Item 3: Long List of Options for Future Use of Lynch Block

SESSION TYPE: Workshop

PURPOSE/DESIRED OUTCOME:

The purpose of this workshop is to present a long list of options for the future use of the Lynch Block land parcel and seek Councillor's feedback to inform a short list of options for further investigation and analysis by Council officers.

DATE/START TIME:

Tuesday, 25 August 2026 at 12:30pm

TIME BREAKDOWN:

Presentation: 15 minutes
Questions *or* Debate/Discussion: 45 minutes

PRESENTERS:

Carrie Williams - Policy Manager

Prepared by:	Reviewed and Authorised by:
Name: Carrie Williams	**Name:** Pennie Pearce
Title: Policy Manager	**Title:** General Manager Strategy and Policy
14 August 2026	17 August 2026

ATTACHMENTS:

A	Slide Deck - Long List of Options for Future Use of Lynch Block

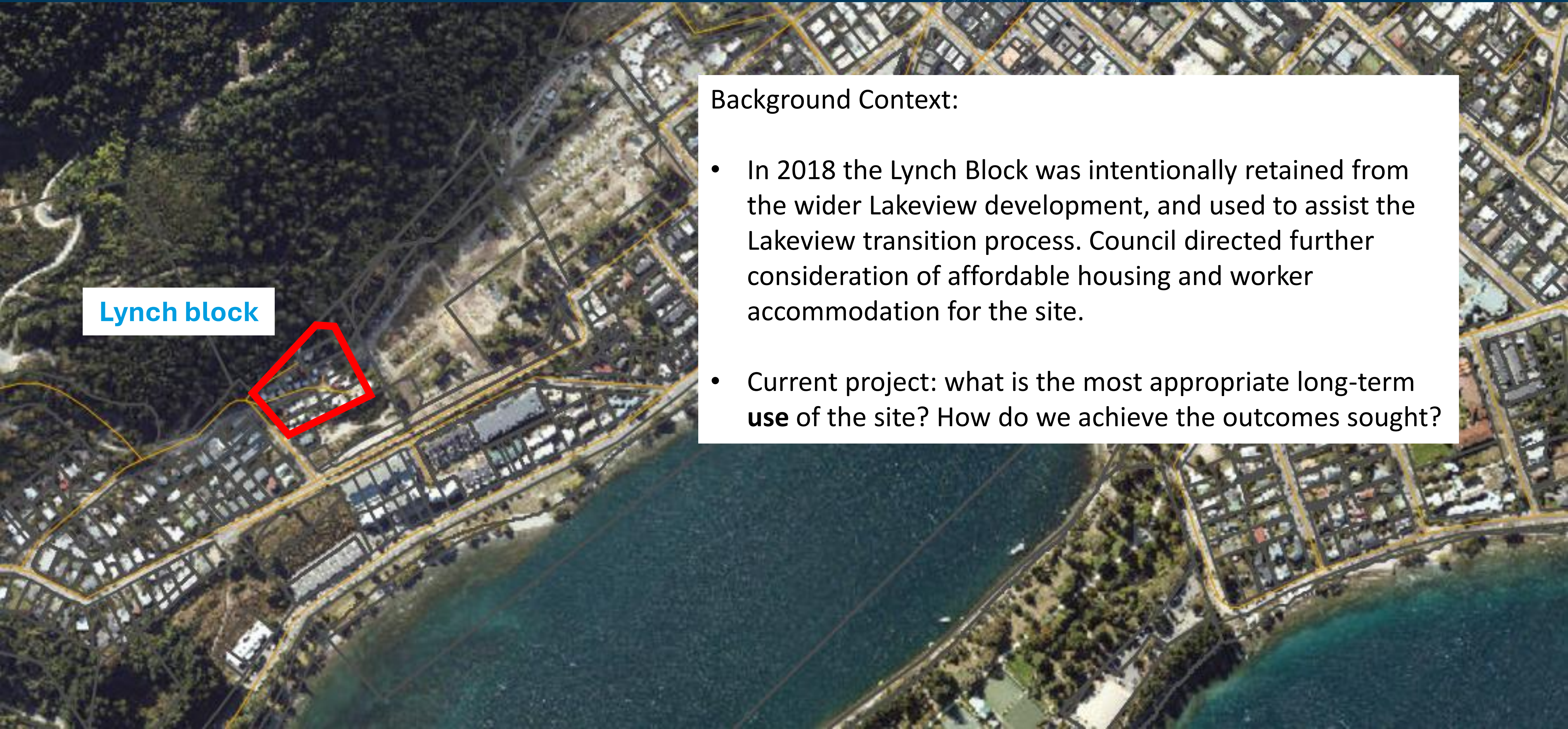
Lynch Block Longlist

Council workshop
25 Aug 2026

QUEENSTOWN LAKES DISTRICT COUNCIL

The Lynch Block opportunity

QUEENSTOWN LAKES DISTRICT COUNCIL



Background Context:

- In 2018 the Lynch Block was intentionally retained from the wider Lakeview development, and used to assist the Lakeview transition process. Council directed further consideration of affordable housing and worker accommodation for the site.

