

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



Consultation document
| He tuhika whakawhiti kōrero

SUBMISSIONS
CLOSE AT 5.00PM
ON MONDAY
19 APRIL 2021



QUEENSTOWN
LAKES DISTRICT
COUNCIL

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A message from the Mayor

| He karere mai i te mea

In 2018 the Council laid out its most ambitious capital investment programme in response to unprecedented and sustained growth in both resident and visitor populations. At \$990M that programme was three times larger than any before to meet the increased demand on 3 waters (stormwater, wastewater and water supply), roading infrastructure, community facilities and services, waste management and much more¹.

We considered that period to be our greatest challenge but we were wrong.

In 2020, Council had to take a comprehensive and wholesale review of all the assumptions that led to the last plan. Now, with a continuing focus on our changing climate, the unprecedented global pandemic fallout, and the changing needs of our growing community, the Council needs to deliver a plan that gets the level of investment right to re-ignite our economy and ensures we grow well into the future. Our greatest challenge has been achieving this within what we believe is an acceptable average annual rates increase of 4.3%² over the ten years.

The choices that this Council will make through this Ten Year Plan will unlock our communities' ability to recover, and to live well.

COVID-19 has been devastating on a global scale. Within Aotearoa New Zealand, our district's communities were hard hit due to the local economy's reliance on the visitor industry and the sudden and prolonged absence of any international visitors³. The pandemic fallout will be felt around the world for many years to come. The Council does not underestimate the social and financial toll this global crisis has taken on our people and our country. A significant number of our international workforce community has moved on or returned to their home country, as have others who have had to find employment outside of our district, and we have seen a rise in unemployment and mental health issues.

In this confronting environment Council must show leadership and together with our communities we must seek to be resilient. Disaster-Defying Resilience | He Hapori Aumangea is one of our communities' defining vision statements and one that has been called upon in recent times. Combined with continued investment by Council, the entrepreneurial spirit and resilience that is embodied by our district's communities is a strong foundation for our recovery from the effects of COVID-19.

Aotearoa New Zealand has fought hard against the pandemic and with the unprecedented freedoms we have maintained and the return of Kiwis from overseas, we are confident that Queenstown Lakes will long continue to be a highly desirable place to live, work and invest in.

It would be short sighted and indeed irresponsible not to continue to plan for and invest in growing well in our district but we can and must begin to think about doing things differently. We need a continued future-focus on Climate Action where our climate-conscious communities make very real changes to how they live, work and play. We need to support our tourism system to recover along with a renewed drive towards a more diversified economy. We need to plan for growth in the right way in the right places and we need to open ourselves to more efficient land use, with a focus on better living for everyone in our communities throughout the district. The draft Spatial Plan⁴ is how we will ensure our district remains desirable and liveable for current and future generations.

¹ www.qldc.govt.nz/your-council/council-documents/ten-year-plan-ltp

² After allowing for growth in rateable properties

³ www.qldc.govt.nz/recovery/data-reports

⁴ Find out more about the draft Spatial Plan at letstalk.qldc.govt.nz

Strategic planning is the backbone to our investment planning, therefore we are consulting on the Spatial Plan in conjunction with the Ten Year Plan and Council's 30-year Infrastructure Strategy.

The key issues we are consulting on in this Consultation Document are transport, our investment programme for water supply, wastewater and storm water, a rating proposal for the Queenstown CBD (first signalled in the 2018-2028 Ten Year Plan), and increasing fees and charges.

The communities' Vision Beyond 2050, including the vision statements of Zero Carbon Communities | Parakore Hapori and Deafening Dawn Chorus | Waraki, has never been more relevant nor more essential. Planning for our generations to come is one of the most productive and critical things we can do.

It is essential now that we continue the investment programme we began in 2018. This will be critical for our communities and our economy. Building on that work programme, the proposed capital investment programme for 2021-2031 is forecast at \$1.68 billion (2018: \$0.99 billion) reflecting the adjusted scale and shifting priorities in the revised programme.

The need to invest in our district's future exists in a very challenging and new environment. It is a significantly constrained environment that has defined how we have shaped the proposed investment and operational programme. There is a high level of legal compliance shaping Council's choices ensuring the community is kept safe and Council delivered services are compliant, particularly in the 3 waters infrastructure. Primarily that is in the form of the water services reforms and the creation of Taumata Arowai, the government's new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework, with an additional oversight role for wastewater and stormwater networks⁵.

From the perspective of resilience in Council's existing infrastructure there is also a focus on ensuring investment is optimised, that it is maintained in a fit state and not degraded, particularly where it creates risk to health. The changing climate is presenting new challenges and shifting priorities for our communities. Increasingly the Council is investing and developing with a climate action lens shaped by the Climate Action Plan⁶ and its five key outcomes, which will be reviewed annually.

While the overall numbers continue to be significant, funding constraints due to debt capacity within the first five years have seen a number of projects reprogrammed, delivering them later in the ten-year period or beyond. Over the last year Council has undertaken a considerable reprioritisation of projects. Inevitably some of the things we want to do, or you as our communities want us to do, have had to be delayed or reprioritised beyond the 2021-2031 period in this draft plan.

This includes some of the more community-focused services or facilities, such as upgrades to reserves and parks, additional sport and recreational facilities or investment on some tracks, trails and active travel networks.

It is also necessary to acknowledge that the proposed investment is large and challenging, and the proposed budget presents a 'best case' scenario. We are confident we have the capability and capacity within the organisation but it is important we go into this ten-year programme with open eyes knowing that there are factors beyond Council's control that could affect the current planning. This Council is adept at responding to a rapidly changing environment with the agility to reprogramme and reprioritise to ensure consistent delivery.

I look to the proposed rates increases (average of 4.3% over the ten years) and I can reassure you that the journey to reach this point has been robust and our rationale in the proposed plan is sound. Cut deeper and our community will feel those cuts and in some instances we start to put the health and wellbeing of our communities and environment at risk. I acknowledge that the timing of proposed user fees and charges and the targeted CBD rate is far from ideal in the current context. We have indicated preferred options that place the cost directly with those benefitting but we want to hear from those impacted the most, we do have genuine options.

As always this process can only be complete once we have heard the voices and the views of our people.

**Kā mihi,
Thank you.**



A handwritten signature in black ink, appearing to read 'Jim Boulton', written over a white background.

JIM BOULT
Mayor,
Queenstown Lakes District Council

⁵ www.dia.govt.nz/Three-Waters-Reform-Programme

⁶ www.qldc.govt.nz/your-council/our-vision-mission/climate-action-plan

What is the Ten Year Plan? | He aha ki kua i te aroaro?



We prepare a Ten Year Plan every three years in consultation with residents from throughout the Queenstown Lakes District.

This is the framework for how the district will be developed and serviced over the next decade, but with a specific focus on the next three years. In interim years we produce Annual Plans to determine short-term budgets and projects for the coming year. We also publish Annual Reports that share with you how we're performing against these plans.

The Ten Year Plan covers all of the services we provide as a Council and projects that we propose to deliver or begin within the next ten years. This includes the following:

- > Buildings, venues and facilities, such as community halls

- > Transport infrastructure, including cycleways and parking provision

- > Parks and reserves

- > Water supply, wastewater and stormwater

- > Waste and recycling

- > Community services such as libraries and sport & recreation facilities

- > Regulatory and enforcement services, such as animal control

- > Community and economic development, and community resilience

Whilst we have placed a strong focus on maintenance and renewals so the levels of service you have experienced are maintained or improved, we also need to keep providing for the needs of both our current and future communities.



You can access the full draft Ten Year Plan document online at letstalk.qldc.govt.nz. Alternatively drop into our offices in Queenstown or Wānaka, or any of our libraries.

Our vision

| Tō tātou moemoeā

There are two core frameworks that have underpinned the development of the draft 2021-2031 Ten Year Plan: the four community wellbeings as defined by the Local Government Act 2002 and the Vision Beyond 2050 principles. These are also reflected as the foundation for our Ten Year Plan community outcomes, and the key performance indicators by which we will measure ourselves.

Vision Beyond 2050

Looking beyond the year 2050, the community vision - A Unique Place. An Inspiring Future | He Wāhi Tūhāhā. He Āmua Whakaohoho⁷ – presents eight key themes for how we want to live, work and play in our district in the future. This series of defining principles (or vision statements) is intended to be carried into the future and is brought to life through additional outcomes that define what we hope for, to hear, or experience in day-to-day life in the Queenstown Lakes.

In March 2019, the Council unanimously agreed to commit to the vision as a guiding document to inform future decision making and planning.

VISION BEYOND 2050



THRIVING PEOPLE | WHAKAPUĀWAI HAPORI

The three central figures are the people within the communities thriving. With the sun rising behind them.



EMBRACING THE MĀORI WORLD | WHAKATINANA TE AO MĀORI

The koru and the traditional haehae lines represent te ao Māori as a whole.



DEAFENING DAWN CHORUS | WARAKI

This icon shows a tūi singing as a new day starts reflecting a healthy and thriving environment and ecosystem.



ZERO CARBON COMMUNITIES | PARAKORE HAPORI

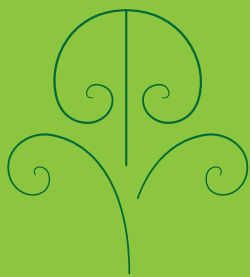
The koru surrounding the wind turbine represent the life or more so the energy that is produced so that we may thrive in a zero carbon community.



Community Wellbeings

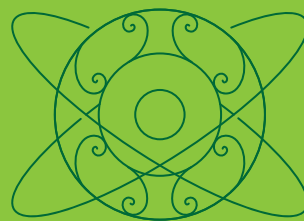
In 2019, an amendment to the Local Government Act reinstated the community wellbeings giving councils a clear directive that community wellbeing needed to be a core consideration in any decision making. These four wellbeings had consistently underpinned Council planning and decision-making, and the legislative clarification was welcomed by QLDC and reflects our commitment to promoting the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Aligned with the community Vision Beyond 2050 principles, these wellbeings have also been a foundation in developing this draft Ten Year Plan and continue to be a key factor in Council decision-making processes.



OPPORTUNITIES FOR ALL | HE ŌHAKA TAURIKURA

The koru and mangopare show the different paths and opportunities that are available.



BREATH TAKING CREATIVITY | WHAKAOHOHO AUHATAKA

This icon is representative of an atom, but also creativity itself.



DISASTER DEFYING RESILIENCE | HE HAPORI AUMANGEA

The puoro are representative of speed and swiftness, in this case representing the swiftness that we take in making sure we are resilient in such situations. Then the koru bringing life and hope.



PRIDE IN SHARING OUR PLACES | KIA NOHO TAHI TĀTOU KĀTOA

This icon shows our whenua and the pride we have in it, with the different styles of koru representing the different elements within the rohe.

The numbers you need to know | Kā tatauakā

It is essential that we continue to invest and build upon the programmes that were begun with the 2018-2028 Ten Year Plan, to the benefit of our local communities, our economy, our environment and the wellbeing of current and future generations. Achieving a balanced, sustainable capital investment programme, supported by a realistic operational budget to deliver and maintain levels of service, must be balanced with an acceptable, fair and appropriate increase in rates. Some of the considerations in achieving that are outlined here.

