

Minutes of a Council Workshop

Thursday 30, May 2024 at 9.30am
Council Chambers, 10 Gorge Road, Queenstown

Present:	Mayor Glyn Lewers	Councillor Gavin Bartlett
	Councillor Barry Bruce (online)	Councillor Lyal Cocks
	Councillor Craig Ferguson	Councillor Niki Gladding
	Councillor Lisa Guy	Councillor Quentin Smith
	Councillor Cody Tucker	Councillor Melissa White
	Councillor Esther Whitehead (online)	Councillor Matt Wong (arrived 11.25am)
Apologies:	None	
In attendance:	Mike Theelen	Michelle Morss
	Meaghan Miller (online)	Tony Avery
	Dave Wallace	Dan Crosby
	Michelle Morss	Simon Battrick
	Charlotte Wallis	Robert Keessen (online)
	Simon Battrick	Walter Clarke (Rationale Limited)
	Jon Winterbottom	Rebecca Pitts
	No members of the public	No members of the media

No.	Agenda Item	Actions
1.	<p><u>Long Term Plan Steering Group</u></p> <p>The purpose of the meeting was to present an update on the LTP process to Councillors, particularly with regard to the audit process, and an update on how consultation on the LTP will be conducted from 27 June – 28 July 2024. A demonstration of the online PowerBI tool for capital investments planned in the LTP, that will be available for public use during the consultation, will also be provided. Development Contributions and the policy for these, as well as the Financial Strategy component of the LTP, will be discussed.</p> <p>Walter Clarke (Rationale Limited) presented and responded to questions on Development Contributions (and related policy). Stew Burns presented and responded to questions on the</p>	<p>Elected members to advise if volunteering for social media videos.</p> <p>Elected members to suggest any further community engagement sessions (e.g. aligning with existing stakeholder group meetings)</p>

No.	Agenda Item	Actions
	<p>Financial Strategy. Naell Crosby-Roe presented and responded to questions on the upcoming LTP consultation. Dan Crosby presented a demonstration of and responded to questions on the PowerBI tool.</p> <p><u>Attachments:</u> <i>Attachment A: Presentation Agenda (see workshop agenda)</i> <i>Attachment B: PowerPoint presentation and supporting materials (see attached)</i></p>	

The workshop concluded at 12.28pm

He Mahere Pae Tawhiti 24-34 Long Term Plan 24-34

Steering Group

30th May 2024

Agenda

1) Where we are in the LTP process

2) Development Contributions

3) Financial Strategy

Break

4) LTP Consultation

5) PowerBI tool demonstration

6) Next steps

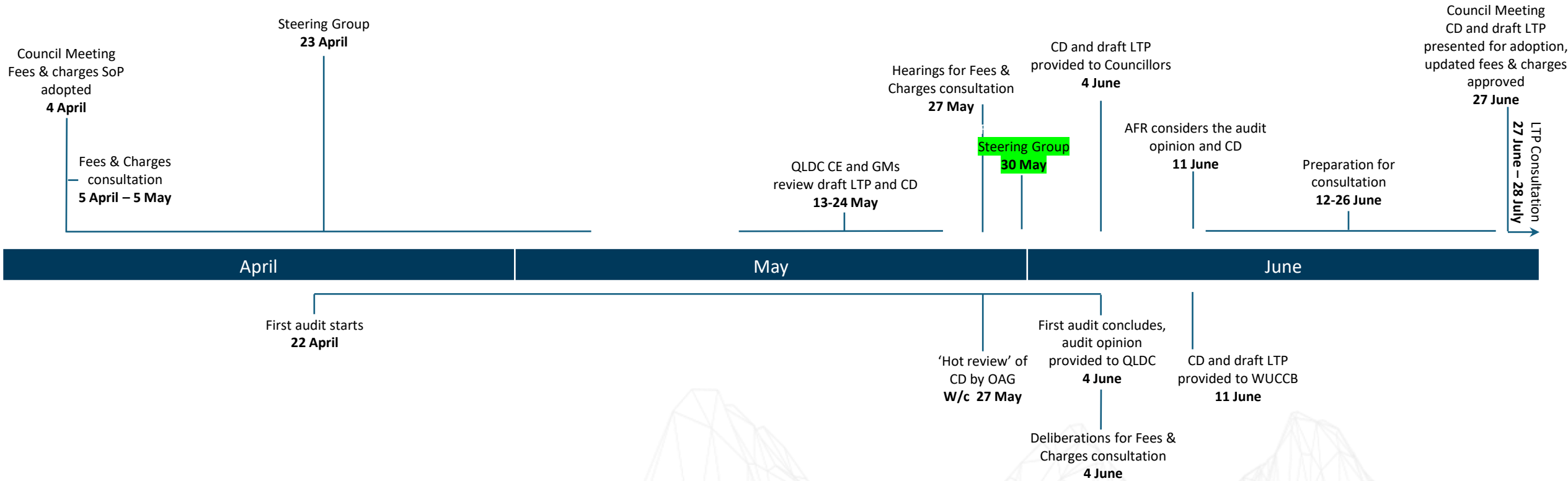
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Total time = 3hrs

The background features a dark blue gradient with a white wireframe mountain range. The mountains are composed of interconnected lines forming a mesh-like structure, creating a sense of depth and perspective. The text is centered over the middle of the image.

Where we are in the LTP process

Timeline view: April – June 2024



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Overview of the audit process (22 April – 4 June)

- Audit to date has focused in-depth on the following products:
 - The Consultation Document (CD)
 - Key Performance Indicators
 - Financial – prospective financial statements/financial models
 - Significant Forecasting Assumptions
 - Infrastructure Strategy
 - Financial Strategy
 - Planned capital projects
- The audit team have reviewed the above materials, provided feedback and recommendations on these, which we have responded to and are integrating.
- The initial audit concludes with provision of the audit opinion on the CD to QLDC.
- The August – early September audit process covers the overall LTP and any changes made due to submissions.

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Status of the Consultation Document

- The CD is currently undergoing hot review with the Office of the Auditor General. This is a requirement for high growth Councils.
- Audit opinion on the CD due to QLDC on 4 June (will be considered at the AFR 11 June meeting).
- To be provided to Elected Members on 4 June.

Consultation Document content “at a glance”	Status	Progress	Audit status
What’s a Long Term Plan and why does it matter?	Completed	Included in CD	<ul style="list-style-type: none"> • Whole CD reviewed by auditors as well as Office of the Auditor General
Welcome from Glyn and Mike	Completed	Included in CD	
What’s Driving our Thinking	Completed	Included in CD	
What’s Charged since the last Long Term Plan	Completed	Included in CD	
Key consultation topics: (1) Targeted rate on Queenstown Town Centre properties & (2) Bringing forward investment in community and sporting facilities	Completed	Included in CD	
Other projects	Completed	Included in CD	
The numbers you need to know	Completed	Included in CD	
Your feedback	Completed	Included in CD	

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Status of the draft Long Term Plan

- Last remaining content finalised and reviewed 20-24 May.
- The draft LTP for public consultation is undergoing final work with design this week.
- To be provided to Elected Members on 4 June.

Long Term Plan content "at a glance"	Status	Progress	Audit status
Section 01 – Introduction/overview			
Welcome from Glyn and Mike	Completed	Included in draft LTP	• Reviewed by auditors as part of CD
Purpose of the LTP	Completed	Included in draft LTP	• N/A
Strategic setting content incl. Our vision, strategic drivers, our priorities for this LTP, major projects in the pipeline	Completed	Included in draft LTP	• Provided to auditors for info
The numbers – a financial summary	Completed	Included in draft LTP	• Underpinning info audited as part of financials
Section 02 - Activities and KPIs			
Activity plans x25	Completed	Included in draft LTP	• N/A
KPIs	Completed	Included in draft LTP	• Provided to auditors
CCTO	In progress	Included in draft LTP, subject to change until agreed on 20 June	• N/A
Funding impact statements	Completed	Included in draft LTP	• Provided to auditors
Section 03 – Strategies			
Financial Strategy	Completed	Included in draft LTP	• Provided to auditors
Infrastructure Strategy	Completed	Included in draft LTP	• Provided to auditors
Section 04 - Our costs in detail			
Significant forecasting assumptions	Completed	Included in draft LTP	• Provided to auditors
Prospective financial statements	Completed	Included in draft LTP	• Provided to auditors
Financial reporting and disclosure statement	Completed	Included in draft LTP	• Provided to auditors
Rates / Rates Impact	Completed	Included in draft LTP	• Provided to auditors
Section 05 – Our policies			
Revenue and Financing, Rates Remission and Postponement, Development Contributions, Treasury Management and Significance and Engagement Policies	Completed	Included in draft LTP	• Provided to auditors for info

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The background features a dark blue gradient with a white wireframe graphic of a mountain range. The mountains are composed of interconnected lines forming a low-poly, geometric landscape. The text "Development Contributions" is centered horizontally and vertically over the middle of the image.

Development Contributions

Agenda

1. DC background – LGA
2. DC Purpose
3. DC Methodology
4. QLDC DCP
5. DC Assessment/Payment
6. QLDC DC recovery history + forecast
7. QLDC DCP 2024 – Changes
8. QLDC DCP 2024 – New charges vs Old

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1. DC background – a brief history of time

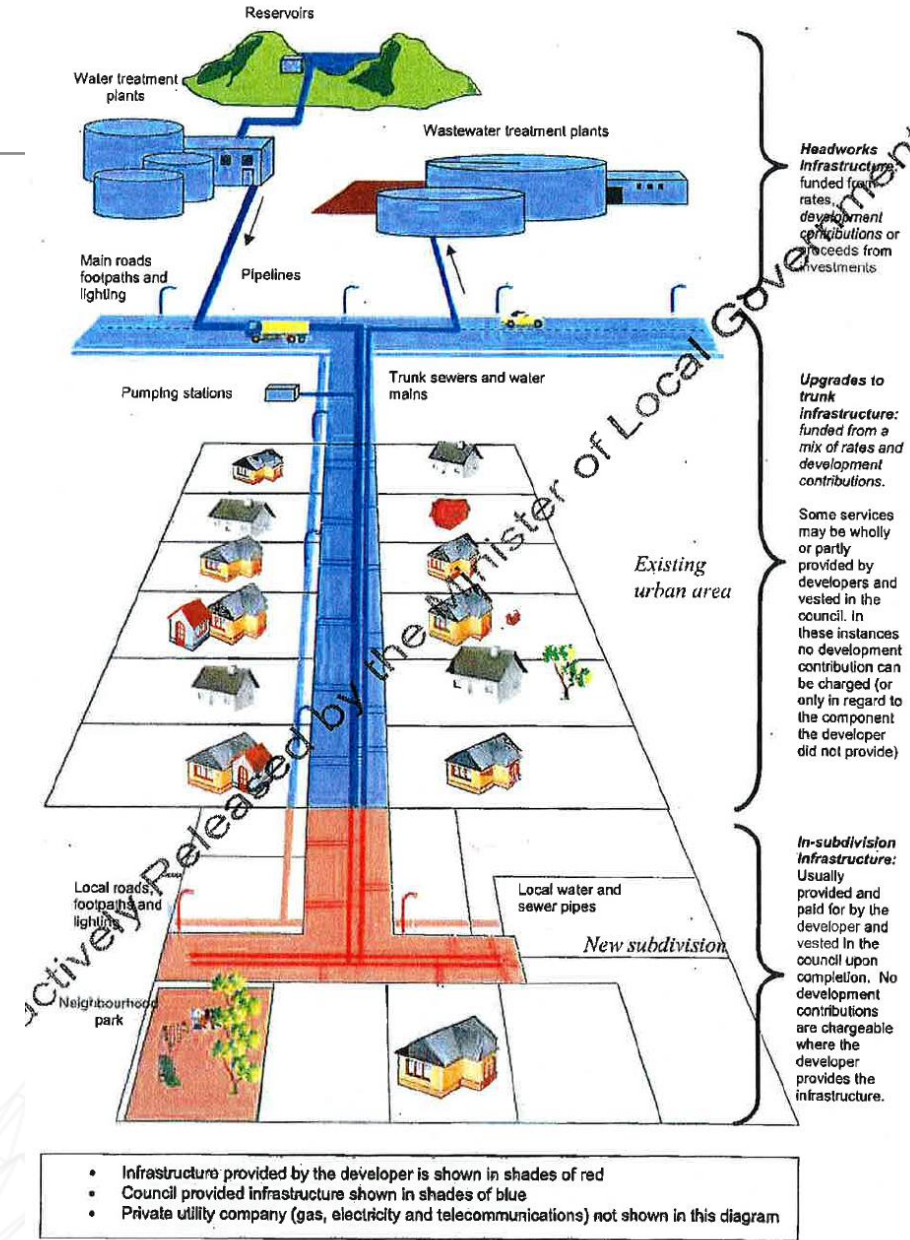
- RMA was brought in 1990s following Central Government ‘think big’ projects – e.g. Clutha Development Empowering Act 1982 = Clyde Dam.
- The RMA gave rise to the use of District Plans and introduced financial contributions as a funding tool - used in mid-late 1990s with limited success (including at QLDC); => Environmental court challenges.
- LGA 2002 introduced with an alternative tool for TLAs ; development contributions.
- QLDC has had a DC Policy since 2004.
- The LGA and DCs legislation was amended in 2013 and again in 2019.
- DCs now used predominately by mid-high growth areas – DC are not a perfect funding tool... nothing is.

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2. DC Purpose

- Philosophy - Growth pays for growth.
- Infrastructure 101 – build assets big enough to provide capacity for the future.
 - Too small = inefficient delivery, hinder development
 - Too big = long term debt, unsold capacity, funding gaps.
- Councils are an infrastructure banker.
- DCs are all about the blue.
 - Network infrastructure – WS, WW, SW, Transport
 - Community infrastructure – halls, event centres, public toilets, pools, libraries – any public amenity.
 - Reserve land and improvements.

Appendix A: Simplified overview of who provides infrastructure



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2. DC Purpose

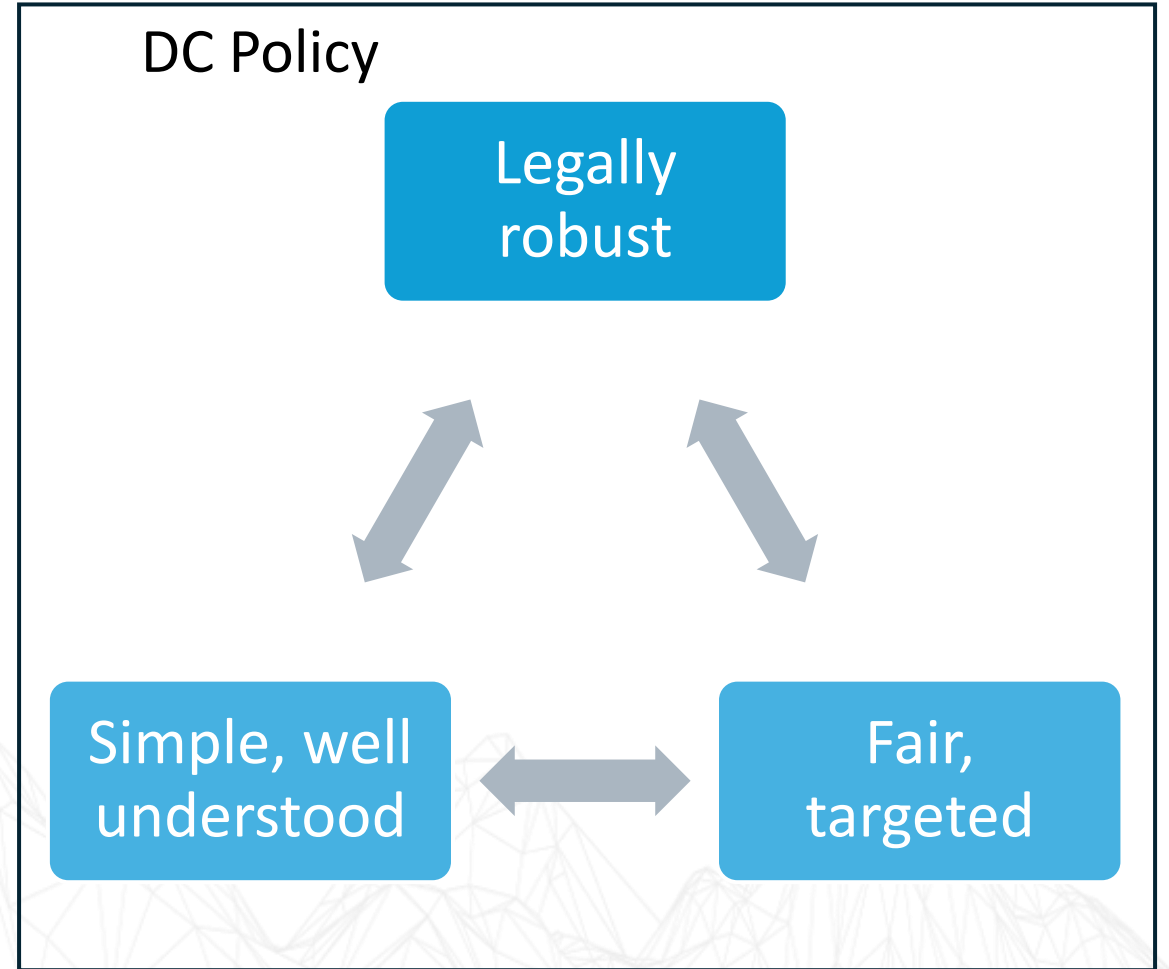
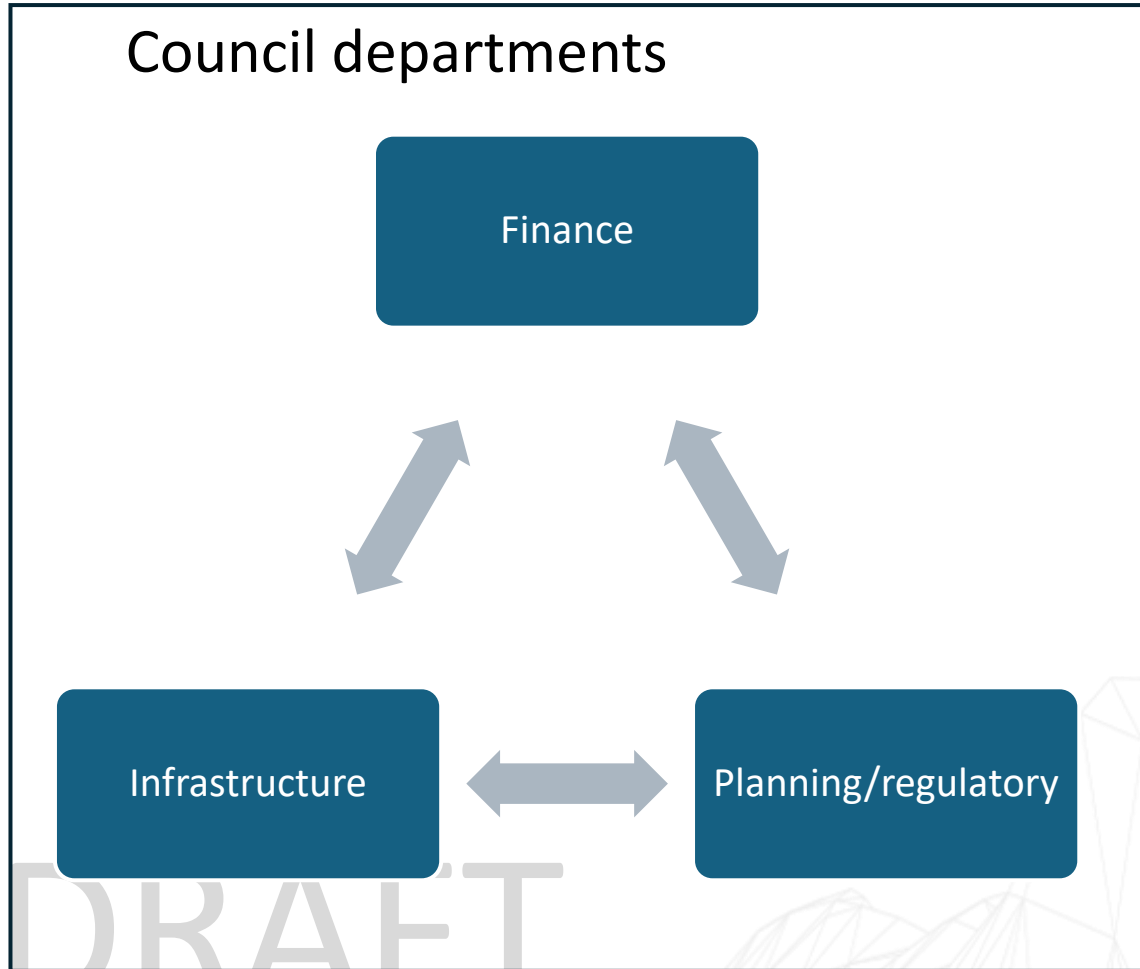
197AA Purpose of development contributions

The purpose of the development contributions provisions in this Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

- LGA – improved hierarchy since 2013, with pragmatic review process.
- Purpose = a funding tool to recover a proportionate share of capital costs from developers.
- Principles:
 - DCs used only to fund capital costs to provide assets with capacity to enable development
 - Calculation linked to the capacity life of assets
 - Growth costs should be proportionate to other beneficiaries
 - Used for the activity and in the location where they were taken
 - Transparent information must be provided
 - Predictable and consistent with LGA
 - Can be grouped by assets or geographic area where practical.
- Other tools being considered by council's; HIF, IAF, IFFA, PPP/PDA

2. DC Purpose

- Two key triangles – intra council and good DCP – a balancing act



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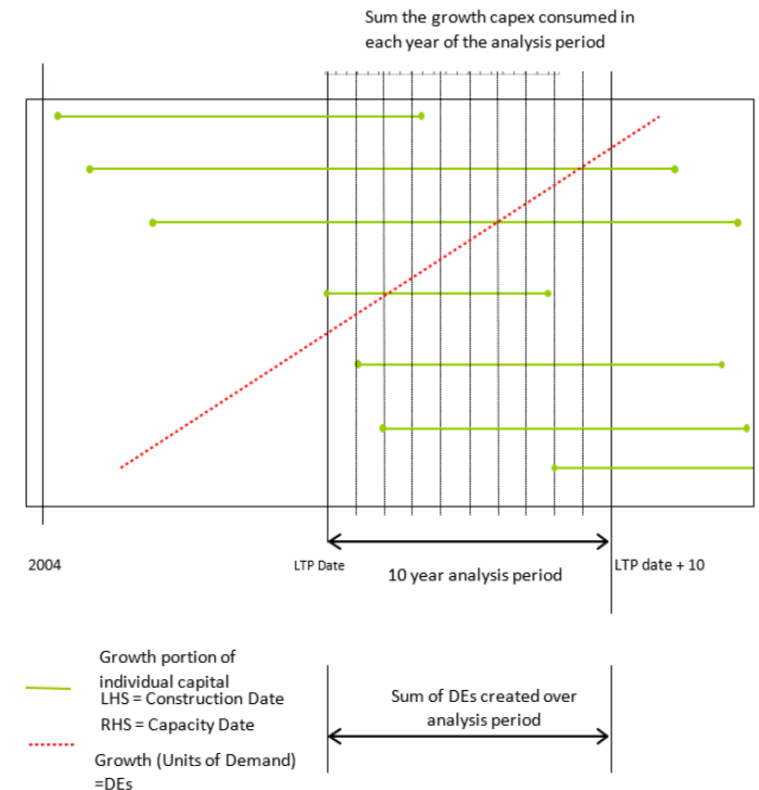
3. DC Methodology

- There are a range of different methods across the country e.g. WICs = 5 models.
- QLDC = long run average cost of growth.
- Includes both historical and future capex and allocates the capacity over the life of the asset.
- DCP now includes bespoke PDA DCs e.g. Cardrona and Kingston.

4.5.3. The standard contribution (\$/DE) is based on the average cost of growth for each activity over a 10-year analysis period.

$$\text{STANDARD DEVELOPMENT CONTRIBUTION} = \frac{\$}{\text{DE}}$$
$$= \frac{\text{SUM OF GROWTH COSTS CONSUMED IN ANALYSIS PERIOD}}{\text{SUM OF NEW DEs IN ANALYSIS PERIOD}}$$

This method is summarised in the following diagram:
Long run average cost of growth



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3. DC Methodology

- Variables to forecast/model – complex and uncertain:

- Capital cost – capex and interest
- Growth portion – LoS, renewal
- Inflation
- Interest rates
- Timeline, rate and form of development
- Human behaviour – demand/pax now and in the future
- Central government funding and assistance.



- Growth pays for growth – it's the objective, but it's not perfect cost recovery.

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3. DC Methodology

- Survived legal challenge and review:
 - Foodstuffs objection c 2016
 - New Zealand Productivity Commission review c 2019; ACC, HCC, TCC, QLDC
- Relevant case law:
 - North Shore CC - ~2005; causative versus benefits + district wide catchment
 - Objections since 2013; mostly in favor of councils; TDC, QLDC, DCC
 - ACC lost recent Objection from Ryman on stormwater – limited disclosure tables (SW) and Reserve land/community infrastructure
 - Hamilton CC – High Court challenge from a consortium of developers; HCC successfully defended all challenges
 - Reconsideration and Objection process does provide simple dialogue between developers and Councils.

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3. DC Methodology

- Key risks
 - Funding gap:
 - Slow down in growth
 - Revenue leakage
 - Compounding interest.
 - Successful legal challenge.
 - Agility to keep pace with changes in the future.

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4. QLDC DCP

- Underwent a significant update in 2021.
- Simpler, fewer pages, targeted to the reader.
- More effective and efficient administration (P&D), reduction in reconsideration requests and legal challenges.
- Layout
 1. Introduction; strategic context, statutory requirements
 2. Administering the policy; overview, how DCs are charged
 3. The Charges; method, differentials, DCs (**\$/DE**)
 4. Policy Details – assumptions, summary disclosure tables
Supporting – contributing area maps and Schedule of Assets.

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4. QLDC DCP

- 3-Waters
= by scheme/network.
- Transport, Community Infrastructure, Reserve Improvements
= by ward.
- Reserve land

Wakatipu Area:

- > Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton, Arrowtown
- > Eastern Corridor¹⁰ & Southern Corridor¹¹
- > Glenorchy & Kingston

Wānaka Area:

- > Wānaka & Albert Town
- > Luggate, Cardrona, Hāwea & Makarora

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area ⁴	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR ⁵	Total Cash Contribution	Local/Community Reserve Land
Queenstown	\$5,192	\$10,792	\$4,808	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,377	17.5m ² /DE in applicable areas ⁶
Frankton Flats	\$5,192	\$10,792	\$5,130	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,699	
Arrowtown	\$6,303	\$4,441	\$266	\$1,182	\$500	\$3,604	\$5,339		\$21,635	
Glenorchy	\$14,494	^	\$258	\$1,182	\$500	\$3,604	\$5,339		\$25,377	
Lake Hayes	\$5,192	\$5,763		\$1,182	\$500	\$3,604	\$5,339		\$21,580	
Shotover Country	\$5,192	\$3,983		\$1,182	\$500	\$3,604	\$5,339		\$19,800	
Arthurs Point	\$3,568	\$10,792		\$1,182	\$500	\$3,604	\$5,339		\$24,985	
Kingston Township # %	^	^	^	\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Kingston - KVL zone *%	\$2,265	\$3,115	\$1,590	\$1,182	\$500	\$3,604	\$5,339		\$17,594	
Ladies Mile	\$10,958	\$11,839	\$15,642	\$1,182	\$500	\$3,604	\$5,339		\$49,064	
Southern Corridor	\$9,539	\$8,236		\$1,182	\$500	\$3,604	\$5,339		\$28,400	
Wānaka	\$8,425	\$13,047	\$5,641	\$2,232		\$3,106	\$2,444		\$34,895	
Hāwea	\$12,992	\$20,395	\$238	\$2,232	\$0	\$3,106	\$2,444		\$41,407	
Albert Town	\$8,425	\$13,047	\$236	\$2,232	\$0	\$3,106	\$2,444		\$29,490	
Luggate	\$14,476	\$13,047	\$224	\$2,232	\$0	\$3,106	\$2,444		\$35,529	
Cardrona	\$17,486 #	\$16,820 #		\$2,232	\$0	\$3,106	\$2,444		\$42,088	
Cardrona – MCS zone *	\$24,990	\$13,180		\$2,232	\$0	\$3,106	\$2,444		\$45,952	
Other Wakatipu				\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Other Wānaka				\$2,232		\$3,106	\$2,444		\$7,782	

* Different contributions payable in Mount Cardona Station zone and Kingston Village Limited (KVL) Zone as per PDA

% In Kingston a Targeted Rate of \$1,601 will also be charged for all 3-waters. This will be indexed each year at 2.5%p.a.

Includes 20% funding from small townships scheme

^ Development contribution to be confirmed when final planning, design and costing has been completed

+ EAR Transport, FF SW, Premier Sportsground.



5. DC Assessment/Payment

- DCs may be levied at resource consent, building consent, service connection or certificate of acceptance.
- Residential;
 - notified when resource consent (subdivision) granted,
 - pay at 224 (c).
 - DC paid per lot/house = 1 dwelling equivalent (DE)
 - Apartments, townhouses based on gross floor area - see proposed changes
 - Retirement villages – based on number of bedrooms
- Non-residential:
 - Notify part payment at resource consent (subdivision), part payment at 224 (c)
 - Full payment/top-up at building consent once development for is defined – payment at ccc
 - Non-residential development = based on size; gross floor area, stay units etc, and land use categories = land use differentials.

