

2021-2031 Ten Year Plan | 2021-2031 He Mahere Kahurutaka



Summary of decisions

| Whakarāpopototaka o kā whakatau



QUEENSTOWN
LAKES DISTRICT
COUNCIL

During March and April this year, the Council sought your feedback on a number of 'big issues' in the draft 2021-2031 Ten Year Plan and Consultation Document.

We also signalled a number of other projects and provided an update on what else had changed such as waste management services, the District Plan review, and community facilities.

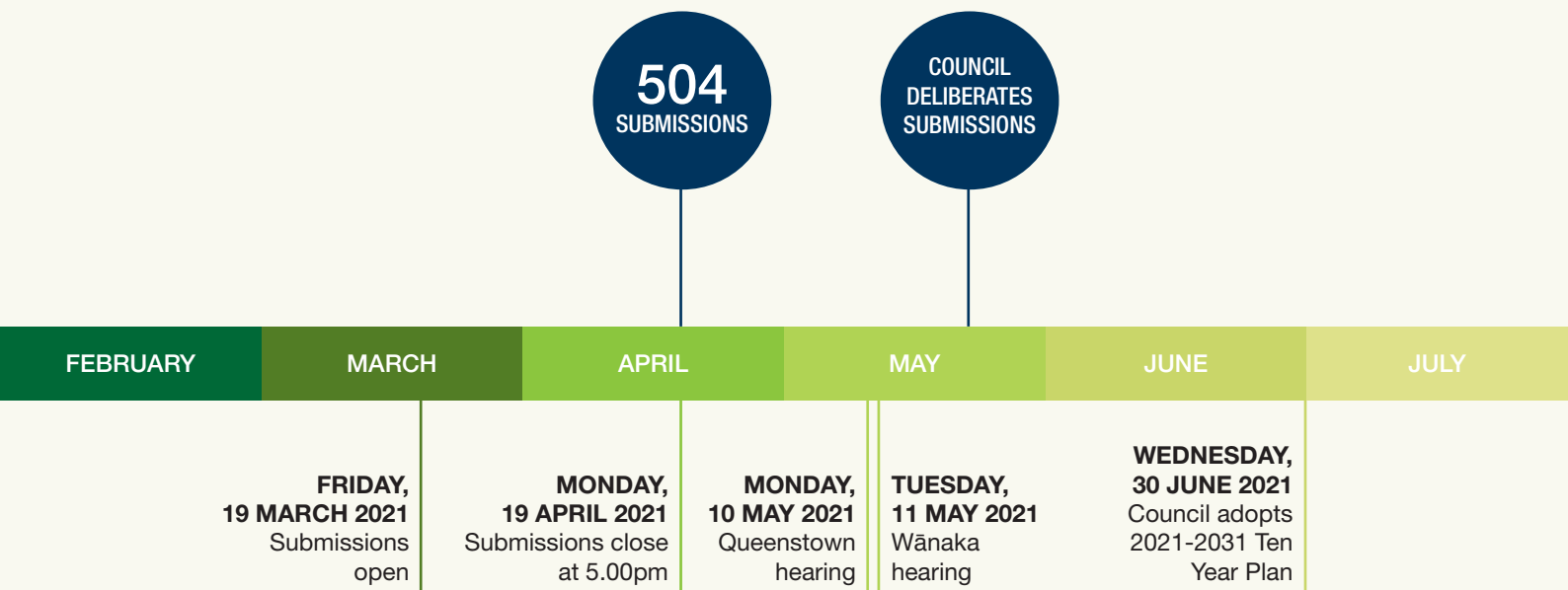
The consultation process invited formal submissions on these issues and any aspect of the draft plan, particularly relating to climate change and adaptation. We received 504 submissions from across the district and 82 people chose to address the Council at hearings held in Wānaka and Queenstown.

Despite being prepared in the wake of a pandemic and its associated affordability challenges, it was reassuring to see a high level of public engagement with the draft plan. Key themes that emerged in the process included increasing climate action, the appetite for more active transport and provision of more community facilities.

The enthusiasm from community and volunteer groups reflects the passion locals have for the environment and a connected community, and this was seen in the submissions and requests for funding. Unfortunately, it's never possible for Council to meet all of these requests especially in the context of the challenging capital programmes in this Ten Year Plan. All submissions were considered, and despite funding constraints, Council did make a number of changes as a direct result.

