

**INTERNAL**

# Submissions to the draft 2021-2031 Ten Year Plan



QUEENSTOWN  
LAKES DISTRICT  
COUNCIL

<b>Date Request:</b>	30th April 2021
<b>To:</b>	Councillors
<b>From:</b>	Stew Burns
<b>Date for Deliberations:</b>	17 <sup>th</sup> May 2021
<b>Subject:</b>	Internal Submissions LTP 21-31

**1.0 Background/Purpose** - The objective of this report is to give Councillors an overview of the proposed internal submission for budget amendments to the draft 2021-31 LTP operational and capital works budgets.

**2.0 Outcome/Action required from Councillors** – Note the proposed internal submission to the 2021-31 Long Term Plan to recommend approval or advise if any further action is required.

**3.0 Summary** – The attached report is summarised below.

#### Opex

- QLDC has a total net cost increase proposed through the internal submissions of \$461k in year 1, \$697k in year 2 and \$776k in year 3. Excluding Parking (which does not offset rates) there is a total net increase of \$461k in year 1, \$848k in year 2 and \$1.3M in year 3.

OPEX LTP 21-31 internal Submissions Summary of Net Cost Changes										
<b>Property &amp; Infrastructure Net Cost Movement Summary</b>										
Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
New proposed FTE Net Cost	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381
Waste Disposal Levy Net Cost	- 122,400	- 257,821	- 541,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410
Parking Net Cost	-	151,259	526,688	266,288	155,812	155,812	155,812	261,888	261,888	261,888
Depreciation Net Cost	-	188,304	190,804	191,658	193,080	194,893	196,726	199,540	203,178	207,283
<b>Infrastructure Net Cost Movement</b>	<b>- 156,781</b>	<b>47,361</b>	<b>141,701</b>	<b>- 253,846</b>	<b>- 674,523</b>	<b>- 672,710</b>	<b>- 670,878</b>	<b>- 250,363</b>	<b>- 246,725</b>	<b>- 242,620</b>
<b>Corporate Net Cost Movement Summary</b>										
Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
After hours customer service contract	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000
<b>Corporate Net Cost Movement</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>
<b>Community Services Net Cost Movement Summary</b>										
Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Total Mitre10 Community Centre (Wanaka) Net Cost	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736
Mt Iron Net Cost	- 115,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000
Te Atamira Arts and Culture Hub (Remarkables Park) Net Cost	- 347,308	- 551,860	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897
Operational Net Savings/ Reprioritisation to Offset Costs Above	843,831	554,099	390,345	390,345	390,345	390,345	390,345	390,345	390,345	390,345
<b>Total Community Net Cost Movement</b>	<b>- 263,214</b>	<b>- 703,498</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>
<b>Total QLDC Net Cost Movement</b>	<b>- 460,995</b>	<b>- 697,137</b>	<b>- 775,588</b>	<b>- 1,171,134</b>	<b>- 1,591,811</b>	<b>- 1,589,998</b>	<b>- 1,588,166</b>	<b>- 1,167,652</b>	<b>- 1,164,013</b>	<b>- 1,159,909</b>
<b>Total QLDC Net Cost Movement (Excluding Parking)</b>	<b>- 460,995</b>	<b>- 848,395</b>	<b>- 1,302,275</b>	<b>- 1,437,421</b>	<b>- 1,435,999</b>	<b>- 1,434,186</b>	<b>- 1,432,354</b>	<b>- 1,429,539</b>	<b>- 1,425,901</b>	<b>- 1,421,796</b>

## Rates Impact

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Rates per draft CD	95.06	102.72	111.25	121.02	131.65	143.18	151.24	160.32	169.12	180.51
Additional Rates per above	0.46	0.85	1.30	1.44	1.44	1.43	1.43	1.43	1.43	1.42
Revised Rates	95.52	103.57	112.55	122.45	133.08	144.61	152.67	161.75	170.54	181.94
Rates Impact	0.48%	0.83%	1.17%	1.19%	1.09%	1.00%	0.95%	0.89%	0.84%	0.79%
Total Revised Total Rates Increase	5.05%	6.24%	6.32%	6.80%	6.71%	6.60%	3.50%	3.81%	3.26%	4.42%

## Capex

- Community/Buildings Capex total cost for the ten year plan has increased by \$5.9M, of which \$2.7M is funded through surplus's in the March 2021 reforecast, \$3M for Luggate Hall is a deferral funded through the 2020/21 Annual Plan and \$250K grant funding is included for the new Mitre 10 Community Centre in Wanaka.
- Infrastructure Capex total cost for the ten year plan has increased by \$1.7M, of which \$1.9M of third party funding is expected for the new Brecon Street Turning head transport project and \$11.8M of deferrals for CIP projects is funded through the 2020/21 Annual Plan. The first 6 years have a net decrease of \$2.0M. Note Lakeview Development and ancillary projects are summarised on a separate tab on attachment A.