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5. DC Assessment/Payment

- Land use differentials – the impact of a development relative to a typical house.

3.4. LAND USE DIFFERENTIALS AND CATEGORIES

Land use differentials enable all development and subdivision categories (residential and non-residential) to be considered in terms of a common unit of demand, which in this case is the dwelling equivalent (DE). The following table summarises the conversion factors or land use differentials used to convert all activity or development categories into residential dwelling equivalents based on gross floor area or per stay units for visitor accommodation.

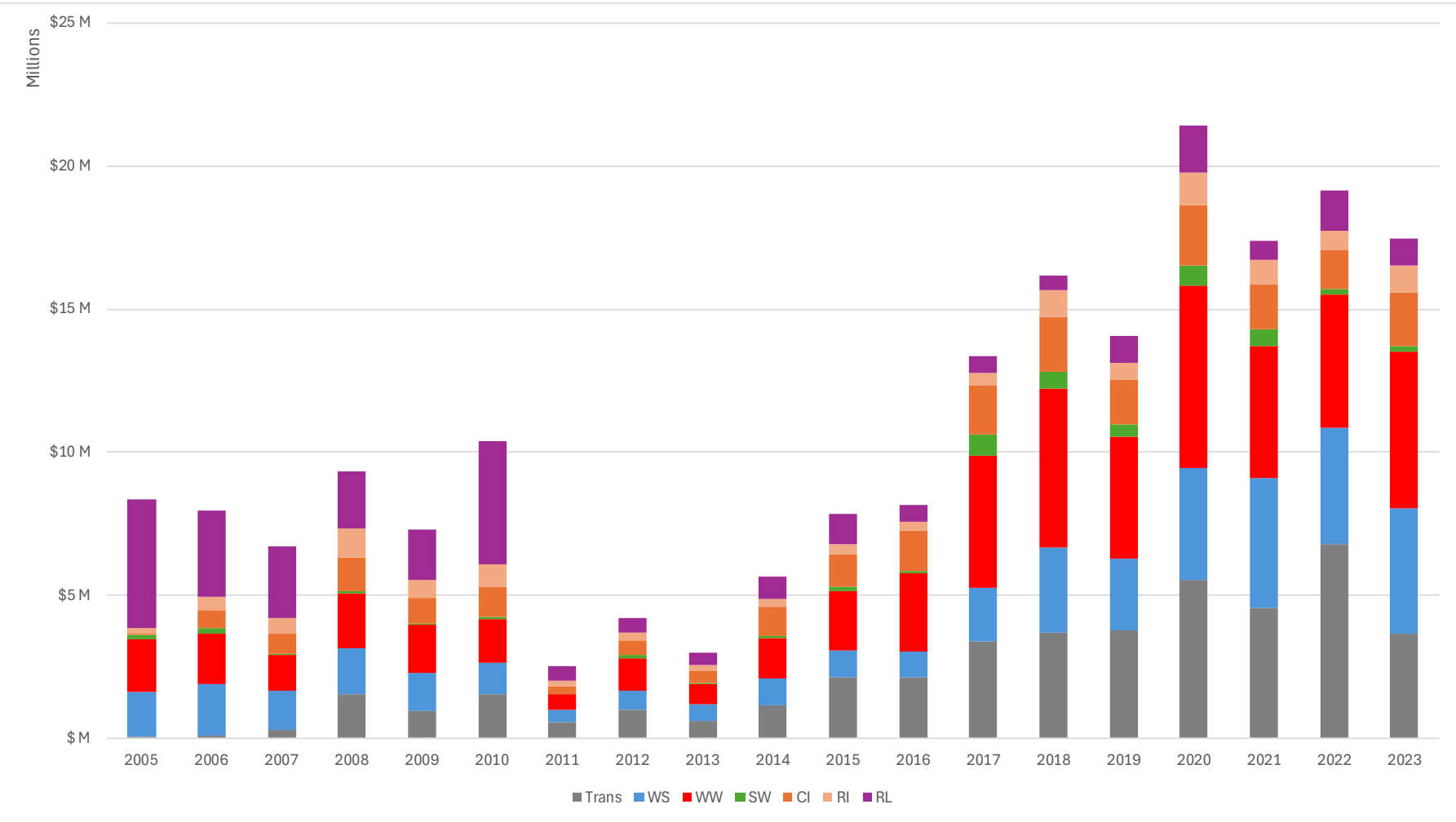
3.4.1. DWELLING EQUIVALENT CALCULATION TABLE								
Units (per...) Land Use Category	Water Supply	Wastewater	Stormwater (per 100m ² ISA)	Transportation	Community Infrastructure	Local/Community Park reserve land	Premier Sportsground reserve land	Reserve improvements
DE per lot/house								
Residential	1.00	1.00	1.00 per lot/house	1.00	1.00	1.00	1.00	1.00
DE per stay unit								
Visitor Accommodation	0.33	0.50	0.38	0.33	0.33			
DE per retirement unit (apartment/villa/house)								
2 or more bedrooms	0.60	0.58	0.38	0.29	0.65	0.41		0.41
1 bedroom	0.40	0.38	0.38	0.19	0.43	0.27		0.27
the greater of DE per 100m ² GFA or DE per bedroom								
Multi-Unit Residential and Residential Flat						0 for Res Flat	0 for Res Flat	
DE per 100m ² GFA	0.56	0.56	0.38	0.56	0.56	0.56	0.56	0.56
DE per bedroom (b/r) for each unit	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	0.38	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0
DE per 100m ² GFA								
MU-Visitor Accommodation	0.62	0.73	0.38	0.62	0.62			
MU-Commercial	0.46	0.47	0.38	0.92				
Industrial - dry	0.09	0.13	0.38	0.44				
Industrial - wet	0.30	0.41	0.38	1.00				
General Commercial	0.16	0.22	0.38	2.00				
Large Format Retail	0.09	0.13	0.38	1.33				
Restaurant/Bar	1.49	2.03	0.38	2.00				
Child-care Centres	0.55	0.74	0.38	3.58				
Other/unusual developments	To be individually assessed at the time of application							

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QLDC DC recovery history + forecast

History

- \$135M over 19 years
- Good times and bad
- 3W = 50%
- T = 25%
- RI, CI, RL = 25%



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QLDC DC recovery history + forecast

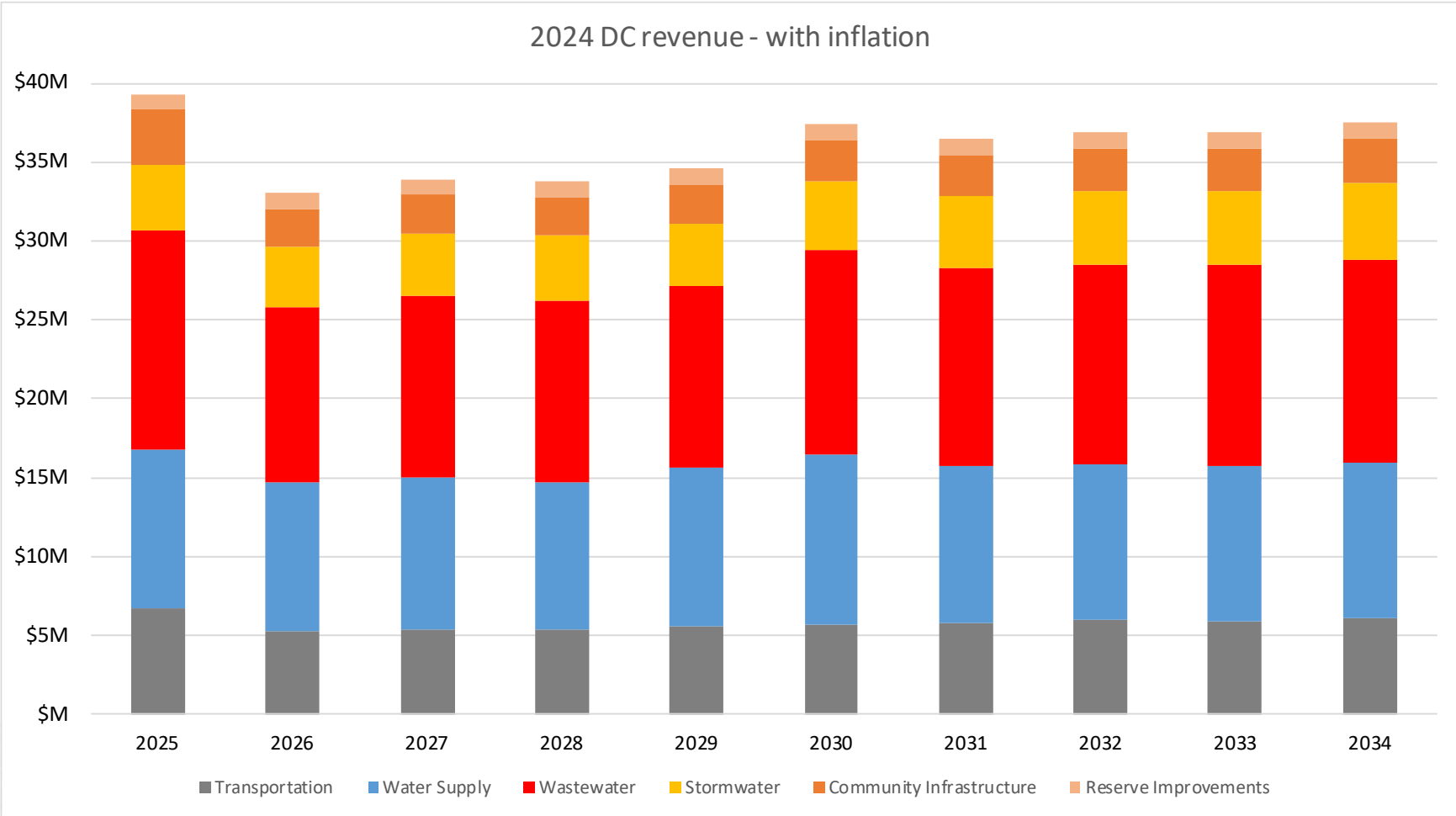
- Forecast; DC Revenue

Activity	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	TOTAL
Transportation	\$ 6.8 M	\$ 5.1 M	\$ 5.2 M	\$ 5.0 M	\$ 5.0 M	\$ 5.1 M	\$ 5.1 M	\$ 5.1 M	\$ 5.0 M	\$ 5.0 M	\$ 52.3 M
Water Supply	\$ 10.0 M	\$ 9.0 M	\$ 9.0 M	\$ 8.5 M	\$ 9.0 M	\$ 9.4 M	\$ 8.4 M	\$ 8.3 M	\$ 8.0 M	\$ 7.9 M	\$ 87.7 M
Wastewater	\$ 13.9 M	\$ 10.7 M	\$ 10.8 M	\$ 10.5 M	\$ 10.3 M	\$ 11.3 M	\$ 10.7 M	\$ 10.5 M	\$ 10.4 M	\$ 10.3 M	\$ 109.3 M
Stormwater	\$ 4.2 M	\$ 3.7 M	\$ 3.8 M	\$ 3.8 M	\$ 3.6 M	\$ 3.9 M	\$ 3.9 M	\$ 3.9 M	\$ 3.9 M	\$ 3.9 M	\$ 38.4 M
Community Infrastructure	\$ 3.6 M	\$ 2.3 M	\$ 2.3 M	\$ 2.3 M	\$ 2.3 M	\$ 2.3 M	\$ 2.3 M	\$ 2.3 M	\$ 2.2 M	\$ 2.2 M	\$ 24.1 M
Reserve Improvements	\$ 1.0 M	\$ 1.0 M	\$ 1.0 M	\$ 0.9 M	\$ 0.9 M	\$ 0.9 M	\$ 0.9 M	\$ 1.0 M	\$ 0.9 M	\$ 0.9 M	\$ 9.4 M
TOTAL	\$ 39.3 M	\$ 31.9 M	\$ 32.0 M	\$ 31.1 M	\$ 31.1 M	\$ 32.8 M	\$ 31.3 M	\$ 31.0 M	\$ 30.4 M	\$ 30.3 M	\$ 321.3 M

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QLDC DC recovery history + forecast

- Forecast; DC Revenue
 - With inflation (\$360M)



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QLDC DCP 2024 – Changes

1. Updated land values for reserve land – note can be paid as land in lieu of cash.
2. Amended differential approach for residential flats and multi unit apartments => number of bedrooms.
3. New provision to enable council to levy the highest applicable DC.
4. Amended the contributing areas for Wakatipu basin 3-Ws.
5. Annual inflation updates in between 3-yearly LTP policy updates.
6. Reference to Te Ture Whenua Maori Act 1993 requirements.
7. Glossary and definition tweaks.

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QLDC DCP 2024 – Changes

Issue- align with up-to-date costs

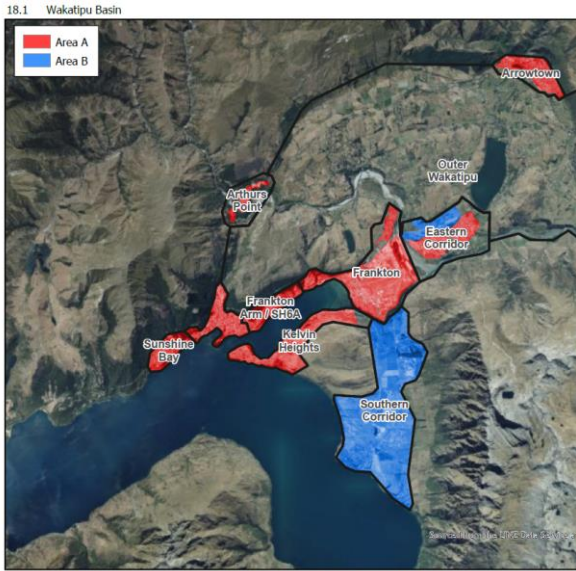
- Reserve land values @ 17.5m²/DE.
- Provided by APL as in 2020 for 2021 DCP.

Contributing Area	2021 DCP	2024 DCP	% Variance
Wakatipu Area:			
> Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton, Arrowtown	\$721	\$1,152	60%
> Eastern Corridor & Southern Corridor	\$657	\$799	22%
> Glenorchy & Kingston	\$278	\$428	54%
Wānaka Area:			
> Wānaka & Albert Town	\$656	\$933	42%
> Luggate, Cardrona, Hāwea & Makarora	\$263	\$683	160%

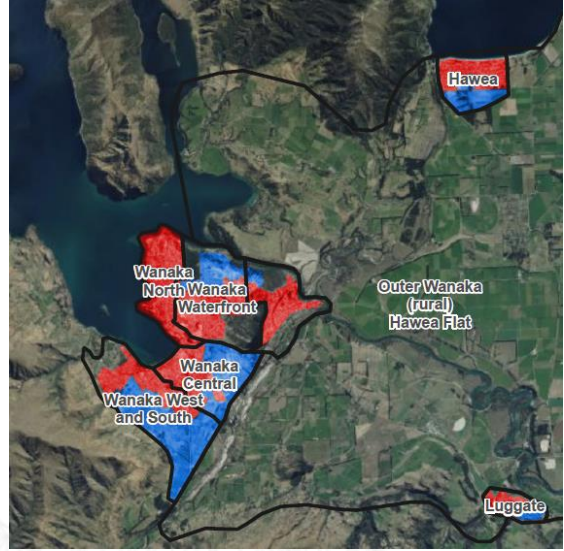
- RL required in Blue areas only.

- e.g. In Ladies Mile – provide 17.5m² of land/DE, or \$16K/DE.

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18.1 Wakatipu Basin
Parks and Open Spaces Strategy 2021
Wakatipu Basin

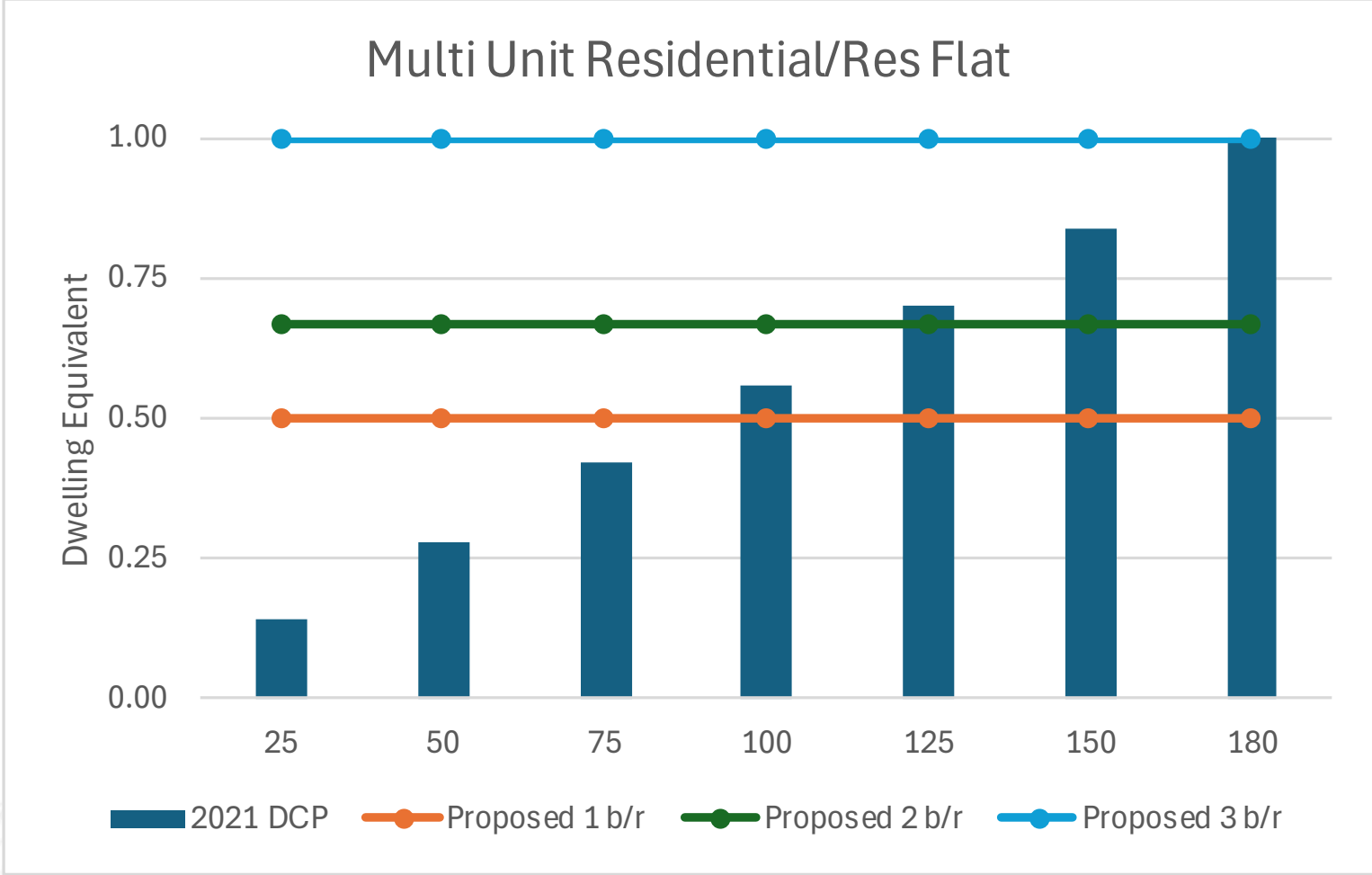


QLDC DCP 2024 – Changes

Multi unit residential

Issue = Under collection

- Standard residential development is unchanged; 1 DE/lot.
- Res flats, multi-unit residential – currently based on gross floor area (1 DE = 3 b/r; 180m²).
- Proposed to levy the greater DC out of :
 - Gross floor area (180m²/DE)
 - DE per bedroom
 - 1 b/r = 0.5 DE
 - 2 b/r = 0.75 DE
 - 3+ b/r = 1 DE.



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QLDC DCP 2024 – Changes

Multi unit residential

Issue = Under collection

1. Example – Tewa Banks

Summary	Lots	GFA (m2)	DE @ MUR	Total GFA
1 bed units	8	55	0.31	440
2 bed units	18	85	0.47	1,530
3 bed units	36	120	0.67	4,320
4 bed units	6	145	0.81	870
TOTAL Lots	68			7,160

#	Approach	DE	DC (\$) Variance
1	Standard	68	\$1.10 M 0%
2	MUR (GFA)	39	\$0.64 M -42%
3	MUR (b/r)	59.5	\$0.96 M -13%



Site - Masterplan 68 Lots

A SERIES	B SERIES	C SERIES	Total No.
Type 1A - ACCESSIBLE Standard/Duplex 1 x Bed, Single Storey x6	Type 1B - STANDARD Standard/Duplex 1 x Bed, Single Storey x2		8
Type 1A - STANDARD Standard/Duplex 2 x Bed, Single Storey x11	Type 1B - STANDARD Standard/Duplex 2 x Bed, Single Storey x7		18
Type 1A - ACCESSIBLE Standard 3 x Bed, Single Storey x2	Type 1B - ACCESSIBLE READY Standard 3 x Bed, Single Storey x4	Type 1C - STANDARD Standard 3 x Bed, Single Storey x10	16
Type 4 Standard/Duplex Terrace 3 x Bed, Double Storey x20			20
Type 5 Duplex 4 x Bed Double Storey x6			6

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QLDC DCP 2024 – Changes

Highest applicable land use

Issue = Under collection

2. Example – Arthurs Point Apartments

Summary	Units	GFA (m ²)	DE @ MUR	Total GFA
2 bed units	19	70	0.39	1,330
3 bed units	31	80	0.44	2,480
TOTAL Lots	50			3,810

Land use	Units	DE	DC (exc GST)	Variance
Residential lots (1 DE/lot)	50 residential lots	47	\$780 K	0%
Mixed Use Accommodation	4,000m2 GFA	26	\$421 K	-85%
Visitor accommodation	131 VA units	49	\$776 K	0%
Multi Unit Residential	4,000m2 GFA	22	\$356 K	-119%
Multi Unit Residential	per b/r	45	\$745 K	-5%



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QLDC DCP 2024 – Changes

Contributing areas

Issue – Fair, targeted

- Change to Wakatipu basin contributing areas.
- 2021 = Queenstown for 3-Ws.
- 2024 = split out Southern Corridor and Ladies Mile.
- More transparent reflection of infrastructure costs to develop each area.

DRAFT

Legally robust

Simple, well understood

Fair, targeted

2. Queenstown 2.1. Water Supply



QLDC DCP 2024 – Changes

Contributing areas



Contributing Area	2021 DCP – Water Supply	2024 DCP – Water Supply	Contributing Area	2021 DCP – Wastewater	2024 DCP – Wastewater	Contributing Area	2021 DCP – Stormwater	2024 DCP – Stormwater	
Queenstown	Greater QT	Greater QT	Queenstown	SPWWTP + QT	SPWWTP + QT	Queenstown	Greater QT	Greater QT	
Frankton			Frankton			Frankton			
Frankton Flats			Frankton Flats			Frankton Flats			
Lake Hayes			Lake Hayes	SPWWTP + LH	SPWWTP + LH	Lake Hayes			
Shotover Country			Shotover Country	SPWWTP + SC	SPWWTP + SC	Shotover Country			
Southern Corridor			Southern Corridor	Southern Corridor	SPWWTP + QT	SPWWTP + SC	Southern Corridor		
Ladies Mile			Ladies Mile	Ladies Mile	SPWWTP + LM	SPWWTP + LM	Ladies Mile	TBC	Ladies Mile
Arrowtown	Arrowtown	Arrowtown	Arrowtown	SPWWTP + AT	SPWWTP + AT	Arrowtown	Arrowtown	Arrowtown	
Arthurs Point	Arthurs Point	Arthurs Point	Arthurs Point	SPWWTP + AP	SPWWTP + AP	Arthurs Point	Arthurs Point	Arthurs Point	
Wanaka	Greater Wanaka	Greater Wanaka	Wanaka	PPWWTP + Greater Wanaka	PPWWTP + Greater Wanaka	Wanaka	Wanaka	Wanaka	
Albert Town			Albert Town			Albert Town	Albert Town	Albert Town	
Luggate			Luggate			Luggate	Luggate	Luggate	
Hawea	Hawea	Hawea	Hawea	Hawea	PPWWTP + Hawea	Hawea	Hawea	Hawea	

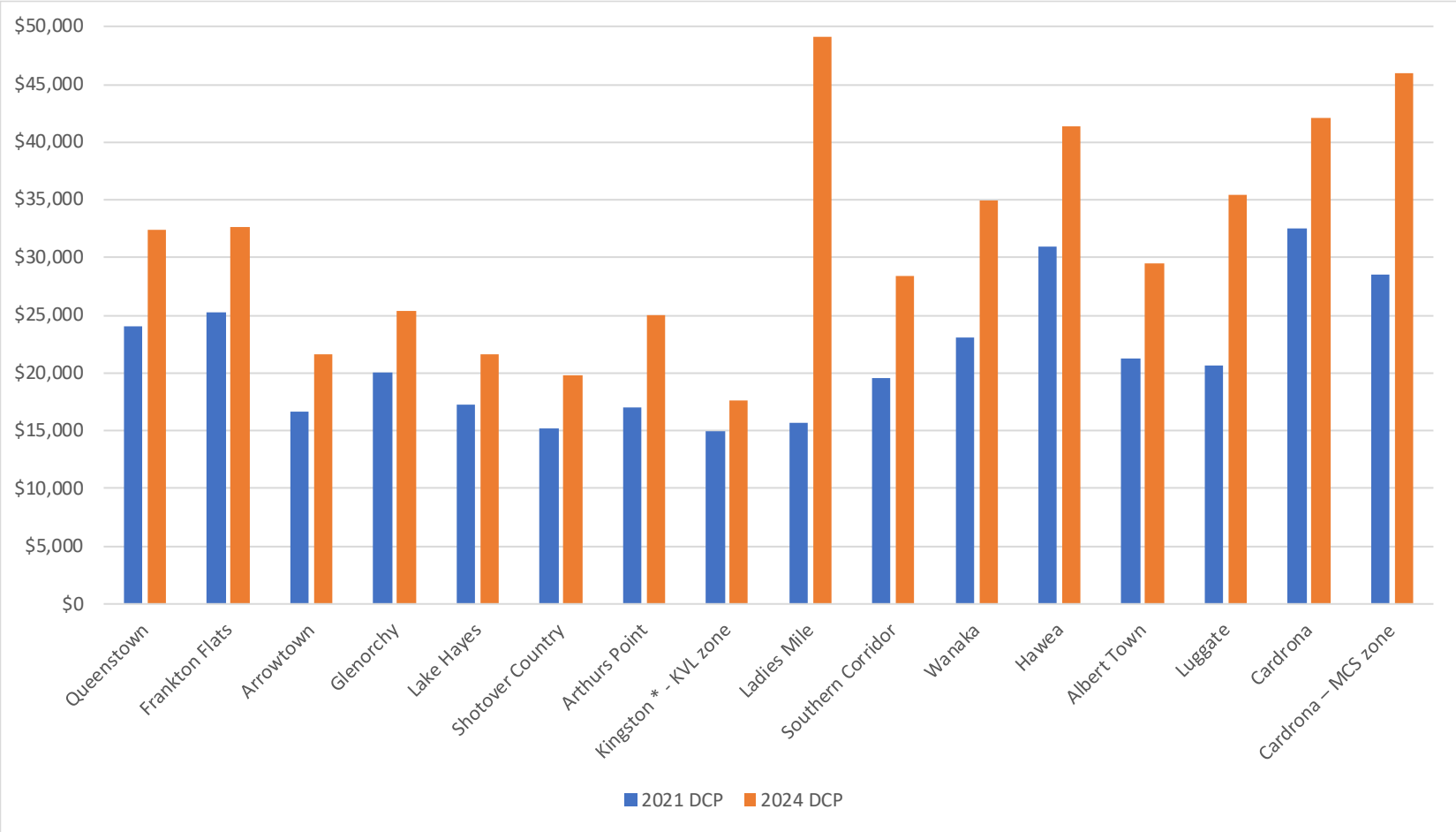
SPWWTP = Shotover Ponds

PPWWTP = Project Pure

All developments pay a standard \$/DE contribution to WWTP capacity costs

QLDC DCP 2024 – New charges vs Old

- Excludes Reserve Land.
- See next two slides for activity level comparisons.
- DCWG reference



Contributing area	2021 DCP	2024 DCP	Var \$	Var %
Queenstown	\$24,000	\$32,400	\$8,400	35%
Frankton Flats	\$25,300	\$32,700	\$7,400	29%
Arrowtown	\$16,600	\$21,600	\$5,000	30%
Glenorchy	\$20,000	\$25,400	\$5,400	27%
Lake Hayes	\$17,300	\$21,600	\$4,300	25%
Shotover Country	\$15,200	\$19,800	\$4,600	30%
Arthurs Point	\$17,000	\$25,000	\$8,000	47%
Kingston * - KVL zone	\$14,900	\$17,600	\$2,700	18%
Ladies Mile	\$15,700	\$49,100	\$33,400	213%
Southern Corridor	\$19,600	\$28,400	\$8,800	45%
Wanaka	\$23,100	\$34,900	\$11,800	51%
Hawea	\$31,000	\$41,400	\$10,400	34%
Albert Town	\$21,300	\$29,500	\$8,200	38%
Luggate	\$20,700	\$35,500	\$14,800	71%
Cardrona	\$32,500	\$42,100	\$9,600	30%
Cardrona – MCS zone	\$28,500	\$46,000	\$17,500	61%

QLDC DCP 2024 – New charges vs Old

- 2021 DCP

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area ⁴	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR ⁵	Total Cash Contribution	Local/Community Reserve Land
Queenstown	\$4,454	\$6,317	\$3,670	\$1,233	\$500	\$3,711	\$3,389	\$763	\$24,037	17.5m ² /DE in applicable areas ⁶
Frankton Flats	\$4,454	\$6,317	\$4,883	\$1,233	\$500	\$3,711	\$3,389	\$763	\$25,250	
Arrowtown	\$3,941	\$3,349	\$446	\$1,233	\$500	\$3,711	\$3,389		\$16,569	
Glenorchy	\$10,688	^	\$434	\$1,233	\$500	\$3,711	\$3,389		\$19,955	
Lake Hayes	\$4,454	\$3,984		\$1,233	\$500	\$3,711	\$3,389		\$17,271	
Shotover Country	\$4,454	\$1,938		\$1,233	\$500	\$3,711	\$3,389		\$15,225	
Arthurs Point	\$1,867	\$6,317		\$1,233	\$500	\$3,711	\$3,389		\$17,017	
Kingston Township # %	\$9,516 #	^	^	\$1,233	\$500	\$3,711	\$3,389		\$18,349	
Kingston - KVL zone *%	\$1,977	\$2,719	\$1,388	\$1,233	\$500	\$3,711	\$3,389		\$14,917	
Ladies Mile	\$4,454	\$2,384	^	\$1,233	\$500	\$3,711	\$3,389		\$15,671	
Southern Corridor	\$4,454	\$6,317		\$1,233	\$500	\$3,711	\$3,389		\$19,604	
Wānaka	\$7,034	\$5,821	\$2,119	\$2,434		\$3,808	\$1,873		\$23,089	
Hāwea	\$5,543	\$16,942	\$403	\$2,434		\$3,808	\$1,873		\$31,003	
Albert Town	\$7,034	\$5,821	\$350	\$2,434		\$3,808	\$1,873		\$21,320	
Luggate	\$6,491	\$5,821	\$295	\$2,434		\$3,808	\$1,873		\$20,722	
Cardrona	\$8,490 #	\$15,850 #		\$2,434		\$3,808	\$1,873		\$32,455	
Cardrona – MCS zone *	\$7,920	\$12,420		\$2,434		\$3,808	\$1,873		\$28,455	
Other Wakatipu				\$1,233	\$500	\$3,711	\$3,389		\$8,833	
Other Wānaka				\$2,434		\$3,808	\$1,873		\$8,115	

* Different contributions payable in Mount Cardona Station zone and Kingston Village Limited (KVL) Zone as per PDA

% In Kingston a Targeted Rate of \$1,025 will also be charged for all 3-waters. This will be indexed each year at 2.5%p.a.