The feedback received was largely supportive of the preferred options proposed for the 'Big Issues' and these were adopted by the Council as outlined in the Consultation Document.

The overall impact of the changes made has altered the increase in rates as outlined in the Consultation Document. The average annual increase in rates over the ten years is 4.4% (after growth).



Big Issue 1: Delivering safe and reliable 3 Water services for our communities



Options

OPTION 1

Complete the Water Treatment Programme as outlined in the plan (by 2024)

OPTION 2

Spread the Water Treatment Programme over the ten years



Preferred option

We proposed option one as the preference to complete the programme within its preferred timeline and eliminate the risks associated with the current water supplies. The Council would also be compliant with its statutory obligations.

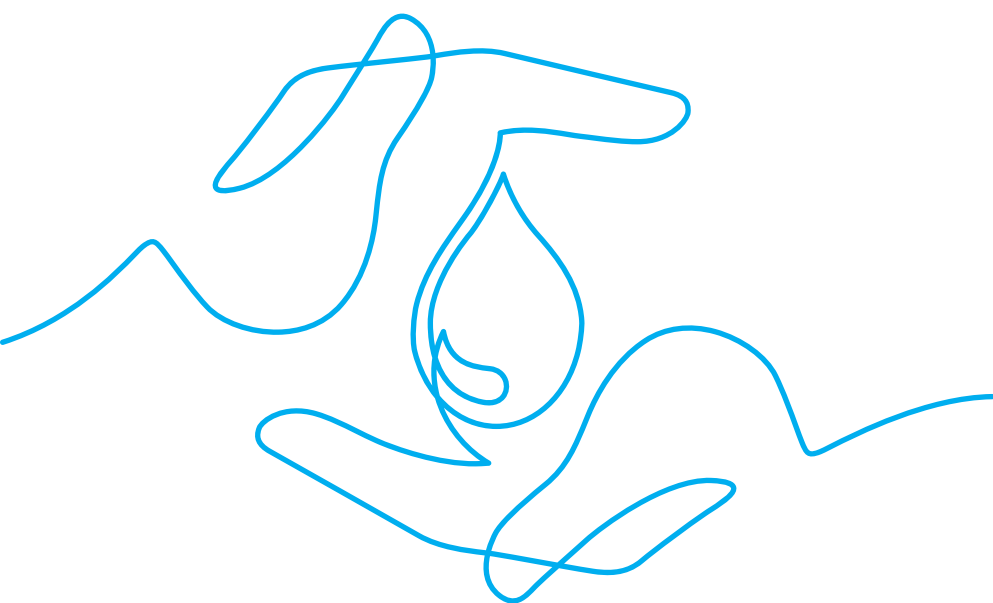


Outcome

Of the submissions received, 40.8% were in support of the preferred option, with only 15.5% indicating a preference for option two (the remaining 43.7% were neutral on the matter). The Councillors recommended that the preferred option be included in the final plan as outlined in the draft.

The increases for properties in Wānaka are significant in some instances depending on the capital value. Residential properties show increases of between 6.7% to 7.5%, commercial from 6.4% to 6.6%, and accommodation from 4.3% to 5.9%. The impact is reduced for properties in Queenstown because of the smaller relative cost per ratepayer. Residential shows increases between 0.6% and 1.3%, commercial from 0.6% to 1.1%, and accommodation from 0.7% to 0.8%.

The Level of Service will be enhanced under this option in terms of providing water treatment that delivers water supply to homes and businesses which fully complies with the New Zealand Drinking Water Standards by 2024, and eliminates the risk of water-borne infection or disease.



Big Issue 2: Meeting the transport needs of our communities and ensuring capacity and choice

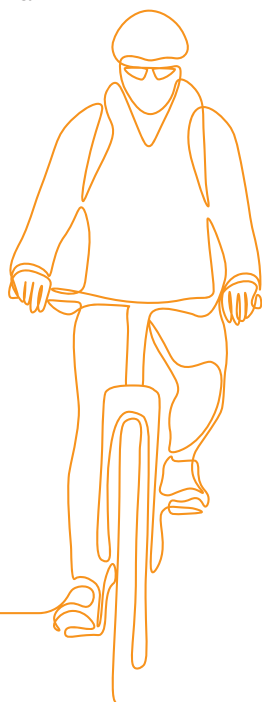
Options

OPTION 1

Complete the Wakatipu Transport Capital Programme as outlined in the plan

OPTION 2

Re-direct the funding for Queenstown Public Transport interventions as proposed (\$42.1M) to Active Travel projects not currently included in the draft Ten Year Plan



Preferred option

We proposed option one to invest in Queenstown Public Transport interventions as proposed including the Stanley Street-based public transport hub and bus prioritisation along public transport routes (Total Cost \$42.1M.)