CAPEX LTP 21-31 internal Submissions Summary of Net Cost Changes											
Property & Infrastructure Net Cost Movement Summary											
Reason for Change	2021-31	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Total Cost Movement Infrastructure	- 1,730,775	- 24,249,949	3,398,348	5,839,325	- 8,459,477	1,277,023	10,531,523	8,566,885	- 1,027,023	- 149,082	2,541,652
Deferral for CIP projects funded through 20/21 AP	11,780,000										
Brecon St Turning Head (100% funded)	1,900,000										
<b>Infrastructure Net Cost Decrease</b>	<b>11,949,225</b>										
Community Services Net Cost Movement Summary											
Reason for Change	2021-31	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Total Cost Movement Community / Buildings	- 5,935,900	- 5,935,900	-	-	-	-	-	-	-	-	-
Funding through 20/21 AP	5,685,900										
Grant Funding	250,000										
<b>Community Net Cost (Nil)</b>	<b>-</b>										
<b>QLDC Total Cost Movement</b>	<b>- 7,666,675</b>	<b>- 30,185,849</b>	<b>3,398,348</b>	<b>5,839,325</b>	<b>- 8,459,477</b>	<b>1,277,023</b>	<b>10,531,523</b>	<b>8,566,885</b>	<b>- 1,027,023</b>	<b>- 149,082</b>	<b>2,541,652</b>
<b>QLDC Net Cost Decrease</b>	<b>11,949,225</b>										

Please note that a late submission related to Wanaka Airport is currently being prepared and will be distributed later next week.

## Attachments

**A: Internal Submissions LTP 2021-31**

**B: Memo re the Wanaka Mitre 10 new Community Centre**

**C: Memo re the 516 Ladies Mile Community Centre**

**OPEX LTP 21-31 internal Submissions Summary of Net Cost Changes**

**Property & Infrastructure Net Cost Movement Summary**

Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
New proposed FTE Net Cost	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381	- 34,381
Waste Disposal Levy Net Cost	- 122,400	- 257,821	- 541,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410	- 677,410
Parking Net Cost	-	151,259	526,688	266,288	- 155,812	- 155,812	- 155,812	261,888	261,888	261,888
Depreciation Net Cost	-	188,304	190,804	191,658	193,080	194,893	196,726	199,540	203,178	207,283
<b>Infrastructure Net Cost Movement</b>	<b>- 156,781</b>	<b>47,361</b>	<b>141,701</b>	<b>- 253,846</b>	<b>- 674,523</b>	<b>- 672,710</b>	<b>- 670,878</b>	<b>- 250,363</b>	<b>- 246,725</b>	<b>- 242,620</b>

**Corporate Net Cost Movement Summary**

Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
After hours customer service contract	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000	- 41,000
<b>Corporate Net Cost Movement</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>	<b>- 41,000</b>

**Community Services Net Cost Movement Summary**

Reason for Change	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Total Mitre10 Community Centre (Wanaka) Net Cost	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736	- 644,736
Mt Iron Net Cost	- 115,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000	- 61,000
Te Atamira Arts and Culture Hub (Remarkables Park) Net Cost	- 347,308	- 551,860	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897	- 560,897
Operational Net Savings/ Reprioritisation to Offset Costs Above	843,831	554,099	390,345	390,345	390,345	390,345	390,345	390,345	390,345	390,345
<b>Total Community Net Cost Movement</b>	<b>- 263,214</b>	<b>- 703,498</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>	<b>- 876,288</b>

<b>Total QLDC Net Cost Movement</b>	<b>- 460,995</b>	<b>- 697,137</b>	<b>- 775,588</b>	<b>- 1,171,134</b>	<b>- 1,591,811</b>	<b>- 1,589,998</b>	<b>- 1,588,166</b>	<b>- 1,167,652</b>	<b>- 1,164,013</b>	<b>- 1,159,909</b>
-------------------------------------	------------------	------------------	------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