Includes 20% funding from small townships scheme

^ Development contribution to be confirmed when final planning, design and costing has been completed

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QLDC DCP 2024 – New charges vs Old

- 2024 DCP

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area ⁴	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR ⁵	Total Cash Contribution	Local/Community Reserve Land
Queenstown	\$5,192	\$10,792	\$4,808	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,377	17.5m ² /DE in applicable areas ⁶
Frankton Flats	\$5,192	\$10,792	\$5,130	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,699	
Arrowtown	\$6,303	\$4,441	\$266	\$1,182	\$500	\$3,604	\$5,339		\$21,635	
Glenorchy	\$14,494	^	\$258	\$1,182	\$500	\$3,604	\$5,339		\$25,377	
Lake Hayes	\$5,192	\$5,763		\$1,182	\$500	\$3,604	\$5,339		\$21,580	
Shotover Country	\$5,192	\$3,983		\$1,182	\$500	\$3,604	\$5,339		\$19,800	
Arthurs Point	\$3,568	\$10,792		\$1,182	\$500	\$3,604	\$5,339		\$24,985	
Kingston Township # %	^	^	^	\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Kingston - KVL zone *%	\$2,265	\$3,115	\$1,590	\$1,182	\$500	\$3,604	\$5,339		\$17,594	
Ladies Mile	\$10,958	\$11,839	\$15,642	\$1,182	\$500	\$3,604	\$5,339		\$49,064	
Southern Corridor	\$9,539	\$8,236		\$1,182	\$500	\$3,604	\$5,339		\$28,400	
Wānaka	\$8,425	\$13,047	\$5,641	\$2,232		\$3,106	\$2,444		\$34,895	
Hāwea	\$12,992	\$20,395	\$238	\$2,232	\$0	\$3,106	\$2,444		\$41,407	
Albert Town	\$8,425	\$13,047	\$236	\$2,232	\$0	\$3,106	\$2,444		\$29,490	
Luggate	\$14,476	\$13,047	\$224	\$2,232	\$0	\$3,106	\$2,444		\$35,529	
Cardrona	\$17,486 #	\$16,820 #		\$2,232	\$0	\$3,106	\$2,444		\$42,088	
Cardrona – MCS zone *	\$24,990	\$13,180		\$2,232	\$0	\$3,106	\$2,444		\$45,952	
Other Wakatipu				\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Other Wānaka				\$2,232		\$3,106	\$2,444		\$7,782	

* Different contributions payable in Mount Cardrona Station zone and Kingston Village Limited (KVL) Zone as per PDA

% In Kingston a Targeted Rate of \$1,601 will also be charged for all 3-waters. This will be indexed each year at 2.5%p.a.

Includes 20% funding from small townships scheme

^ Development contribution to be confirmed when final planning, design and costing has been completed

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QLDC DCP 2024 – New charges vs Old

Where to from here:

- DCP will be consulted on alongside the LTP
- Under the same time frames and same hearings process
- Adopted and in use for 1 October 2024.

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Elected Member Discussion

The image features a dark blue background with a white wireframe graphic of a mountain range. The mountains are composed of interconnected lines forming a series of peaks and valleys. The text "Financial Strategy" is centered over the middle of the mountain range.

Financial Strategy

Financial Strategy - Purpose

- The financial strategy is a requirement of the Long Term Plan as per Section 101A of the Local Government Act 2002.
- The purpose of the financial strategy is to:
 - 1) facilitate prudent financial management by the local authority by providing a guide for the local authority against which to consider proposals for funding and expenditure; and
 - 2) provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt and investments.

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Financial Strategy – Strategic Destination

- **Prioritised Capital Programme:**
- delivering the ‘right’ projects in order to achieve compliance with water supply and wastewater services within statutory deadlines;
- delivering the ‘right’ projects ahead of growth so that development is supported in areas identified in the spatial plan;
- **Alternative Funding Methods** – the use of the Infrastructure Funding and Financing Act (IFFA) for new growth infrastructure is fully investigated over the next two years and is implemented if found appropriate
- **Alternative Funding Methods** – the use of Developer Agreements which require higher up-front payments from developers for new growth infrastructure or for developers to provide trunk infrastructure in exchange for DC credits is fully investigated over the next two years and implemented if found to be appropriate

Financial Strategy – Strategic Destination

- **Rates increases** are minimised for the period whilst recognising the need to increase rates and other operating revenue to “balance the budget” and to maintain compliance with borrowing limits
- **Debt levels** are maintained within Borrowing limits
- **Debt levels** at the end of the 10 year period have stabilised
- Excellent service continued to be provided within financial constraints.

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Financial Strategy – Significant Factors

- Financial constraints
- Growth and changes in land use
- Capital expenditure to maintain levels of service
- Capital expenditure to improve current levels of service

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Financial Strategy – Significant Factors

- **Financial constraints** – The impact of high inflation and significant cost escalation has increased both operational and capital expenditure budgets. This means that the proposed budgets have been developed with an emphasis on getting the basics right to ensure that:
 - the impact on rates is kept to a minimum
 - borrowing limits are not exceeded
 - and user fees for services are set appropriately.

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Financial Strategy – Balancing the Budget

Depreciation Funding	23/24	24/25	25/26	26/27	33/34
% Funded	30.6%	33.6%	47.2%	51.9%	67.4%
\$m Funded	16.98	22.16	32.44	38.87	74.76
Movement \$m		5.18	10.28	6.43	
Rates Impact		3.8%	6.7%	3.5%	

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Financial Strategy – Limits on Borrowing

LGFA Borrowing Limits (%)	Actual 2022/23	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2033/34
Interest Expense/Rates < 30%	16.50%	19.10%	16.20%	15.40%	14.2%
Interest Expense/Total Revenue < 20%	8.30%	11.60%	10.2%	10.10%	10.10%
Net Debt/Total Revenue < 280%*	246.6%	266.7%	253.8%	255.90%	241.20%

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Financial Strategy – Limits on Rates

10 Year Rates Increase										
Financial YE 30 June	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Rates Increase (after growth)	15.8%	12.9%	10.4%	9.1%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%
Gross Rates Increase (before growth)	19.9%	16.8%	14.2%	12.9%	15.2%	9.5%	5.8%	7.1%	5.8%	5.1%
	limit	limit	limit	limit	limit	limit	limit	limit	limit	limit
	20%	20%	16%	16%	16%	10%	10%	10%	10%	10%

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LTP Consultation

Phase 1: inform

- 10-27 June
- Print, radio, digital screen and social media advertising
- Direct emails to stakeholder groups
- Messaging:
 - LTP submissions open soon
 - The plan has been developed in a challenging context
 - The plan focuses on getting the basics right first
 - Importance of getting involved and when

mountain
scene
Voice of Queenstown



Wānaka
Sun



MORE FM

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Phase 2: consultation period

- 27 June – 28 July
- Consultation document distributed far and wide, in hard copy and digital format
- Promotional activity will occur across usual all Council channels, paid print and digital media, radio.
- Mayoral sessions with DQ, LWT and Chambers
- Signage in high foot traffic locations district-wide:
 - Locations TBC and targeting places locals spend time, i.e. ski fields, school PUDO, markets, rec centres, libraries, Mitre 10, supermarkets etc.
- Video content to be developed:
 - Mayor / Councillors high-level overview
 - Spotlight on key consultation topics



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In person engagement

- District-wide in person opportunities to talk to Councillors*

Date	Event	Venue
Sunday 30 June, 10.00am-1.30pm	Pop up stall at junior football	QEC
Friday 5 July 5.00pm-7.30pm	Lake Hawea Meet and Greet - Cuppa with a Councillor	Lake Hawea Community Centre
Saturday 6 July 10.00am - 2.00pm	Remarkables Market winter series - Mid-winter	Remarkables Market
Saturday 6 July 10.00am - 2.00pm	Pop up stall	The new New World in Wanaka
Wednesday 10 July 3.00pm – 5.00pm	Cuppa with a Councillor	Kingston cafe - Kingston Corner Cafe Bar
Saturday 13 July 10.00am – 2.00pm	Remarkables Market winter series - Mid-winter	Remarkables Market
Saturday 13 July 10.00am - 2.00pm	Wanaka's Midwinter Market	Wanaka
Wednesday 17 July 1.30pm – 3.30pm	Cuppa with a Councillor	Camp Glenorchy or Glenorchy Hotel
Saturday 20 July 10.30am - 12.00pm	Cuppa with a Councillor	Luggate Memorial Centre Whare Mahana

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*Arrowtown Library Sessions

Approach for engagement events

- Pop-up and market stalls to be interactive opportunities to participate
 - Project boards describing consultation topics and questions with sticky dots, blank board for sticky notes.
 - Supporting graphics and posters to explain wider context
- Consultation docs available to take away
- ‘Cuppa with Councillor’ to be informal opportunity to chat and listen
- Option to also run this online
- FAQs and briefing notes provided for Councillors

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Online information hub

- The Let's Talk page will be the single source of truth for all LTP content and include:
 - Scene setting
 - Links to all supporting documents and video materials
 - Link to capex dashboard
 - Opportunity to ask a question – all responses are published publicly
 - Schedule of in person engagement opportunities
 - Online Feedback form

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The background is a solid dark blue color. Overlaid on this is a white wireframe graphic of a mountain range. The mountains are composed of numerous interconnected lines forming a mesh-like structure, giving them a three-dimensional, digital appearance. The peaks are of varying heights and are distributed across the width of the image.

PowerBI tool demonstration


Dashboard

- Linked from Lets Talk page and hosted on website
- Web page + user guide
- Same data in LTP activity management plans
- Locations are approximate

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Dashboard



QUEENSTOWN LAKES DISTRICT COUNCIL

Welcome to the draft Long Term Plan 2024-34 (LTP) Capital programme.

This has been developed to assist the 2024 Consultation on QLDC's LTP.

How to Use:

- 1) Click the filters at the bottom of this dashboard to focus locations and activities
- 2) Hover over a circle on the map to view details of a capital project.
- 3) Click the CLEAR FILTERS button to reset the dashboard.

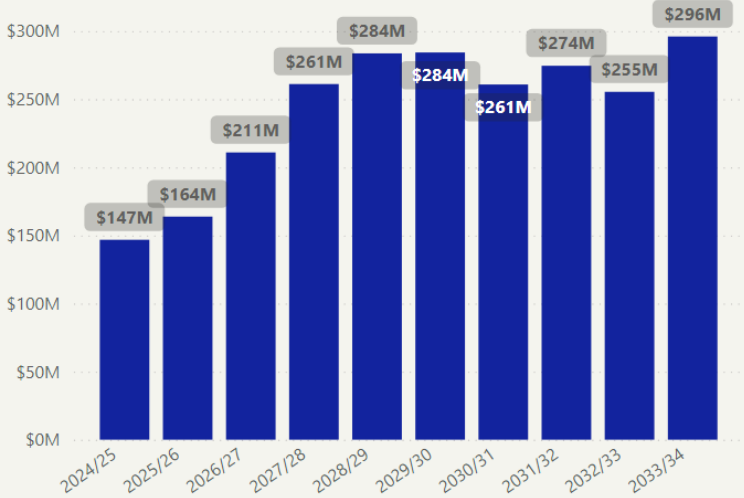
For more details on how to use this dashboard [click here.](#)

Three Waters
\$1.47bn

Infrastructure
\$0.64bn

Commun...
\$0.30bn

PROPOSED BUDGET BY FINANCIAL YEAR

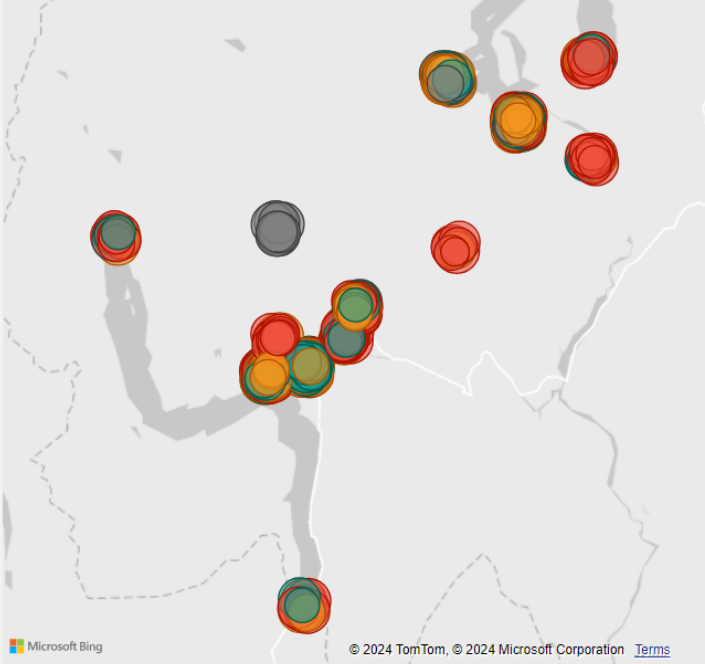


Financial Year	Proposed Budget (\$M)
2024/25	\$147M
2025/26	\$164M
2026/27	\$211M
2027/28	\$261M
2028/29	\$284M
2029/30	\$284M
2030/31	\$261M
2031/32	\$274M
2032/33	\$255M
2033/34	\$296M

Timeframe

PROJECT

All ▼



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FILTER BY LOCATION

Whakatipu

Upper Clutha

District Wide

Queenstown

Kingston

Arrowtown

Lake Hayes

Arthurs Point

Glenorchy

Wānaka

Hāwea

Luggate

Cardrona

FILTER BY ACTIVITY

Community

Infrastructure

Three Waters

Library

Building

Storm Water

Parks & Reserves

Solid Waste

Waste Water

Venues & Facilities

Transport

Water Supply

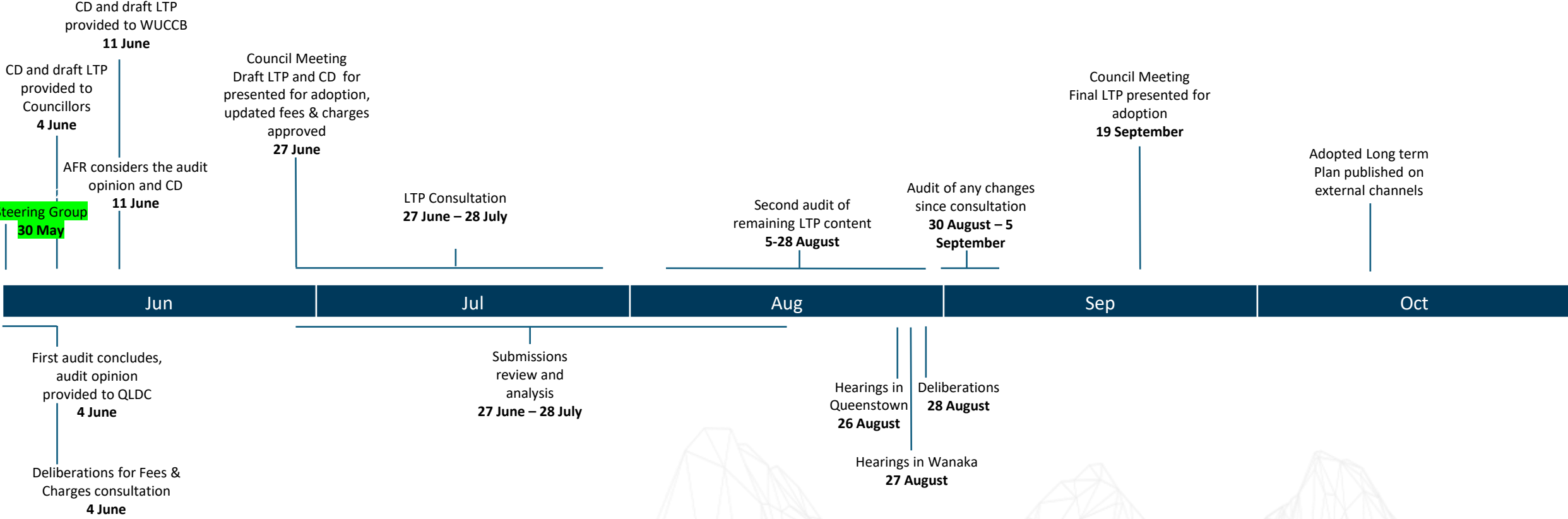
CLEAR FILTERS

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A dark blue background featuring a white wireframe illustration of a mountain range. The mountains are composed of interconnected lines forming a low-poly, geometric landscape. The text 'Next Steps' is centered over the middle of the range.

Next Steps

LTP24 Work Programme



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Development Contribution Policy

Te Kaupapa Here Whakawhanake Hekeka Utu

Glossary of Terms

Accommodation units [or Stay units]	Defined in section 197 of the LGA 2002 as: “...units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.”
Activity	A grouping of council functions required for development contributions – listed in Section 1.1.4.
Allotment [or Lot]	Defined in section 218 of the RMA 1991 as: “a) any parcel of land under the Land Transfer Act 2017 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not: (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or b) any parcel of land or building or part of a building that is shown or identified separately; (i) on a survey plan; or (ii) on a licence within the meaning of subpart 6 of Part 3 of the Land Transfer Act 2017; or c) any unit on a unit plan; or d) any parcel of land not subject to the Land Transfer Act 2017”
Applicant	The person(s) applying for a resource consent, building consent, or service connection.
Bedroom	An area of a residential unit that is not: a) the kitchen, bathroom(s), laundry or toilet(s), b) the dining room or living room (but not both) whether open plan with the kitchen or not, c) entrance halls and passageways, d) garage, and e) any other room smaller than 6m ² .

Community Facilities	Defined in section 197 of the LGA 2002 as: “land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and includes land that the territorial authority will acquire for that purpose.”
Community Infrastructure	Defined in section 197 of the LGA 2002 as: “means the following assets when owned, operated, or controlled by a territorial authority: a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated: b) play equipment that is located on a neighbourhood reserve: c) toilets for use by the public.”
Contributing Area (See Development Contribution Supporting Documents for Contributing Area Maps)	A defined geographic area where development contributions are to be calculated by the method described herein and delivering a standard development contribution in terms of \$/Dwelling Equivalent. Contributing areas take an integrated approach to the effects of land subdivision/development and associated physical resources and assesses the overall requirements of an identified geographic area. Contributing areas should enable standard development contributions to be determined efficiently and equitably.
Council	Queenstown Lakes District Council (QLDC)
Development	Defined in section 197 of the LGA 2002 as: “any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but does not include the pipes or lines of a network utility operator.”
Development Agreement	Defined in section 197 of the LGA 2002 as: “means a voluntary contractual agreement made under sections 207A to 207F between 1 or more developers and 1 or more territorial authorities for the provision, supply or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in 1 or more districts or part of a district.”
Development contribution objection	Defined in section 197 of the LGA 2002 as: “means an objection lodged under clause 1 or Schedule 13A against a requirement to make a development contribution.”
Dwelling Equivalent [or DE]	A typical residential dwelling, however representing a unit of demand for which non-residential land uses can be described by. Non-residential activities, such as visitor accommodation and business categories, can be converted into dwelling equivalents using land use differentials. Dwelling equivalents enable the demand of different land uses to be considered collectively.

Gross Floor Area [or GFA]	The sum of the gross area of all floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre line of walls separating two buildings. For the purpose of this policy this definition of GFA, excluding car parking areas, will be used.
Impervious Surface Area [or ISA]	Sealed area of a site or area that is not capable of absorbing rainwater.
Land Use Differentials	Factors which are used to convert non-residential properties into dwelling equivalents. Impact on, benefit from and consumption of assets by different land uses can be converted into, and described as dwelling equivalents. They have two functions 1) to determine the total dwelling equivalents for apportioning total CAPEX for growth to determine a standard development contribution and 2) enabling a new subdivision or development to be converted into dwelling equivalents, such that the development contributions can be calculated.
Lodged	The point in time at which an application that complies with all the requirements in section 88(2) of the Resource Management Act 1991 (RMA 1991) or section 45 of the Building Act 2004, has been received by Council and accepted as complete.
Network Infrastructure	Defined in section 197 of the LGA 2002 as: “the provision of roads and other transport, water, wastewater, and stormwater collection and management”
Reserves improvements	Recreation infrastructure on a reserve that enables the public to obtain the benefit and enjoyment of the reserve, excluding basic requirements for a reserve as required by the QLDC Land Development and Subdivision code of practice.
Service Connection	Defined in section 197 of the LGA 2002 as: “a physical connection to a service provided by, or on behalf of, a territorial authority”
Stay units [or Accommodation units]	Accommodation units defined in section 197 of the LGA 2002 as: “...units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.”
Long Term Plan [or LTP]	Refers to Queenstown Lakes District Council Long Term Plan 2024-34.
Whakatipu Area	Means Queenstown-Whakatipu Ward and Arrowtown Ward.
Wānaka Area	Means Wānaka Ward.

Part 1: Introduction

1.1. PURPOSE OF THE POLICY

- 1.1.1. The Queenstown Lakes District has traditionally experienced significant growth in its population, visitors, development and the local economy³⁰. Growth continues to generate high levels of subdivision and development which places increasing pressure on the assets and services provided by the Council. Investment in additional assets and services is accordingly required to meet the demands of growth.
- 1.1.2. The purpose of the Policy is to ensure that a fair, equitable and proportionate share of the total cost of capital expenditure necessary to service growth over the long term is funded by development. Council may achieve this by using Development Contributions under the Local Government Act 2002 (LGA 2002).
- 1.1.3. Council considers that Development Contributions are the best mechanism available to ensure the cost of growth sits with those who have created the need for that cost. The Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.
- 1.1.4. Section 102(3A) of the Local Government Act 2002 provides that this policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

These principles include recognition that land is a taonga tuku iho of special significance to Māori people, and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapū. Council considers that this policy supports those principles.

- 1.1.5. Development contributions can be collected for growth related projects for:

Reserves

Local and Community Parks
Sportsground Parks
Reserve Improvements

Network Infrastructure

Water
Wastewater
Stormwater
Roads and Transportation

Community Infrastructure

Land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities including but not limited to:

- > Public Toilets
- > Libraries
- > Community Centres and town halls
- > Event/recreation centres and recreation facilities
- > Swimming Pools
- > Waterways

1.2. STATUTORY REQUIREMENT FOR THE POLICY

- 1.2.1. Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies under section 102(2)(d) of the LGA 2002.

The Policy meets this requirement.

³⁰ <https://www.qldc.govt.nz/community/population-and-demand>

1.3. COMMUNITY OUTCOMES

1.3.1. The Policy contributes directly to the themes articulated in 'Vision Beyond 2050', thriving people, opportunities for all and disaster-defying resilience.

In particular the following community outcomes:

- > Everyone can find a healthy home in a place they choose to be
- > Our environments and services promote and support health, activity and wellbeing for all
- > Our economy is strong and diverse with sustainable and inclusive growth
- > Our infrastructure is a resilient as our people

1.3.2. As a dedicated growth funding source development contributions provide a mechanism for funding water, wastewater, stormwater, roading, community infrastructure and reserves required to cater for growth in the District. This ensures QLDC's vision and outcomes extend to new communities as well as the existing population.

1.4. CHANGES TO DEVELOPMENT CONTRIBUTIONS POLICY 2024

1.4.1. Updates made to the Development Contributions Policy 2024 (in addition to the standard changes to capital costs and timing) are listed below:

- > Updated land valuations for reserve land contributions.
- > Updated Contributing Area Maps
- > Additional definitions in the glossary.
- > Amended the differentials for Residential Flats and Multi Unit Residential developments. This policy now includes an option whereby the number of bedrooms may be used to assess the development contributions.

- > Changing to the grouping of contributing areas in and around Queenstown to reflect how the areas are serviced for water supply and wastewater. Namely separating Southern Corridor and Ladies Mile to provide transparency on the costs required to provision these areas.
- > Include a provision for QLDC to apply the highest development contribution for any development that fits into more than one land use category. e.g. visitor accommodation for any property that can be rented for visitor accommodation purposes for 180 or more days.
- > Added a clause referencing Te Ture Whenua Māori Act 1993 requirements.
- > Included clarity on the annual development contribution increase permitted under the LGA 2002.

1.4.2. As a result of the Long Term Plan consultation process; several changes have been made to the Policy (when compared to the notified version of the policy). These are as follows:

TBC

TBC

TBC

1.4.3. These changes and the provisions of this policy will apply to any application for resource consent, building consent or application for service connection lodged on or after 1 October 2024.

1.4.4. QLDC may update this policy annually (before the next Long Term Plan) under the provisions of S106 2B of the LGA 2002. Namely increase the development contributions using the applicable Producers Price Index Outputs for Construction provided by Statistics New Zealand.

1.5. NAVIGATING THIS DOCUMENT

- 1.5.1. The Policy outlines Council's approach to funding development infrastructure via development contributions under the LGA 2002.
- 1.5.2. The Policy has four main parts:
 - > Part 1: Introduction
 - > Part 2: Administering the Policy
 - > Part 3: The Charges
 - > Part 4: Policy Details
- 1.5.3. Supporting Documents relating to this Policy include:
 - > Contributing Area Maps
 - > Asset Schedules
 - > Parks Provision Guidelines

Part 2: Administering the Policy

2.1. WHAT ACTIVITIES ATTRACT DEVELOPMENT CONTRIBUTIONS?

- 2.1.1. Development contributions may be sought in respect of any development that generates a demand for reserves, network and community infrastructure. If subdividing, building, connecting to Council services, or otherwise undertaking development in the District, development contributions will need to be assessed. Development contributions apply to developments within the areas shown in the Contributing Area Maps (see supporting documents).
- 2.1.2. In some circumstances, development contributions may not apply or may be reduced. Further information on these circumstances can be found in the section: *2.2.7 Limitations; 3.8. Credits*.
- 2.1.3. Development of new infrastructure sometimes means that areas not previously liable for development contributions become so. For example, a bare section in a subdivision may be liable for development contributions whereas previously constructed houses on the same subdivision were not. The current Development Contributions Policy will reflect those changes. Council officers will be available to help resolve any uncertainty about development contribution liabilities.

2.2. WHEN AND HOW ARE DEVELOPMENT CONTRIBUTIONS LEVIED?

The usual steps for assessing and requiring payment of development contributions are:

TRIGGER – ASSESSMENT – NOTICE – INVOICE – PAYMENT

2.2.1. Trigger

Council can require development contributions for a development upon the granting of:

- > A resource consent
- > A building consent or certificate of acceptance
- > An authorisation for a service connection for water, wastewater or stormwater services

2.2.1.1. Residential development (excludes Visitor Accommodation)

For purely residential developments, QLDC shall assess the entire development contribution under the policy in place the time at which the subdivision consent application is lodged with all required information. Any residential development that does not require a subdivision consent (e.g. second residential units or additional residential flats) shall be assessed under the policy in place at the time the relevant building consent application is lodged with all required information.

2.2.1.2. Non-residential development (includes Visitor Accommodation)

For a non-residential subdivision, QLDC shall levy a portion of the development contribution based on the following table under the policy in place at the time the subdivision consent is lodged with all required information.