- Current project: what is the most appropriate long-term **use** of the site? How do we achieve the outcomes sought?

Purpose and agenda

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Purpose of this workshop

Provide direction on a shortlist of options for further development and analysis for the Lynch Block.

Agenda

- **Refresh: Process and indicative timing**
- **Considerations for forming the shortlist**
- **Assessment of longlist options against the outcomes sought**
- **Next steps including engagement/consultation**

Refresh: process and indicative timing

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	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Project planning and issue identification														
Develop long list options														
Council workshop 25 Aug Present high-level options														
Shortlist analysis														
Council decision on preferred option														
Public consultation (TBC)														
Council final decision														

Engagement with partners / key stakeholders will take place at this stage. Officers considered there were too many options at too high a level for meaningful earlier engagement.

Council meetings/workshops

Outcomes sought

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On 9 April 2026, Councillors identified the following outcomes sought for the Lynch Block:

- Responsible stewardship of a high-value Council asset
- Long-term benefit to the community
- Clear strategic direction (avoiding ambiguity)
- Contribution to addressing housing affordability
- Urban intensification and CBD vitality
- Deliverability and financial viability
- Risk management and low ongoing Council exposure
- Transparency and public confidence in decision-making
- Alignment with Council's broader policy position

Officers assessed each longlist option as having high, mixed, or low alignment with these outcomes. This was not a formal scoring 'business case' type process with empirical weighting of options - the assessment was qualitative, as options are still high level. In depth investigation and assessment will occur following this workshop.

This workshop is to test the results of the qualitative assessment, that the options should align with the outcomes sought.

Justification for these assessments are provided for each option on later slides for further discussion.

Longlist options

Hold: Landbank indefinitely

Hold: Continue to hold until a specific Lakeview development milestone (consistent with status quo)

Develop: QLDC develop the site for affordable housing

Develop: QLDC develop the site as a community spaces

Sell: at market value with no restriction on use of funds

Sell: at market value and funds go to Queenstown Lakes Community Housing Trust (QLCHT, our preferred affordable housing provider)

Sell: at market value and proceeds ringfenced for specific community purpose

Sell: at a discount to QLCHT (or other affordable housing provider)

Sell: at nil cost / transfer to QLCHT (or other affordable housing provider)

Lease: at a discount/peppercorn to QLCHT (or other affordable housing provider)

Lease: at market price to an affordable housing provider

Placeholder for a hybrid option, combining two or more of the above

Longlist options: alignment with outcomes 4 'maybes' for discussion

~~**Hold:** Landbank indefinitely~~

Hold: Continue to hold until a specific Lakeview development milestone

~~**Develop:** QLDC develop the site for affordable housing~~

1 **Develop:** QLDC develop the site as a community space

2 **Sell:** at market value with no restriction on use of funds

Sell: at market value and funds go to Queenstown Lakes Community Housing Trust (QLCHT, our preferred affordable housing provider)

3 **Sell:** at market value and proceeds ringfenced for specific community purpose

~~**Sell:** at a discount to QLCHT (or other affordable housing provider)~~

Sell: at nil cost / transfer to QLCHT (or other affordable housing provider)

Lease: at a discount/peppercorn to QLCHT (or other affordable housing provider)

4 **Lease:** at market price to an affordable housing provider

Placeholder for a hybrid option, combining two or more of the above

Legend:

- Green highlight – high alignment with outcomes
- Numbered options – mixed alignment with outcomes, discussion required
- Strikethrough options – low alignment, recommend discard

Considerations for the shortlist

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Considerations for forming the shortlisted options:

- Alignment with outcomes
- Resourcing / timeframes for this work (a shorter shortlist enables more in-depth analysis within given timeframes)

The objective of this workshop is to identify which options to take forward for further investigation. Development of detailed information about each option has not yet occurred.

With 12 options, this slide deck is set up to focus discussion on which ‘maybe’ options councillors wish to bring forward for further investigation, with less discussion on options that are clearly aligned or misaligned with the outcomes sought.

There will be detailed analysis provided to inform further discussion on the shortlist options at the next stage.