<b>Total QLDC Net Cost Movement (Excluding Parking)</b>	<b>- 460,995</b>	<b>- 848,395</b>	<b>- 1,302,275</b>	<b>- 1,437,421</b>	<b>- 1,435,999</b>	<b>- 1,434,186</b>	<b>- 1,432,354</b>	<b>- 1,429,539</b>	<b>- 1,425,901</b>	<b>- 1,421,796</b>
---	------------------	------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Rates per draft CD	95.06	102.72	111.25	121.02	131.65	143.18	151.24	160.32	169.12	180.51
Additional Rates per above	0.46	0.85	1.30	1.44	1.44	1.43	1.43	1.43	1.43	1.42
Revised Rates	95.52	103.57	112.55	122.45	133.08	144.61	152.67	161.75	170.54	181.94
Rtaes Impact	0.48%	0.83%	1.17%	1.19%	1.09%	1.00%	0.95%	0.89%	0.84%	0.79%
Total Revised Total Rates Increase	5.05%	6.24%	6.32%	6.80%	6.71%	6.60%	3.50%	3.81%	3.26%	4.42%

## CAPEX Internal Submissions 2021/31 LTP

### Community Services

Community Services								Yrs 1-10	Yrs 1-10	Yrs 1-10
Capital Plan								Total Draft	Total Increase	Total 21-31
Item	Ward	Cost Centre	Programme	Code	Project Name	Narration	Comments	LTP Budget	/ Decrease	Budget
								2021-31	2021-31	Recommended
1	Queenstown	141 - Non Reserve Land - Wakatipu	BUILDING	New	516 Ladies Mile Community Centre.	Upgrades to 516 Ladies Mile buildings, external works and infrastructure services.	Per option 2 recommended to retrofit the 516 House to a full use community centre + access/infrastructure upgrades (no sports fields). Forecast \$2.0M including \$0.6M deferral from 20/21 through March reforecast. Remaining \$1.4M funding covered by surplus 20/21 capex budgets identified in March reforecast. \$250k Third Party Funding TBC (CLT, CTOS etc) also possible. Refer to memo attachment for options considered.	0	1,400,000	1,400,000
2	Wanaka	New	VEN-FAC	New	Mitre 10 Youth & Community Centre	To provide a home for a number of community groups but also operate a range of Council sport & recreation services/programmes from the building.	\$1m in fit out costs on leased Mitre 10 building. \$250k to come from external grants. The intention is to lease the building for the next 10 years. Refer to memo attachment.	0	1,000,000	1,000,000
3	Wanaka	175 - Luggate Hall	BUILDING	CP0006927	Luggate Hall Replacement	Luggate Hall Replacement	Extended evaluation and negotiation period for main construction contractor have delayed contract award. Contract to be awarded and physical works to begin by May 2021. \$3.0m deferred 20/21 to 21/22 (included as adjustment to internal submissions due to materiality)	0	3,000,000	3,000,000
4	Wanaka	159 - Parks & Reserves Wanaka	PARK-RES	New	Mount Iron capex improvements	\$515,900 to establish new tracks (capex), \$20k for signage (capex).	Refer to attachment (memo). \$516k trail development and \$20k signage.	0	535,900	535,900
								0	5,935,900	5,935,900

### Infrastructure

Infrastructure								Total Draft	Total Increase	21-31 Budget
Capital Plan								LTP	/ Decrease	Budget
Item	Ward	Cost Centre	Programme	Code	Project Name	Narration	Comments	2021-31	2021-31	Recommended
5	Wanaka	Water Supply - Wanaka	WATER S	CP0004255	Beacon Point New Reservoir (WS)	Design and construction of a second water supply storage reservoir. Includes land purchase adjacent to existing reservoir site.	Previously approved in Council meeting on 18/3/2021. Increase in cost due to revised scope, updated QS estimates and land acquisition.	1,320,081	2,322,663	3,642,744
6	Wakatipu	Waste Water - Queenstown	WASTE W	CP0005930	Recreation Ground new WW Pump Station	Construction of a new waste water pump station at the Queenstown Rec Ground. Due to risks and issues with horizontal drilling, the CE Report 18/3/2021 approved variations for SP3,4 and 5 to extend pipes to Park St.	Previously approved in council meeting on 18/3/2021. Variation to Contract for the addition of SP3, SP4 and SP5 due to the abandonment of horizontal drilling.	0	2,857,592	2,857,592
7	Wakatipu	Wastewater - Queenstown	WASTE W	CP0004013	CBD to Frankton Conveyance (WW)	The CBD to Frankton gravity main is QLDC's highest risk WW asset. Capacity will be exhausted by 2024/25 in storm events. A new pressure main is planned to run adjacent to the existing gravity main.	Previously approved in council meeting on 18/3/2021. Additional funding approved to be brought forward to 20/21 to proceed with preliminary design of the wastewater and active travel upgrades along Queenstown's Frankton Track.	25,000,000	-181,000	24,819,000