The COVID-19 Context

The 2020-2021 Annual Plan was developed as a direct response to the COVID-19 global pandemic and the immediate and anticipated effects on our district. In particular, the plan needed to reflect that there was a high level of uncertainty in many households about the security of their future income and the effects any economic downturn may have. The plan was also built around a number of issues relating to a reduction in Council's revenue of \$17.9M with 42.5% of this directly affecting rates. This revenue reduction related to tourism-related revenues down by at least 50% (\$4.7M), no payment of the Queenstown Airport Corporation dividend (\$5.8M) which would have been used to repay debt, development contribution incomes down by 22.6% (\$4.5M), and a

reduction in user fees such as consent processing, parking and sport facilities (\$2.9M).

There was also a significant budget reduction in operational costs of \$11.7M (6.9%) which included staff costs being reduced by 11% (\$4.7M) and other operational and maintenance expenditure reduced by \$1.47M.

Most rate funded loan repayments were suspended to keep the proposed rates increase down to an acceptable level (\$2.6M) and all loan repayments funded from the QAC dividend were also suspended.

It's important to realise that the amended budget for 2020-2021 was a one-off response to reduce rates. We acknowledge that there are still households with reduced incomes or concerned about their financial stability, and this has a flow on effect to their wider wellbeing, however it will be necessary for Council to return to a more prudent approach with regard to debt repayments and the funding of depreciation (see below).

In the draft 2021-2031 Ten Year Plan, we expect a gradual improvement in economic conditions with tourism picking up initially with the return of trans-Tasman business during 2021-2022, and other international travel from 2022-2023. This aligns with airline industry and government travel bubble assumptions for the same period. We have also assumed that all revenue streams return to 100% of pre-COVID levels by 2023-2024.

Funding Constraints

Operational and capital expenditure budgets have been developed with an affordability lens primarily to ensure that an effect on rates is kept to a minimum where possible, that borrowing limits aren't exceeded, and that user fees for services such as consent applications, parking, and community facilities are set appropriately. In finding an acceptable balance for the draft 2021-2031 Ten Year Plan, Council has had to work within the limits set on borrowing New Zealand Local Government Funding Agency Te Pūtea Kāwanatanga ā-Rohe.

The key borrowing limit is the ratio of debt to revenue which is set at 280% and our approach has been to remain within that limit to ensure there is sufficient contingency should it be required due to an emergency response scenario or unforeseen changes imposed by Central Government that need significant investment. There are also consequences for breaching that limit that would significantly reduce Council's borrowing capacity in the future.

So in order 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 Ten Year Plan.

Depreciation Funding

In year one of the draft 2021-2031 Ten Year Plan (2021-2022) there is a significant 21% increase in depreciation expense which is primarily due to 2020 revaluations of roading asset values. Although the gross increase is \$7.4M, the rates impact is limited to the amount of depreciation actually funded. This represents a \$70k increase to \$14.6M, which is less than originally forecast and represents a minimum acceptable amount to fund currently planned renewals programmes.

QLDC has historically funded around 50% of depreciation expense in order to provide adequate budgets for asset renewals. The large increase in infrastructural asset values over the past two years as well as the large capital programme has seen the funded percentage drop to 34.4% in 2021-2022 of the draft Ten Year Plan. We have determined that we need to increase the funded percentage to 36% by 2026-2027 and to 38% by 2030-2031 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.

Visitor Levy

In June 2019, a poll was held by postal vote over the whole district to inform consideration by Central Government of a proposed legislative change to enable the introduction of a visitor levy to fund visitor-related infrastructure and services within the Queenstown Lakes District. In this referendum, 81.37% voted⁸ in support of introducing a visitor levy on short term accommodation.

QLDC had been working with Central Government officials to prepare and introduce a local bill to parliament. However, due to COVID-19 and the uncertainty around when international tourism will return, the visitor levy was put on hold. In developing this draft Ten Year Plan, our assumption is that work will recommence on this project and that a levy will be introduced from year four (2024-2025).

We estimate that the visitor levy would recover \$162.8M for the remaining seven years of the Ten Year Plan and it would be used primarily to fund the capital expenditure attributable to visitors.

If the visitor levy were not available, the capital programme from 2024 to 2031 would need to be reduced significantly or rates increased by a further 2.3% per annum for the last seven years of the plan (see *Rates Impact*).

Rates Impact

The proposed average rates increase for 2021-2022 is 4.56% (after allowing for growth of 2.5% in the rates database). In contrast to the 1.59% average increase that was delivered in the 2020-2021 Annual Plan (specifically revised as a direct response to the unique circumstances of the global pandemic) it is not sustainable within this draft plan to maintain an average increase at that reduced level for the reasons outlined in this Consultation Document. The higher increase this year reflects the need to continue investing in the comprehensive programme of works and ensure that we have an organisation that can deliver it as well as maintaining the levels of service expected by our communities. The average net annual increase over the ten years (after allowing for growth) is now 4.3% up from the 3.4% forecast in 2018. The forecast rates increases reflect the assumption that a visitor levy is introduced from year four (2024-2025). If this is not the case, this will have a significant impact on both the capital programme and rates increases. For example, the average rates increase after growth for the last seven years would be 6.3% without the levy in contrast to 4.0% with it.

10 YEAR RATES INCREASE										
Financial Year ended 30 June	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Net Rates increase (after growth)	4.56%	5.42%	5.15%	5.62%	5.62%	5.60%	2.55%	2.92%	2.42%	3.63%
Gross Rates increase (before growth)	7.17% Limit 9.0%	8.05% Limit 9.0%	8.30% Limit 9.0%	8.78% Limit 9.0%	8.78% Limit 9.0%	8.76% Limit 9.0%	5.63% Limit 9.0%	6.00% Limit 9.0%	5.49% Limit 9.0%	6.74% Limit 9.0%

⁸ 41.45% voter return

RATING CHANGES FOR 2021-2022

The proposed rates increases below⁹ include the following elements:

CHARGE TYPE	CHARGE DETAIL
Uniform Annual Charge	Increase of \$9 per property
Waste Charge	Increase of \$17 per property (residential only)
Aquatic Centre Charges	Wānaka decrease of \$15 per property (residential only); Wakatipu \$2 increase
Increase in rates for wastewater	Queenstown \$50 per connection per annum; Wānaka \$18; Lake Hayes \$80
Increase in rates for water supply	Wānaka \$20 per connection per annum; Lake Hayes \$34; Glenorchy \$10; Hāwea \$20; Arthurs Point \$30; Luggate \$40

The increase in waste management charges mainly reflects the forecast price increase from \$25 to \$35 per unit of Emission Trading Scheme (ETS) credits required to offset emissions at the landfill. The increases proposed for water and waste-water schemes reflect the required increases in depreciation funding (discussed above), interest payments related to capital expenditure and increases to electricity and maintenance contract costs.

We have attempted to minimise the impact of all these factors but increases in these areas are inevitable and we will continue to look to smooth the impact over future years.

RATES IMPACT BY PROPERTY TYPE – MEDIAN PROPERTY VALUES

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 2021-2022				
MEDIAN VALUES				
Property Type	CV	Location	Draft Rates %	Draft Rates \$
Residential	\$1,090,000	Queenstown	4.36%	\$145
Commercial	\$1,890,000	Queenstown	6.73%	\$432
Accommodation	\$2,081,000	Queenstown	5.38%	\$567
M/U Accommodation	\$1,260,000	Queenstown	4.40%	\$189
Vacant	\$700,000	Queenstown	4.29%	\$101
M/U Commercial	\$1,250,000	Queenstown	4.89%	\$196
Residential	\$845,000	Wānaka	4.02%	\$125
Commercial	\$1,045,000	Wānaka	5.08%	\$248
Accommodation	\$1,100,000	Wānaka	3.69%	\$271
M/U Accommodation	\$900,000	Wānaka	3.77%	\$146
Primary Industry	\$5,050,000	Wānaka	3.56%	\$155
Country Dwelling	\$1,560,000	Wānaka	2.44%	\$62
Vacant	\$550,000	Wānaka	2.72%	\$61
M/U Commercial	\$880,000	Wānaka	4.15%	\$151
Residential	\$890,000	Arrowtown	2.13%	\$67
Commercial	\$1,650,000	Arrowtown	5.45%	\$323
Accommodation	\$1,700,000	Arrowtown	3.61%	\$281
M/U Accommodation	\$900,000	Arrowtown	2.44%	\$91
Vacant	\$720,000	Arrowtown	3.36%	\$78
M/U Commercial	\$900,000	Arrowtown	2.78%	\$98
Primary Industry	\$4,100,000	Wakatipu	6.64%	\$218
Country Dwelling	\$2,050,000	Wakatipu	5.37%	\$140
Residential	\$700,000	Glenorchy	4.93%	\$125
Residential	\$820,000	Lake Hayes	6.85%	\$197
Residential	\$570,000	Hāwea	3.64%	\$95
Residential	\$520,000	Luggate	4.01%	\$88
Residential	\$650,000	Kingston	4.04%	\$71
Residential	\$860,000	Arthurs Point	3.01%	\$93

CUMULATIVE RATES IMPACT OF MAJOR LEVEL OF SERVICE INCREASE PROJECTS AT YEAR TEN

PROGRAMME	INVESTMENT	PERCENTAGE INCREASE	APPLICATION	TIMING
Water Treatment	Capex of \$85.5M	0.6% to 7.5%	Serviced properties district wide	From year five
Wastewater Upgrades	Capex of \$141.8M	1.2% to 5.4%	Serviced properties district wide	From year five
Queenstown Town Centre	Capex of \$157.6M	0.4% to 9.2%	Wider Queenstown CBD; Wakatipu ward	From year three*

* This table shows the full impact in year ten; the new rate is likely to commence in year three with a lower impact and progressively increase as the capital works are completed