LAND USE	LOT SIZE	ESTIMATED GROSS FLOOR AREA (GFA)	IMPERVIOUS SURFACE AREA (ISA)
All land uses except Residential, Multi-unit residential and Residential flat	≤500m ²	50m ²	62.5m ²
	>500m ² ≤2000m ²	100m ²	125m ²
	>2000m ²	400m ²	500m ²

The remainder of the development contribution shall be assessed when the relevant building consent is lodged with all required information. The assessment will be undertaken in reference to the development contributions policy in place at that time. This provides the most accurate assessment once the final plans, gross floor areas and land use category of the development are confirmed.

In all cases, land use resource consents with no related building consents will be assessed under the policy in place the time at the land use resource consent is lodged.

2.2.2. Assessment

On receiving an application for resource consent, building consent, certificate of acceptance, or service connection, Council will check that:

- (A) The development generates a demand for reserves, community infrastructure or network infrastructure; and
- (B) The effect of that development (together with other developments) is to require new or additional assets or assets of increased capacity in terms of community facilities; and
- (C) Council has incurred or will incur capital expenditure to provide appropriately for those assets. This includes capital expenditure already incurred by Council in anticipation of development.

Council has identified the assets and areas that are likely to meet the requirements of (B) and (C), and these are outlined in Schedule of Assets (see supporting documents) and Disclosure Tables (past and future assets funded by development contributions) and the Contributing Area Maps (see supporting documents). Where a development is within one of the areas covered by the Contributing Area Maps, development contributions will be assessed.

Should connection to Council’s network occur for a development outside of the existing scheme boundary, then a bespoke development contribution may be negotiated, typically under a Private Development Agreement.

2.2.3. Notice

Under the LGA 2002 Section 198(1), a development contribution notice can be issued from the point at which a resource consent, building consent, certificate of acceptance, or service connection authorisation is granted. In some cases, the notice may be issued or re-issued later.

If multiple consents or authorisations are being issued for a single development, a development contributions notice may be issued for each consent or authorisation. However, where payments are made in relation to one of the notices, actual credits will be recognised for the remaining notices.

Development contribution notices will be issued via email to the property owner, the consent applicant, and/or their representatives. Development contribution obligations remain with the land and/or property in the event of a change of ownership.

2.2.4. Invoice

An invoice for development contribution charges will be issued to provide an accounting record and to initiate the payment process.

If a development contribution required by Council is not invoiced as a result of an error or omission on the part of Council, the invoice will be issued when the error or omission is identified. The development contributions remain payable.

If there is a delay between when a notice is issued and when an invoice is issued, the Council may adjust the charges levied in the invoice to account for inflation³¹ or changes in GST.

2.2.5. Payment

As set out at 2.2.3. above, under the LGA 2002 Section 198(1), a territorial authority may require a development contribution to be paid from the date of granting the related consent. Payment to Council must be made as follows:

- > Resource Consent (subdivision) – prior to the issue of S224c;
- > Resource Consent (change of land use) – on receipt of the development contributions notice or prior to the commencement of the resource consent³², whichever is earlier;
- > Building Consent – prior to the issue of the code compliance certificate or certificate of acceptance;
- > Service connection – prior to authorisation being granted.

2.2.6. Non-payment of Development Contributions

Until the development contributions have been paid in full, Council may (as applicable):

- > Prevent the commencement of a resource consent;
- > Withhold a certificate under Section 224(c) of the RMA 1991;
- > Withhold a code compliance certificate under Section 95 of the Building Act 2004 or certificate of acceptance under section 99 of the Building Act 2004;
- > Withhold a service connection to the development;

Where invoices remain unpaid beyond the payment terms Council will start debt collection proceedings, which may involve the use of a credit recovery agent. Council may also register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

³¹ <https://www.qldc.govt.nz/community/population-and-demand>

³² The consent holder and property owner must contact Council if the resource consent is due to commence and no Development Contribution has been paid.

2.2.7. Limitations

Council is unable to require a development contribution in certain circumstances, as outlined in section 200 of the LGA 2002, if, and to the extent that:

- > It has, under section 108(2)(a) of the RMA, imposed a condition on a resource consent in relation to the same development for the same purpose;
- > The developer will fund or otherwise provide for the same reserve or network infrastructure;
- > A third party has funded or provided, or undertaken to fund or provide, the same reserve or network infrastructure;
- > The Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance.

In addition, Council will not require a development contribution in any of the following cases:

- > Where, in relation to any dwelling, replacement development, repair or renovation work generates no additional demand for reserve or network infrastructure.
- > The application for a resource or building consent, authorisation, or certificate of acceptance is made by the Crown.

2.2.8 Waivers and/or Reductions

Development contributions may be waived or reduced if:

- > A resource consent or building consent does not generate additional demand for any community facilities (such as a minor boundary adjustment); or
- > One of the circumstances outlined in section 2.2.7. *Limitations* apply; or
- > Credits apply as outlined in section 3.8. *Credits*.

If a subsequent resource consent (including a change to a condition of a resource consent), building consent, certificate of acceptance, or service connection is sought, a new assessment may be undertaken using the Policy in force at that time. Any increase in the number of DEs, relative to the original assessment, will be calculated and the contributions adjusted to reflect this.

This means Council will require development contributions where additional units of demand are created.

Examples of where these would be needed, include:

- > Minimal development contributions have been levied on a commercial development at subdivision or land use consent stage as the type of development that will happen will only be known at building consent stage.
- > The nature of use has changed, for example from a low infrastructure demand non-residential use to a high infrastructure demand non-residential use.

2.2.9. Development Agreements

Council may enter into specific arrangements with a developer for the provision and funding of particular infrastructure under a development agreement, including the development contributions payable, as provided for under sections 207A-207F of the LGA 2002. For activities covered by a development agreement, the agreement overrides the development contributions normally assessed as payable under the Policy.

Part 3: The Charges

3.1. OVERVIEW OF CALCULATION METHODOLOGY

3.1.1. Growth capital expenditure

The key concept of the approach is to define the total cost of capital expenditure (CAPEX) for growth consumed by the growth in population over a set period of time. This consumption of CAPEX for growth is then apportioned among the increased number dwelling equivalents (DE) over the same time period. This defines the average cost per DE. This can be represented by the following formula.

$$\text{DE CONTRIBUTION} = \frac{\text{SUM OF GROWTH CAPEX}}{\text{SUM OF NEW DE}}$$

Capital expenditure for growth is based on Financial Reports (past expenditure) and Long Term Plan (LTP) budgets (projected expenditure).

Only growth capital expenditure is considered in the model. All operational expenditure is excluded, including internal overheads.

3.2. DETERMINING INFRASTRUCTURE IMPACT

The Policy is centred around a dwelling equivalent (DE), in other words, an average household in a standard residential unit and the demands they typically place on community facilities. The basis of these are detailed in section 3.5 *Basis of Differentials*.

The number of DEs charged is one per new residential allotment or residential unit created.

When calculating the number of DEs for a residential subdivision, Council will adjust the assessment to account for any:

- > Credits relating to the site (refer to the section 3.8. *Credits*).
- > Allotment which, by agreement, is to be vested in Council for a public purpose.
- > Allotment required as a condition of consent to be amalgamated with another allotment.

3.3. SCHEDULE OF DEVELOPMENT CONTRIBUTIONS

3.3.1. For each infrastructure activity where development contributions are required, the development contribution payable is calculated by multiplying the number of DE generated through the development by the charge for that activity. This is then aggregated for all activities to give the total charge.

3.3.2. These charges may be adjusted for inflation annually in line with the Producers Price Index outputs for Construction, as permitted by sections 106 (2B) and (2C) of the LGA 2002. The charge for a DE for each contributing area and activity is summarised below.

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area ³³	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR ³⁴	Total Cash Contribution	Local/Community Reserve Land
Queenstown	\$5,192	\$10,792	\$4,808	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,377	17.5m ² /DE in applicable areas ³⁵
Frankton Flats	\$5,192	\$10,792	\$5,130	\$1,182	\$500	\$3,604	\$5,339	\$960	\$32,699	
Arrowtown	\$6,303	\$4,441	\$266	\$1,182	\$500	\$3,604	\$5,339		\$21,635	
Glenorchy	\$14,494	^	\$258	\$1,182	\$500	\$3,604	\$5,339		\$25,377	
Lake Hayes	\$5,192	\$5,763		\$1,182	\$500	\$3,604	\$5,339		\$21,580	
Shotover Country	\$5,192	\$3,983		\$1,182	\$500	\$3,604	\$5,339		\$19,800	
Arthurs Point	\$3,568	\$10,792		\$1,182	\$500	\$3,604	\$5,339		\$24,985	
Kingston Township # %	^	^	^	\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Kingston - KVL zone *%	\$2,265	\$3,115	\$1,590	\$1,182	\$500	\$3,604	\$5,339		\$17,594	
Ladies Mile	\$10,958	\$11,839	\$15,642	\$1,182	\$500	\$3,604	\$5,339		\$49,064	
Southern Corridor	\$9,539	\$8,236		\$1,182	\$500	\$3,604	\$5,339		\$28,400	
Wānaka	\$8,425	\$13,047	\$5,641	\$2,232		\$3,106	\$2,444		\$34,895	
Hāwea	\$12,992	\$20,395	\$238	\$2,232	\$0	\$3,106	\$2,444		\$41,407	
Albert Town	\$8,425	\$13,047	\$236	\$2,232	\$0	\$3,106	\$2,444		\$29,490	
Luggate	\$14,476	\$13,047	\$224	\$2,232	\$0	\$3,106	\$2,444		\$35,529	
Cardrona	\$17,486 #	\$16,820 #		\$2,232	\$0	\$3,106	\$2,444		\$42,088	
Cardrona – MCS zone *	\$24,990	\$13,180		\$2,232	\$0	\$3,106	\$2,444		\$45,952	
Other Whakatipu				\$1,182	\$500	\$3,604	\$5,339		\$10,625	
Other Wānaka				\$2,232		\$3,106	\$2,444		\$7,782	
* Different contributions payable in Mount Cardona Station zone and Kingston Village Limited (KVL) Zone as per PDA										
% In Kingston a Targeted Rate of \$1,601 will also be charged for all 3-waters. This will be indexed each year at 2.5%p.a.										
# Includes 20% funding from small townships scheme										
^ Development contribution to be confirmed when final planning, design and costing has been completed										

³³ Development in any area with funding assistance from the Housing Infrastructure Fund (HIF) may qualify for a reduced development contribution, e.g. Quail Rise

³⁴ The contributing area for the Eastern Access Road (EAR) is not the same as the contributing area for Frankton Flats Stormwater network. Refer to the Contributing Area Maps in the Development Contributions

³⁵ In accordance with part 3.6.5 of this policy and subject to parts 3.6.7. and 3.6.8. of this policy.

3.4. LAND USE DIFFERENTIALS AND CATEGORIES

Land use differentials enable all development and subdivision categories (residential and non-residential) to be considered in terms of a common unit of demand, which in this case is the dwelling equivalent (DE). The following table summarises the conversion factors or land use differentials used to convert all activity or development categories into residential dwelling equivalents based on gross floor area or per stay units for visitor accommodation.

3.4.1. DWELLING EQUIVALENT CALCULATION TABLE								
Units (per...) Land Use Category	Water Supply (GFA)	Wastewater (GFA)	Stormwater (per 100m ² ISA)	Transportation (GFA)	Community Infrastructure	Local/Community Park reserve land	Premier Sportsground reserve land	Reserve improvements
Per lot/house								
Residential	1.00	1.00	1.00 per lot/house	1.00	1.00	1.00	1.00	1.00
Per stay unit								
Visitor Accommodation	0.33	0.50	0.38	0.33	0.33			
Per retirement unit (apartment/villa/house)								
2 or more bedrooms	0.60	0.58	0.38	0.29	0.65	0.41		0.41
1 bedroom	0.40	0.38	0.38	0.19	0.43	0.27		
Per 100m ² GFA								
Multi-Unit Residential	0.56	0.56	0.38	0.56	0.56	0.56	0.56	
Residential Flat	0.56	0.56	0.38	0.56	0.56	0.56		0.56
MU-Visitor Accommodation	0.62	0.73	0.38	0.62	0.62			
MU-Commercial	0.46	0.47	0.38	0.92				
Industrial - dry	0.09	0.13	0.38	0.44				
Industrial - wet	0.30	0.41	0.38	1.00				
General Commercial	0.16	0.22	0.38	2.00				
Large Format Retail	0.09	0.13	0.38	1.33				
Restaurant/Bar	1.49	2.03	0.38	2.00				
Child-care Centres	0.55	0.74	0.38	3.58				
Other/unusual developments	To be individually assessed at the time of application							

3.4.2. LAND USE CATEGORIES		
PDP Category	Definition	DC Land Use Category
Industrial Activity (includes Rural Industrial)	Means the use of land and buildings for the primary purpose of manufacturing, fabricating, processing, packing, or associated storage of goods	Industrial - wet ; e.g. Car wash facilities, laundromats, manufacturing, processing Industrial - Dry; Storage, warehouses
Day Care Facility	Means land and/or buildings used for the care during the day of elderly persons with disabilities and/or children, other than those residing on the site.	Child-Care Centres
Elderly Care Home	Means a facility providing rest home care within the meaning of the Health and Disability Services (Safety) Act (2001), or a home for the residential care of older persons and/or any land or buildings used for the care of older persons within a retirement village.	Retirement units –
Retirement Village	Means the residential units (either detached or attached) and associated facilities for the purpose of accommodating retired persons. This use includes as accessory to the principal use any services or amenities provided on the site such as shops, restaurants, medical facilities, swimming pools and recreational facilities and the like which are to be used exclusively by the retired persons using such accommodation.	either 1 bedroom unit 2 or more bedroom unit
Office	Means any of the following: a. administrative offices where the administration of any entity, whether trading or not, and whether incorporated or not, is conducted; b. commercial offices being place where trade, other than that involving the immediately exchange for goods or the display or production of goods, is transacted; c. professional offices.	General Commercial
Commercial Recreational Activities	Means the commercial guiding, training, instructing, transportation or provision of recreation facilities to clients for recreational purposes including the use of any building or land associated with the activity, excluding ski area activities.	
Retail Sales / Retail / Retailing	Means the direct sale or hire to the public from any site, and/or the display or offering for sale or hire to the public on any site of goods, merchandise or equipment, but excludes recreational activities	
Service Station	Means any site where the dominant activity is the retail sale of motor vehicle fuels, including petrol, LPG, CNG, and diesel, and may also include any one or more of the following: a. the sale of kerosene, alcohol based fuels, lubricating oils, tyres, batteries, vehicle spare parts and other accessories normally associated with motor vehicles; b. mechanical repair and servicing of motor vehicles, including motorcycles, caravans, boat motors, trailers, except in any Residential, Town Centre or Township Zone; c. inspection and/or certification of vehicles; d. the sale of other merchandise where this is an ancillary activity to the main use of the site. Excludes: panel beating, spray painting and heavy engineering such as engine reboring and crankshaft grinding, which are not included within mechanical repairs of moto	
Showroom	Means any defined area of land or a building given over solely to the display of goods. No retailing is permitted unless otherwise specifically provided for in the zone in which the land or building is located.	

3.4.2. LAND USE CATEGORIES		
PDP Category	Definition	DC Land Use Category
Airport Activity	Means land used wholly or partly for the landing, departure, and surface movement of aircraft, including: d. terminal buildings, hangars, air traffic control facilities, flight information services, navigation and safety aids, rescue facilities, lighting, car parking, maintenance and service facilities, fuel storage and fuelling facilities and facilities for the handling and storage of hazardous substances	Other
Education Activity	Means the use of land and buildings for the primary purpose of regular instruction or training including early childhood education, primary, intermediate and secondary schools, tertiary education. It also includes ancillary administrative, cultural, recreational, health, social and medical services (including dental clinics and sick bays) and commercial facilities.	
Health Care Facility (includes Aged Care Facility)	Means land and/or buildings used for the provision of services relating to the physical and mental health of people and animals but excludes facilities used for the promotion of physical fitness or beauty such as gymnasias, weight control clinics or beauticians.	
Hospital	Means any building in which two or more persons are maintained for the purposes of receiving medical treatment; and where there are two or more buildings in the occupation of the same person and situated on the same piece of land they shall be deemed to constitute a single building.	
	A residential flat for the purposes of this policy is a residential building or part of a residential building that is used, or can be used as independent residence containing its own kitchen, living and toilet bathroom facilities that is secondary to the main residence. Note: the definition of a kitchen comes from the District Plan.	Residential Flat
	Any development that involves the development of three or more residential units/apartments within a single site, with at least one shared wall. This does not include additions, alterations or accessory buildings.	Multi-Unit Residential
	Any development that involves the redevelopment of an existing residential dwelling unit, flat or multi-unit residential apartment that is converted to short or long term visitor accommodation. When assessing the number of dwelling equivalents for mixed use accommodation, the assessment will be done using the gross floor area of the development and the mixed use accommodation differentials shown in the dwelling equivalent calculation table. Credits will be based on the existing demand as per the table of credit types, however the conversion of residential dwellings will be based on the dwelling's GFA and calculated using the multi-unit residential land use differential - post demand will then be assessed using the mixed use accommodation differential. This method more clearly defines the impact of redevelopment from residential to visitor accommodation.	Mixed Use Accommodation

3.4.3. Non-Residential Subdivision

Subdivided lots zoned for Visitor Accommodation only shall be assessed under the Visitor Accommodation land use category. All other non-residential subdivisions shall be assessed under the General Commercial land use category at this stage.

3.4.4. Estimated Gross Floor Area

Where the GFA is unknown, which is often the case for a non-residential subdivision, Development Contribution Officers will reference the table under 2.2.3. *Non-residential development (includes Visitor Accommodation)* to estimate the future GFA of the development.

3.4.5. Special Assessments

Developments sometimes generate a significantly different demand on infrastructure than can usually be expected under the relevant land use category. This may include a development that Council deems not to fit into the land use categories shown in 3.4.1. *Dwelling Equivalent Calculation Table*. Council may decide to make a special assessment of the DEs applicable to the development. Council will evaluate the need for a special assessment for one or more activities where it considers that:

- > The development is likely to have less than half or more than twice the demand³⁶ for an activity listed in 3.5.3. *Water*; 3.5.4. *Wastewater* 3.5.5. *Transportation* for that development type; or
- > A non-residential development does not fit into an Industrial - dry, Industrial – wet, General Commercial, Large Format Retail, Restaurant/Bar, Child-Care Centre or Visitor Accommodation, land use and must be considered under another category; or
- > Where the gross floor area of a non-residential development is less than 30% of the site area.

The demand measures in 3.5. *Basis of Differentials* will be used to help guide special assessments.

³⁶ Excluding the peak factor multiple

If a special assessment is sought, Council may require the developer to provide information on the demand for community facilities generated by the development. Council may also carry out its own assessment for any development and may determine the applicable development contributions based on its estimates.

Where possible the development will be assessed as a building, as opposed to the initial business being operated from the building. The nature of businesses can change over time, often outside the triggers of the development contributions policy.

3.5. BASIS OF DIFFERENTIALS

3.5.1. The differentials reflect the demand of a development type relative to a residential dwelling. A standard residential allotment or dwelling is always assessed as 1 DE. The underlying assumptions and the source for the other differentials are outlined in the tables below.

3.5.2. The following land use categories are not included in the tables below as they are calculated based on other land use differential(s):

- > Multi-Unit Residential and Residential Flat – this shall be assessed as the greater of:
 - Dwelling equivalents converted on a GFA basis assuming the typical house is 180m². This figure is taken from the QLDC Rating Database.
 - Dwelling equivalents based on the number of bedrooms (b/r), where:
 - 1 b/r = 0.5 DE,
 - 2 b/r = 0.75 DE,
 - 3 or more b/r = 1 DE.

This ensures the assessed demand is consistent with how other residential developments are assessed, and also consistent with the likely number of occupants.

- > Mixed Use Visitor Accommodation and Mixed Use Commercial – these are based on 75% Residential and 25% Visitor Accommodation (40m² per stay unit) and General Commercial.

3.5.3. Water Supply

LAND USE CATEGORY	DEMAND	LITRES PER DAY PER	SOURCE	ASSUMPTIONS
Residential	1,500	house	NZS4404	3 pax per house, 250L/day, Peak Factor = 2.0
Visitor Accommodation	500	stay unit	NZS4404	2 pax per stay unit @250L/day
Retirement Units	600/900	1br/2br		Previous policy based on historical special assessments
Industrial – dry	140	100m ² GFA	NZS4404	Light industrial/commercial WW design flows
Industrial - wet	450	100m ² GFA	NZS4404	Heavy industrial/commercial WW design flows
General Commercial	240	100m ² GFA	NZS4404	Medium industrial/commercial WW design flows
Large Format Retail	140	100m ² GFA	NZS4404	Light industrial/commercial WW design flows
Restaurant/Bar	2,230	100m ² GFA	Design reports	Cardrona WS/WW design assumptions @16.5L/pax and 1.35 pax per m ²
Child-Care Centres	825	100m ² GFA		Previous policy based on historical special assessments

3.5.4. Wastewater

LAND USE CATEGORY	DEMAND	LITRES PER DAY PER	SOURCE	ASSUMPTIONS
Residential	1,000	house	NZS4404	3 pax per house, 250L/day, Peak Factor = 1.3
Visitor Accommodation	500	stay unit	NZS4404	2 pax per stay unit @250L/day
Retirement Units	385/580	1br/2br		Previous policy based on historical special assessments
Industrial – dry	125	100m ² GFA	NZS4404	Light industrial/commercial WW design flows (0.4L/s/Ha)
Industrial - wet	410	100m ² GFA	NZS4404	Heavy industrial/commercial WW design flows (1.3L/s/Ha)
General Commercial	220	100m ² GFA	NZS4404	Medium industrial/commercial WW design flows (0.7L/s/Ha)
Large Format Retail	125	100m ² GFA	NZS4404	Light industrial/commercial WW design flows (0.4L/s/Ha)
Restaurant/Bar	2,025	100m ² GFA	Design reports	Cardrona WS/WW design assumptions @16.5L/pax and 1.35 pax per m ²
Child-Care Centres	740	100m ² GFA		Previous policy based on historical special assessments

For the purpose of water supply and wastewater, QLDC retain the right to use the size of the lateral into a development for the purpose of a special assessment as shown below:

INTERNAL DIAMETER OF WATER CONNECTION (MM)	20	25	32	40	50	100	150
Dwelling equivalent – Water Supply (DE)	1.00	1.56	2.56	4.00	6.25	25.00	56.25
Water demand@ 1,500L/DE	1,500	2,340	3,840	6,000	9,375	37,500	84,375
Wastewater demand@ 10% loss/ consumption		2,106	3,456	5,400	8,438	33,750	75,938
Dwelling equivalent – Wastewater (DE) @1,000L/DE	1.00	2.10	3.50	5.40	8.40	33.80	75.90

If the dwelling equivalents under the lateral approach are greater than those calculate under the standard differential/GFA approach, then QLDC may levy the higher of the two.

3.5.5. Stormwater

Stormwater is based on the typical residential dwelling having 270m² of impermeable surface area.

Some sites within Council’s stormwater reticulated contributing area also have a requirement to install on-site stormwater systems. This requirement does not preclude the land owner from paying stormwater development contributions. The Council downstream network that development contributions recoup costs for have been designed and installed to cater for large storm events. Therefore, the stormwater contribution is in addition to any costs associated with any on-site development undertaken.

3.5.6. Transportation

LAND USE CATEGORY	DEMAND	VEHICLE MOVEMENTS PER DAY (VPD) PER...	SOURCE	ASSUMPTIONS
Residential	9	House	Abley design paper ³⁷	
Visitor Accommodation	3	stay unit	Abley design paper	Visitor Accommodation
Retirement Units	1.7/2.6	1br/ 2br		Previous policy based on historical special assessments
Industrial – dry	4	100m ² GFA	Abley design paper	Warehouses
Industrial - wet	9	100m ² GFA	Abley design paper	Industrial
General Commercial	18	100m ² GFA	Abley design paper	Commercial
Large Format Retail	12	100m ² GFA	Abley design paper	Commercial - retail up to 10,000m ²
Restaurant/Bar	18	100m ² GFA	Abley design paper	Commercial
Child-Care Centres	32	100m ² GFA		Previous policy based on historical special assessments

3.5.7. Reserves and Community Infrastructure

For Visitor Accommodation the same differential as Water Supply and Transportation has been applied; 0.33 DE per stay unit. These differentials are based on the number of people staying and the

frequency of vehicles movements, therefore they provide a good proxy for the demand created by visitors on these recreational assets.

³⁷ Trip Generation Research and Household Unit Equivalent Units, Abley, July 2020

3.6. RESERVE LAND CONTRIBUTIONS

3.6.1. A portion of development contributions paid to the Council is utilised for the provision of reserve land within the Queenstown Lakes District. It is Council's aim to have an adequate provision of accessible reserve land of high quality 'to provide a rich and diverse network of open spaces valued by the community and protected and enhanced for future generations'³⁸.

3.6.2. The reserve land contribution for each dwelling equivalent across the Whakatipu area has been assessed at 22.5m². This consists of:

- > 17.5m² Local & Community Park (charged as a cash and/or land contribution)
- > 5m² Premier Sportsground Park (charged as a cash contribution)

3.6.3. The reserve land contribution for each dwelling equivalent across the Wānaka area has been assessed at 17.5m². This consists of:

- > 17.5m² Local & Community Park (charged as a cash or land contribution)

3.6.4. Premier Sportsground Park Cash Contribution

All residential developments within the Whakatipu Area are required to contribute reserve land cash contributions equivalent to 5m² per DE for Premier Sportsground Parks. This value is shown within 3.3.3 *Schedule of Development Contributions*. The exception to this is Residential Flats.

Under Schedule 13 clause 1(2) of the LGA 2002, Council identifies the requirement for a Premier Sportsground Park within the Whakatipu Area that is outside of the period covered by the Long Term Plan. It is anticipated that this reserve will be purchased in years 11-12.

There is no requirement within the Wānaka area for Premier Sportsground Park cash contribution of 5m². Council has recently rezoned existing council administered land through the District Plan as Open Space and Recreation with the intent to develop this as

a Premier Sportsground Park. Therefore while there is the need to provide a new Premier Sportsground Park there is no need to acquire additional land.

3.6.5. Local/Community Park Reserve Contribution Requirement

For Residential Development (Residential, Multi-Unit Residential, Retirement Units)

(A) Local/community park reserve contributions are not required where sites:

- > are located within Areas A designated by the Parks and Reserves Contributing Area Maps (see supporting documents)

Note: There is sufficient provision of Local/Community Park Reserve Land in mapped Area A, therefore no charge is required.

(B) Local/Community Park reserve contributions are required where sites:

- > are located within Area B designated by the Parks and Reserves Contributing Area Maps (see supporting documents) and/or within Urban Growth Boundaries as defined by the District Plan

Note: Areas designated as Area B, have been identified as high growth areas where there is insufficient provision of Local/Community Park reserve land, therefore, a Development Contribution towards increasing this provision will be charged.

(C) Local/Community Park reserve contributions are required where sites:

- > are located within Area C (neither Area A or B and/or within Urban Growth Boundaries) designated by the Parks and Reserves Contributing Area Maps (see supporting documents); and
- > have residential development density <2000m²/DE post development

³⁸ <https://www.qldc.govt.nz/media/bdpmhqsj/item-3-attachment-a.pdf>

Rural Zone

Any lots that are zoned Rural are exempt from Local/Community Park reserve contributions should the lot remain zoned Rural post development and have a land area greater than or equal to 2000m². If any allotments within the Rural Zone, post development, have a land area less than 2000m², Local/Community Park reserve contributions are required (as detailed within Zones within Area C below). This is to ensure that adequate provision for Local/Community Parks are made in areas where there is potential demand on rural land for urban development.

This in no way suggests that any development will be approved in these areas – but provides Council with the adequate framework to collect contributions should any urban development occur in these areas.

Note that *some* zones below are specifically identified within Areas A and B. They are also listed below due to the evolving nature of the District Plan review and zone changes which may result in residential urban allotments outside of Areas A and B.

Zones within 'Area C' < 2000m²

Local/Community Parks reserve contributions **are** required.

- > Rural
- > Whakatipu Basin Rural Amenity Zone (new zone in the Whakatipu Basin that replaces the 'Rural' zone of the Operational District Plan (ODP))
- > Gibbston Character Zone
- > Rural Residential
- > Rural Lifestyle
- > Rural Visitor Zone
- > Large Lot Residential A

- > Large Lot Residential B (the min lot size is 4000m² – but it possible, though unlikely, that we will see subdivisions down to less than 2000m² on some of these sites due to 'unique circumstances')
- > Any other zone that is not listed above but results in allotments that have been subdivided for residential purposes with an area of less than 2000m². The requirement will also apply to sites that have not been subdivided but the density per residential unit is greater than one unit per 2000m².

3.6.6. Local/Community Park-Land Contribution

At the Council's discretion the reserves land contribution relating to Local/Community Parks can be either land or cash or a combination of both. Consultation with Council is required prior to an application for an outline development plan, a plan change, a resource or building consent being lodged. In some instances, Council may accept or require a contribution to the equivalent value in the form of land.

Approval in writing must be provided from Council as to whether cash or land or both are appropriate in any given case. For example, to allow reserve assets to vest in the Council through the subdivision consent process, where they are considered of a suitable standard in terms of the Council's reserve requirements, and credit them against the contributions required.

Land offered to the Council in lieu of cash development contributions for reserve land acquisition must be of a suitable standard, size and purpose to be accepted by the Council. This shall be at the discretion of the Council and must adhere to the QLDC Future Parks and Reserves Provision Plan 2021.

