving a cultural and community asset for our community.

Submissions close on TBC.

It will take time to work through the complexities of this project but we're confident these facilities will benefit our people and showcase the area's cultural heritage and future creativity to the visitors to the area and the world.

There are lots of ways to get involved:



Visit letstalk.qldc.govt.nz and make a submission



Send us an email at letstalk@qldc.govt.nz



Write us a letter and post to:
Project Manawa, Queenstown Lakes District Council, Private Bag 50072, Queenstown 9348



There will also be a number of opportunities to talk to us in person – visit letstalk.qldc.govt.nz for details



Speak to your submission at a hearing. Let us know you want to do this when you make your submission and we'll advise of dates and times.

How to find out more

There's lots of supporting information and background reading at letstalk.qldc.govt.nz



Have your say at
letstalk.qldc.govt.nz by TBC.

**LET'S
TALK**
KŌRERO MAI

 **QUEENSTOWN
LAKES DISTRICT
COUNCIL**