BASE YEAR IS 2020-2021														
Cumulative Rating Impact			Existing Total Rates	Water Treatment Impact Revised Increase		Adjusted Total Rates	Wastewater Impact Revised Increase		Adjusted Total Rates	Queenstown Town Centre Impact Revised Increase		Adjusted Total Rates	Total Cumulative Impact	
Location	Property Type	Valuation	20/21 \$	\$	%	20/21 \$	\$	%	20/21 \$	\$	%	20/21 \$	\$	%
QT/Wak	Dwg	Low	2,953	17	0.6%	2,970	100	3.4%	3,070	13	0.4%	3,083	130	4.4%
QT/Wak	Dwg	Median	3,331	24	0.7%	3,355	100	3.0%	3,455	18	0.5%	3,473	142	4.3%
QT/Wak	Dwg	High	6,176	82	1.3%	6,258	100	1.6%	6,358	61	1.0%	6,419	243	3.9%
QT/Wak	Comm	Low	2,719	15	0.6%	2,734	100	3.7%	2,834	27	1.0%	2,861	142	5.2%
QT/Wak	Comm	Median	6,416	68	1.1%	6,484	100	1.6%	6,584	119	1.9%	6,703	287	4.5%
QT/Wak	Comm	High	81,574	812	1.0%	82,386	1,300	1.6%	83,686	1,433	1.8%	85,119	3,545	4.3%
QT/Wak	Accomm	Low	4,063	28	0.7%	4,091	100	2.5%	4,191	43	1.1%	4,234	171	4.2%
QT/Wak	Accomm	Median	10,525	84	0.8%	10,609	400	3.8%	11,009	131	1.2%	11,140	615	5.8%
QT/Wak	Accomm	High	285,959	2,294	0.8%	288,253	15,400	5.4%	303,653	3,597	1.3%	307,250	21,291	7.4%
QT CBD	Dwg	Low	2,953	17	0.6%	2,970	100	3.4%	3,070	62	2.1%	3,132	179	6.1%
QT CBD	Dwg	Median	3,331	24	0.7%	3,355	100	3.0%	3,455	91	2.7%	3,546	215	6.5%
QT CBD	Dwg	High	6,176	82	1.3%	6,258	100	1.6%	6,358	303	4.9%	6,661	485	7.9%
QT CBD	Comm	Low	2,719	15	0.6%	2,734	100	3.7%	2,834	134	4.9%	2,968	249	9.2%
QT CBD	Comm	Median	6,416	68	1.1%	6,484	100	1.6%	6,584	589	9.2%	7,173	757	11.8%
QT CBD	Comm	High	81,574	812	1.0%	82,386	1,300	1.6%	83,686	7,069	8.7%	90,755	9,181	11.3%
QT CBD	Accomm	Low	4,063	28	0.7%	4,091	100	2.5%	4,191	213	5.2%	4,404	341	8.4%
QT CBD	Accomm	Median	10,525	84	0.8%	10,609	400	3.8%	11,009	648	6.2%	11,657	1,132	10.8%
QT CBD	Accomm	High	285,959	2,297	0.8%	288,256	15,400	5.4%	303,656	17,751	6.2%	321,407	35,448	12.4%
Wan	Dwg	Low	2,953	197	6.7%	3,150	76	2.6%	3,226	0	0.0%	3,226	273	9.2%
Wan	Dwg	Median	3,100	211	6.8%	3,311	76	2.5%	3,387	0	0.0%	3,387	287	9.3%
Wan	Dwg	High	4,349	328	7.5%	4,677	76	1.7%	4,753	0	0.0%	4,753	404	9.3%
Wan	Comm	Low	3,170	210	6.6%	3,380	76	2.4%	3,456	0	0.0%	3,456	286	9.0%
Wan	Comm	Median	4,881	310	6.4%	5,191	76	1.6%	5,267	0	0.0%	5,267	386	7.9%
Wan	Comm	High	49,156	3,258	6.6%	52,414	608	1.2%	53,022	0	0.0%	53,022	3,866	7.9%
Wan	Accomm	Low	3,954	233	5.9%	4,187	76	1.9%	4,263	0	0.0%	4,263	309	7.8%
Wan	Accomm	Median	7,333	347	4.7%	7,680	228	3.1%	7,908	0	0.0%	7,908	575	7.8%
Wan	Accomm	High	86,925	3,750	4.3%	90,675	2,280	2.6%	92,955	0	0.0%	92,955	6,030	6.9%
QT/Wak	C Dwg	Low	1,861	0	0.0%	1,861	0	0.0%	1,861	17	0.9%	1,878	17	0.9%
QT/Wak	C Dwg	Median	2,615	0	0.0%	2,615	0	0.0%	2,615	35	1.3%	2,650	35	1.3%
QT/Wak	C Dwg	High	5,550	0	0.0%	5,550	0	0.0%	5,550	104	1.9%	5,654	104	1.9%
QT/Wak	PI	Low	1,937	0	0.0%	1,937	0	0.0%	1,937	19	1.0%	1,956	19	1.0%
QT/Wak	PI	Median	3,286	0	0.0%	3,286	0	0.0%	3,286	56	1.7%	3,342	56	1.7%
QT/Wak	PI	High	11,473	0	0.0%	11,473	0	0.0%	11,473	251	2.2%	11,724	251	2.2%
Wan	C Dwg	Low	2,126	0	0.0%	2,126	0	0.0%	2,126	0	0.0%	2,126	0	0.0%
Wan	C Dwg	Median	2,523	0	0.0%	2,523	0	0.0%	2,523	0	0.0%	2,523	0	0.0%
Wan	C Dwg	High	4,380	0	0.0%	4,380	0	0.0%	4,380	0	0.0%	4,380	0	0.0%
Wan	PI	Low	2,096	0	0.0%	2,096	0	0.0%	2,096	0	0.0%	2,096	0	0.0%
Wan	PI	Median	4,370	0	0.0%	4,370	0	0.0%	4,370	0	0.0%	4,370	0	0.0%
Wan	PI	High	14,576	0	0.0%	14,576	0	0.0%	14,576	0	0.0%	14,576	0	0.0%

Dwg Dwelling
Comm Commercial
Accomm Accommodation
C Dwg Country Dwelling
PI Primary industry



Delivering our programme

Council acknowledges that we are proposing an ambitious work programme. We are aware of the challenge in delivering this proposed programme and the specific risks that we will need to mitigate. To deliver the expanded programme we will need to manage all aspects closely and do some things differently. We have already made changes in planning for this and are gearing up in other areas to enable delivery.

Our infrastructure strategy identifies that we are in a challenging environment for completing infrastructure work with pressures on availability of materials and specialist contractors. To mitigate these risks we are taking a multi-faceted approach.

Within Council our dedicated project management office (PMO) is key in managing work across our multiple projects. The PMO receives independent oversight from third party experts which is reported to the Audit, Finance and Risk Committee. Our PMO will manage key projects and maintain an overview of the entire capital works programme.

We already have in place multi-year contracts that ensure contracting resources are available to meet the needs of our programme, allowing us to adapt and reprioritise as necessary.

Bundling multiple projects into consolidated packages of work is another strategy that we have been employing successfully and will continue to do so through this programme.

We have contracts already in place for major pieces of work which are ongoing such as the Queenstown town centre streetscape upgrades and the first stage of the Queenstown arterial, and significant 3 Waters upgrades, and we are well progressed in setting up for delivery of key projects through our Alliance with Waka Kotahi NZTA. This Alliance comprises of four key contractors which allows the Council to guarantee access to contractor resources into the future to underpin roading programmes.

Although we are confident that our approach to managing delivery is robust, additional lead time is being built into projects to ensure that there is sufficient time for the projects to acquire land and receive consents. Furthermore, in the event that it becomes apparent we are not able to deliver projects to the timeframes proposed we will review other work and re-prioritise.

From a financial perspective we also won't borrow for a project until we have the certainty that works can be delivered. Note – the rates impacts are linked to the depreciation of those new assets once they are completed over future years and to the finance costs only once they are incurred.

There are two main reasons for the \$690M increase in capital budget from 2018 to 2021. The first relates to the increase in cost estimates for projects included in the 2018-2028 Ten Year Plan which have not yet been completed and the second relates to the inclusion of new projects. Examples of new projects are: Queenstown Performing Arts Centre (\$51.3M); Wānaka Sportsfield development (Ballantyne Rd \$24.2M); new Stormwater projects (\$47.1M); Resource Recovery Park (\$38.7M); Queenstown Public Transport hub (\$17.3M); Road Safety Programmes (\$24.9M); Wānaka Water Treatment (\$52.4M) and servicing of the Te Tapuea Southern Corridor (Coneburn) for 3 waters (\$66.8M).

Further factors include the need for Council to deliver projects already committed to including Housing Infrastructure Fund projects (\$62.8M) and the Crown Infrastructure Partners' shovel-ready projects (Queenstown streetscapes upgrades and arterial road), the \$90M New Zealand Upgrade Programme Package for Queenstown (bus hub and improvements for SH6, a new roundabout at Howards Drive and an active travel underpass at Te Pūtahi Ladies Mile), and delivering the regulatory requirements of the Three Waters Reform.

The challenges ahead

| Kā taero e whai ake



Investing in Infrastructure to Grow Well

Prior to COVID-19, the Queenstown Lakes was experiencing the fastest rate of resident and visitor growth in Aotearoa New Zealand. While the pandemic has created uncertainty about the future, the underlying drivers of demand to live or visit the Queenstown Lakes remain and growth is likely to return in the future. Over the past 30 years, the Queenstown Lakes has grown steadily from 15,000 residents to its current population of approximately 42,000, alongside significant growth in visitors to the area. This growth has been driven by the attractive climate, clean environment, outdoor lifestyle, strong economic opportunities and improved national and international connectivity.

Following the onset of the pandemic, there has been no sign of that growth diminishing and demand for new housing and the need to invest in infrastructure remains strong. Our key assumption is that the demand to live in or visit the Queenstown Lakes will continue into the future and this will be throughout the district. Current forecasts estimate the number of residents, visitors and jobs will approximately double over the next 30 years, requiring 17,000 new homes in the area. A joined-up view of where the Queenstown Lakes is heading is needed to address these challenges, particularly in high-demand areas such as Wānaka, Lake Hāwea, Te Kirikiri Frankton,

Te Pūtahi Ladies Mile and Tapuae Southern Corridor.

Reflecting this continued and forecast growth, Queenstown Lakes District has been classed as a tier 2 urban environment under Central Government's National Policy Statement on Urban Development 2020 (NPS-UD). The NPS-UD requires councils to plan well for growth and ensure a well-functioning urban environment for all people, communities and future generations, and contains objectives and policies that councils must give effect to in their resource management decisions.

The NPS-UD directs local authorities to enable greater supply and ensure that planning is responsive to changes in demand, while seeking to ensure that new development capacity enabled by councils is of a form and in locations that meet the diverse needs of communities and encourages well-functioning, liveable urban environments. It also requires councils to remove overly restrictive rules that affect urban development outcomes in our cities.

The Queenstown Lakes Spatial Plan (being consulted on concurrently to this draft Ten Year Plan) has been developed by QLDC, central government and iwi partners to deliver on the Urban Growth Agenda objectives of the Government. The Spatial Plan is a vision and framework for how and where the communities of Wakatipu and Upper Clutha can Grow Well and develop to ensure our wellbeing and prosperity. The overarching goal of the Partnership and the Queenstown Lakes Spatial Plan is to 'Grow Well' or 'Whaiora'

in te Reo Māori which translates to "in the pursuit of wellness". One of the key influences of the Spatial Plan has also been the communities' Vision Beyond 2050 eight principles, ensuring alignment with the draft 2021-2031 Ten Year Plan which is also founded on the vision.

The requirements of the NPS-UD and the ongoing development and iterations of the district-wide Spatial Plan will increasingly influence Council's investment programme through the ten-year planning cycle. This big-picture planning aligns with QLDC's continued focus on more targeted masterplanning to ensure this intentional approach to development and investment, and the wellbeing of our communities is consistent. This work is seen through the masterplans for Queenstown Town Centre, Te Kirikiri Frankton, and Te Pūtahi Ladies Mile, and work will continue into the next few years on the masterplans for Wānaka and Tapuae Southern Corridor.