3.6.7. Local/Community Park-Cash Contribution

Where a cash contribution is required for Local/Community Parks, the value of the land shall fall into

Whakatipu Area: Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton, Arrowtown; Eastern Corridor & Southern Corridor; Glenorchy & Kingston; or

Wānaka Area: Wānaka; Hāwea & Albert Town; Luggate, Cardrona & Makarora. The average land values for these locations have been calculated as follows – values are GST exclusive:

Whakatipu Area:

- > Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton, Arrowtown \$1,152/m²
- > Eastern Corridor³⁹ & Southern Corridor⁴⁰ \$799/m²
- > Glenorchy & Kingston \$428/m²

Wānaka Area:

- > Wānaka & Albert Town \$933/m²
- > Luggate, Cardrona, Hāwea & Makarora \$683/m²

Note that where Local/Community Park reserve contributions are required outside of the valued areas in this section, the land value will be based on the valued area closest in distance to the development.

- 3.6.8. Maximum Development Contributions for Reserve Land Section 203 of the LGA 2002 prohibits Council from charging development contributions for reserves that exceed the greater of:
- > 7.5% of the value of the additional lots created by a subdivision; and
 - > The value equivalent of 20m² of land for each additional household unit or accommodation unit created by the development.

3.7. RESERVE IMPROVEMENT CONTRIBUTIONS

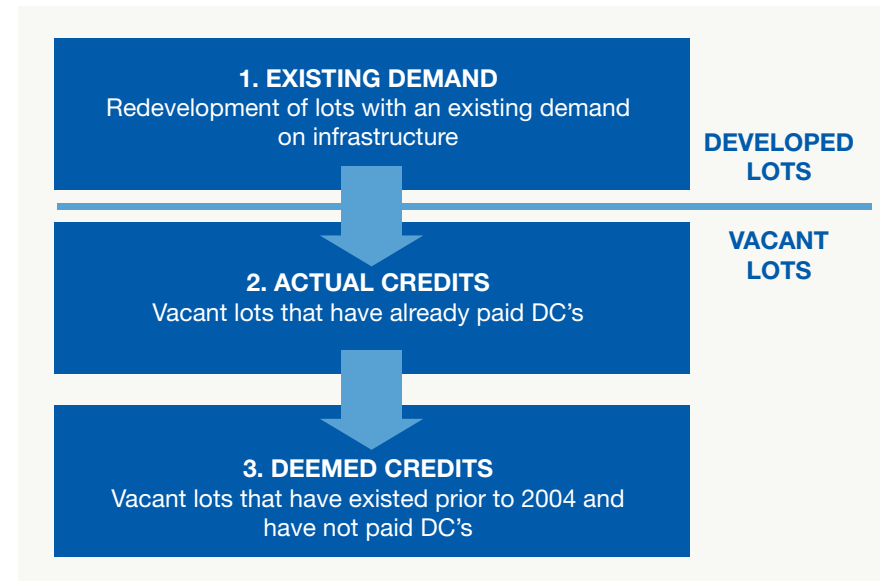
A portion of development contributions paid to the Council is utilised for the improvement of reserve land within the Queenstown Lakes District. In some instances, Council may accept or require a contribution to the equivalent value in the form of infrastructure. Agreement and approval in writing must be provided from Council in respect of any Reserve Improvement infrastructure being provided,

and evidence of expenditure for Reserve Improvements must be presented to Council to offset the development contributions levy for Reserve Improvements.

3.8. CREDITS

- 3.8.1. Considerations apply to all development contribution assessments:
- > The existing demand of any lot that is to be developed will be converted to a DE credit when assessing development contributions. Development contributions payable therefore are solely for additional demand created by the new development.
 - > Credits will be specific to the activity for which they were paid (i.e. a water supply credit will not be able to offset a wastewater contribution).
 - > Credits are to be site specific (not transferable) and non-refundable unless the refund provisions of the Act apply (see 3.10.1. Refunds).

3.8.2. Three credit types that may be applied:



³⁹ Shotover Country, Lake Hayes Estate, Bridesdale & Ladies Mile

⁴⁰ All land between the new Kawarau Bridge and Lakeside Estate including Coneburn, Jacks Point, Homestead Bay, Hanley Farm

Existing Credits: Redevelopment of lots with an existing demand on infrastructure.

Actual Credits: Vacant lots that have already paid development contributions.

Deemed Credits: Vacant lots that existed and had rights to develop prior to 1 July 2004 and have not paid DCs. Deemed credits do not apply to vacant lots where no right to build existed prior to 1 July 2004.

3.8.3. Deemed Credits

Residential: Deemed credits where applicable will be calculated as 1DE per residential vacant lots.

Non-Residential: Deemed credits where applicable will be calculated as per 2.2.1.2. *Non-residential development (includes Visitor Accommodation)* for non-residential vacant lots.

3.8.4. Amalgamated Credits

Any credits that are identified as a result of an amalgamation of individual titles will accrue on the new amalgamated title. These will lapse if not utilised within a period of three years.

3.9. REVIEW PROCESS

Developers are entitled under the LGA 2002 to request a reconsideration or lodge a formal objection if they believe Council has made a mistake in assessing the level of development contributions for their development.

3.9.1. Reconsideration

Reconsideration requests are a process that formally requires Council to reconsider its assessment of the development contributions for a development. A request for reconsideration can be made where the developer has grounds to believe that:

- > The development contribution was incorrectly calculated or assessed under the Policy; or

- > Council incorrectly applied the Policy; or
- > The information used to assess the development against the Policy, or the way that Council has recorded or used that information when requiring a development contribution, was incomplete or contained errors.

To seek a reconsideration, the developer must:

- > Lodge the reconsideration request within 10 working days of receiving the development contribution notice.
- > Use the reconsideration form (found on <https://www.qldc.govt.nz/do-it-online/submit-an-application/development-contribution-costs-request-for-reconsideration>) and supply any supporting information with the form.

Applications with insufficient information will be returned to the applicant, with a request for additional information.

Once Council has received all required information, the request will be considered by an appropriate Council officer. Notice of Council's decision will be available within 15 working days from the date on which Council receives all required relevant information relating to the request.

3.9.2. Objection

Objections are a more formal process that allow developers to seek a review of the Council's decision. A panel of up to three independent commissioners will consider the objection. The decision of the commissioners is binding on the developer and Council, although either party may seek a judicial review of the decision.

Objections may only be made on the grounds that Council has:

- > Failed to properly take into account features of the development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the District or parts of the District; or

- > Required a development contribution for community facilities not required by, or related to, the development, whether on its own or cumulatively with other developments; or
- > Required a development contribution in breach of section 200 of the LGA 2002; or
- > Incorrectly applied the Policy to the development.

Schedule 13A of the LGA 2002 sets out the objection process. To pursue an objection, the developer must:

- > Lodge the request for an objection within 15 working days of receiving the outcome of any request for a reconsideration by emailing development.contributions@qldc.govt.nz; and
- > Supply any supporting information within the email.

Objectors are liable for all costs incurred in the objection process including staff arranging and administering the process, commissioner's time, and other costs incurred by Council associated with any hearings such as room hire and associated expenses, as provided by section 150A of LGA 2002. However, objectors are not liable for the fees and allowances costs associated with any Council witnesses.

OTHER MATTERS

3.9.3 Refunds

Sections 209 and 210 of the LGA 2002 state the circumstances where development contributions must be refunded, or land returned. In summary, Council will refund development contributions paid if:

- > The resource consent:
 - o lapses under section 125 of the RMA 1991; or
 - o is surrendered under section 138 of the RMA 1991; or

- > The building consent lapses under section 52 of the Building Act 2004; or
- > The development or building in respect of which the resource consent or building consent was granted does not proceed; or
- > Council does not provide the reserve or network infrastructure for which the development contributions were required.

Council may retain any portion of a development contribution referred to above of a value equivalent to the costs incurred by the Council in relation to the development or building and its discontinuance.

Council may retain a portion of a development contribution (or land) refunded of a value equivalent to:

- > Any administrative and legal costs it has incurred in assessing, imposing, and refunding a development contribution or returning land for network infrastructure or community infrastructure development contributions.
- > Any administrative and legal costs it has incurred in refunding a development contribution or returning land for reserve development contributions.

3.9.4 Postponements

Postponement of development contribution payment will only be permitted at Council's discretion. Where payment is postponed, Council will require a Statutory Land Charge equal in value to the payment owed.

Part 4: Policy Details

4.1. CONTRIBUTING AREA DETERMINATION

4.1.1. Under the LGA 2002, Council has set charges based on geographical area. These grouping have been completed in a manner that balances practical and administrative efficiencies with considerations of fairness and equity.

4.1.2. The underlying approach groups development within each distinct 3-waters network/ scheme and uses a ward based approach for the transportation, reserve and community infrastructure contributions. This and any exceptions are summarised in the table below.

ACTIVITY	CONTRIBUTING AREA
Water supply	Grouped under the following distinct networks: Queenstown (includes, Quail Rise, Shotover Country, Lake Hayes, Frankton, Kelvin Heights) Southern Corridor Ladies Mile Arthurs Point Arrowtown Glenorchy Kingston Wānaka (includes Albert Town) Hāwea Luggate Cardrona
Wastewater	Queenstown (includes Frankton, Kelvin Heights, Arthurs Point, Quail Rise) Arrowtown * Ladies Mile * Southern Corridor * Shotover Country * Lakes Hayes * Kingston Wānaka (includes Albert Town and Luggate) Hāwea Cardrona
Stormwater	Queenstown Frankton Flats Arrowtown Glenorchy Kingston Ladies Mile Wānaka Hāwea Albert Town Luggate
Transportation	Whakatipu or Wānaka areas and the Eastern Access Road contributing area
Reserve improvements	Whakatipu or Wānaka areas
Community Infrastructure	
Reserve land	Whakatipu or Wānaka areas in locations where more reserve land is required – see Contributing Area Maps in Supporting Documents
Notes:	* These contributing areas are separated for wastewater as they have existing legacy funding agreements. They all pay an equitable portion of the Shotover Ponds treatments costs.

4.2. SIGNIFICANT ASSUMPTIONS

4.2.1. The Long Term Plan and the Policy rely on the same base data, the significant assumptions disclosed in Volume 2 of the LTP also apply to this Policy. Development contributions are based on capital expenditure budgets included in Council's asset management plans. The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. As better information becomes available the Policy will be updated, generally through the Annual Plan and Long Term Plan processes where applicable.

4.2.2. Methodology

Council has taken an approach to ensure that the cumulative effect of development is considered across each contributing area.

4.2.3. Planning horizons

A 30 year timeframe has been used as a basis for forecasting growth and growth related assets and programmes.

4.2.4. Projecting growth

The growth projections used for the 2024 LTP are summarised below:

- > Strong resident population growth, increasing to nearly 86,000 people by 2054.
- > Continued growth in the number of houses, increasing to over 42,000 houses by 2054. This is an overall increase of over 17,000 houses over 30 years.
- > The increase in visitor numbers takes the average day total population to nearly 125,000 people.

In addition to the residential growth there is also a forecast increase in business rating units and visitor accommodation developments.

4.2.5. Key risks / effects

There are two key risks associated with administering development contributions, and the resulting effects are:

- > That growth predictions do not eventuate, resulting in a change to the assumed rate of development. Council will continue to monitor the rate of growth and will update assumptions in the growth and funding predictions, as required.
- > That the time lag between expenditure incurred by Council and development contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increase in debt servicing costs. To guard against that occurrence, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models, as required.
- > In addition to the above demand projections there are some areas that may be developed over a longer time than 30 years, or may develop faster than projected. In some cases for long life infrastructure (e.g. pipes, mains) the funding has been spread over the full capacity of an area as informed by the District Plan and the Spatial Plan⁴¹.

4.3. CALCULATING THE DEVELOPMENT CONTRIBUTION CHARGES

4.3.1. The key concept of the approach is to define the total capital expenditure (capex – real \$s or 2024/2025 \$s) for growth consumed by the growth population over a period of time. This consumption of capex for growth is then apportioned among the increased number of household units of demand (dwelling equivalents) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the dwelling equivalent contribution.

⁴¹ <https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/>

- 4.3.2. The calculation method can be summarised by the following steps:
- STEP 1: Assess capital expenditure for growth on an asset by asset basis using financial reports (past expenditure) and projected expenditure.
- STEP 2: Apportion capital expenditure for growth by the growth population (DEs) over the design/capacity life of the asset, to assess the \$/unit of demand.
- STEP 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely – \$/unit of demand x the number units of demand.
- STEP 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$.
- STEP 5: Sum each year in the ten-year analysis period and divide by the growth population (new dwelling equivalents) projected over the analysis period to determine the dwelling equivalent contribution.

4.4. GROWTH COSTS

- 4.4.1. Capital expenditure may be attributable to one or more factors: growth, changes to levels of service, statutory requirements, or asset renewal. Under this Policy all projects have been assessed to calculate a fair, equitable and proportionate portion of Council's infrastructure costs that can be attributed to growth. The growth costs reflect the cost that Council has or will incur because of growth. The growth-related costs are solely those required to meet the additional demand created by the effects (including cumulative effects) of all development within a given contributing area. This includes capacity in all up and downstream areas of the network, and not just the capacity in the locality of a given development. For example, the growth costs include the capacity in the headwork's assets such as treatment plants and storage assets.

- 4.4.2. Projects that were/are completed solely to address the demands of, and the benefits to, development, are considered to be 100% growth. Projects that were/are solely to replace existing assets or change levels of service are considered to be 0% growth. Projects that benefit both the existing community and the future community are apportioned using the following formula:

$$\text{GROWTH \%} = \frac{\text{(DEMAND AT CAPACITY – DEMAND AT CONSTRUCTION)}}{\text{DEMAND AT CAPACITY}}$$

- 4.4.3. Where possible the demand has been quantified using first principles, e.g. traffic flow, litres used, impermeable surface area (ISA). This ensures that only a fair, equitable and proportionate portion of the total costs is passed onto the future community via development contributions.
- 4.4.4. This approach can be used on projects where growth is not the main driver. For example, an upgrade to a wastewater treatment plant may be a combination of both level of service change for the existing community and provision of capacity for the future community.

4.5. AVERAGE COST OF GROWTH

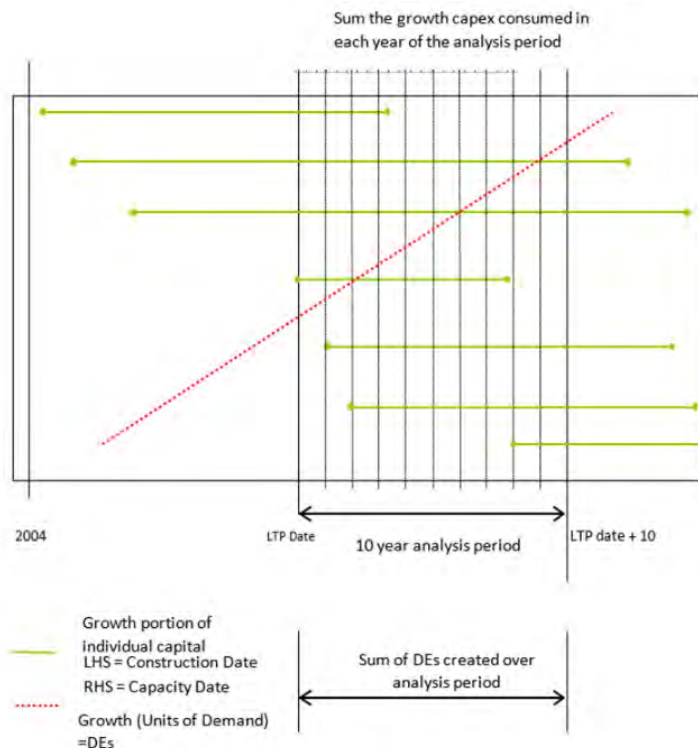
- 4.5.1. The development contributions are based on the long-term average cost of growth across a contributing area and reflect the average cost of infrastructure required to service new development for each activity. This includes those growth-related projects planned for in the future and also those growth-related projects that have already been completed.
- 4.5.2. The calculation method uses the capacity life of each asset to fairly apportion the growth costs across the capacity life of the asset created. This ensures that all developments that benefit from the growth-related capital expenditure contribute an equitable portion. This also ensures that the rate the capacity is consumed is considered in the calculation so that early and late developers do not pay an unfairly high proportion of the growth costs. This also means that not all growth costs incurred in the LTP period will be funded over that period.

4.5.3. The standard contribution (\$/DE) is based on the average cost of growth for each activity over a 10-year analysis period.

$$\text{STANDARD DEVELOPMENT CONTRIBUTION} = \frac{\$}{\text{DE}} = \frac{\text{SUM OF GROWTH COSTS CONSUMED IN ANALYSIS PERIOD}}{\text{SUM OF NEW DEs IN ANALYSIS PERIOD}}$$

This method is summarised in the following diagram:

Long run average cost of growth



4.5.4. Although the method uses a bottom up approach at the project level, the standard contribution reflects the average cost of growth for the overall activity. This is considered the fairest way to ensure all development in the contributing area pays a fair and equitable contribution to fund each activity and service growth over the long term.

4.5.5. For the purpose of the calculations, the design life of the longer life assets has been capped at 30 years. This design life is used in both the calculation of the growth portion and the consumption of the growth costs. This ensures that the interest costs of funding long life assets are not disproportionately high. The 30 years was chosen as it is consistent with Council's 30 Year Infrastructure Strategy. The exception is for some large reticulation assets where a design life of 50 years may be used.

4.6. INTEREST CONSIDERATIONS

4.6.1. Interest costs have been assessed based on 4.8% interest per annum, as adopted in the 2024 LTP. The interest component of the standard contribution is based on the weighted average cost of capital over the 10-year analysis window. The cumulative net deficit considering existing debt, future contributions and future growth related capital expenditure are used to determine the interest implications.

4.6.2. New schemes are sometimes funded under Private Development Agreements. In some cases a bespoke funding model may be used for new schemes where the infrastructure is provided by a combination of Council and private developers, e.g. Cardrona and Kingston.

4.7. FUNDING SUMMARY

The nature and level of expected capital expenditure required by Council and the proportion attributed to growth is shown in the following tables. A table is produced for each activity (asset type) which shows the growth capital expenditure for each geographical area where a contribution has been assessed.

For the schemes where infrastructure is being provisioned via a Private Development Agreement, some of the costs included in the development contributions (and summary tables) are for capital expenditure outside the 2024 Long Term Plan.

4.7.1. Disclosure Tables

WATER SUPPLY

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Queenstown	Total	97,940,016	194,601,104	24,486,522	56,456,114	13,928,596	2,683	\$5,192
	Reticulation	0	45,995,301	0	18,095,303	4,701,315	2,683	\$1,753
	Pump Station	0	6,531,392	0	2,587,832	618,912	2,683	\$231
	Unspecified Expenditure	636,600	1,070,823	0	0	0	2,683	\$0
	Storage	28,222,456	34,687,947	6,685,498	10,989,342	2,454,871	2,683	\$915
	New Scheme	0	1,666,082	0	1,014,899	102,020	2,683	\$38
	Intake	0	3,506,155	0	1,138,635	470,780	2,683	\$175
	Renewals	12,635,624	22,814,912	0	2,872	1,210	2,683	\$0
	Management	34,295,712	39,006,185	11,025,442	11,602,839	2,943,415	2,683	\$1,097
	Conveyance	0	87,026	0	0	0	2,683	\$0
	Emergency Conveyance	0	291,837	0	82,348	0	2,683	\$0
	Flow Metering	0	547,260	0	185,600	29,478	2,683	\$11
	Treatment Facility	19,553,888	33,255,886	6,001,772	9,565,871	2,266,194	2,683	\$845
	Asset Management System	0	1,225,221	0	251,886	55,710	2,683	\$21
	Forward Design	1,885,928	2,286,196	418,905	518,831	148,972	2,683	\$56
	Minor Works	709,809	840,336	354,905	378,115	114,797	2,683	\$43
	Investigations	0	417,413	0	41,741	20,922	2,683	\$8

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Arrowtown	Total	20,467,975	33,441,602	3,206,655	6,153,141	2,205,447	350	\$6,303
	Reticulation	0	2,723,868	0	792,376	97,316	350	\$278
	Pump Station	0	105,559	0	24,578	3,486	350	\$10
	Unspecified Expenditure	0	634,764	0	0	0	350	\$0
	Storage	9,999,901	12,867,291	999,990	1,746,018	555,093	350	\$1,586
	Intake	0	4,234,000	0	1,255,489	703,746	350	\$2,011
	Renewals	2,165,692	3,549,851	0	1,863	432	350	\$1
	Management	7,505,465	7,892,734	2,119,190	2,150,498	768,060	350	\$2,195
	Flow Metering	0	25,858	0	6,803	247	350	\$1
	Treatment Facility	430,342	845,266	0	59,623	33,747	350	\$96
	Asset Management System	0	162,811	0	20,725	0	350	\$0
	Forward Design	223,341	253,275	15,857	23,104	11,350	350	\$32
	Minor Works	143,235	146,280	71,618	72,063	31,970	350	\$91
	New Capital	0	44	0	0	0	350	\$0
Glenorchy	Total	4,874,137	13,532,277	1,637,585	5,148,812	2,561,806	177	\$14,494
	Reticulation	0	639,091	0	219,231	78,420	177	\$444
	Pump Station	0	127,091	0	55,340	11,352	177	\$64
	Unspecified Expenditure	0	210,592	0	0	0	177	\$0
	Storage	0	6,015,639	0	2,767,478	1,642,022	177	\$9,290
	New Scheme	0	364,296	0	140,184	71,793	177	\$406
	Intake	475,942	622,339	120,413	177,866	69,285	177	\$392
	Renewals	790,641	1,092,987	0	85	30	177	\$0
	Management	3,218,273	3,345,863	1,454,167	1,478,005	530,203	177	\$3,000
	Flow Metering	0	15,547	0	6,176	1,408	177	\$8
	Treatment Facility	231,722	844,607	0	209,820	120,446	177	\$681
	Asset Management System	0	22,116	0	5,583	0	177	\$0
	Forward Design	50,398	124,726	9,424	35,369	13,623	177	\$77
	Minor Works	107,161	107,383	53,581	53,677	23,223	177	\$131

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Arthurs Point	Total	10,950,552	16,767,168	3,085,446	6,308,060	1,317,107	369	\$3,568
	Reticulation	0	1,713,393	0	1,180,273	44,631	369	\$121
	Unspecified Expenditure	394,353	617,709	0	0	0	369	\$0
	Storage	8,168,689	8,170,827	2,337,879	2,338,910	815,389	369	\$2,209
	New Scheme	0	2,047,098	0	1,469,863	0	369	\$0
	Intake	0	381,214	0	140,659	51,715	369	\$140
	Renewals	0	496,143	0	0	0	369	\$0
	Management	1,864,862	1,952,272	677,942	704,972	226,056	369	\$612
	Flow Metering	0	5,794	0	0	0	369	\$0
	Treatment Facility	347,584	634,067	0	125,192	50,647	369	\$137
	Asset Management System	0	131,120	0	61,665	0	369	\$0
	Forward Design	61,538	87,707	12,861	21,359	9,948	369	\$27
	Minor Works	113,527	529,822	56,764	265,167	118,720	369	\$322
Ladies Mile	Total	43,728,981	50,574,396	33,184,319	35,818,307	8,611,049	786	\$10,958
	Storage	8,481,166	10,160,872	2,009,067	3,219,023	719,086	786	\$915
	New Scheme	29,371,652	29,645,104	29,371,652	29,463,696	7,090,242	786	\$9,023
	Intake	0	1,027,031	0	333,532	137,902	786	\$175
	Treatment Facility	5,876,163	9,741,389	1,803,600	2,802,056	663,819	786	\$845
Southern Corridor	Total	73,858,243	79,062,768	73,858,243	77,383,712	14,105,283	1,479	\$9,539
	Reticulation	0	4,827,842	0	3,148,786	1,079,121	1,479	\$730
	Pump Station	0	39,419	0	39,419	16,296	1,479	\$11
	Storage	0	337,265	0	337,265	123,893	1,479	\$84
	New Scheme	73,858,243	73,858,243	73,858,243	73,858,243	12,885,973	1,479	\$8,714

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Wānaka	Total	136,041,963	195,296,149	27,361,859	55,199,467	15,999,080	1,899	\$8,425
	Reticulation	383,336	21,475,431	175,951	8,707,373	2,833,265	1,899	\$1,492
	Pump Station	0	1,115,549	0	491,222	153,280	1,899	\$81
	Unspecified Expenditure	0	2,434,906	0	0	0	1,899	\$0
	Storage	60,123,108	81,075,326	88,294	16,810,642	5,361,459	1,899	\$2,823
	Intake	0	848,062	0	362,749	109,182	1,899	\$57
	Renewals	6,381,156	13,519,572	0	961	413	1,899	\$0
	Management	30,654,836	31,586,078	13,743,036	13,950,879	3,103,071	1,899	\$1,634
	Flow Metering	0	251,230	0	110,459	22,535	1,899	\$12
	Treatment Facility	36,952,059	40,656,381	12,744,812	13,879,774	4,221,788	1,899	\$2,223
	Asset Management System	0	249,034	0	84,494	0	1,899	\$0
	Forward Design	1,123,069	1,649,937	397,566	585,470	140,810	1,899	\$74
	Minor Works	424,400	434,638	212,200	215,409	53,264	1,899	\$28
	Investigations	0	4	0	35	13	1,899	\$0
Hāwea	Total	31,251,770	39,082,696	14,009,068	17,216,109	5,795,655	446	\$12,992
	Reticulation	1,135,892	3,672,718	572,717	2,031,637	677,723	446	\$1,519
	Pump Station	0	128,856	0	50,960	23,293	446	\$52
	Unspecified Expenditure	0	39,726	0	0	0	446	\$0
	Storage	23,708,323	24,021,296	11,854,161	12,009,491	3,914,060	446	\$8,774
	Intake	0	1,771,000	0	664,520	318,749	446	\$715
	Renewals	824,636	2,020,186	0	0	0	446	\$0
	Management	4,921,811	6,524,816	1,445,036	2,230,218	794,634	446	\$1,781
	Flow Metering	0	67,049	0	26,891	13,325	446	\$30
	Treatment Facility	347,584	415,130	0	25,783	3,875	446	\$9
	Asset Management System	0	3,869	0	1,124	0	446	\$0
	Forward Design	176,657	248,091	68,719	92,421	26,909	446	\$60
	Minor Works	136,869	169,959	68,435	83,062	23,087	446	\$52

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Luggate	Total	22,266,425	28,018,244	12,489,378	14,853,418	8,443,066	583	\$14,476
	Reticulation	0	28,558	0	15,890	9,476	583	\$16
	Pump Station	0	63,280	0	35,176	20,964	583	\$36
	Unspecified Expenditure	241,500	971,892	0	0	0	583	\$0
	Storage	0	611,837	0	362,041	217,611	583	\$373
	New Scheme	0	21,722	0	0	0	583	\$0
	Renewals	0	101,545	0	0	0	583	\$0
	Management	459,502	587,864	207,721	253,928	128,259	583	\$220
	Flow Metering	0	34,906	0	19,598	11,752	583	\$20
	Treatment Facility	21,413,169	25,173,385	12,207,798	13,958,331	8,001,657	583	\$13,719
	Asset Management System	0	60,216	0	17,587	0	583	\$0
	Forward Design	50,398	105,174	22,931	38,033	21,642	583	\$37
	Minor Works	101,856	102,181	50,928	50,974	26,561	583	\$46
	Investigations	0	155,684	0	101,860	5,144	583	\$9

Private Developer Agreement Schemes – Water Supply

Cardrona

Water Supply development contributions as per provisional private development agreement – 100% of costs to be funded through development contributions.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA	
Component	Capital Costs
WS Headworks (Intake, PS, Rising Main, Storage, Treatment)	\$21,256,418
Additional membranes and storage (Mid TWR)	\$814,615
WTP Upgrade	\$294,487
Additional storage (Low TWR)	\$1,875,348
Interest	\$12,000,946
WS Headworks Total	\$36,241,815
Pipeline from MCS to Cardrona Village	\$1,950,000
Interest	\$1,997,940
Pipeline Total	\$3,947,940

Kingston

Water Supply development contributions are as per the private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY KINGSTON	
Component	Capital Costs
Headworks	\$20,154,698
Conveyance	\$7,226,213
Interest *	\$5,377,772
Total	\$32,758,682
* KVL interest considerations only, further interest implications TBC	

WASTEWATER

WASTEWATER								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Queenstown	Total	195,997,023	347,874,709	51,025,403	98,184,412	34,261,148	3,175	\$10,792
	Investigations	4,624,986	5,255,791	1,122,027	1,294,062	371,926	3,175	\$117
	Management	1,515,704	11,178,856	252,131	3,370,733	223,713	3,175	\$70
	Minor Works	686,467	704,821	343,234	343,234	95,642	3,175	\$30
	New Scheme	0	554,622	0	554,622	0	3,175	\$0
	Pump Station	20,684,705	58,555,889	7,684,474	22,372,691	8,880,708	3,175	\$2,797
	Renewals	24,480,023	39,375,437	0	3,612	1,334	3,175	\$0
	Reticulation	71,730,150	120,443,194	28,811,789	47,346,807	15,814,273	3,175	\$4,981
	Storage	0	12,062	0	3,865	2,184	3,175	\$1
	Treatment Facility	72,274,989	111,794,038	12,811,749	22,894,787	8,871,368	3,175	\$2,794
Arrowtown	Total	19,288,873	35,967,139	2,452,320	5,863,855	1,608,854	362	\$4,441
	Investigations	7,236,860	7,309,608	704,727	709,025	133,308	362	\$368
	Management	482,231	1,370,182	201,268	351,444	86,532	362	\$239
	Minor Works	168,699	192,409	84,350	84,350	28,292	362	\$78
	Pump Station	3,153,632	5,143,983	0	195,109	24,497	362	\$68
	Renewals	0	1,478,025	0	15,927	0	362	\$0
	Reticulation	0	7,715,879	0	1,895,428	323,895	362	\$894
	Treatment Facility	8,247,451	12,757,054	1,461,976	2,612,572	1,012,331	362	\$2,794