Please note, this option assumed funding support will be forthcoming from Waka Kotahi NZTA. In the event this funding is not received, the scope of works would need to be significantly reduced, or QLDC would need to fund the balance (with a commensurate trade off elsewhere in the Ten Year Plan capital programme).

Outcome

Of the submissions received, 26.4% supported option two and 15.8% supported option one (the remaining 57.9% were neutral or supported neither). On analysis of these responses, those who did not support the option largely sought additional investment in the transport and active travel networks in and around Wānaka and the Upper Clutha. Based on these submissions the Councillors recommended the preferred option be included in the final plan but directed the reprioritisation of other projects.

Accordingly, investment in active transport networks for Wānaka have been accelerated, bringing the design and construction of the 'Wānaka Pool to School Active Travel' route to Year 2 (\$2M) and Year 3 (\$3M). Bringing this investment forward means it will not receive a subsidy from Waka Kotahi NZTA and will need to be funded primarily by the local community through Wānaka roading rates.

The rates impact for delivering the preferred option will see moderate increases for most properties depending on capital value; residential property increases would be between 0.3% and 0.8%, commercial from 0.8% to 1.5%, and accommodation from 0.8% to 1%.

Big Issue 3: New targeted rate on Queenstown Town Centre properties

Options

OPTION 1

Rates recovery focused on wider CBD ratepayers

OPTION 2

Apply costs to the existing Wakatipu Roding Rates

Preferred option

The Council determined that the CBD would benefit the most from the investment therefore the preferred option was to create a new Queenstown CBD Transport Improvement Rate (option one). This rate seeks to recover 65% of the cost from the wider CBD ratepayer and 35% from the wider Wakatipu ratepayer, fairly apportioning the cost of these projects.

Outcome

Of the submissions received, 26.4% were supportive of introducing a new targeted rate for Queenstown CBD properties, whilst 16.69% were in favour of option two (the remaining 56.6% were either neutral or supported neither option). Under option one, the Council recognised that the increases for properties within the wider town centre area are significant in some instances depending on the capital value. Council carefully considered the submissions for and against the proposal from residential ratepayers within the proposed rating area. At this stage, the Council has made no final decision on the proposal and intends to consider the matter further during the next twelve months.



Big Issue 4: Increasing user fees and charges



Options

OPTION 1

Fees and Charges increased as per Revenue & Financing Policy

OPTION 2

Fees and Charges not increased



Preferred option

In order to meet compliance with the Revenue & Financing Policy, a range of fees and charges needed to increase for the 2020-2021 year. These include charges for Resource Consents; Building Consents; Dog Registration; Environmental Health; Solid Waste and entry charges for the use of Aquatic Centres. Therefore, the Council presented option one as its preferred option.



Outcome

Of the submissions received, 37.6% supported the preferred option of increasing the fees and charges in line with the Revenue & Financing Policy. Of the remaining submissions, 22.0% supported option two which would breach the current policy and require higher rates increases for 2020-2021. The remaining 40.3% were either neutral or did not support either option.

Implementing option one means that residential properties show increases of between 2.1% to 6.9%, commercial from 3.7% to 6.7%, and accommodation from 2.4% to 6.2%. Whilst increased user fees and charges will undoubtedly be challenging for some in a time of uncertainty, we do believe this is the fairest approach to recover costs by ensuring those who benefit from the service principally fund them.



Climate Change and adaptation



Our changing climate is an increasing focus for both our communities and the Council.

Globally people are changing their behaviours, how and what they purchase, where they live and what impact that has on their environment, methods of travel and more. They are also demanding more from the organisations they engage with to reduce emissions in order to slow or reverse our changing climate, or to find ways to adapt to it. Councils have a role to play in responding to this from both an emissions reduction and mitigation perspective and with regard to climate change adaptation as the provider of vital infrastructure that underpins the daily lives of our communities.