Responding to Climate Change

Our changing climate is an increasing focus for both our communities and the Council. Globally people are changing their behaviours, how and what they purchase, where they live and what impact that has on their environment, methods



of travel and more. They are also demanding more from the organisations they engage with to reduce emissions in order to slow or reverse our changing climate, or to find ways to adapt to it. Councils have a role to play in responding to this from both an emissions reduction and mitigation perspective and with regard to climate change adaptation as the provider of vital infrastructure that underpins the daily lives of our communities. The Local Government Act 2002 makes it clear that the purpose of local government includes “to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.”

We also acknowledge our district plays an important role in shaping Aotearoa New Zealand’s international reputation. As such, it’s important for us to reflect and support the provisions of the Climate Change Response (Zero Carbon) Amendment Act (“Zero Carbon Act”) passed by parliament in 2019. The Act provides a framework in which Aotearoa New Zealand can develop and implement clear and stable climate change policies that contribute to the international effort to limit the global average temperature increase to 1.5°C above pre-industrial levels. It will enable Aotearoa New Zealand to prepare for and adapt to the effects of climate change, as well as setting clear goals including reducing all greenhouse gases (except biogenic methane) to net zero by 2050.

Two of the big issues for consideration in this Consultation Document are providing

essential investment for 3 waters infrastructure and investing in transport programmes that include public transport options and cycle/walking networks. If adopted as proposed, these have the potential to deliver on a number of organisational commitments which reach over and above Council’s statutory obligations.

For example, QLDC, our Mayor, Councillors and Community Board members are committed to responding to and planning for a changing climate. In June 2019, Council declared a climate emergency, acknowledging that adapting to the effects of climate change has become increasingly urgent and to make a real difference, we need collaborative action.

On the same day in June 2019, Councillors also adopted QLDC’s first Climate Action Plan developed following many months of expert advice and community engagement and sending a strong message that the Council is serious about, and committed to, addressing climate impacts. The overall goals for the district highlighted in the Climate Action Plan are to achieve net zero carbon emissions by 2050, and to be resilient to the local impact of climate change across the whole district.

These organisational commitments underpin Council decision-making in how we manage our infrastructure, our day-to-day operations, where we invest our capital and operational expenditure and much more. This can be seen in decisions such as QLDC undergoing a transition to an

electric fleet, gas capture facilities at the landfill and an ongoing commitment to reducing reliance on personal passenger vehicles, encouraging a shift to active transport and public transport usage, and our expectation the Queenstown Airport Corporation will be carbon neutral by 2050.

HOW WE AS A COUNCIL AND A COMMUNITY ARE ADAPTING TO OR PREPARING FOR THE CHANGING CLIMATE IS ONE OF THE MOST SIGNIFICANT CHALLENGES OF OUR TIME.

The effects are already being seen, for example in more extreme weather events in Aotearoa New Zealand and around the rest of the world. So is our response proportionate and appropriate? Would you be prepared to see available funding diverted from other projects or an increase in the rates you pay to do more? When we next review the Climate Action Plan, what would you like to see included or changed?

HAVE YOUR SAY ON THIS VITAL ISSUE AS PART OF YOUR SUBMISSION ON THE 2021-2031 TEN YEAR PLAN.



Three Waters Reform

Reform of how 3 waters services are delivered throughout Aotearoa New Zealand has been on Central Government's policy agenda since 2017 and there is broad political consensus that some form of reform is required and desirable. In July 2020, the Government announced funding to provide immediate post-COVID-19 stimulus to maintain and improve water networks infrastructure, and to support a three-year programme of reform of local government water services delivery arrangements. One key driver for this move was the fatal Havelock North campylobacter outbreak in 2016 and the need for everyone to be able to access safe, reliable drinking water services. There are also opportunities for cost and operational efficiencies by rationalising services, as well as the review providing the chance to consider improvements around environmental protection and sustainability.

Like many local authorities, QLDC signed a Memorandum of Understanding (MoU) with Central Government in 2020 and is participating in the exploration of future service delivery options. Regardless of the final service delivery model, the community will need 3 waters services whether this Council delivers them or not. Therefore these activities are reflected in the financial strategy and the infrastructure strategy and assumed as being Council-delivered within the

draft 2021-2031 Ten Year Plan in line with current advice from the Department of Internal Affairs Te Tari Taiwhenua.

Under the MoU, central and local government agreed to work together to identify an approach to service delivery reform that considers the following design features:

- > Water entities would be publicly-owned, multi-regional entities, with a preference for collective council ownership, and mechanisms for enabling communities to provide input in relation to the new entities.

- > Delivery of drinking water and wastewater services as a priority, with the ability to extend to stormwater service provision only where effective and efficient to do so;

- > Water service delivery entities, that are:
 - Of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
 - Asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
 - Structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards;

Final decisions on a service delivery model will be informed by discussion with the local government sector and the work of the Three Waters Steering Committee from Department of Internal Affairs Te Tari Taiwhenua, with public consultation expected by August this year and a decision by the end of 2021.

Public communications regarding the water reform process will occur through May-August 2021, Council's participation in the service delivery model may be considered following that period, but the guidance from central government at this stage is that it will be beneficial for consumers of those services for QLDC to remain in the programme.

NEW WATER REGULATOR

3 waters infrastructure in the district is generally managed by QLDC with the exception of some local private schemes. 3 waters management in Aotearoa New Zealand is undergoing significant change as outlined in the section 'Three Waters Reform'. This has seen the establishment of Taumata Arowai as the new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework, with an additional oversight role for wastewater and stormwater networks. The anticipated requirements of the regulator are assessed in the 3 waters section of this draft Ten Year Plan.

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



Ensuring existing infrastructure networks and services are well-maintained, safe, and compliant is our core business.



When you turn on the tap you expect clean, drinkable water. When you flush the toilet you need to know that wastewater won't be contaminating our precious waterways. When it rains you want to be confident that stormwater is well managed. We also need to provide sufficient capacity and resilience in the 3 waters network to meet the demand of a growing community, as well as meeting national drinking water standards.

During our pre-engagement, you also told us that protecting our environment is a key priority for the community, reflecting that Zero Carbon Communities | Parakore Hapori and Deafening Dawn Chorus | Waraki were among the most important priorities to achieve Vision Beyond 2050. Ensuring our 3 waters infrastructure can protect and enhance our natural environment is part of our commitment to environmental wellbeing and the QLDC Climate Action Plan outcome that the 'built environment and infrastructure is climate responsive'.

To achieve all of this, a step-change in capital expenditure is required to respond to ageing infrastructure, levels of service, and changing legislation; along with the need for additional investment to meet improvements in freshwater outcomes, increase resilience to climate change and natural hazards, and enhance community wellbeing. Furthermore, as many communities throughout the district continue to grow, Council needs to ensure that they are provided with adequate 3 waters services as well as continuing to work across all of the districts' smaller communities to improve water supply and wastewater infrastructure. Whilst these challenges all bring benefits to the homes and businesses serviced, they also bring additional cost.

QLDC is proposing a total capital investment in 3 waters projects of \$768M, with \$298M being invested within the first three years.

Water Supply

Achieving compliance with the Ministry of Health Manatū Hauora Drinking Water Standards for New Zealand 2005 (Revised 2018) and the anticipated standards under Taumata Arowai is a significant driver in the capital investment programme. Under the proposed programme this would be achieved in all publicly-provided schemes throughout the district by year five of the plan (2025-2026). Significant investments in water supply include the Wānaka water treatment and network upgrades (\$52.4M) and Two Mile water treatment plant (\$31.9M) both due for completion in 2024-2025; the Tapuae Southern Corridor water supply scheme (\$20.4M) and water treatment plant (\$7.3M), Te Pūtahi Ladies Mile (\$9.3M) and Hāwea (\$8.3M) reservoirs all due for completion in 2030-2031; the Arrowtown reservoir (\$6.8M) due for completion in 2026-2027; and a new publicly-provided scheme for the Cardrona village (\$8.1M).

To deliver a capital investment programme that is achievable within current debt to revenue ratios, a number of projects have had to be deprioritised and at present are not within this proposed Ten Year Plan. These include the west Wānaka reservoir (\$22.8M), a water supply main on State Highway 6 (\$4.4M) and other strategic land acquisitions.

Some of the existing water supply schemes are not fully in compliance with the current drinking water standards, however all of our water supply schemes which require a Water Safety Plan are authorised by the drinking water assessor. The funding allocated in the ten year plan will bring all council supplies to a fully complying standard over the next five years.

PLEASE COMMENT ON THE OPTIONS ON 3 WATERS. DO YOU AGREE THAT THESE ARE THE RIGHT PRIORITIES FOR WATER SUPPLY ACROSS THE DISTRICT?

Wastewater

Ensuring the wastewater infrastructure is resilient, provides sufficient capacity and failsafe measures is an essential part of ensuring we are managing any potential adverse effects on our local environment. The capital investment includes a renewals programme to ensure that the existing infrastructure is fit-for-purpose. It also includes delivering more emergency wastewater storage from year four (2024-2025) onwards. Significant projects prioritised for delivery within the draft plan include the Cardrona village wastewater scheme (\$11.0M) in 2021-2022; the Hāwea wastewater treatment solution (\$26.1M) completing in 2023-2024; the Frankton Track wastewater (\$26.2M) completing in 2024-2025; the Kingston Housing Infrastructure Fund wastewater scheme (\$20.5M) due to complete in 2026-2027; the Glenorchy wastewater scheme (\$18.2M) completing in 2028-2029; and the Tapuae Southern Corridor wastewater scheme (\$46.2M) due to come online in 2030-2031.

Additional investment is also planned in Wānaka-located treatment plant Project Pure (\$10.7M) in 2022-2023 and Queenstown-located Project Shotover (\$40.4M) in 2023-2031.

In developing this draft programme some challenging decisions have had to be made and this has included reprioritising and delaying a number of projects. The projects that aren't planned within this draft Ten Year Plan include the connection of Hāwea Flat (\$5.1M) and existing Kingston Township (\$2.1M) to Council-operated wastewater infrastructure.

DO YOU AGREE OR DISAGREE WITH THE PRIORITISATION?

Stormwater

Stormwater management is not currently subject to the same focus and reform programme as water supply and wastewater, but given its potential to effect both our environment and the lives of our local communities, QLDC is proposing investment in stormwater treatment and conveyancing from 2024 onwards. Some of the more significant proposals include a \$10.8M investment between State Highway 6 and Grant Road in Queenstown to be completed in 2026-2027; and high-risk areas in Wānaka (\$8.0M) and Wakatipu (\$5.2M) in 2027-2028. A key development is a proposed stormwater bypass to divert flows from development away from Bullock Creek, and the creation of a new receiving treatment wetlands at the Wānaka Showgrounds (\$1.6M) completing in year two (2022-2023).