WASTEWATER								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Lake Hayes	Total	6,509,388	15,325,395	490,905	4,308,556	312,075	54	\$5,763
	Management	3,946,993	4,080,729	192,786	253,985	22,292	54	\$412
	Minor Works	159,150	296,167	79,575	95,251	14,711	54	\$272
	Pump Station	0	552,095	0	380,762	55,900	54	\$1,032
	Renewals	0	268,461	0	0	0	54	\$0
	Reticulation	1,170,373	8,220,953	0	3,188,018	67,844	54	\$1,253
	Treatment Facility	1,232,871	1,906,990	218,544	390,541	151,328	54	\$2,794
Shotover Country	Total	6,062,808	7,043,032	411,742	521,437	137,584	35	\$3,983
	Management	3,946,993	3,946,993	192,786	192,786	25,780	35	\$746
	Minor Works	159,150	159,150	79,575	79,575	15,291	35	\$443
	Reticulation	1,170,373	1,720,662	0	0	0	35	\$0
	Treatment Facility	786,292	1,216,227	139,381	249,076	96,513	35	\$2,794
Ladies Mile	Total	47,213,367	57,141,243	32,534,344	35,041,603	9,278,350	784	\$11,839
	Reticulation	29,371,652	29,543,903	29,371,652	29,389,824	7,088,374	784	\$9,044
	Treatment Facility	17,841,716	27,597,340	3,162,693	5,651,779	2,189,975	784	\$2,794
Southern Corridor	Total	114,533,790	138,917,981	85,256,627	93,485,426	12,873,813	1,563	\$8,236
	New Scheme	76,056,387	76,056,387	76,056,387	76,056,387	5,810,264	1,563	\$3,717
	Pump Station	2,892,282	3,136,291	2,892,282	3,136,291	1,422,969	1,563	\$910
	Reticulation	0	4,682,689	0	3,020,332	1,272,697	1,563	\$814
	Treatment Facility	35,585,121	55,042,615	6,307,958	11,272,416	4,367,883	1,563	\$2,794

WASTEWATER								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Wānaka	Total	165,490,010	254,927,683	63,547,517	97,760,566	29,420,892	2,255	\$13,047
	Asset Management System	0	0	0	0	0	2,255	\$0
	Investigations	2,459,525	2,819,211	813,132	901,669	450,537	2,255	\$200
	Management	346,947	4,625,289	92,288	2,344,720	24,418	2,255	\$11
	Minor Works	697,077	755,843	348,539	348,539	92,024	2,255	\$41
	New Scheme	0	355,955	0	88,165	39,276	2,255	\$17
	Pump Station	39,159,735	43,262,480	17,764,688	20,463,292	7,767,614	2,255	\$3,445
	Renewals	17,581,948	23,814,949	0	6,614	3,507	2,255	\$2
	Reticulation	60,920,907	78,350,255	26,893,354	33,746,256	10,349,980	2,255	\$4,590
	Storage	0	765	0	282	135	2,255	\$0
	Treatment Facility	44,323,871	100,942,934	17,635,516	39,861,028	10,693,401	2,255	\$4,742
Hāwea	Total	51,224,473	67,472,982	18,493,091	25,178,805	9,223,173	452	\$20,395
	Asset Management System	0	0	0	0	0	452	\$0
	Investigations	275,333	378,977	100,281	132,265	43,684	452	\$97
	Management	37,135	281,695	9,878	124,635	2,866	452	\$6
	Minor Works	148,540	148,540	74,270	74,270	21,582	452	\$48
	New Scheme	0	0	0	0	0	452	\$0
	Pump Station	0	1,388,259	0	643,180	161,815	452	\$358
	Renewals	0	398,022	0	0	0	452	\$0
	Reticulation	41,874,487	44,633,779	14,771,929	16,210,482	6,848,706	452	\$15,144
	Storage	0	0	0	0	0	452	\$0
	Treatment Facility	8,888,979	20,243,710	3,536,734	7,993,973	2,144,520	452	\$4,742

Private Developer Agreement Schemes – Wastewater

Cardrona

Wastewater development contributions as per private development agreement – 100% of costs to be funded through development contributions.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WASTEWATER CARDRONA	
Component	Capital Costs
WWTP	\$15,379,000
Additional aeration to SBR and upsize reactor	\$192,090
S2 irrigation zone	\$573,661
Third SBR tank	\$1,884,647
Second headworks screen and grit removal system	\$423,829
Additional LTA and consent variation	\$168,357
Interest	\$7,368,033
WWTP Total	\$25,989,616
Pipeline from WWTP to Cardrona Village	\$4,259,000
Interest	\$3,631,632
Pipeline Total	\$7,890,632

Kingston

Wastewater development contributions are as per the private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WASTEWATER KINGSTON	
Component	Capital Costs
Headworks	\$36,477,072
Conveyance	\$7,337,926
Interest *	\$9,732,985
Total	\$53,547,983
* KVL interest considerations only, further interest implications TBC	

STORMWATER

STORMWATER								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Queenstown	Total	38,474,256	95,529,990	14,052,453	27,736,517	6,994,487	1,530	\$4,570
	Reticulation	5,698,375	53,567,123	2,318,687	13,935,261	4,511,143	1,530	\$2,948
	Investigations	0	263,069	0	72,314	0	1,530	\$0
	Minor Works	0	815,808	0	54,937	0	1,530	\$0
	Renewals	0	795,872	0	115,254	15,383	1,530	\$10
	Management	0	3,757,454	0	472,217	129,826	1,530	\$85
	New Scheme	0	1,873,203	0	798,461	12,233	1,530	\$8
	Stormwater Upgrades	32,775,882	33,907,799	11,733,766	12,149,088	2,323,298	1,530	\$1,518
	Asset Management System	0	471,954	0	107,289	0	1,530	\$0
	Treatment	0	77,708	0	31,696	2,604	1,530	\$2
Frankton Flats	Total	0	10,127,087	0	10,020,675	6,821,438	1,394	\$4,892
	Reticulation	0	10,127,087	0	10,020,675	6,821,438	1,394	\$4,892
Arrowtown	Total	0	1,922,623	0	425,587	5,376	187	\$29
	Reticulation	0	1,547,819	0	396,855	3,577	187	\$19
	Investigations	0	76,928	0	10,935	0	187	\$0
	Minor Works	0	117,337	0	0	0	187	\$0
	Renewals	0	153,142	0	12,302	756	187	\$4
	Stormwater Upgrades	0	27,397	0	5,494	1,043	187	\$6
Glenorchy	Total	0	522,128	0	232,561	2,185	110	\$20
	Reticulation	0	403,571	0	177,729	1,958	110	\$18
	Investigations	0	443	0	111	0	110	\$0
	Renewals	0	1,631	0	0	0	110	\$0
	New Scheme	0	114,519	0	54,157	0	110	\$0
	Stormwater Upgrades	0	1,963	0	564	227	110	\$2
Ladies Mile	Total	43,087,226	44,648,354	43,087,226	44,648,354	12,072,614	784	\$15,404
	New Scheme	43,087,226	44,648,354	43,087,226	44,648,354	12,072,614	784	\$15,404

STORMWATER								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Whakatipu Ward	Total	16,548,481	20,734,491	2,987,120	3,261,660	977,810	4,113	\$238
	Reticulation	0	15,108	0	0	0	4,113	\$0
	Investigations	4,190,950	5,091,576	1,336,701	1,595,707	489,351	4,113	\$119
	Minor Works	1,271,078	1,271,078	635,539	635,539	173,596	4,113	\$42
	Renewals	8,707,134	11,911,994	0	0	0	4,113	\$0
	Management	2,379,319	2,444,735	1,014,880	1,030,414	314,864	4,113	\$77
Wānaka	Total	47,083,858	64,300,750	29,955,816	38,687,774	9,833,139	1,815	\$5,417
	Reticulation	10,362,016	21,416,595	10,362,016	16,499,231	4,475,212	1,815	\$2,465
	Investigations	0	394,858	0	144,228	3,909	1,815	\$2
	Minor Works	5,003,247	5,672,365	5,003,247	5,379,625	2,360,058	1,815	\$1,300
	Renewals	0	387,123	0	137,521	10,725	1,815	\$6
	Management	0	830,604	0	192,794	19,830	1,815	\$11
	New Scheme	0	157,765	0	81,655	8,311	1,815	\$5
	Stormwater Upgrades	31,718,595	32,810,345	14,590,554	15,069,955	2,415,246	1,815	\$1,331
	Asset Management System	0	127,207	0	44,496	0	1,815	\$0
	Treatment	0	2,503,889	0	1,138,268	539,849	1,815	\$297
Hāwea	Total	0	846,790	0	389,879	6,109	444	\$14
	Reticulation	0	826,233	0	382,896	4,277	444	\$10
	Investigations	0	956	0	273	0	444	\$0
	Stormwater Upgrades	0	19,601	0	6,709	1,833	444	\$4
Albert Town	Total	0	924,766	0	433,153	462	39	\$12
	Reticulation	0	600,064	0	314,379	247	39	\$6
	Investigations	0	35,751	0	12,228	0	39	\$0
	Management	0	101,332	0	9,610	0	39	\$0
	New Scheme	0	175,572	0	92,228	0	39	\$0
	Stormwater Upgrades	0	12,047	0	4,709	215	39	\$5
Wānaka Ward	Total	9,356,657	11,344,252	1,752,727	1,983,175	566,427	2,530	\$224
	Investigations	3,299,710	3,933,483	1,217,593	1,448,040	423,362	2,530	\$167
	Minor Works	841,373	841,373	420,687	420,687	112,476	2,530	\$44
	Renewals	4,786,930	6,139,561	0	0	0	2,530	\$0
	Management	428,644	429,835	114,448	114,448	30,590	2,530	\$12

Private Developer Agreement Schemes - Stormwater

Kingston

Stormwater development contributions are as per private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – STORMWATER KINGSTON	
Component	Capital Costs
Headworks	\$0
Conveyance	\$16,610,134
Interest *	\$4,431,995
Total	\$21,042,128
*KVL interest considerations only, further interest implications TBC	

TRANSPORTATION

TRANSPORTATION								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Whakatipu	Total	247,040,611	787,892,818	49,956,713	107,767,817	33,486,390	6,395	\$5,237
	Advance property purchase	0	3,251,408	0	879,984	151,675	6,395	\$24
	Amenity Enhancement	0	244,265	0	0	0	6,395	\$0
	Associated improvements	0	5,379,429	0	449,395	114,695	6,395	\$18
	Carparking Facilities	0	407,689	0	122,307	59,543	6,395	\$9
	Cycle facilities	7,417,277	10,070,841	1,358,891	1,916,661	487,698	6,395	\$76
	Drainage renewals	4,526,791	10,709,852	598,894	1,270,954	304,149	6,395	\$48
	Emergency Works Contingency	0	427,223	0	0	0	6,395	\$0
	Environmental Renewals	539,760	543,625	89,924	89,924	23,696	6,395	\$4
	Kerb & Channel Construction	0	2,373,267	0	355,239	0	6,395	\$0
	Minor Improvements	23,350,741	51,162,386	3,890,234	6,104,617	1,842,535	6,395	\$288
	New roads	12,003,007	37,786,384	3,010,015	5,075,878	1,325,703	6,395	\$207
	New traffic management facilities	0	23,345	0	2,909	0	6,395	\$0
	Other Structures	0	31,938	0	3,194	0	6,395	\$0
	Parking Facilities	0	3,865,984	0	880,433	424,174	6,395	\$66
	Passenger transport infrastructure	15,186,839	17,533,961	4,412,603	4,595,152	613,788	6,395	\$96
	Pedestrian and Cycle facilities	0	12,094,798	0	878,413	0	6,395	\$0
	Pedestrian facilities	0	9,637,669	0	1,416,323	207,469	6,395	\$32
	Power Reticulation Undergrounding	0	1,492,362	0	0	0	6,395	\$0
	Preventive maintenance	1,080,696	2,438,384	121,794	141,946	37,720	6,395	\$6
	Property purchase (local roads)	0	324,267	0	133,164	32,958	6,395	\$5
	Replacement of bridges & other structures	2,076,000	3,662,048	0	116,896	24,832	6,395	\$4
	Road reconstruction	0	12,125,063	0	1,292,328	425,168	6,395	\$66
	Roading General	78,883,172	137,893,787	13,476,973	20,177,255	6,418,418	6,395	\$1,004
	Seal extension	0	20,580,087	0	3,456,635	34,873	6,395	\$5
	Sealed road pavement rehabilitation	13,469,397	75,532,261	2,247,514	8,256,046	2,447,959	6,395	\$383
	Sealed road resurfacing	26,666,220	68,810,263	3,005,283	6,786,831	1,408,258	6,395	\$220
	Street Furniture	0	150,830	0	1,510	0	6,395	\$0
	Streetlighting	0	2,845,498	0	267,747	75,778	6,395	\$12
	Structures component replacements	2,426,051	4,778,461	499,281	744,708	241,905	6,395	\$38
	Studies and strategies	11,752,170	17,120,957	2,879,282	3,732,169	382,897	6,395	\$60
	Town Centre Improvements	36,304,160	245,852,122	13,085,942	35,829,620	15,662,605	6,395	\$2,449
	Traffic services renewals	1,929,813	8,162,278	217,490	969,789	202,196	6,395	\$32
	Unsealed road metalling	9,428,517	20,580,089	1,062,594	1,819,791	535,698	6,395	\$84

TRANSPORTATION								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Wānaka	Total	104,792,458	246,174,064	18,659,234	39,937,691	9,103,929	3,887	\$2,342
	Amenity Enhancement	0	146,634	0	0	0	3,887	\$0
	Associated improvements	0	727,555	0	100,509	30,919	3,887	\$8
	Carparking Facilities	0	370,136	0	164,773	84,992	3,887	\$22
	Cycle facilities	5,594,440	6,428,524	1,178,749	1,345,008	91,248	3,887	\$23
	Demand management	342,540	372,347	0	1,951	0	3,887	\$0
	Drainage renewals	2,707,252	6,199,968	305,107	829,305	234,014	3,887	\$60
	Emergency Works Contingency	0	7,443	0	0	0	3,887	\$0
	Environmental Renewals	394,440	401,175	75,377	75,377	18,273	3,887	\$5
	Kerb & Channel Construction	0	2,606,640	0	202,923	0	3,887	\$0
	Minor Improvements	22,578,816	45,589,632	4,314,812	6,143,935	1,688,371	3,887	\$434
	New roads	0	832,025	0	373,706	96,976	3,887	\$25
	New traffic management facilities	0	2,324	0	270	0	3,887	\$0
	Parking Facilities	0	7,854	0	0	0	3,887	\$0
	Passenger transport infrastructure	0	134,938	0	12,751	4,965	3,887	\$1
	Pedestrian and Cycle facilities	0	95,462	0	6,730	0	3,887	\$0
	Pedestrian facilities	0	3,896,494	0	709,059	15,704	3,887	\$4
	Power Reticulation Undergrounding	0	1,697,962	0	0	0	3,887	\$0
	Preventive maintenance	314,284	426,102	35,420	42,553	13,772	3,887	\$4
	Property purchase (local roads)	0	46,683	0	22,692	8,835	3,887	\$2
	Replacement of bridges & other structures	0	2,379,525	0	167,757	34,148	3,887	\$9
	Road reconstruction	0	4,222,930	0	576,953	164,476	3,887	\$42
	Roading General	16,693,572	30,349,430	3,131,618	6,823,093	2,352,673	3,887	\$605
	Seal extension	0	10,101,159	0	3,317,707	444,344	3,887	\$114
	Seal extension - residential	0	7,313,577	0	2,577,351	406,266	3,887	\$105
	Sealed road pavement rehabilitation	6,718,734	13,359,581	1,291,785	2,043,619	624,983	3,887	\$161
	Sealed road resurfacing	15,756,840	52,273,970	2,084,630	6,191,458	1,478,282	3,887	\$380
	Street Furniture	0	81,594	0	8,159	1,992	3,887	\$1
	Streetlighting	4,411,002	6,815,100	1,632,071	1,772,853	346,819	3,887	\$89
	Structures component replacements	1,433,576	2,275,960	323,128	432,860	124,228	3,887	\$32
	Studies and strategies	20,127,709	21,888,228	3,394,964	3,525,231	233,458	3,887	\$60
	Town Centre Improvements	0	4,135,777	0	380,835	97,658	3,887	\$25
	Traffic services renewals	1,102,750	4,298,056	145,894	651,813	114,511	3,887	\$29
	Unsealed road metalling	6,616,503	16,689,278	745,680	1,436,456	392,022	3,887	\$101

TRANSPORTATION								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
District Wide	Total	8,074,983	49,041,540	1,482,442	3,712,509	1,046,771	10,282	\$102
	Associated improvements	0	695,355	0	3,953	1,582	10,282	\$0
	Carparking Facilities	1,557,000	1,557,000	311,400	311,400	68,837	10,282	\$7
	Drainage renewals	0	417,543	0	21,084	17,307	10,282	\$2
	Environmental Renewals	0	63,439	0	5,827	2,339	10,282	\$0
	Kerb & Channel Construction	0	12,002	0	1,800	0	10,282	\$0
	Minor Improvements	0	4,131,965	0	39,000	13,127	10,282	\$1
	Parking Facilities	0	221,159	0	53,408	20,546	10,282	\$2
	Preventive maintenance	0	480,086	0	0	0	10,282	\$0
	Replacement of bridges & other structures	0	683,192	0	0	0	10,282	\$0
	Road reconstruction	0	3,273,044	0	65,461	11,814	10,282	\$1
	Roading General	6,517,983	12,747,428	1,171,042	2,547,728	803,599	10,282	\$78
	Seal extension	0	7,159,572	0	347,091	0	10,282	\$0
	Sealed road pavement rehabilitation	0	10,573,535	0	168,680	50,479	10,282	\$5
	Sealed road resurfacing	0	5,704,260	0	96,921	25,706	10,282	\$3
	Structures component replacements	0	622,793	0	22,348	8,906	10,282	\$1
	Studies and strategies	0	42,062	0	601	0	10,282	\$0
	Traffic services renewals	0	657,105	0	27,208	22,529	10,282	\$2
Eastern Access Road	Total	0	17,219,869	0	7,900,834	5,374,535	5,597	\$960
	New roads	0	17,219,869	0	7,900,834	5,374,535	5,597	\$960
	Total	0	17,219,869	0	7,900,834	5,374,535	5,597	\$960

COMMUNITY INFRASTRUCTURE

COMMUNITY INFRASTRUCTURE								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Whakatipu	Total	130,166,581	243,810,219	46,497,584	81,185,686	14,816,006	4,277	\$3,464
	Buildings - Toilets	3,506,456	12,458,064	1,137,500	2,539,181	508,594	4,277	\$119
	Alpine Aqualand	5,310,098	38,372,040	0	18,329,431	3,910,218	4,277	\$914
	Health & Fitness Centre	0	9,991	0	0	0	4,277	\$0
	Waterways Facilities	3,456,900	6,826,029	0	662,327	119,578	4,277	\$28
	Halls - Arrowtown	1,314,755	2,587,002	0	159,669	26,027	4,277	\$6
	Council Land - Non-Reserve	0	3,228,444	0	1,660,473	0	4,277	\$0
	Holiday Parks	9,702,811	10,189,769	4,657,500	4,657,500	224,466	4,277	\$52
	Whakatipu Non-Reserve	15,809,100	40,061,033	7,620,000	8,778,688	1,443,430	4,277	\$338
	Council Offices	0	17,333	0	0	0	4,277	\$0
	Community Buildings	1,023,083	1,491,588	0	154,941	60,980	4,277	\$14
	Buildings - Housing	568,484	621,533	0	0	0	4,277	\$0
	Buildings - Heritage	313,761	1,749,615	0	23,317	12,839	4,277	\$3
	Events Centre	17,057,436	23,440,604	1,461,922	2,568,715	744,845	4,277	\$174
	Queenstown Memorial Centre	193,483	197,841	0	0	0	4,277	\$0
	Frankton Golf Course	670,867	1,279,993	0	0	0	4,277	\$0
	Halls - Lake Hayes Pavillion	440,753	1,138,075	0	152,685	5,230	4,277	\$1
	Halls - Glenorchy	160,143	310,519	0	0	0	4,277	\$0
	Rural Fire - District Wide	0	351,586	0	0	0	4,277	\$0
	Halls - Queenstown	196,650	6,772,754	0	2,766,016	553,628	4,277	\$129
	Halls - Events Centre	55,708,179	70,396,166	24,983,000	31,245,210	6,723,957	4,277	\$1,572
	Halls - Arts & Community Centre	0	842,871	0	125,383	49,319	4,277	\$12
	Halls - Wānaka Community Centre	349,605	349,605	0	0	0	4,277	\$0
	Community Development - Swimming Pools	8,925,776	10,230,492	4,000,000	4,078,767	184,737	4,277	\$43
	Libraries - Whakatipu	5,458,240	10,442,495	2,637,662	3,283,381	248,159	4,277	\$58
	Halls - Convention Centre	0	444,777	0	0	0	4,277	\$0

COMMUNITY INFRASTRUCTURE								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Wānaka	Total	40,128,664	112,807,330	11,649,001	36,563,429	7,598,529	2,562	\$2,966
	Buildings - Toilets	3,306,456	6,811,573	1,137,500	1,606,736	300,129	2,562	\$117
	Waterways Facilities	5,087,211	8,008,363	1,397,152	2,298,252	234,148	2,562	\$91
	Halls - Hāwea	265,653	526,878	0	23,102	5,944	2,562	\$2
	Holiday Parks	310,500	337,538	0	0	0	2,562	\$0
	Council Offices	0	60,466	0	0	0	2,562	\$0
	Wānaka Aquatic Centre	10,474,818	26,380,494	4,350,000	10,260,504	1,766,432	2,562	\$689
	Buildings - Housing	116,358	126,193	0	0	0	2,562	\$0
	Wānaka Non-Reserve	0	138,527	0	0	0	2,562	\$0
	Halls - Luggate	175,950	6,245,180	0	4,046	0	2,562	\$0
	Rural Fire - District Wide	355,781	560,352	0	0	0	2,562	\$0
	Halls - Arts & Community Centre	471,839	5,758,251	0	3,460,970	721,455	2,562	\$282
	Halls - Cardrona	88,888	363,306	0	136,226	39,573	2,562	\$15
	Halls - Wānaka Community Centre	2,367,654	13,249,763	0	6,029,170	1,465,465	2,562	\$572
	Community Development - Swimming Pools	0	1,294,473	0	346,873	87,796	2,562	\$34
	Libraries - Upper Clutha	4,078,757	8,548,188	648,000	1,178,663	53,198	2,562	\$21
	Halls - Wānaka Sports Facility	13,028,798	34,397,785	4,116,349	11,218,888	2,924,388	2,562	\$1,141
District Wide	Total	19,115,250	24,882,738	2,460,920	3,334,889	957,616	6,839	\$140
	Waterways Facilities	12,906,450	13,081,788	1,966,500	2,028,307	413,813	6,839	\$61
	Community Buildings	0	1,063,912	0	0	0	6,839	\$0
	Buildings - Housing	507,150	679,624	0	29,406	12,875	6,839	\$2
	Buildings - Heritage	196,650	196,650	0	0	0	6,839	\$0
	Rural Fire - District Wide	0	1,481,970	0	55,509	6,954	6,839	\$1
	Community Development - District Wide	0	923,973	0	554,943	76,633	6,839	\$11
	Libraries - Whakatipu	5,505,000	7,454,821	494,420	666,725	447,340	6,839	\$65

RESERVE IMPROVEMENTS

RESERVE IMPROVEMENTS								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent (\$/DE)
Whakatipu	Total	51,608,882	108,730,808	6,004,840	18,619,955	4,081,624	3,594	\$1,136
	Reserve upgrade	4,875,000	14,123,359	1,385,670	4,188,426	1,173,331	3,594	\$326
	Tracks and Trails	4,735,000	8,633,901	1,327,920	2,036,537	673,877	3,594	\$188
	Cemeteries	1,480,000	2,277,457	146,000	376,696	145,325	3,594	\$40
	Premier Park upgrade	5,000,000	15,036,787	1,509,000	4,496,383	1,222,305	3,594	\$340
	Sports field upgrade	2,550,500	5,447,412	0	616,059	233,790	3,594	\$65
	Playgrounds and equipment	3,600,000	6,335,260	809,250	1,128,305	262,336	3,594	\$73
	Camping	0	20,045	0	0	0	3,594	\$0
	Parks and Reserves	29,368,382	56,856,586	827,000	5,777,550	370,661	3,594	\$103
Wānaka	Total	40,667,828	78,016,022	11,625,740	24,289,757	4,812,011	2,201	\$2,186
	Reserve upgrade	1,400,000	6,015,007	517,300	2,325,206	305,333	2,201	\$139
	Tracks and Trails	1,800,000	3,640,301	0	411,512	110,364	2,201	\$50
	Cemeteries	1,020,000	1,531,096	104,000	269,032	67,454	2,201	\$31
	Premier Park upgrade	0	16,598,439	0	5,223,566	2,173,474	2,201	\$987
	Sports field upgrade	9,084,000	10,431,610	3,935,693	4,474,897	474,285	2,201	\$215
	Community centre land	0	2,628,029	0	1,889,818	140,816	2,201	\$64
	Playgrounds and equipment	3,262,764	5,646,857	1,556,461	1,997,836	517,740	2,201	\$235
	Camping	0	39,073	0	0	0	2,201	\$0
	Parks and Reserves	24,101,064	31,485,610	5,512,286	7,697,890	1,022,546	2,201	\$465
District Wide	Total	21,726,876	25,309,011	0	815,603	267,517	5,795	\$46
	Playgrounds and equipment	0	255,091	0	0	0	5,795	\$0
	Camping	412,629	3,739,673	0	815,603	267,517	5,795	\$46
	Parks and Reserves	21,314,247	21,314,247	0	0	0	5,795	\$0

RESERVE LAND

Local and Community Reserve Land

LOCAL AND COMMUNITY RESERVE LAND							
Project Summaries (GL Code Location)	10 Year Total Capital Cost (2024/25 \$)	Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2024/25 \$)	Capital Cost Funded by Growth (2024/25 \$)	Capital Cost Funded by Other Sources (2024/25 \$)	Percentage Attributable to Growth	Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period	Contribution Per Lot (2024/25 \$)
Whakatipu - Reserve Land							
Reserves	33,640,000	33,640,000	33,640,000	0	100%	2,081	17.5 m ²
Wānaka - Reserve Land							
Reserves	22,140,000	22,140,000	22,140,000	0	100%	1,519	17.5 m ²
Total - Reserve Land	55,780,000	55,780,000	55,780,000	0		3,600	

Premier Sports Reserve Land - Whakatipu

PREMIER SPORTS RESERVE LAND - WHAKATIPU		
Project Summaries (GL Code Location)	Total Capital Cost (2024/25 \$)	Contribution Per Lot (2024/25 \$)
Whakatipu - Reserve Land		
10 Hectares	\$10,000,000	\$500 (5m ²)

Introduction

QLDC's Financial Strategy is aimed at responding to the needs of our district today and into the future in a responsible and affordable way.

It is important Council continues to invest in its core infrastructure to ensure statutory compliance of three waters services and improve transportation outcomes for residents and visitors alike. As the proposed programme has been developed, Council has tried to balance the need to borrow with the aim of minimising rates increases, while continuing to invest in infrastructure and services on behalf of our communities.

If realised, the following outcomes should be achieved:

- >> Prioritised capital programme
 - o delivering the 'right' projects in order to achieve compliance with water supply and wastewater services within statutory deadlines
 - o delivering the 'right' projects ahead of growth so that development is supported in areas identified in the Spatial Plan
- >> Alternative funding methods – potential use of the Infrastructure Funding and Financing Act (IFFA) for new growth infrastructure is fully investigated over the next two years and is implemented if found appropriate
- >> Alternative funding methods – the use of Developer Agreements which require higher up-front payments from developers for new growth infrastructure, or for developers to provide trunk infrastructure in exchange for development contribution credits is fully investigated over the next two years and implemented if found to be appropriate
- >> Rates increases are minimised for the period whilst recognising the need to increase rates and other operating revenue to “balance the budget” and to maintain compliance with borrowing limits

- >> Debt levels are maintained within borrowing limits
- >> Debt levels at the end of the 10 year period have stabilised
- >> Excellent service continued to be provided within financial constraints.

Purpose

The Financial Strategy is a requirement of the Long Term Plan as per Section 101A of the Local Government Act 2002.

The purpose of the strategy is to:

- 1) facilitate prudent financial management by providing a guide for the local authority against which to consider proposals for funding and expenditure; and
- 2) provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt and investments.

The strategy also provides additional information to allow ratepayers to understand Council's overall financial position, and the main issues or factors that have a significant impact in this area.

Many of the elements of Council's financial strategy are included in the various funding and financial policies required under Section 102 of the Local Government Act 2002. As such this financial strategy will not attempt to replicate the detail contained within these policies, but rather will summarise the important principles.