Longlist options: 'maybe' options
Mixed alignment, discussion required

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1

Develop: the site as a community space (as a hybrid option in addition to one of the other options)

Good location to co-locate important community services alongside another use for the site.

Alignment with outcomes:

- Provides long-term community benefit, and contributes to CBD vitality.
- This option has low alignment to the outcomes by itself (does not address housing affordability or urban intensification, and not the most responsible use of land if this is the only use of the site).

Further investigations required if this option is brought forward to the shortlist:

- What community services to include?
- What is the cost (and implications for the LTP), and can this be shared?
- Who will design/build/deliver/manage the assets?
- What are the benefits of co-locating at this site?

Longlist options: ‘maybe’ options
Mixed alignment, discussion required

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2

Sell: at market value with no restriction on proceeds

Alignment with outcomes:

- Maximises financial return – responsible stewardship of high value asset
- Does not address affordable housing challenge
- No control over long-term benefits to the community including urban intensification and CBD vitality
- High deliverability and low ongoing Council risk

Further investigations required if this option is brought forward to the shortlist:

- Further investigations on the process, legal/regulatory requirements and market conditions for a sale
- Estimating the likely sale price
- Consider pairing with the option to hold until a Lakeview milestone is met to increase likely sale price

Longlist options: ‘maybe’ options
Mixed alignment, discussion required

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3

Sell: at market value and proceeds ringfenced for specific community purpose/s

Similar to option 2 (sell and no restrictions on proceeds) but also enables clear communication and delivery of community benefit

Further investigations required if this option is brought forward to the shortlist:

- As for option 2, and
- Determine an appropriate community purpose to direct funding towards

Longlist options: ‘maybe’ options
Mixed alignment, discussion required

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4

Lease: at market price to an affordable housing provider

Alignment with outcomes:

- Retains control/stewardship and ongoing financial return from the site
- Unlikely to be feasible to deliver affordable housing if leased at market price (to be tested with affordable housing providers)

Further investigations required if this option is brought forward to the shortlist:

- Determining the market price
- Approaching affordable housing providers (e.g. QLCHT, a build-to-rent developer) to determine feasibility / interest
- Investigating options for the lease to influence outcomes for the site, e.g. affordability requirements for the housing provided

Longlist options:
Low alignment with outcomes, recommend discard

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Hold: Landbank indefinitely

- Inconsistent with QLDC strategic direction of discouraging land banking by private sector
- Does not address housing affordability and reduces CBD vitality
- May not be viewed favourably by the community
- If higher financial returns are sought, Council could instead choose to hold the site for a specific period and then review

Develop: QLDC to develop affordable housing

- QLCHT is Council's preferred affordable housing delivery partner and has a strong track record in delivering affordable housing
- Higher risk and ongoing Council exposure
- Does not align with Council's broader policy position, not core Council business (e.g. recent senior housing transfers to QLCHT)

Sell: Sell at a discount to QLCHT or other affordable housing provider

- Discounted revenue from sale in addition to losing control of the land
- Council would be better off leasing to retain ownership of the land

Longlist options:
High alignment with outcomes, recommend include

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Hold: Continue to hold until a specific Lakeview development milestone before making a decision

Increases value, however this may impact the feasibility of some future options e.g. affordable housing on the site

Sell: at market price and funds go to QLCHT, our preferred affordable housing provider

Realise the financial return from the valuable land, then use the funding effectively elsewhere

Sell: at nil cost / transfer to QLCHT or other affordable housing provider

Maximises opportunity for affordable housing, and may be easier to implement than a lease (to be investigated)

Lease: at a discount/peppercorn to QLCHT or other affordable housing provider

Retain ownership/stewardship in a valuable strategic asset for future generations while supporting affordable housing outcomes

Placeholder for hybrid option

Two or more options could be combined by splitting the site (or the sale proceeds). Combinations of the final shortlist options can be included in the next stage of advice.

Next Steps – indicative timings

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Sep – Nov 2026: Analysis of options

- Confirm shortlist and undertake detailed investigation of shortlist options
- Will include early engagement with partners / key stakeholders including Kāi Tahu, QLCHT, Lakeview developers, DQ and the QT Chamber of Commerce

Dec 2026: Full Council Meeting

- Seeking a decision on a preferred option and a public engagement plan

Early 2027: Public engagement

- To be determined with regard to the Significance and Engagement policy
- Depending on the preferred option, this is likely to be of medium significance, signalling community engagement such as a public survey with Y/N answers and an opportunity to provide further feedback

By Mid 2027: Final decision made by Council

- Timing of implementation will depend on the option chosen