Impact on Rates

The large capital investment for 3 waters described above will have a significant impact on rates. Whilst, the growth portion of this investment will be funded by development contributions¹⁰, the portion related to increasing levels of service will come from rate funded debt. In this context, levels of service relates to investing to ensure water treatment meets the New Zealand Drinking Water Standards. The table below shows the impact on the main urban centres of Queenstown and Wānaka.

RATES IMPACT OF MAJOR PROJECTS		
WATER TREATMENT AND WASTEWATER UPGRADES		
Project	Water Treatment	Wastewater Upgrades
Capital Cost	\$85.1M	\$107.2M
Timing	2021 to 2025	2021 to 2025
Ratepayers Affected	All serviced urban areas	All serviced urban areas
Main Impact	All serviced urban areas	All serviced urban areas
Total Rates Increase	0.6% to 7.5%	1.2% to 5.4%
Residential Impact (\$)	Within Queenstown scheme \$17 to \$82 per annum; Wānaka \$197 to \$328 per annum*	Within Queenstown scheme \$100 per annum; Wānaka \$76 per annum*
Debt impact	\$40.5M	\$37.2M

**Note: The rating impacts for water treatment and wastewater upgrades are calculated for year five (2025-2026) of the draft Ten Year Plan and reflect both the increase in operating costs and debt servicing. The level of service component of the capital cost for Queenstown does include a contribution from commonage land sales, which reduces the impact significantly. There is no similar contribution expected from Wānaka land sales.*

Options

<p>1 PREFERRED OPTION</p>	<p>OPTION 1: Complete the Water Treatment Programme as outlined in the plan (by 2024)</p>	<p>The Council would complete the programme within its preferred timeline and eliminate the risks associated with the current water supplies. The Council would also be compliant with its statutory obligations.</p>	<p>The increases for properties in Wānaka are significant in some instances depending on the capital value. Residential properties show increases of between 6.7% to 7.5%, commercial from 6.4% to 6.6%, and accommodation from 4.3% to 5.9%. The impact is reduced for properties in Queenstown because of the smaller relative cost per ratepayer. Residential shows increases between 0.6% and 1.3%, commercial from 0.6% to 1.1%, and accommodation from 0.7% to 0.8%.</p> <p>The Level of Service will be enhanced under this option in terms of providing water treatment that delivers water supply to homes and businesses which fully complies with the New Zealand Drinking Water Standards by 2024, and eliminates the risk of water-borne infection or disease.</p>
<p>2</p>	<p>OPTION 2: Spread the Water Treatment Programme over the ten years</p>	<p>Option two is to seek an exemption from the regulator to delay a portion of the water treatment programme but aim to complete within ten years. This would mean delaying the construction of the water treatment plant in either Queenstown or Wānaka.</p> <p>The Council would therefore not comply with the drinking water standards for an extended period. The benefit of this approach is that costs and debt are not incurred as rapidly which means that some rates will not increase so quickly.</p> <p>This would only be a viable option should the final form of the legislation, currently under consideration by Central Government, afford the regulator the authority to approve delayed compliance.</p>	<p>The impact under this option would also see similar overall increases to option one, but the timing of increases would be delayed over a longer period and for up to five years. For Wānaka, residential properties show increases of between 6.7% to 7.5%, commercial from 6.4% to 6.6%, and accommodation from 4.3% to 5.9%. The impact for properties in Queenstown shows residential increases between 0.6% and 1.3%, commercial from 0.6% to 1.1%, and accommodation from 0.7% to 0.8%.</p> <p>The Level of Service under this option would also provide a water supply that complies with the New Zealand Drinking Water Standards and eliminates the risk of water-borne infection and disease, however this would be over a ten-year period rather than by 2024.</p> <p>This option relies on gaining an exemption from the regulator and does not promote deliberate non-compliance which may result in regulatory action.</p> <p>It also prolongs the current risk of a contamination event occurring and algae will continue to enter the reticulated network, with resulting blockages affecting customer experience.</p>

Please note, QLDC has considered wastewater and stormwater in presenting options to the community for consideration, and at this stage we do not believe there are any alternative options that we can present, so we have focused on water treatment and supply.

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



How we all move around the district, for pleasure and business, has been a challenge in recent years.



Although some of the pressure on our roading network can be attributed to visitors, our own growing population clearly signals the need for more capacity and alternative options from the traditional single passenger in a car. These are areas where QLDC has been investing and working with the Otago Regional Council, and needs to continue to do so to ensure we can meet this increasing need.

We also need to ensure that the options available suit people's changing lifestyles. As people travel from further afield for work or to use local services, they need to know they won't be sitting in traffic congestion or have options such as park and ride facilities to remove the need to drive into Queenstown CBD altogether. Others living in town centres in higher density accommodation or those simply choosing a greener travel option need access to public transport and safe, usable alternatives such as well-lit and well-maintained walking and cycle routes.

You also told us during the pre-engagement process that transport was one of the key issues in achieving the vision principle of Zero Carbon Communities | Parakore Hapori and a more connected community support the principles of Thriving People | Whakapuāwai Hapori and Opportunities for All | He Ōhaka Taurikura. In particular, you wanted to see more commitment to support walking, e-scooters, cycling etc, greater access to public transport, and a move to prioritising electric vehicles. Investment in transport can also benefit our communities' social, economic and environmental wellbeing.

Crown Infrastructure Partners' 'Shovel Ready' Projects

In June, the Prime Minister made the announcement that QLDC had been awarded \$85M in funding towards stage one of the Queenstown arterial project and the Queenstown CBD street upgrades. This was the first shovel ready funding announcement and will give a big boost to the local economy by supporting more than 300 jobs in the district. These projects form a key part of the district's recovery programme from the effects of COVID-19.

Delivering on these projects is a commitment the Council made in seeking the funding, and completion of these appear in year two of the draft capital programme (2022-2023). This commitment provides certainty to the community and local business and confirmation that QLDC is firmly committed to providing a boost to our economy and creating jobs. Both the shovel-ready projects and Alliance programme (see *next column*) are integral parts of Council's wider approach to transport infrastructure to ease congestion in and around the Queenstown CBD and encourage a mode shift to public and active transport options as outlined in the options detailed on page 22.

Wakatipu Transport Programme Alliance

In September 2020, we announced QLDC and Waka Kotahi NZTA were forming an alliance to deliver a number of cornerstone projects, including the 'shovel ready' projects. In November 2020, we then announced a consortium of Beca, Downer, Fulton Hogan, and WSP will come together with QLDC and Waka Kotahi NZTA to deliver the objectives of the Wakatipu Transport Programme Alliance which include revitalising the Queenstown CBD and unlocking the benefits of other key developments such as Lakeview and Project Manawa (Civic Heart). Delivering these projects requires additional funding alongside the contribution from the Crown Infrastructure Partners, and you can see more information about this in the section

Other projects the Alliance aims to deliver include the \$90M *New Zealand Upgrade Programme Package for Queenstown* which provides bus lanes and bus priority on SH6A, improvements to the SH6a/SH6 intersection, a new roundabout at Howards Drive and an underpass at Te Pūtahi Ladies Mile to provide better walking and cycling connections. These improvements are part of the \$6.8 billion New Zealand Upgrade Programme transport investment to improve travel choices, get our cities and regions moving and boost productivity in the country's growth areas.



Prioritising Investment: Public Transport and Active Travel


Since the 2017 introduction of the \$2 Orbus service in Queenstown by Otago Regional Council, uptake has continued to increase as has the desire to leave the car at home and use a public transport alternative. Improvements to the bus routes to deliver prioritisation for public transport (\$17.3M) are proposed to be completed in 2024-2025 with a Stanley Street-based public transport hub delivered in 2028-2029 at a cost of \$24.9M. Previously highlighted as part of the Queenstown Town Centre Masterplan in the 2018-2028 Ten Year Plan, this draft plan includes investment in the ferry network facilities (\$6.9M) in 2028-2029. We had also previously signalled a desire to introduce a mass rapid transport system in Queenstown however, this has

been reprioritised so that the planning (\$2.0M) and delivery of this, such as implementing trackless trams (\$21.0M) are currently not within the draft 2021-2031 Ten Year Plan.

Choosing alternative modes of transport other than private car use is something you told us you would be willing to do in the pre-engagement survey, particularly with regard to minimising your personal impact on the environment and prioritising Zero Carbon Communities | Parakore Hapori and the environmental wellbeing. Significant investments in active travel include improvements to the Frankton Track (\$6.0M) to be completed in 2023-2024 and the Wānaka Primary Cycle Network (\$15.9M) completing and ready for the community to use in 2026-2027. To be able to deliver a draft programme within funding limits we have had to reprioritise the Wakatipu Active Travel Network (\$61.3M), the Mt Aspiring cycleway (\$8.4M) and active travel opportunities within the Wānaka Town Centre Masterplan, Wānaka Lakefront and interventions aligned with the Te Kirikiri Frankton Masterplan.

Currently we are not able to confirm funding from Waka Kotahi NZTA for all of the proposed Public Transport projects within the Ten Year Plan capital programme. There is a risk that the Waka Kotahi NZTA contribution to the funding of the key Public Transport initiatives including the Queenstown Public Transport hub may not be approved. This amounts to \$21.5M of the \$42.1M investment.

If this occurs, Council would look to re-direct \$42.1M (including Waka Kotahi NZTA subsidy) to further investment in the Wakatipu Active Travel network. This is possible because Active Travel is part of a different funding category which promotes health and environmental outcomes which are likely to be desirable from a funding perspective. The extent of the works would be subject to the amount of third-party funding available. Priority routes would include connections between Queenstown CBD and both Arthurs Point and Fernhill, and Lake Hayes Estate and Frankton.



PLEASE COMMENT ON THE OPTIONS FOR PUBLIC TRANSPORT AND ACTIVE TRAVEL.


The plan Council has developed reflects the complex needs of a district facing short-term economic challenges. Many aspects of the plan are dependent on internal and external factors (such as Central Government funding) to progress. The assumptions have been provided throughout the plan, and a notable assumption is the subsidised transport programme (excluding the already committed shovel ready projects). This \$357.9M transport programme is based on an assumed Waka Kotahi NZTA contribution of \$185.6M (51.8%). The Council maintains this assumption is reasonable but the Waka Kotahi NZTA level of subsidy will not be confirmed until August 2021. It is important to understand that the Council will need to adapt its capital programme should the assumed external funding levels not materialise. If for example, the external funding is significantly less than assumed, the Council will be forced to defer elements of the programme. For the Queenstown arterials project, this would probably mean deferring Stage two (Henry St to Man St) to beyond the ten-year period. The consequences of this are that traffic is not diverted out of the town centre effectively and congestion continues. If however, the external funding exceeds the assumed amounts, the Council would be in a position to consider advancing the timing of some elements of the capital programme.