Significant factors

There are several factors that are expected to have a significant impact on the district for the 2024-2034 period. Each of the factors is discussed in more detail in the following sections:

- >> Financial constraints – The impact of high inflation and significant cost escalation has increased both operational and capital expenditure budgets. This means the proposed budgets have been developed with an emphasis on getting the basics right, to ensure that:
 - o the impact on rates is kept to a minimum
 - o borrowing limits are not exceeded
 - o and user fees for services are set appropriately.
- >> Growth and changes in land use – We're growing faster than expected. Demand projections indicate this will continue at levels well above any other urban centre in Aotearoa New Zealand¹⁵. This puts pressure on existing services and infrastructure as well as traditional funding models which aren't well suited to enable growth infrastructure.
- >> Capital expenditure to maintain levels of service – a proportion of the capital programme is required for renewals of core infrastructure: roading; water supply; wastewater and stormwater.
- >> Capital expenditure to improve current levels of service – Central Government reforms in recent years have resulted (or will result) in obligations to deliver new services and infrastructure at a higher standard than in the past, and to upgrade existing services and infrastructure to meet these higher standards.

¹⁵ <https://www.qldc.govt.nz/community/population-and-demand/>

(A) FINANCIAL CONSTRAINTS

The impact of high inflation and significant cost escalation has increased both operational and capital expenditure budgets. This is a significant issue for the whole local government sector, with the cost escalation for capital work increasing by 30-50% over the past four years. Operating costs are also under significant upward pressure with continued high interest rates and inflation across the board impacting insurances; energy; labour and maintenance contract costs. The budgets within the proposed Long Term Plan have been developed with an emphasis on getting the basics right to ensure that the impact on rates is kept to a minimum and that borrowing limits are not exceeded and that user fees for services are set appropriately.

Finding an acceptable balance for the draft Long Term Plan 2024-2034 has proved extremely difficult as Council has had to work within the limits set on borrowing by the Local Government Funding Agency (LGFA) Te Pūtea Kāwanatanga ā-Rohe. The most challenging debt parameter to maintain is the debt to revenue ratio; which effectively limits Council's borrowing to 2.8 times its annual income. All Councils experiencing high growth in Aotearoa New Zealand are facing difficulties in this regard, as revenue needs to increase to keep pace with the increased borrowing required to provide expensive growth infrastructure. This puts significant upward pressure on rates and other council revenue. In this LTP, Council has attempted to balance increasing debt with increasing revenue including rates.

The table below and graph on the following page summarise some of the key financial metrics over the next 10 years.

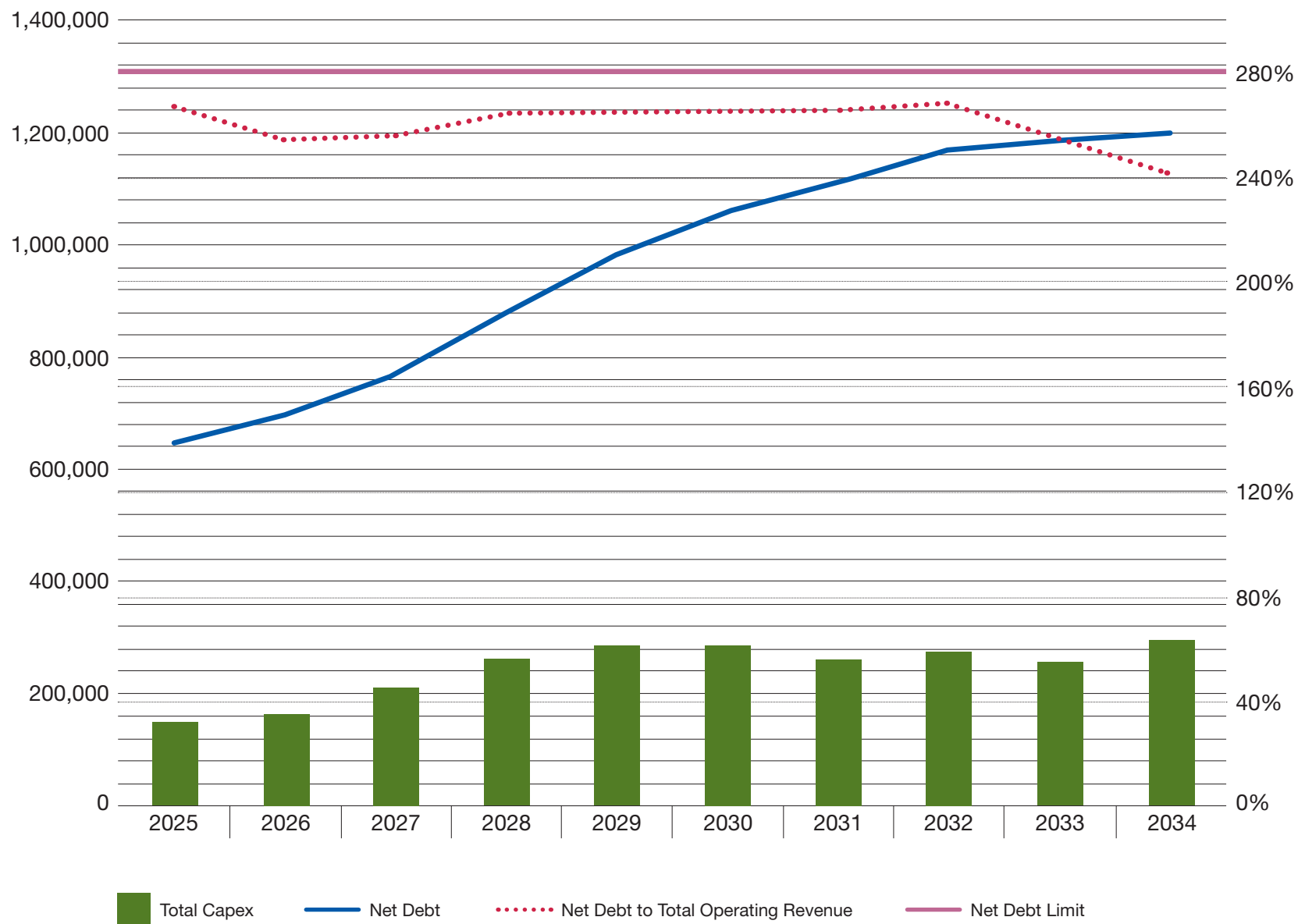
10 Year key financial metrics

10 Year Key Financial Metrics	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Debt	647.9M	697.6M	769.2M	881.3M	982.3M	1058.8 M	1110.8M	1168.3M	1185.7M	1198.4M
Net Debt to Total Operating Revenue	266.7%	253.8%	255.9%	264.3%	266.1%	265.6%	265.5%	268.4%	253.4%	241.2%
Headroom by Year	45M	72M	73M	53M	53M	58M	61M	51M	125M	193M
Total Capex	146.7M	163.7M	210.8M	261.0M	283.6M	284.2M	260.7M	274.5M	255.3M	295.9M
Rates Increase (after growth)	15.8%	12.9%	10.4%	9.1%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%

Capital expenditure over the next ten years is higher than previously forecast. It amounts to \$2.44B (2021: \$1.67B) which represents an increase of \$770M or 46% more than the 2021-2031 Long Term Plan. So, to deliver a draft plan with acceptable average rates increases whilst remaining within borrowing limits, this has meant a number of projects within the capital programme have been reprioritised to later or beyond this draft Long Term Plan.

The capital programme has been fully re-prioritised. Council has used its strategic framework and investment priorities to build a proposed capital investment programme for the district. The first two years of the capital programme focus on getting the basics right, with other strategic investments only being included in addition to these from year three. The first two years programme is made up of 'must do' projects; these are primarily core infrastructure projects to which council is committed or projects that must be done for compliance or risk mitigation reasons. This approach limits borrowing in the first two years to a minimum where pressure on rates is at its highest.

Debt increases steadily over the 10 year period from \$648M in 2024-2025 to \$1.19bn in 2033-2034. During this time, there are no debt limit breaches with the Debt to Revenue ratio staying in the range of 241.2% to 268.4%. The average over the 10 years is 260.1%. It is also important to provide an adequate amount of debt headroom to allow for unforeseen events. The debt headroom over the 10 Years ranges from \$45M to \$193M and averages \$78M.



Unfortunately, it is necessary for rates to increase significantly over the first five years of the plan. The average increase after growth for this period is 11.9%. These increases are required to cover increased operating expenditure described above, but also to increase the level of depreciation funding and increased rate funded debt servicing. It's important to note that the combined impact of increased interest costs and increased depreciation funding account for over half of the proposed rates increase for 2024-2025 (15.8%). Council is very aware of the pressure on household incomes and has mitigated the impact of higher rates increases by spreading them over successive years. Council has also strived to achieve savings in its budgets and has successfully reduced the proposed rates increase in the first year from over 19.5% down to 15.8%. The proposed increases for Years 6-10 are much lower and average 3.1% per annum after growth.

With the aim of taking the pressure off local rates, Council has advocated to Central Government for a visitor levy over the past 5 years. Unfortunately, after making significant progress with the previous Government, it appears that the new Coalition Government will not support the introduction of a visitor levy. This means that rates will continue to cover visitor related costs.

Council will, however, continue to investigate different financing tools for growth related infrastructure. This will include consideration of the Infrastructure Funding and Financing Act (IFFA), which allows new growth infrastructure to be delivered and financed without the debt showing on Council's balance sheet. Under the IFFA, the beneficiaries of the infrastructure are charged by way of an annual levy. Council will also look to make Developer Agreements which require higher up-front payments from developers towards growth servicing costs or for developers to provide trunk infrastructure in exchange for credits on future development contributions.

This means we have not been able to invest as extensively in our strategic priorities as we would like. Capital expenditure over the next ten years is much higher than previously forecast. It amounts to \$2.44B (2021: \$1.67B) which represents an increase of \$770M or 46% more than the 2021-2031 Long Term Plan.

Our ability to do more is constrained by:

Increased costs to deliver our services – Councils across the motu are facing increasing interest rates, high inflation, compliance costs and high demand. These costs are outside of Council control and are further affected by continuing high resident and visitor growth, which is funded by a small ratepayer base.

Workforce shortages – in recent years it has been challenging to secure the market capacity to deliver infrastructure projects on time due to workforce shortages. QLDC is a small organisation, with limited personnel available to plan and oversee the completion of projects.

Limited capital – capital availability has been significantly affected by the settlement of large building defect and weather tightness claims (often referred to as 'leaky buildings'), and the visitor levy sought in 2019 not being available. This means a higher-than-expected level of debt has been carried forward into this LTP and limits our ability to borrow.

Limited, unproven alternative funding tools. Our ability to support growth in resident and visitor numbers through rates alone is not sustainable. There are alternative funding tools available through the IFFA, but these are largely untested. The Government is planning on introducing more alternative funding tools, and a new National Infrastructure Agency to direct how these should be used. We will pursue these as they become available, so we can mitigate rates increases for residents as much as possible. We will continue to pursue a visitor levy for the district.

Capital Expenditure 2024-34 Significant Projects > \$5M (Inflated to Funding year \$'s)											
DESCRIPTION	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL 24-34
COMMUNITY SERVICES AND FACILITIES											
516 Ladies Mile Stage 1	-	-	5,236,500	-	-	-	-	-	-	-	5,236,500
Ballantyne Rd Site Remediation Works	-	-	-	-	-	5,717,241	-	-	-	-	5,717,241
Ballantyne Rd Sports Hub Stage 1	-	-	-	-	-	-	3,809,620	3,883,990	-	-	7,693,610
Ballantyne Rd Sports Hub Stage 2	-	-	-	-	-	-	-	751,291	1,531,354	7,801,272	10,083,917
Coronet Forest Revegetation	-	2,254,269	3,029,874	1,674,214	419,704	205,416	129,176	131,698	-	-	7,844,350
Jetty Refurbs & Replacements	-	-	-	1,383,795	1,413,810	1,731,038	2,059,754	2,099,963	2,445,912	-	11,134,271
Lakeview Development - Plaza	-	-	-	2,291,565	4,006,738	-	-	-	-	-	6,298,302
Lynch Block Cabin Removal & Site Works	-	-	-	-	-	-	-	-	642,052	5,887,522	6,529,574
QEC - Energy Upgrade	-	-	-	-	-	-	-	1,094,401	4,726,400	-	5,820,801
QEC Building Renewals	414,000	303,903	1,323,666	564,559	700,248	86,226	1,712,857	783,096	144,060	1,116,130	7,148,745
QEC Indoor Courts, Carpark, Sports Field	250,000	770,325	4,189,200	20,183,352	20,621,136	-	-	-	-	-	46,014,013
QEC Shared Clubrooms/Fitness Centre expansion	-	-	-	-	1,092,800	4,460,000	5,686,000	-	-	-	11,238,800
Queenstown Gardens Development	-	-	-	-	-	-	-	1,159,400	4,726,400	-	5,885,800
Southern Corridor Pool Planning	-	-	-	-	-	-	-	-	-	6,019,500	6,019,500
Wānaka Airport Upgrades	-	-	541,978	2,214,072	2,827,620	362,364	-	-	-	-	5,946,034
Wānaka Eely Point Jetty/Ramp	-	-	-	-	-	-	-	-	601,105	5,512,044	6,113,149
Wānaka Lakefront Development Plan Stg 4	-	-	-	-	-	-	-	579,700	2,245,040	2,889,360	5,714,100
Wānaka Pool extension	-	-	-	-	-	-	-	1,159,400	8,271,200	-	9,430,600
Wānaka Recreation Centre Masterplan	-	-	-	-	-	-	-	-	1,181,600	4,815,600	5,997,200
Wildfire Mitigation Programme	-	-	1,066,528	1,426,162	3,270,051	3,569,951	3,641,030	3,634,719	3,924,882	3,744,129	24,277,452
Balance of Projects less than \$5M	13,899,580	10,207,332	16,381,695	10,053,904	14,631,335	12,095,125	12,257,881	15,166,088	19,356,393	32,623,588	156,672,920
FINANCE & SUPPORT SERVICES											
Manawa Stage 1 (CAB)	-	-	-	-	2,307,338	4,708,422	18,008,131	28,199,507	7,435,572	-	60,658,970
Solar Energy Conversion	-	-	-	-	-	-	-	5,999,895	-	-	5,999,895
Strategic Land Acquisition	-	-	-	-	-	-	-	3,594,348	3,663,590	3,729,726	10,987,664
Balance of Projects less than \$5M	3,507,715	2,693,148	3,194,445	1,691,067	2,932,070	2,058,286	1,691,729	2,991,305	1,661,548	2,026,378	24,447,691
REGULATORY FUNCTIONS & SERVICES											
Balance of Projects less than \$5M	95,994	148,452	40,733	768,220	53,087	45,480	36,449	69,036	5,017	112,213	1,374,680
STORM WATER											
Kingston New Scheme (SW)	7,761,286	43,976	-	-	-	76,228	3,899,791	3,908,765	-	-	15,690,046
Ladies Mile New Scheme (SW)	-	-	457,543	1,879,465	3,375,022	14,822,437	15,166,273	14,477,308	-	-	50,178,048
Major Improvements - Upper Clutha (SW)	-	-	-	-	1,183,104	10,911,514	1,240,514	11,418,694	1,295,916	11,917,311	37,967,052
Major Improvements - Whakatipu (SW)	-	-	-	1,152,971	10,647,932	1,212,390	11,164,628	1,268,744	11,663,245	1,324,146	38,434,056
Renewals - Upper Clutha (SW)	369,456	386,662	982,788	982,362	910,087	423,655	433,483	190,853	233,473	396,061	5,308,881
Renewals - Whakatipu (SW)	837,723	620,847	1,385,772	1,376,710	1,527,201	672,205	940,226	735,305	729,894	929,540	9,755,422
Rockabilly Gully Erosion Protection (SW)	500,325	4,665,928	-	-	-	-	-	-	-	-	5,166,253
Stone Street Upgrades (SW)	-	-	1,100,342	10,169,800	-	-	-	-	-	-	11,270,143
Balance of Projects less than \$5M	2,359,678	1,827,314	6,229,048	1,485,629	1,374,268	1,716,152	1,368,806	1,363,033	1,834,383	1,461,087	21,019,398

Capital Expenditure 2024-34 Significant Projects > \$5M (Inflated to Funding year \$'s)											
DESCRIPTION	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL 24-34
TRANSPORT INCLUDING ROADING, PARKING & FOOTPATHS											
Active Travel LCLR - Upper Clutha (TR)	-	-	817,503	612,690	627,019	640,778	653,966	667,154	680,912	694,100	5,394,123
Active Travel LCLR - Whakatipu (TR)	-	-	599,502	612,690	627,019	640,778	653,966	667,154	680,912	694,100	5,176,122
Additional Street Lighting (TR)	-	-	-	-	1,816,726	-	-	3,221,686	-	-	5,038,412
Arterial Early Land Acquisition (TR)	-	-	-	-	-	-	-	1,116,026	3,417,124	6,966,612	11,499,761
Arterial Stage One (TR)	21,742,717	958,622	418,126	-	-	-	-	-	-	-	23,119,464
Arthurs Point Bridge Crossing (TR)	308,770	954,006	1,945,434	4,639,202	16,956,085	20,793,783	21,221,738	2,164,969	-	-	68,983,988
Drainage Renewals - Whakatipu (TR)	452,679	466,214	475,358	485,815	497,177	508,087	518,544	529,001	539,910	550,367	5,023,153
Hāwea Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Ladies Mile Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Minor Improvements - Upper Clutha (TR)	2,257,882	2,325,392	2,371,001	2,423,159	2,479,831	2,534,246	2,586,403	2,638,560	2,692,975	2,745,132	25,054,583
Minor Improvements - Whakatipu (TR)	2,335,074	2,404,893	2,452,061	2,506,002	2,564,612	2,620,887	2,674,827	2,728,768	2,785,043	2,838,983	25,911,150
PT Interchange - Land Acquisition (TR)	-	-	-	-	-	-	-	375,942	12,406,150	-	12,782,093
Public Transport Assets - Whakatipu (TR)	551,375	567,861	578,999	591,736	605,575	618,864	631,600	644,337	657,625	670,362	6,118,335
Public Transport Network Optimisation (TR)	-	-	109,000	334,194	342,011	466,020	594,515	1,091,706	1,114,220	1,135,800	5,187,467
Quail Rise to Hawthorne Link Road (TR)	-	-	-	140,514	719,002	5,143,456	1,349,823	-	-	-	7,352,796
Road 10 Formation (TR)	-	-	-	-	-	-	-	127,529	650,797	5,837,936	6,616,263
Sealed Road Rehabs - Wānaka (TR)	454,644	468,238	477,422	536,716	549,269	561,322	630,162	642,869	656,127	735,718	5,712,487
Sealed Road Rehabs - Whakatipu (TR)	1,132,458	1,166,318	1,189,194	1,336,889	1,368,156	1,398,178	1,569,649	1,601,302	1,634,326	1,832,577	14,229,049
Sealed Road Resurfacing - Wānaka (TR)	1,575,684	1,622,797	1,654,626	1,691,024	1,730,574	1,768,548	1,804,946	1,841,344	1,879,318	1,915,717	17,484,578
Sealed Road Resurfacing - Whakatipu (TR)	2,666,622	2,746,354	2,800,220	2,861,819	2,928,751	2,993,017	3,054,616	3,116,214	3,180,480	3,242,079	29,590,171
Southern Corridor Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Unsealed Road Metalling - Wānaka (TR)	661,650	681,434	694,799	710,083	726,691	742,636	757,920	773,205	789,150	804,434	7,342,002
Unsealed Road Metalling - Whakatipu (TR)	942,852	971,043	990,089	1,011,868	1,035,534	1,058,257	1,080,037	1,101,816	1,124,539	1,146,319	10,462,353
Wānaka Network Optimisation (TR)	-	-	-	-	-	-	326,505	1,332,356	6,799,165	8,663,562	17,121,588
Wānaka Primary Cycle Network (TR)	-	-	-	-	-	-	114,436	583,720	2,978,790	3,036,482	6,713,428
Balance of Projects less than \$5M	4,668,379	7,543,583	5,970,050	7,707,776	4,445,011	4,635,436	6,948,503	6,236,426	5,920,752	6,565,997	60,641,915
WASTE MANAGEMENT											
New Waste Facilities (WM)	1,480,598	6,136,782	19,653,085	28,357,969	16,567,889	4,244,504	-	-	-	-	76,440,827
Wānaka Waste Facilities (WM)	3,872,650	5,211,195	619,672	-	-	-	-	-	-	-	9,703,517
Balance of Projects less than \$5M	1,367,626	2,880,148	1,104,995	897,177	1,046,809	1,330,871	964,920	1,530,874	2,450,456	1,416,965	14,990,842

Capital Expenditure 2024-34 Significant Projects > \$5M (Inflated to Funding year \$'s)											
DESCRIPTION	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL 24-34
WASTEWATER											
Biosolids Disposal - Queenstown (WW)	-	-	-	-	-	112,596	460,830	3,534,873	4,814,104	3,074,358	11,996,760
Biosolids Disposal - Wānaka (WW)	-	-	-	-	-	62,626	256,314	1,966,102	2,677,612	1,709,962	6,672,616
Cardrona Scheme Upgrades (WW)	-	-	-	-	119,001	694,247	5,922,484	3,891,537	-	-	10,627,269
CBD to Frankton Conveyance (WW)	2,922,181	13,099,028	13,423,912	7,877,404	-	-	-	-	-	-	37,322,525
Conveyance Upgrade - Arrowtown (WW)	-	-	-	-	-	153,717	786,414	3,860,686	3,286,140	-	8,086,956
Conveyance Upgrade - Lake Hayes (WW)	-	-	-	-	-	153,717	786,414	3,860,686	3,286,140	-	8,086,956
Frankton Beach to Shotover Conveyance (WW)	304,509	631,065	2,910,227	9,962,027	13,629,843	6,285,258	-	-	-	-	33,722,930
Hawthorne Drive Capacity (WW)	-	-	-	115,435	592,261	5,340,913	-	-	-	-	6,048,609
Kingston New Scheme (WW)	1,111,928	12,443,236	8,884,306	-	-	405,060	1,657,824	-	-	15,117,560	39,619,914
Kingston Reticulation Extension (WW)	-	-	-	-	-	84,247	344,807	617,144	2,701,546	5,336,764	9,084,509
Ladies Mile New Scheme (WW)	-	-	311,898	1,281,191	2,300,681	10,104,142	10,338,528	9,868,875	-	-	34,205,315
LoS Performance - Wānaka (WW)	-	1,762,244	1,805,951	1,854,591	1,903,060	1,950,169	1,995,407	2,040,815	2,084,523	2,129,931	17,526,692
Luggate Reticulation Extension (WW)	-	-	-	-	-	116,913	598,126	3,058,685	2,374,386	-	6,148,111
North Wānaka Conveyance Stage 2 (WW)	306,040	7,927,965	7,799,611	-	-	-	-	-	-	-	16,033,616
Project Pure Aeration Grid Renewal (WW)	5,092,800	-	-	-	-	-	-	-	-	-	5,092,800
Project Pure Future Works (WW)	-	72,535	1,391,201	3,959,687	13,084,938	20,358,447	6,513,317	-	-	-	45,380,124
Project Shotover Future Works (WW)	-	-	-	285,184	4,974,830	854,933	1,305,453	11,903,367	629,026	2,410,230	22,363,022
Project Shotover Stage 3 (WW)	20,374,093	10,555,818	3,605,875	-	-	-	-	-	-	-	34,535,786
Remarkables Park Pump Station (WW)	-	-	-	-	168,941	865,616	7,794,120	-	-	-	8,828,677
Renewals - Queenstown (WW)	2,521,917	2,656,011	2,963,434	3,166,268	2,330,192	2,627,505	2,989,347	2,644,583	2,839,493	2,828,775	27,567,524
Renewals - Wānaka (WW)	895,367	1,061,281	1,080,403	1,225,129	1,269,560	3,842,955	3,993,578	2,789,575	2,802,469	1,278,508	20,238,825
Robins Road Conveyance (WW)	2,483,321	3,538,174	329,630	-	-	-	-	-	-	-	6,351,125
Shotover Disposal Field (WW)	350,821	3,271,689	5,215,520	26,779,943	27,479,832	14,482,324	-	-	-	-	77,580,130
Southern Corridor New Scheme (WW)	-	-	161,529	165,879	851,071	3,488,554	6,246,587	27,380,299	27,966,694	26,289,833	92,550,446
Southwest Wānaka Conveyance Scheme (WW)	472,208	2,446,507	10,028,744	12,358,616	-	-	-	-	-	-	25,306,075
Upper Clutha Conveyance Scheme (WW)	4,014,187	24,957,006	25,575,993	26,264,828	4,491,876	-	-	-	-	-	85,303,890
Balance of Projects less than \$5M	3,079,662	6,284,796	3,999,616	2,867,180	5,893,548	3,008,555	3,453,350	4,254,151	5,034,700	4,398,711	42,274,269

Capital Expenditure 2024-34 Significant Projects > \$5M (Inflated to Funding year \$'s)											
DESCRIPTION	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL 24-34
WATER SUPPLY											
Arrowtown Scheme Upgrades (WS)	-	-	212,378	436,196	671,393	5,733,443	4,458,496	-	-	-	11,511,906
Arthurs Pt Reservoir (WS)	-	-	-	178,159	914,076	4,683,518	3,642,043	-	-	-	9,417,796
Beacon Point Supply Upgrades (WS)	206,462	588,325	2,466,478	9,850,196	11,551,577	3,847,197	-	-	-	-	28,510,236
Compliance Response - UV Treatment (WS)	8,287,789	-	-	-	-	-	-	-	-	-	8,287,789
Demand Mgt - Queenstown (WS)	101,085	314,231	2,576,200	3,306,980	3,393,408	4,172,891	4,269,689	4,852,057	-	-	22,986,541
Demand Mgt - Wānaka (WS)	72,537	225,489	1,848,656	2,373,056	2,435,076	2,994,425	3,063,887	3,481,788	-	-	16,494,914
Filtration - Wānaka (WS)	58,355	544,207	5,577,046	-	-	-	-	-	-	-	6,179,608
Hāwea Scheme Upgrades (WS)	217,914	903,210	2,314,028	4,752,702	9,753,826	4,997,638	1,278,392	-	-	-	24,217,709
Historic Land Encroachments (WS)	-	-	-	-	-	-	141,639	579,449	14,056,638	-	14,777,726
Kingston New Scheme (WS)	9,379,078	4,077,670	-	325,720	3,046,678	-	-	-	399,962	3,678,067	20,907,173
Kingston Reticulation Extension (WS)	-	-	-	-	-	-	-	153,361	783,228	7,042,552	7,979,142
Ladies Mile New Scheme (WS)	-	-	267,139	1,097,335	1,970,524	8,654,158	8,854,908	8,452,652	-	-	29,296,716
LoS Performance - Queenstown (WS)	-	-	156,066	1,602,691	1,644,578	1,685,288	1,724,381	1,763,622	1,801,393	1,656,571	12,034,590
LoS Performance - Wānaka (WS)	-	182,594	1,871,231	1,921,628	1,971,850	2,020,661	2,067,535	2,114,584	2,159,872	1,986,229	16,296,184
Luggate Scheme Upgrades (WS)	-	198,274	812,768	6,259,930	4,282,355	5,485,452	3,367,619	1,148,084	-	-	21,554,481
Quail Rise Reservoir (WS)	-	-	-	266,274	2,459,096	11,199,863	11,459,666	2,930,111	-	-	28,315,009
Renewals - Queenstown (WS)	533,248	666,252	811,077	909,557	875,384	889,279	2,188,677	1,583,791	1,998,526	2,104,594	12,560,385
Renewals - Wānaka (WS)	443,355	565,437	550,663	779,936	673,396	872,441	708,967	710,153	890,833	1,093,214	7,288,393
Southern Corridor New Scheme (WS)	31,830	401,315	2,429,320	7,509,653	20,768,438	14,303,216	2,885,158	12,646,345	12,917,187	12,142,683	86,035,146
Two Mile Supply Upgrades (WS)	-	-	-	-	-	-	361,847	1,480,324	4,536,083	17,380,856	23,759,111
Wānaka Storage Upgrades (WS)	-	-	-	326,531	3,015,579	15,451,139	15,809,559	3,593,184	16,515,619	16,875,387	71,586,997
Balance of Projects less than \$5M	7,007,620	3,340,339	9,372,225	4,225,027	4,119,247	4,667,362	6,622,242	7,239,320	5,360,033	6,053,680	58,007,095
Grand Total	146,735,724	163,741,733	210,834,373	261,040,105	283,563,408	284,224,260	260,724,130	274,469,121	255,342,072	295,954,885	2,436,629,812

(B) GROWTH AND CHANGES IN LAND USE

The Council has completed detailed population projections for the district as part of the long term planning process. This information is updated annually and considers growth in ratepayers (usually resident), as well as visitors which contribute to peak day figures.

The growth in the usually resident population is assumed to occur in areas which can provide additional capacity based on proposed district plan zoning rules. The Council's dwelling capacity model and historic growth rates have been used to apportion the expected growth into each census area unit.²

The cost impacts of growth in population have been assessed for the next ten years. Just over 40% or \$975M (2021: 36%) of the total capital expenditure is required to provide infrastructure to meet the demands of future growth.

The 2024-2034 capital programme is very large but is fundable and deliverable with the continued assistance of our investment partners, particularly the Crown and NZTA. Over the ten years we have assumed \$222M of capital subsidies to be available primarily through the Crown or NZTA for improvements to transport infrastructure.

There is significant growth related capital investment planned for the following growth areas Ladies Mile (\$113.7M) and Southern Corridor (\$178.6M). Most of this investment is related to three waters and is planned from year 4 onwards which allows time for investigation of different financing tools for this growth-related infrastructure. This will include consideration of the IFFA, which allows new growth infrastructure to be delivered and financed without the debt showing on Council's balance sheet. Under the IFFA, the beneficiaries of the infrastructure are charged by way of an annual levy. Council will also look to make Developer Agreements which require higher up-front payments from developers towards growth servicing costs or for developers to provide trunk infrastructure in exchange for credits on future development contributions.