The strength of feeling and commitment to our changing climate and how to respond to that came through strongly in what you told us in your submissions. We asked you:

- > Is our response proportionate and appropriate?
- > Would you be prepared to see available funding diverted from other projects or an increase in the rates you pay to do more?
- > When we next review the Climate Action Plan, what would you like to see included or changed?

Our climate response was the number one issue raised through submissions, being something highlighted in more than half the submissions made. Therefore, in addition to the investment already in the draft plan, Councillors directed for there to be further investment in the final 2021-2031 Ten Year Plan. This additional investment includes bringing forward an additional staff position to support the QLDC climate response from year two to year one (2021-2022) of the plan. There is also an additional \$200k for the operational budget to invest in climate competency upskilling in the organisation.

Issues raised by the community

During the consultation process you took the opportunity to highlight a number of issues that are important to you as a community. We have responded to some of the more commonly raised issues here.

COMMUNITY FACILITIES

Community facilities and arts & culture both featured in the top ten and top 20 (respectively) of the issues raised during community consultation. In response to this, staff were able to present options to the Council to be integrated into the final plan that made allowances for budget to pursue a range of possible facilities in the district.

Provision of a Youth & Community Centre in Wanaka, at the former Mitre 10 site

This site is proposed to provide a home for a number of community groups and a base for a range of QLDC sport and recreation programmes. The proposal is to lease the building for the next ten years, requiring \$750k from Council capex budgets, plus \$250k in grant funding for the fit out.

Revenue is anticipated to be \$100k for programmes and \$275k in venue hire per annum. The centre will require 4.88 FTE to run all operations with proposed revenue expected to meet the revenue and financing policy. The funding remains subject to the successful negotiation of a lease.

Creation of a Community Centre at 516 Ladies Mile, Queenstown

The existing Council property at 516 Ladies Mile will be retrofitted and upgraded to be a full use community centre with better access and infrastructure upgrades, supporting the needs of the growing communities around

Te Pūtahi Ladies Mile, Lake Hayes and Shotover. At this stage, sports fields are not included in the plan. The forecast cost of \$2M includes a \$0.6M deferral from 2020-2021 and the remaining \$1.4M will be covered by surplus capital expenditure budgets outlined in the March 2021 reforecast. Third party funding is currently also to be explored to support the development of the site.

Development of Te Atamira Arts and Culture Hub, Queenstown

Working with the Three Lakes Cultural Trust, Te Atamira is proposed to be an arts and cultural hub based at Remarkables Park. There is an opportunity to create a home for a number of arts and cultural groups within a facility leased for ten years. Council has included funding for lease costs of \$295k plus \$52k operational expenditure in Year 1, increasing to \$461k and \$100k respectively per annum ongoing. The funding remains subject to the successful negotiation of terms between the Council and the Trust.


GRANTS AND FUNDING

A number of grants and funding requests were approved in the Ten Year Plan and you can view a summary of these on our website at www.qldc.govt.nz.

As well as providing the grants for recognised Community and Residents' Associations, there are many good causes and committed groups in our communities. These include community development initiatives, sports and activities, environmental groups, arts and cultural trusts, economic development, and continuing our long-time support for the Queenstown Lakes Community Housing Trust and the Wakatipu Wilding Conifer Control Group. In total the Council confirmed a grant fund of \$1.99M.

RATES

The overall impact of the changes altered the increase in rates as outlined in the Consultation Document. The average annual increase in rates over the ten years is 4.4% (after growth), just 0.1% above the 4.3% originally indicated during the consultation period. In year one (July 2021 - June 2022), that is an average of 5.45% (after growth) across the district.



“Thank you to everyone who took the time to provide a submission through this consultation process or spoke at one of the hearings.

It has been so valuable to hear from our communities and see their input shape the final plan, especially at this time of continued global uncertainty. It is encouraging to see that so many of you have seen this also as a time of opportunity to consider important issues such as our collective impact on the climate and how we respond to that. We continue to have many challenges ahead and I am confident that together we can keep working towards the communities' Vision Beyond 2050 and a great future for Queenstown Lakes District.”

Mayor Jim Boulton