Options

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">1 PREFERRED OPTION</p>	<p>OPTION 1: Complete the Wakatipu Transport Capital Programme as outlined in the plan</p>	<p>Invest in Queenstown Public Transport interventions as proposed including the Stanley Street-based public transport hub and bus prioritisation along public transport routes. (Total Cost \$42.1M.)</p> <p>Please note, this option assumes funding support will be forthcoming from Waka Kotahi NZTA. In the event this funding is not received, the scope of works would need to be significantly reduced, or QLDC would need to fund the balance (with a commensurate trade off elsewhere in the Ten Year Plan capital programme).</p>	<p>The funding impact for this option assumes \$21.5M of Waka Kotahi NZTA subsidy with \$20.6M (debt impact) of local share coming from borrowing.</p> <p>The debt would be serviced by the Wakatipu roading rate (70%) and new proposed targeted rate on the Queenstown CBD (30%) (see <i>Big Issue 3</i>).</p> <p>The impact under this option would also see moderate increases for most properties depending on capital value, residential property increases would be between 0.3% and 0.8%, commercial from 0.8% to 1.5%, and accommodation from 0.8% to 1.</p>
<p>2</p>	<p>OPTION 2: Re-direct the funding for Queenstown Public Transport interventions as proposed (\$42.1M) to Active Travel projects not currently included in the draft Ten Year Plan</p>	<p>This option assumes funding support will not be forthcoming from Waka Kotahi NZTA for the Queenstown Public Transport interventions. It proposes that the Wakatipu Active Travel Network could be developed instead, because Active Travel is part of a different funding category which promotes health and environmental outcomes which are likely to be desirable from a funding perspective. The extent of the works would be subject to the amount of third party funding available - priority routes would include connections between the Queenstown CBD and both Arthurs Point and Fernhill, as well as Lake Hayes Estate to Frankton.</p>	<p>The funding impact for this option also assumes \$21.5M of Waka Kotahi NZTA subsidy with \$20.6M (debt impact) of local share coming from borrowing.</p> <p>The debt would be serviced by the Wakatipu roading rate (100%).</p> <p>The impact under this option would also see moderate increases for most properties depending on capital value, residential property increases would be between 0.3% and 0.8%, commercial from 0.8% to 1.5%, and accommodation from 0.8% to 1.</p>

Big Issue 3: New Targeted Rate on Queenstown Town Centre properties



In 2018, we sought your feedback on a proposal to pay for the Queenstown Masterplan, a \$330M integrated transport strategy which included the Queenstown CBD arterial road, the CBD street upgrades, car parking provision, a public transport hub, public transport and active travel options and other associated small projects.



Since the last Ten Year Plan, we have re-prioritised some elements of the initial programme. The biggest change sees Stage 3 of the arterial road deferred beyond the ten-year timeframe. The revised ten-year programme is summarised below:

QUEENSTOWN INTEGRATED TRANSPORT STRATEGY						
Rating Impact (year ten)			Benefit Allocation			
Queenstown Integrated Transport Strategy Programme	Total Capex \$000's	Rates Funded \$000's	Town Centre %	Balance of Ward %	Town Centre \$000's	Balance Ward \$000's
Public Transport Improvements	24,905	7,444	50.00%	50.00%	3,722	3,722
Town Centre Pedestrianisation	46,590	11,219	94.00%	6.00%	10,546	673
Water Taxi/Ferry infrastructure	6,915	1,999	50.00%	50.00%	1,000	1,000
Arterial - Stage 1 (CIP)	44,503	1,495	50.00%	50.00%	748	748
Town Centre Arterials Stage 2	34,697	9,691	50.00%	50.00%	4,845	4,845
Total	157,610	31,848			20,860	10,988
					65.5%	34.5%

At Year Ten	Annual Cost	Total to Fund	Interest Rate	Term
Town Centre Share	1,064,280	20,860,362	3.00%	30 years
Balance of Ward Share	560,589	10,987,791	3.00%	30 years

As highlighted in Big Issue 2 Meeting the transport needs of our communities and ensuring capacity and choice, some funding has been forthcoming from the Crown Infrastructure Partners' shovel ready programme towards the arterial road and Queenstown CBD street upgrades. With the remainder of the funding that could not be sourced from Waka Kotahi NZTA, Council considered it was important to agree what would be fair and equitable and who would benefit the most from this significant investment.

It is proposed that all properties within the area of benefit (see map below) will be subject to the new targeted Town Centre Transport Rate. The proportion of costs allocated to this area will be determined by the relative benefit assessed as accruing to the area of benefit versus the balance of the ward. Although an additional targeted rate may

not be welcomed by everyone in the current context, we consider that this approach ensures that a greatly improved Queenstown CBD experience and environment is principally funded by those who will benefit directly.

For most of the categories of work, the benefit assessment has resulted in a 50/50 split of benefit. The pedestrianisation category, however, shows a 94% local benefit to the greater town centre area with 6% applying to the wider ward. Overall, the assessment denotes around 65% of the benefits accruing to the wider town centre area. The remaining 35% will be recovered from the wider Wakatipu ratepayers.

The alternative option is that 100% of costs are recovered from all Wakatipu ratepayers through the existing roading rate. The main benefits of this approach are reduced rates burden on town

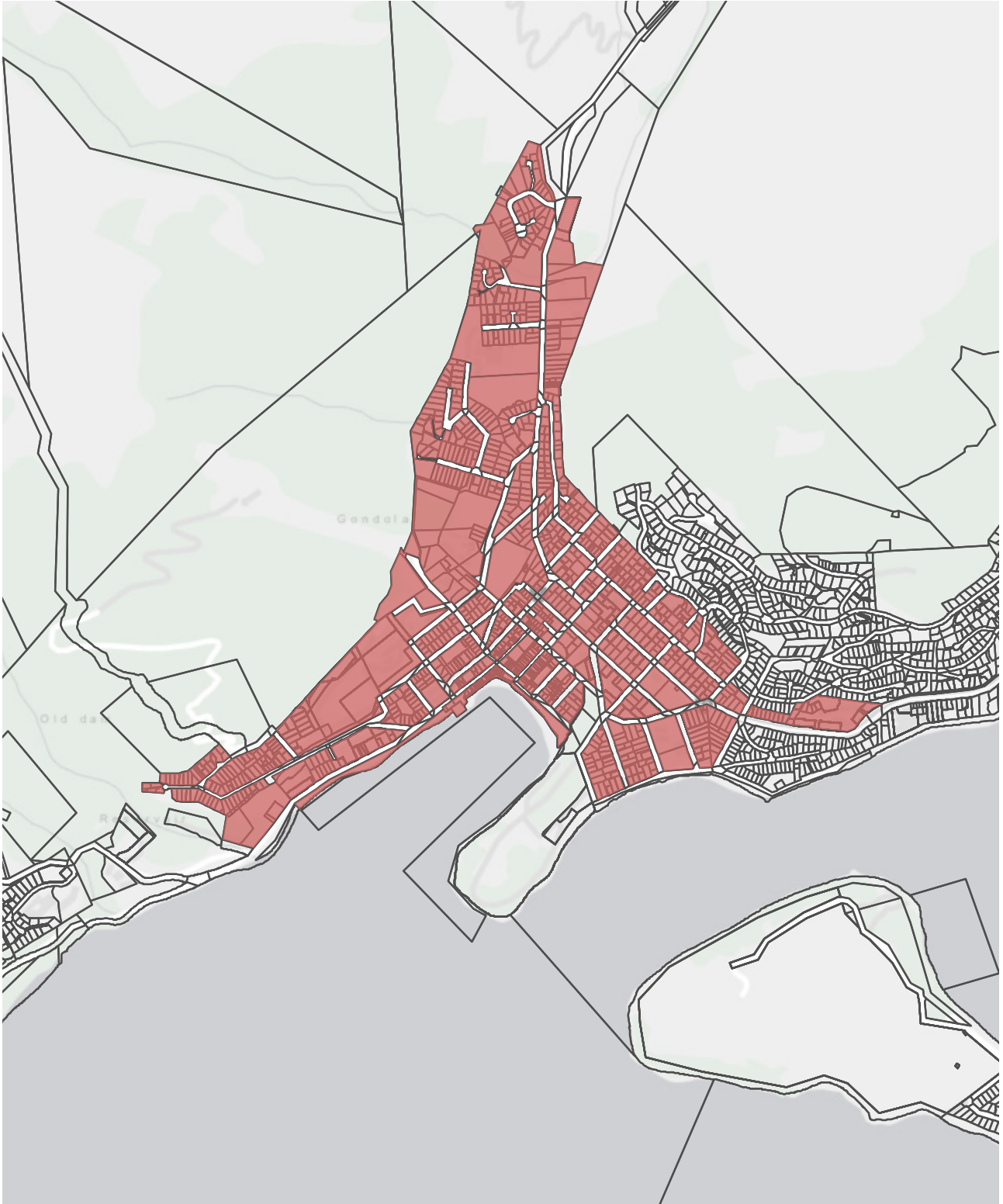
centre properties and a simpler rating method.

In order to ensure that future generations continue to pay for the benefit of the investment, a 30-year repayment period has been modelled, amounting to \$1.63M per annum (including 3% interest).



PROPOSED AREA FOR TARGETED CBD RATE

 Proposed area highlighted in red



Impact on Rates


The large capital investment for the Queenstown Masterplan described above will have a significant impact on rates. Whilst, the growth portion of this investment will be funded by development contributions, the portion related to increasing levels of service will come largely from rate funded debt. The table below shows the impact on rates of the preferred option 1 for affected properties at both years five (2025-2026) and ten (2030-2031).

RATES IMPACT OF MAJOR PROJECTS		
QUEENSTOWN TOWN CENTRE ROADING		
Project	Queenstown Town Centre Year Five	Queenstown Town Centre Year Ten
Capital Cost	\$92.1M	\$157.6M
Timing	2021 to 2025	2021-2031
Ratepayers Affected	Wakatipu Ward	Wakatipu Ward
Main Impact	Properties within wider Queenstown CBD area	Properties within wider Queenstown CBD area
Rates Increase	0.1% to 5.7%	0.4% to 9.2%
Residential Impact (\$)	New Targeted rate: Within wider CBD \$39 to \$189 per annum. Outside wider CBD: \$2 to \$10 per annum	New Targeted rate: Within wider CBD \$62 to \$303 per annum. Outside wider CBD: \$13 to \$61 per annum
Debt impact	\$13.0m	\$31.8m

Options

1	OPTION 1: Rates recovery focused on wider CBD ratepayers	The Council has determined that the CBD would benefit the most from the investment therefore the preferred option is to create a new Queenstown CBD Transport Improvement Rate. This rate seeks to recover 65% of the cost from the wider CBD ratepayer and 35% from the wider Wakatipu ratepayer. You can view the detailed map above which highlights a definitive wider CBD zone (this includes from Gorge Road through to One Mile and short section of Frankton Road). This option is Council's preferred approach to fairly apportioning the cost of these projects.	The increases for properties within the wider town centre area are significant in some instances depending on the capital value. Residential properties show increases of between 2.1% to 4.9%, commercial from 4.9% to 9.2%, and accommodation from 5.2% to 6.2%. The impact is reduced for properties outside of the wider town centre area. Residential shows increases between 0.4% and 1.0%, commercial from 1.0% to 1.9%, and accommodation from 1.1% to 1.3%. In the current COVID environment we recognise this option presents a challenge particularly to retailers and accommodation providers experiencing a significant downturn. Please ensure you let us know your views.
2	OPTION 2: Apply costs to the existing Wakatipu Roding Rates.	Option two is to apply the cost to the existing Wakatipu Ward Roding Rate. This option gives no weighting to those properties which benefit most (i.e. within the CBD) and shares the cost across the whole Wakatipu area.	The impact under this option would also see moderate increases for most properties depending on capital value, residential property increases would be between 0.9% and 2.1%, commercial from 2.1% to 3.9%, and accommodation from 2.2% to 2.6%.