Other significant growth-related investment is going ahead at Kingston (\$77.6M) and in the Upper Clutha (\$275M) which includes Water Supply scheme upgrades at Hāwea and Luggate, and Beacon Point, Waste Water Cardrona Scheme upgrade, Stone Street Storm Water Supply upgrades, Upper Clutha and Southwest Wānaka Conveyance schemes, and Project Pure Future works. This also comprises mainly three waters infrastructure and is supported by Central Government through the Housing Infrastructure Fund (HIF) for Kingston and the Infrastructure Acceleration Fund (IAF) in the Upper Clutha.

The largest portion of capital expenditure due to increased growth is core infrastructure which totals \$863M (89%) and relates to the following activities in the Long Term Plan:

- > Roading \$142M
- > Storm water \$116M
- > Water supply \$245M
- > Wastewater \$360M

Growth related capex (excluding vested assets) vs development contributions

The Council is subject to debt constraints based on a proportion of revenue. This results in funding issues particularly when the timing of growth is uncertain. In time, most of this expenditure will be recovered from developers through the charging of development contributions, however in the interim a large proportion of this cost must be borrowed. In cases, where Council is unable to fund the construction of new infrastructure to support growth within optimal timeframes, Council will look to accelerate the delivery through the use of third party financing as provided for under new legislation IFFA or any other Alternative Financing tool.

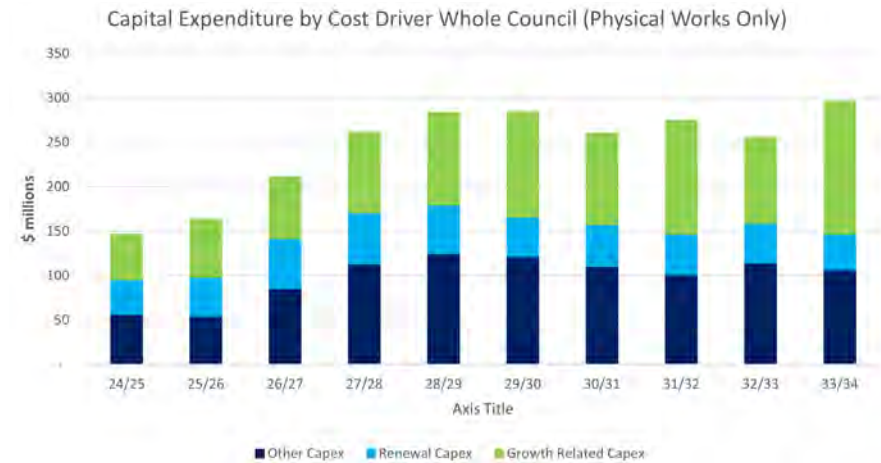
² The district-wide results used to inform the Long Term Plan are available here: <https://www.qldc.govt.nz/community/population-and-demand/>

The graph below shows growth related capital expenditure and forecast development contribution income:



Of the total capital cost of \$2.44B for the period, \$975M (40%) is required due to expected growth. Not included in this figure is \$336.2M of vested assets (infrastructure assets transferred to the Council through the subdivision approval process). Around 19% of the total capital expenditure is required to renew or replace existing assets and around 41% is required to provide increased levels of service.

In terms of operating expenditure, growth does have a direct impact on many expenses. As the population grows and more land is developed to accommodate the new arrivals, costs increase as there are more roads and footpaths to maintain or reserves to mow. It is estimated that growth accounts for approximately 2.2% of the increase in direct operating costs over the period. The total increase in direct operating costs is \$78.0M or 63% over the ten years.

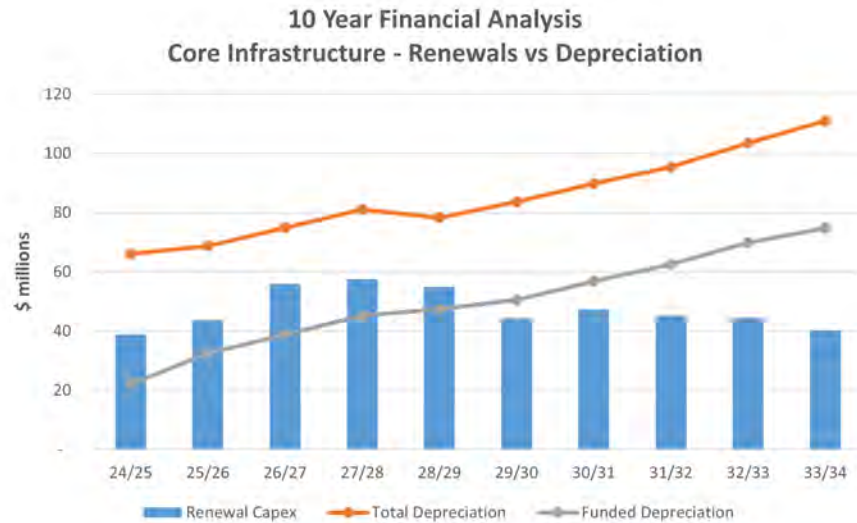


In periods of slow growth or where growth is less than forecast, it is recognised that development contribution income will not be sufficient to fund the full cost of servicing 'growth' loans. In these circumstances, Council will fund the shortfall by a combination of:

- > Additional internal loans (repayments funded by general rates);
- > Utilising the Housing Infrastructure Fund available via the central government; and
- > Utilising 'excess' depreciation funds (especially roading).

(C) CAPITAL EXPENDITURE TO MAINTAIN EXISTING LEVELS OF SERVICE

The cost impacts of renewing or replacing existing assets have been assessed for the next ten years. Of the total capital cost of \$2.44B for the period, \$473M (19%) is required due to renewals.



Most of the renewal expenditure is funded from rates or debt. The graph demonstrates that there is sufficient funded depreciation to meet the forecast renewal spend for core infrastructure (i.e. three waters and roading) with a significant increase in the proposed level of depreciation expense being provided for in the rates levied on properties in the district. The funding of depreciation is discussed further in Balancing the Budget on page 150.

The largest portion of renewal expenditure is providing for certain core infrastructure totalling \$276M. This is spread across the relevant core activities as follows:

- > Roading \$136M
- > Water supply \$33M
- > Wastewater \$91M
- > Stormwater \$15M

This amounts to 58% of the total renewal expenditure over the ten year period (\$269M).

(D) CAPITAL EXPENDITURE TO IMPROVE EXISTING LEVELS OF SERVICE

The cost impacts of capital expenditure to improve existing levels of service have been assessed for the next ten years. Of the total capital cost of \$2.44B for the period, \$989M (41%) is required for this purpose. It is not uncommon for a capital project to have a mixture of reasons for construction (known as cost drivers).

The largest portion of capital expenditure due to increased levels of service totals \$989M and relates to the following activities in the Long Term Plan:

- > Roading \$128M
- > Community \$128M
- > Water supply \$251M
- > Wastewater \$287M

This amounts to 87% of the total of \$989M for this category over the ten year period. The main projects in Community Facilities and Services which are providing levels of service are the Council Offices (\$60.6M), Wildfire Mitigation Project (\$24.3M) and Queenstown Events Centre Indoor Courts, Carpark & Sports Field (\$46.0M)

The water supply projects include proposals to Wānaka storage upgrades (\$71.6M), upgrades to Two Mile Supply (\$15.3M) and Beacon Point Supply (\$16.0M) and new Reservoir at Quail Rise (\$18.3M). The wastewater projects includes Project Shotover Stage 3, future works and disposal field works (\$105.3M), Upper Clutha Conveyance field (\$42.3M) and Project Pure Future works (\$24.5M) The roading projects total includes the Arthurs Point Bridge Crossing (\$30.3M), Network Optimisation for Wānaka's roading network (\$12.3M) and completion of Queenstown Arterial Stage 1 (\$10.6m) This also represents the portion of overall capital expenditure not attributable to growth or renewal. Often this reflects an improvement made to enhance the road or footpath, for example widening or improved surface.

BALANCING THE BUDGET

The Local Government Act 2002 (the Act) contains a requirement to balance the budget. Section 100 states:

- 1) A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.
- 2) Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to:
 - a) The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long term Council community plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
 - b) The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity to assets throughout their useful life.
 - c) The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.
 - d) The funding and financial policies adopted under section 102.

Council meets these requirements over the timeframe of the plan based on key assumptions around external funding sources. The forecast Statement of Financial Performance over the next ten years shows consistent operating surpluses, which demonstrates the Council is balancing its budget requirements though there is a minor breach of this requirement in 2024-2025.

Funding of depreciation

The funding of depreciation is an implied requirement of the "balanced budget" provision. It requires that Council fully fund all operating costs, including reductions in the useful life or quality of assets. The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructure assets. In instances where this occurred, current ratepayers were paying too little and leaving a major financial burden for future generations.

Council has provided adequately for asset renewal in recent years. A major effort has been made over the past decade or so to address deferred maintenance and the budgets have provided appropriately for the renewal of infrastructure. Council now has far more reliable asset information and a much better understanding of the life cycle of its assets. The Act provides a more flexible approach in the requirement to fully fund depreciation. This has allowed some flexibility which Council has taken advantage of in four key areas in preparing the Long Term Plan:

- i. Council needs to fund depreciation only on its share of roading expenditure. The component attributable to NZTA should not be funded as the NZTA subsidy funds this. Allowing for all subsidisable costs, 33% of roading depreciation will be funded in 2024-2025 (2021-2022 - 32%). This increases to around 49% by year 10. There is no impact on current levels of service from this approach, as the cash collected over the 10 years will fully fund the local share of renewal programmes.
- ii. Depreciation on community facilities may not need to be funded as they are often funded by non-Council sources and are not expected to be replaced in the same form at the end of their useful life. Depreciation on buildings such as halls, libraries, and other facilities (including the Queenstown Events Centre and Wānaka Recreation Centre) will therefore not be funded.
- iii. Council accepts that it is unreasonable to fund depreciation where a community has funded a water or sewerage scheme by lump sum contributions or loan charges as that community ends up paying twice – for loan charges and depreciation.
- iv. As we have generally maintained the value of our infrastructure, Council will use funded depreciation to finance renewal projects and repay loans. It will not be used to fund new assets or asset improvements. The impact of the above approach has led to the following depreciation amounts not being funded:

	Total Depreciation 2024-2025	Depreciation not funded 2024-2025	Funded %	Total Depreciation 2033-2034	Depreciation not funded 2033-2034	Funded %
Roading	24,500	16,388	33%	30,267	15,312	49%
Wastewater	13,570	10,300	24%	25,308	4,196	83%
Water Supply	9,463	5,812	39%	17,576	3,885	78%
Stormwater	8,944	6,334	29%	12,141	1,821	85%
Community/Other	9,534	5,015	47%	25,626	10,980	43%
Total	66,012	43,849	34%	110,917	36,194	67%

In order to remain within its borrowing limits, it is necessary to progressively increase the funding of depreciation expense through the draft 2024-2034 Long Term Plan. In the first year (2025) there is a significant 19% increase in depreciation expense which is primarily due to increased revaluations of roading and water asset values. Although the gross increase is \$10.5M, the rates impact is limited to the amount of depreciation funded. This represents a \$5.2M increase to \$22.2M, which represents a 3.8% rates impact. The overall funded depreciation increases to 33.6%, which represents a minimum acceptable amount to fund currently planned renewals programmes.

QLDC has historically funded up to 50% of depreciation expense in order to provide adequate budgets for asset renewals. The large increase in infrastructure asset values over the past five years as well as the large capital programme has seen the funded percentage drop to 30.6% in 2023-2024. We have determined that we need to increase the funded percentage to 47% by 2025-2026 and to 67% by 2033-2034 to fund the various renewal programmes required over the next ten years. This strategy allows us to progressively increase the funded amount which avoids a large spike in rates required in a single year.

Revenue & Financing Policy

Section 103 of the Act outlines that the revenue and financing policy must state Council's policies in respect of the funding of both operating expenses and capital expenditure.

FUNDING SOURCES – OPERATIONAL EXPENDITURE

The 'revenue' part of the title 'revenue and financing policy' relates to funding of operating expenditure. The following sources of income are recognised by the Council:

1. Rates

A number of the Council activities are funded by a combination of revenue types. Council practice is to initially account for income from fees and charges, grants and subsidies or other income sources. If the activity still requires additional funding, the remaining balance is usually funded by way of a rate which is applied to relevant properties within the district.

The council uses a capital value rating system across the district. Capital value is preferred to land value as Council believes that it generally provides a better method for the fair allocation of cost for the council services. Rates are generally used where it is economically impractical to use fees and charges.

There are two classification types for rates:

- > General rates - include uniform annual general charge (UAGC) and capital valued based rate.

- > Targeted rates - include capital valued based roading rate, tourism promotion rate, governance rate, recreation and events rate, regulatory rate, water supply rate and stormwater rate; fixed annual charges for sewerage, water supply, waste management, recreation and events, governance and regulatory, Queenstown aquatic centre, Wānaka aquatic centre and sports, halls and libraries; and proposed capital value based transport improvements rate.

Generally, the policy indicates that where a private benefit exists, the cost of this should be recovered by user fees or a targeted rate. The cost of public benefits is usually general rate funded, with the capital value rate used to fund 'property' related activities and the UAGC used to fund 'people' related activities.

2. Fees and Charges

There is a wide range of revenue in this category. Generally, the Council will look to user fees and charges to recover the 'private benefit' costs of a particular activity if it is economically viable to do so.

3. Grants and Subsidies

Some of the Council activities qualify for a grant or subsidy from the Crown. In particular, the Council receives a subsidy from NZTA for qualifying roading expenditure. Other smaller grants are also received from the Crown, e.g. Creative NZ.

4. Interest and Dividends from investments

Interest income is recognised from all investment sources but is very minor. The majority of investment income is used to offset rates. Council receives a regular dividend from Queenstown Airport Corporation (QAC) via its 75.01% ownership stake. It is proposed to continue to utilise forecast dividends from QAC to repay generally funded debt.

5. Other Sources of Income

Other sources of income include parking infringement fines, petrol tax, rates penalties and concession income. Council is open to considering all alternative funding options/tools that may become available. This is a catch-all classification and the income is treated in the same way as fees and charges.

FUNDING SOURCES - CAPITAL EXPENDITURE

Funding to pay for new assets will come from a mix of borrowing, development contributions, grants and subsidies, capital revenue, reserves and asset sales. Generally the costs of new assets will not be met from rates; however a portion of the costs of servicing loans will be funded by rates.

Funding for new capital works will depend on the nature of the work, in particular the reasons (cost drivers) which have made the work necessary. There are three main cost drivers recognised by the Council:

- > Growth
- > Renewal
- > Level of service shift

Capital expenditure due to growth

The Queenstown Lakes District has experienced significant growth in its resident population, visitors, housing and commercial development and the local economy. This growth generates high levels of subdivision and development activity which places increasing pressure on the assets and services provided by the Council. Significant investment in additional assets and services is therefore required to meet the demands of growth. Council intends to fund the portion of capital expenditure that is attributable to growth

from development contributions wherever it is reasonable to do so. In cases, where Council is unable to fund the construction of new infrastructure to support growth within optimal timeframes, Council will look to accelerate the delivery through the use of third party financing as provided for under new IFFA legislation.

Council considers that development contributions are the best mechanism available to ensure the cost of growth (net of any external funding) is funded by those who have created the need for that cost. Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth. Council has adopted a policy on Development Contributions (DC Policy) as part of the Long Term Plan since 2004. This is updated on a three yearly basis.

Types of assets included in the DC Policy are:

- > Network infrastructure for water supplies, wastewater, stormwater and roading; and
- > Community infrastructure including the development and acquisition of reserve land to use as reserve, and facilities needed on that reserve, along with other public amenities such as halls, libraries, public toilets, parking facilities.

Funding sources for growth capital expenditure in order of priority:

- i. Vested assets
- ii. Development contributions or where appropriate IFFA
- iii. Capital grants and subsidies attributable to growth portion
- iv. Borrowing

Capital expenditure due to renewals

Renewal works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has depreciated. Therefore, by using depreciation funds, the council will be maintaining infrastructural networks to at least their existing service level. The funding of depreciation is an implied requirement of the 'balanced budget' provision of the Act (see above). It requires that the Council fully fund all operating costs.

Funding sources for renewal capital expenditure in order of priority:

- i. Depreciation reserves or where appropriate IFFA
- ii. Borrowing
- iii. Rates

Capital expenditure due to shifts in levels of service, statutory requirements or other reasons, but not including growth or renewals

The cost driver for some of the capital works within the Queenstown Lakes District relates to increasing levels of service for the community. Sometimes these improvements to levels of service are required because of changes to legislation or resource consent conditions, which means that there is often little discretion with regard to the decision. An example of this would be the requirement to provide additional water treatment facilities as a result of the introduction of new Water Treatment Standards.

In other cases, the increase in level of service is a community driven decision. An example of this would be the construction of Aquatic Centres. The Council's approach to funding for this type of capital expenditure is to apply for grants from national and local funding organisations initially and to apply the proceeds of land sales from the Commonage in Queenstown or Scurr Heights in Wānaka.

Funding from the Commonage in Queenstown is restricted by statute to be applied for the benefit of the Old Queenstown Borough for the purposes of water and sewerage upgrades. Proceeds from Scurr Heights land in Wānaka is restricted for use to the Wānaka-Upper Clutha ward and can be applied to a variety of infrastructure purposes including water, wastewater, roading or community (recreational) purposes.

Funding sources for other capital expenditure in order of priority:

- i. Capital grants and subsidies or where appropriate IFFA
- ii. Capital revenues and asset sale proceeds
- iii. Capital reserves
- iv. Borrowing
- v. Rates

Quantified limits on borrowing

In order to deliver the substantial capital programme included in this plan, the Council will need to rely on borrowing. The amount of borrowing required is significantly above the amount anticipated in the 2021 plan. Council has maintained a credit rating of AA- which will facilitate a higher borrowing limit and has spent a considerable amount of time and effort working through the capital programme to ensure that it is affordable, necessary, and deliverable.

This has meant that a number of projects have been deferred or omitted because of funding and financing constraints. It is expected that by the end of year five, external debt will have risen to \$1.0B and by the end of the ten year period it will peak at \$1.19B (2021: \$732M).

The growth portion of the capital programme (some \$975M) will be largely funded by development contributions (DCs) in the long run, but must be funded primarily by debt in the first instance. This allows for the Council to spread the cost of large infrastructure projects over the expected life of the asset. Using debt in this way means that future residents and ratepayers contribute a fair share to the use they make of a facility. The downside of this approach is that Council has no certainty as to when the development will take place and may have to carry large portions of growth-related debt for considerable periods. This means that it is difficult for Council to stay within its debt parameters set by its major lender the Local Government Funding Agency (LGFA).

The most challenging debt parameter to maintain is the debt to revenue ratio; which effectively limits the council's borrowing to 2.8 times its annual income. All councils experiencing high growth in NZ are facing difficulties in this regard, as revenue needs to increase to keep pace with the increased borrowing required to provide expensive growth infrastructure. This puts significant upward pressure on rates and other Council revenue. In this LTP, Council has attempted to balance increasing debt with increasing revenue including rates.

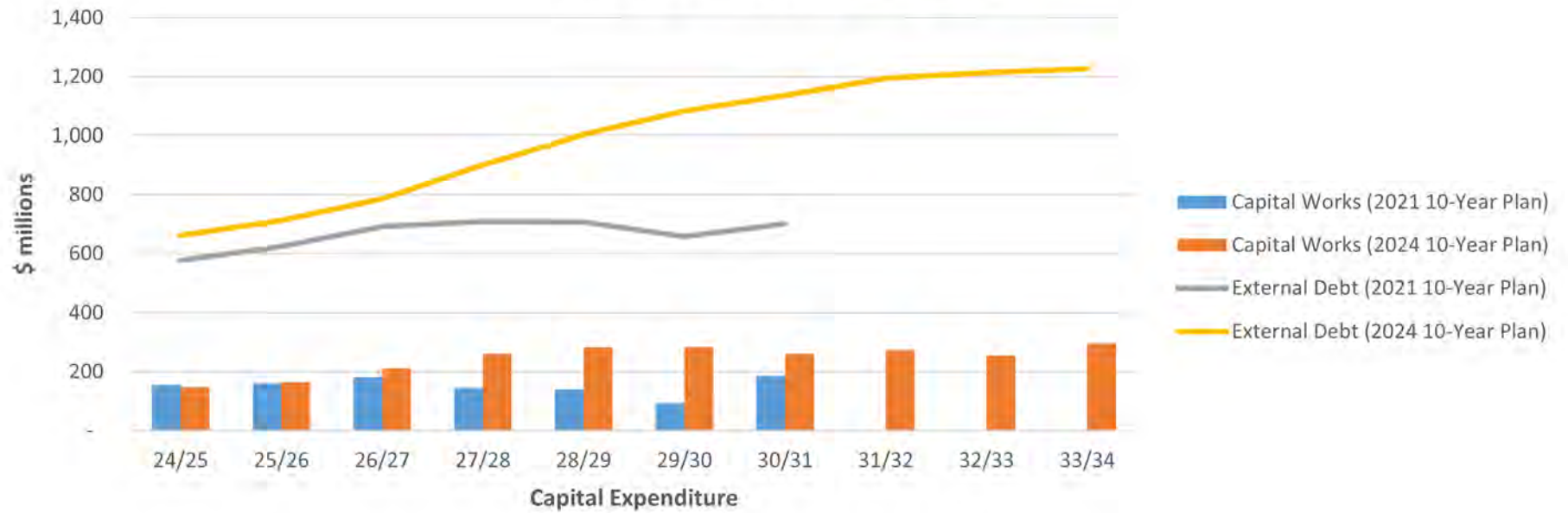
The proposed level of borrowing is within the debt parameters in the Council's Liability Management Policy. The borrowing limits were increased as a result of a change to debt covenants for borrowers with the LGFA. This was introduced to recognise the changed economic environment as a result of COVID-19.

LGFA Borrowing Limits (%)	Actual 2022/23	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2033/34
Interest Expense/Rates < 30%	17.50%	18.81%	15.99%	15.25%	14.12%
Interest Expense/Total Revenue < 20%	8.80%	11.46%	10.09%	10.05%	10.13%
Net Debt/Total Revenue < 280%*	253.4%	261.0%	248.7%	250.3%	230.2%
*Limit was increased to 300% for 2021/22; 295% for 2022/23; 290% for 2023/24; 285% for 2024/25; & 280% thereafter					

The Council is within all of the debt parameters, which means that the affordability of the Long Term Plan can be demonstrated. Council is within all of the debt limits provided by the LGFA for the full ten years; this is important because compliance with these limits is an important requirement for continued financing. The debt ratios show that debt headroom increases from an average of \$63M over the first 3 years to \$193M in year 10.

The following graph shows a comparison of the 2024-2034 Long Term Plan to the 2021-2031 Long Term Plan for capital works and external debt over the ten years. The increase in the debt position at the end of the period is \$497M.

10 Year Financial Analysis External Debt vs Capital Works



Security for borrowing

Council generally does not offer assets other than a charge over rates or rate revenue as security for general borrowing. This is achieved through a debenture trust deed which is a legal mechanism that provides assurance to lenders and is administered by an independent trustee.

Quantified limits on rates

Operating expenditure (excluding interest and depreciation) is shown to increase over the ten year period by an average of 3.9% (2021: 4.7%) per annum. The forecasts do include a provision for inflation after the first year as well as increases as a result of projected growth within the district. Operating revenue for the same period increases by an average of 8.7% (2021: 5.2%) per annum. With the significant increase in capital expenditure and debt, forecast rates increases are also higher. The average net annual increase over the ten years (after allowing for growth) is now 7.5% up from 4.3% (2021).

The graph below shows that rates are increasing at a higher rate than operating costs over the ten year period. As discussed earlier, rates are influenced by a number of factors including core recurring operating costs; growth in the district; inflation and the capital programme. The capital expenditure in previous years will affect rates through the impact of depreciation and interest costs. For the 2024-2025 year the combined impact of increases in depreciation and interest account for over 50% of the proposed rates increase of 15.8%.

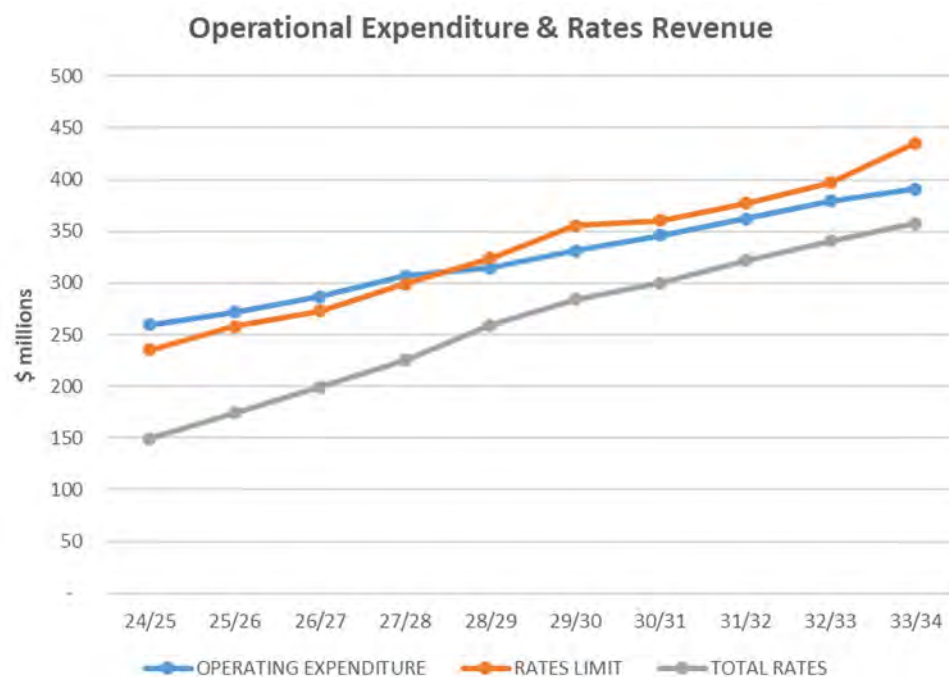
Rates can also be affected if the community demands or central government requires an improvement in levels of service for a particular activity. Where there is a significant rates impact for a proposal of this nature (i.e. CBD Queenstown transportation improvements), Council will disclose the rating impact as part of the consultation process.

In order to determine a sensible quantified limit on rates, it is necessary to take account of the various influences on rating levels. The limit should also be easily understood. The table below shows that rates are increasing by an average of 7.5% (after growth) over the ten years. Council has attempted to smooth the impact of rates increases as the increased costs associated with new infrastructure and borrowing is recognised. The forecast rates increases for the first six years are higher at 11.9% (after growth) as they reflect higher operating costs and the impact of increased depreciation and interest.

It is proposed therefore to set a rates increase limit of 20 % gross (15.8% net) per annum for the first 2 years; 16 % gross (11.9% net) per annum for the next 3 years and 10 % gross (7.4% net) per annum for the last 5 years (subject to changes in growth forecasts); It is also proposed that rates income will not exceed 75% of total revenue. The average growth rate in the district is 3.5% per annum and this will reduce the impact of any rates increase for existing properties.

10 Year Rates Increase										
Financial YE 30 June	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Rates Increase (after growth)	15.8%	12.9%	10.4%	9.1%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%
Gross Rates Increase (before growth)	19.9%	16.8%	14.2%	12.9%	15.2%	9.5%	5.8%	7.1%	5.8%	5.1%
	limit	limit	limit	limit	limit	limit	limit	limit	limit	limit
	20%	20%	16%	16%	16%	10%	10%	10%	10%	10%

Operating expenditure and rates revenue



FINANCIAL INVESTMENTS AND EQUITY SECURITIES

The Council holds very few financial investments as we are a net borrower. Surplus cash will be invested for short periods from time to time in line with the Council's Investment Policy.

The Council does hold equity securities (shares) in several controlled entities. These Council Controlled Organisations (CCOs) exist or have been established to perform specific important functions within our community. Shares are held in the following entities:

Name	Ownership Interest
Queenstown Airport Corporation	75.01%

The shareholding in Queenstown Airport Corporation is both commercially and community oriented. Council continues to hold a controlling interest in QAC as the airport is seen as a critical piece of local tourism infrastructure. The airport is the fastest growing in Australasia and it is seen as essential that it remain under community control to ensure that it continues to make decisions in the best interests of the district. Until 2010, Council was the sole shareholder but with the equity investment from Auckland International Airport Ltd, regular dividends have been paid until the impact of COVID-19 has temporarily halted dividend payments for 2020-2021 and 2021-2022.

Over the next ten years, \$98.7M of dividend income is forecast to be received. Council intends to use this income to repay existing debt.

2024-2034 – consultation on Long Term Plan coming soon	Civil construction costs are up by 27%	But we need to keep delivering for our communities	And make sure we're ready for the future	This plan's focus is to get the basics right first
	High inflation, interest rates, insurance and compliance costs	LTP submissions open 28 June 2024		
Everything we do costs more to deliver	Growth challenges and opportunities bring more costs			SCAN FOR MORE DETAILS

Council is preparing a draft Long Term Plan 2024-2034 in a challenging context. It sets out Council's workplan for the next ten years, how we propose to pay for it and what it means for the rates you pay.

It's a plan that affects everyone, so keep your eyes peeled for more information coming soon and have your say.

**LET'S TALK
KÖRERO MAI**

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Submissions
close 28 July
2024

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