Big Issue 4: Increasing User Fees and Charges



The Council provides a range of “user pays” services throughout the district. Generally, we will look to use fees and charges to recover the “private benefit” costs of a particular activity. The Revenue and Financing Policy determines the target for the proportion of private benefit to be recovered by fees and charges for each activity.

In compiling the budgets for the draft Ten Year Plan, it has become apparent that a range of fees and charges will need to increase for the 2020-2021 year in order to meet compliance with the policy. These include charges for Resource Consents; Building Consents; Dog Registration; Environmental Health; Solid Waste and entry charges for the use of Aquatic Centres.



It is important to note that if fees and charges are not increased for these activities, then the unfunded “private benefit” portion of the cost will have to be collected in rates. It is Council’s preference to review and adjust fees and charges periodically in order maintain the existing policy settings and to minimise rates increases. We understand that the users of the services in question will consequently have to pay more, but this is preferable than funding them through rates. We have calculated the impact of the proposed fee increases as follows:

Activity	2021-2022 Revenue with existing fee (\$)	2021-2022 Revenue with proposed fee (\$)	\$ increase	% increase
Resource Consents	5,587,501	6,230,922	643,421	12%
Building Consents	4,478,581	4,926,439	447,858	10%
Dog Registration	306,864	354,186	47,322	15%
Environmental Health	331,814	478,698	146,884	44%
Aquatics	1,262,721	1,338,421	75,700	6%
Solid Waste	7,373,200	8,351,400	978,200	13%
Cemeteries	78,144	85,958	7,814	10%
Total	19,418,825	21,766,024	2,347,199	12%

Impact on Rates

The table above shows that if fees and charges are not increased from current levels for these activities then a further \$2.35M will be added to rates for next year. This would increase the average rates increase (after growth) from 4.56% to 7.14% - an additional 2.58%. Whilst increased user fees and charges will undoubtedly be challenging for some in a time of uncertainty, we do believe this is the fairest approach to recover costs by ensuring those who benefit from the service principally fund them. The impact for different types of property is shown below.

Options

1	OPTION 1: Fees and Charges Increased as per Revenue & Financing Policy	In order to meet compliance with the Revenue & Financing Policy, a range of fees and charges will need to increase for the 2020-2021 year. These include charges for Resource Consents; Building Consents; Dog Registration; Environmental Health; Solid Waste and entry charges for the use of Aquatic Centres.	This option is the preferred option and is represented by the proposed budgets. Overall average rates increase of 4.56% for 2020/21. Residential properties show increases of between 2.1% to 6.9%, commercial from 3.7% to 6.7%, and accommodation from 2.4% to 6.2%.
2	OPTION 2: Fees and Charges not increased	Option two is to not increase fees and charges for 2020-2021, which will not comply with the Revenue & Financing Policy. If Council breaches this policy, it would need to disclose this fact and seek to amend the funding targets in the Revenue & Financing Policy.	This option will require higher rates increases for 2020-2021. Overall average rates increase of 7.14% Residential properties show increases of between 4.8% to 9.6%, commercial from 6.3% to 8.7%, and accommodation from 4.3% to 6.9%.

Most of the revenue budgets in the draft Ten Year Plan already assume that these fee increases will be given effect to. There are however, separate statutory processes that need to be undertaken in order for this to occur for some activities. These processes will run concurrently to the consultation period for the draft Ten Year Plan and will cover off in detail the proposed fee increases. This will be the case for both Resource Consents and Building Consents. The process for increasing the fees for Environmental Health is already underway and will conclude at the Council meeting on 22 April 2021. The other fees will be set by way of a resolution of Council following the consultation period (19 March – 19 April 2021) for the draft Ten Year Plan.



Proposed Amendments to the Policy on Development Contributions

The Local Government Act 2002 (LGA) allows Council to amend the Policy on Development Contributions at any time in accordance with section 102 (4) (b) of LGA. As in previous years, Council intends to update the Policy in parallel with the Ten Year Plan consultation. The proposed amendments to the Policy on Development Contributions are available to review in Volume Two of the Ten Year Plan supporting documents. The main reason for the amendment is to update contribution levels as a result of the incorporation of the latest actual expenditure and the revised capital programme proposed by the 2021-2031 Ten Year Plan.

Other projects

| Ētahi atu hinoka




District wide rating on water supply and wastewater

As we move into a significant period of investment in the 3 waters space, it is timely to consider a review of our charging regimen. Currently, we charge a separate targeted rate for each water supply and wastewater scheme. This allows us to recover the actual operating costs associated with each scheme to those ratepayers connected or able to connect. This approach has been appropriate where we have had quite diverse levels of service applying to each scheme.

With significant capital investment required to comply with drinking water standards and to meet the increasingly stringent wastewater consent conditions, the differences in levels of service between schemes will become less significant. This provides the opportunity to consider moving to a standardised approach to charging for these services. Under this approach we would look to introduce a system where all the operating costs associated with running the water supply schemes would be aggregated and charged out by way of a universal targeted rate across the district. The same

approach would also apply for waste-water.

It would make sense to introduce this system within the next five years once the capital investment has been completed for water supply. It is our intention to consult on this issue in more detail in the next Ten Year Plan in 2024. In the meantime, we are keen to see what you think of this concept.



Queenstown Event Centre land sale or lease

The Council is considering the sale or lease of a parcel of land at the north-east end of the Queenstown Event Centre (known as Five Mile car park). As the land is part of the Event Centre, under the Council's Significance and Engagement Policy the sale of this land would require community consultation. If this sale is progressed a Statement of Proposal will be prepared and will be publicly notified and available on QLDC's website. The submission closing date along with any required hearing will be notified and heard by the Council before it makes any decision on this matter.



Cardrona Village Water Supply Scheme

In December 2020 the Council decided to pursue negotiations with a Cardrona-based developer to develop a public water scheme for Cardrona. If an agreement can be reached, the Council intends to contribute \$8.1M to the project. The capital costs to the Council would be met by rate-funded debt, and a targeted rate charged to those connected or able to connect to the scheme.



Consultation on Elderly and Residential Housing

Access to affordable housing has been an issue in the district for many years and house prices continue to rise beyond the reach of many. That's why supporting the Queenstown Lakes Community Housing Trust has been so important for the Council. This has been seen by Council confirming the transfer of land in Jopp Street, Arrowtown to the Trust to develop 65 affordable housing units, Council acting as loan guarantor for the Trust, a contribution to the Trust of 5% from the proceeds of the sale of the Lakeview land, and ensuring minimum numbers of affordable homes in Special Housing Areas developments. The Trust has demonstrated its ability to deliver and effectively manage genuine affordable housing options for their waiting list of people who need them.

The first aspect of consultation will address Council's elderly housing proposing transferring control to the Queenstown Lakes Community Housing Trust on the condition the stock remains an elderly housing resource. The Council will retain ownership of the land and buildings, and current tenancies (five housing units) will remain secure.

- > Wānaka Elderly Housing – Mcdougall Street – Five Housing Units

- > Arrowtown Elderly Housing – Caernarvon Street – Four Housing Units

These proposals were originally signalled in the 2018-2028 Ten Year Plan, and a Statement of Proposal for both of these will be released in the coming year, and will be available on QLDC's website. The submission closing date along with any required hearing will be notified and heard by the Council before it makes any decision on this matter.

A later phase of the consultation will seek community views on the transfer of Council residential housing units, again transferring control to the Queenstown Lakes Community Housing Trust.

What else has changed

| Kā panonitaka

Right-sizing staff numbers

Ensuring Council has the right capacity and capability within the staff is necessary to effectively deliver the capital investment programme and maintain existing levels of service. The proposed 2021-2031 Ten Year Plan budget includes an increase from the 2020-2021 Annual Plan budget of 21.27 FTE (23 new positions). This FTE increase includes resource to support programmes such as delivery of the Crown Infrastructure Partners' projects (Queenstown CBD Streetscape upgrades and arterial road stage one), government-required spatial planning, 3 waters reform deliverables, maintaining service levels in community facilities and services (libraries, parks and resource consent) and internal support services such as IT provision. All roles ensure continued levels of service to the community and momentum in key programmes of work.

Staff retention is also an ongoing consideration in how we budget for salaries and wages, and keeping pace with the wider market in keeping with our organisational approach to remuneration. A revised 2020-2021 Annual Plan was adopted in June 2020 which saw a salary freeze for staff and no increase to staff resourcing which was an appropriate decision in the context of the COVID-19 pandemic. However, that decision meant QLDC moved away from paying the equivalent of the Living Wage and this draft 2021-2031 Ten Year Plan proposes QLDC will

return to paying the equivalent of the Living Wage from June 2021.

To minimise the effect on rates these additional roles are being offset where possible by budgeting for vacancies or adjusting user fees appropriately.

Wānaka Lakefront Development

Originally approved in 2016, the Wānaka Lakefront Development Plan has made progress seeing the delivery of Stage 1 (Wānaka – Mt Aspiring Road car park) delivered in December 2018. Further community engagement on Stage 2 (South Beach) has seen general consensus on a concept design, and Stage 3 (Main Beach) saw work on the ground begin in February 2021. These are a considerable step towards delivering on the project's original aspiration "to provide continuous pedestrian access – Te Ara Wānaka - a shared pathway for pedestrians and cyclists making strong connections with the town centre, reducing vehicle use in the town centre, hosting a range of recreational activities and enhancing the ecology throughout, while enhancing the visibility of Kāi Tahu through lakefront design, reflecting the importance of the lake to mana whenua, the Wānaka community and to visitors."

Due to the need to invest in core infrastructure, further investment in the Wānaka Lakefront

Development Stage 5 (North Carpark) is planned in year One (2021 – 2022), and Stage 4 (Main beach) is planned in year Four and Five (2025-2026) of the draft (2021-2031) Ten Year Plan.

Concept designs will be presented to the community for comment.

Waste Management

In June 2018, QLDC adopted our first Waste Minimisation & Management Plan which cemented the organisational vision 'towards zero waste and a sustainable district'. The goals of the plan align with those of the New Zealand Waste Strategy which are improving the efficiency of resource use and reducing harmful effects of waste. As an important part of our commitment to the environmental wellbeing, the Climate Action Plan, and the vision principle of Zero Carbon Communities | Parakore Hapori, waste minimisation is a key focus for the Council. This has seen us invest in annual grants (\$60k) in the Waste Minimisation Community Fund and the new three-bin system introduced 1 July 2018.

We've also recently changed the types of plastics accepted in yellow kerbside bins to ones we can recycle onshore in Aotearoa New Zealand, which are plastic packaging types 1, 2 and 5. These make up the majority of plastics put in the district's yellow mixed recycled bins, they are high value

plastics and are easily recycled into other useful products.

In the draft 2021-2031 Ten Year Plan the significant investment comes in 2026-2027 with a new Wakatipu-located Materials Recovery Facility (\$38.7M). The provision of better management of construction waste (\$5.2M) and organic waste is something that has had to be reprioritised and is not currently in the draft plan. Tell us how you feel about that decision.



Update on the District Plan Review

The current review of the Operative District plan began in April 2014 and has made significant progress through the notification and hearing of submissions in a series of tranches or stages referred to as the Proposed District Plan (PDP). Decisions on the plan have been substantially challenged through appeals to the Environment Court containing over 2,000 separate appeal points. Substantial progress has been made in mediating and resolving the appeals and nearly 90% of the appeals have been resolved through decisions of the Environment Court and mediated settlements resulting in, for the most part, a clearer more effective plan.

At this point the PDP applies to 99.8% of the land in the district and almost all of the key parts of the PDP are close to being able to be

made “operative in part” which has a range of benefits for plan users, consenting and development. The remaining un-reviewed land is limited to 17 confined areas, mainly in Wānaka and Queenstown, and comprising less than one percent of the land area of the district. A number of major changes to the legislative environment that governs district plans, as well as the speed at which development is occurring in the district means that completing the current review of the district plan will continue to be challenging and will require continued focused work into 2022 and potentially beyond.



Community Facilities

The Council has continued to invest in community facilities including minor works on community halls and venues, continuing work on the new Luggate Memorial Centre Whare Mahana as a blueprint for future community facilities based on passive house design principles, the new Frankton library, the Wānaka pool and the Queenstown Bathhouse Destination Playground. These community facilities have the opportunity to enhance community wellbeing, particularly social and cultural wellbeing. The also help strive for the vision goals of Thriving People | Whakapuāwai Hapori, Embracing the Māori World | Whakatinana te Ao Māori, Opportunities for All | He Ōhaka Taurikura, Breathtaking Creativity

| Whakaohoho Auahataka and Pride in Sharing Our Places | Kia Noho Tahi Tātou Kātoa.

Due to the financial constraints already outlined earlier in this document, we are not able to propose as much development in this area as had been hoped for, and which we acknowledge may be disappointing especially for those in areas of our district growing the fastest.



Lakeview

After a long journey of exploration, Council signed a development agreement in October 2019 with Melbourne-based developer Ninety Four Feet and Auckland-based investment company Augusta Capital for development of the Lakeview land. Through this partnership, the Lakeview Precinct will become a vibrant and complementary extension of the existing town centre. The site will offer residential buildings, hotels, co-working and co-living spaces, hospitality and retail, and open space through areas like the Lakeview plaza. Construction will be phased over seven stages and is estimated to take more than ten years to complete.

In order to facilitate the development, QLDC’s role includes providing the necessary 3 waters, roading and reserve land. That work is well underway and will need to be completed within the first two years of the draft capital programme.



Project Manawa – Performing Arts Centre

In 2017, QLDC extensively engaged with the local community to create a masterplan for the Queenstown Town Centre. Delivering the various parts of that masterplan was part of the consultation on the 2018-2028 Ten Year Plan, and you will see many elements being rolled out now such as the first stage of the arterial road and the street upgrades under the Crown Infrastructure Partners' Shovel ready funding. As part of that masterplan, we introduced the concept of a "community heart" between Stanley Street and Henry & Melbourne Streets, signalling the potential replacement of the Queenstown Memorial Hall (subject to the alignment of the second stage of the arterial road) and a new Council office (known as Project Connect). These proposed new facilities reflected the growing and changing needs of Queenstown and the wider district for access to cultural, community and arts facilities. Increasingly existing facilities and venues have become unable to adequately accommodate local groups, or national and international artists, events and performances.

Development of the site concept plan has progressed and includes a performing arts venue which delivers on that original vision and as a fitting replacement for the Queenstown Memorial

Hall, we have proposed a new Performing Arts Centre to be delivered in year eight of the draft programme. This would align with stage two of the proposed arterial road being delivered in year ten, thereby aligning with the Council's commitment that a new centre would be available before any planned demolition of the existing Memorial Hall to make way for the road. The current concept is considering a two-auditorium centre with capacity for 500 and 250 people, to create an adaptable venue to meet our communities' diverse needs. Consultation on these facilities will be undertaken at the appropriate time and include consultation on the future of the Queenstown Arts Centre on Stanley Street.



Performance indicators

The performance indicators detailed in this draft Ten Year Plan are a tool for informing the community of the progress the Council is making towards meeting its levels of service. At the end of each financial year these are detailed in the Annual Report. The indicators have changed from the 2018-2028 Ten Year Plan and reflect the issues that our communities have told us are important. In particular, the indicators now align with the Vision 2050 and associated community outcomes. The strategic performance framework can be found through Volume One of the supporting documents and also online at letstalk.qldc.govt.nz



Significance and Engagement Policy

The Council adopted a Significance and Engagement Policy in December 2014 (revised 2017) to give the community certainty about when people can expect to be informed of a proposed Council action or be asked for a view on an issue to help inform a decision. It outlines what the Council will take into account when deciding what is significant and when the community will have a direct opportunity to contribute to decision making. The policy has been reviewed and updated for 2021 as part of this planning process. Minor amendments are proposed to include climate change and mana whenua as considerations for significance, update the lists of strategic assets, and align Council engagement practice with the IAP2¹¹ Spectrum of Public Participation and engagement principles.

The Significance and Engagement Policy 2021 can be read in full on the Council website letstalk.qldc.govt.nz or any Council office.

We want to hear from you

| Whakapā mai

We value your input and want to hear from you on the challenges we are facing as a district. We need your feedback before submissions close at 5.00pm on Monday 19 April 2021.

To make a submission

- > Go online to letstalk.qldc.govt.nz to submit your comments
- > Scan your completed form to letstalk@qldc.govt.nz
- > Freepost your completed form to:
Queenstown Lakes District Council, Freepost 191078, Private Bag 50072, Queenstown 9348
(no stamp required)

Some tips on making a submission

The Ten Year Plan is about our future as a district. It's the big picture of where we're heading and the deciding how to get us there. Although you're welcome to share your views on general levels of service, it isn't about the day-to-day stuff such as requesting a new bin lid or a barking dog. If you're experiencing any problems like these:

- > Give us a call 24/7 on 03 441 0499
- > Send us a 'Fix it' request via the Snap Send Solve app on your phone
- > Complete a 'Fix it' request form on the Council's website

Who sees my submission?

All submissions are public information because in local government we have an obligation around decision-making to be as transparent as possible.

If I make a submission, do I have to appear at a hearing?

The short answer is no. All submissions are given due consideration and everyone has the opportunity to make their submission personally if they want to. If you want to make your submission personally to the Council, let us know with your submission. We'll get back to you with a time and other hearing details.

How will I know my submission has been considered?

All submissions will be considered by Councillors as part of their final decision on the Ten Year Plan. At the end of the process, we will summarise the significant decisions made by Council and let you know the outcomes.

**SUBMISSIONS
CLOSE AT 5.00PM
ON MONDAY
19 APRIL 2021**

The important dates | Te wātaka

FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	
	FRIDAY, 19 MARCH 2021 Submissions open	MONDAY, 19 APRIL 2021 Submissions close at 5.00pm	MONDAY, 10 MAY 2021 Queenstown hearing	TUESDAY, 11 MAY 2021 Wānaka hearing	WEDNESDAY, 30 JUNE 2021 Council adopts 2021-2031 Ten Year Plan	

Want more information about the ten year plan | He pātai anō māu?

We have scheduled opportunities to talk with QLDC representatives during the consultation period. You can find details of these at letstalk.qldc.govt.nz.

You can access the full draft 2021-2031 Ten Year Plan document via letstalk.qldc.govt.nz. Alternatively drop into one of our Queenstown or Wānaka offices, or any of our libraries across the district.

Need help with your submission? | He āwhina māu?

Phone us on **03 441 0499** for advice about making your submission, or email us at letstalk@qldc.govt.nz with 'Ten Year Plan' in the subject line.

If you'd like to talk with any of the local Councillors or Mayor about the big issues in the Ten Year Plan and the challenges ahead, you'll find their contact details online at www.qldc.govt.nz/elected-members

AUDITOR'S REPORT

AUDITOR'S REPORT



Submission form

Puka tāpaetaka



All submissions will be made public.

Name:				
Organisation (if any):				
Contact email address or postal address:				
Location:	<input type="checkbox"/> Arrowtown	<input type="checkbox"/> Glenorchy	<input type="checkbox"/> Hāwea	<input type="checkbox"/> Queenstown/Wakatipu
	<input type="checkbox"/> Kingston	<input type="checkbox"/> Luggate	<input type="checkbox"/> Makarora	<input type="checkbox"/> Wānaka/Upper Clutha area
Do you wish to speak at a hearing for the 2021-2031 Ten Year Plan (including the Significance and Engagement Policy):				<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you wish to speak at a hearing for the draft Policy on Development Contributions:				<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please provide a contact number:				→

Please have your say on the big issues identified within the draft Ten Year Plan.



Responding to Climate Change

Please tell us what you think of Council’s response and your thoughts on prioritisation and funding.

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

<input type="checkbox"/>	I support OPTION ONE: Complete the Water Treatment Programme as outlined in the plan (by 2024)
<input type="checkbox"/>	I support OPTION TWO: Spread the Water Treatment Programme over the ten years
<input type="checkbox"/>	Neither / Neutral

Please tell us more about your response:

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

<input type="checkbox"/>	I support OPTION ONE: Council confirms the prioritisation and funding or non-funding of transport projects as outlined
<input type="checkbox"/>	I support OPTION TWO: Council reconsiders prioritisation and funding or non-funding of one or more transport projects
<input type="checkbox"/>	Neither / Neutral

Please tell us more about your response:

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Big Issue 3: New Targeted Rate on Queenstown Town Centre properties

<input type="checkbox"/>	I support OPTION ONE: Rates recovery focused on wider CBD ratepayers	Page 24
<input type="checkbox"/>	I support OPTION TWO: Apply costs to the existing Wakatipu Rooding Rates	
<input type="checkbox"/>	Neither / Neutral	
Please tell us more about your response:		



Big Issue 4: Increasing User Fees and Charges

<input type="checkbox"/>	I support OPTION ONE: Fees and Charges Increases as per Revenue & Financing Policy	Page 28
<input type="checkbox"/>	I support OPTION TWO: Fees and Charges not increased	
<input type="checkbox"/>	Neither / Neutral	
Please tell us more about your response:		



Please use this space to comment on the big issues or any aspect of the draft Ten Year Plan:



Please use this space to comment on the draft Policy on Development Contributions:



Please use this space to comment on the draft Policy on Significance and Engagement:

Please attach additional sheets if you run out of space



Freepost your completed form to:
Queenstown Lakes District Council,
Freepost 191078, Private Bag 50072,
Queenstown 9348 (no stamp required)