8	Wakatipu	Wastewater - Queenstown	WASTE W	CP0007029	Southern Conveyance Network (WW)	New developments planned along the southern corridor, including Coneburn industrial, Coneburn SHA, Homestead Bay, PJ. New ww conveyance route from Southern Corridor to WWTP (Coneburn Valley WW Network)	\$200k brought forward from year 10 to year 1 for the SSBC (Single Stage Business Case) to supplement our 2020/21 annual plan funding which is now short for a full business case.	35,350,000	0	35,350,000
9	Wakatipu	Wastewater - Project Shotover	WASTE W	CP0006287	Project Shotover Plant Upgrade (WW)	Insufficient capacity at Shotover WWTP to meet projected demand. Works include duplicate MLE reactor and clarifier, and decommissioning of the legacy oxidation ponds. Design horizon to 2048.	\$6.5M removed from Y10 as entered in error. Works required to proceed earlier than originally planned (demand has not reduced sufficiently as a result of covid to enable delay of upgrade). Detailed design will be completed in August with market approach to follow shortly after. To be dealt with through the November reforecast as 20/21 carry forward budget to progress.	33,241,952	-6,513,000	26,728,952
10	Wakatipu	Wastewater - Kingston	WASTE W	CP0007009	Kingston HIF New Scheme (WW)	Headworks & trunk infrastructure, excludes existing community reticulation.	Major increase in cost estimate due to supply chain labour and materials increases; scope further defined, reflection of risk profile (contingency allowances), staging approach due to understanding of growth curve is also a significant contributor. Note that enough funding available for first stage of development to meet HIF requirements and service some of the existing township.	19,418,478	5,184,308	24,602,786
11	Wakatipu	Waste Water - Arrowtown	WATER S	New	Millbrook 3 Waters Infrastructure	Arbitration and Agreement for Water and Wastewater Supply.	29 April Council Meeting - 3 Waters agreement arbitrations, Council report recommends \$200k for proceeding with arbitration, undertaking Ddon assets, and vesting agreement to be established.	0	200,000	200,000
12	District Wide	Solid Waste - Wakatipu	SOLID W	New	Organic Waste Management (WM)	Provide organic waste solution/s for the beneficial reuse of organic materials including trials, drop off facilities, kerbside services, education, community initiatives, and processing facilities (WMMP 2.14, 2.12, 2.1, 2.9, 2.8, 2.7)	It is unlikely we will be able to build/consent a new landfill within in district in future - when demand outstrips existing capacity we will be required to truck waste out of district. Diverting organic waste will significantly extend the useful life of the existing landfill. Landfill levies will increase from \$10/tonne to \$60/tonne by 2024. ETS costs could rise from ~\$37/unit to \$50/unit by the end of 2022, and recommended to increase to \$140/unit by 2030. Organic waste to landfill is a significant contributor to GHG emissions. It is expected that MfE will introduce organic waste diversion targets as early as 2022. Year 1 - 3 budget to develop business case and funding applications.	0	500,000	500,000
13	District Wide	Waste Water - Wanaka	Waste W	New	Biosolids Disposal (WW)	Investigation of alternative methods to treat/dispose of sludge from the wastewater treatment process, followed by solution implementation.	AB Lime landfill has signalled they may no longer be willing to receive our sludge, with no other viable landfill options presently known. Sludge digestion can significantly reduce the volume of waste to landfill, and can also be processed for beneficial reuse (e.g. agricultural fertilisers). \$300k added to year 1 to begin investigations.	0	300,000	300,000
14	Queenstown			Various	Lakeview Development		Refer Lakeview Attachment	26,531,984	6,996,479	33,528,463
15	Queenstown			Various	Non - Lakeview Ancillary		Refer Lakeview Attachment	8,618,382	884,733	9,503,115
16	Wakatipu	Transport - Wakatipu	TRANSPRT	New	Brecon St Turning Head (TR)	Turning head at top of Brecon St. Design has been completed as part of Street Upgrades, and delivery has been costed under the Alliance. Will be repaid under condition of DA.	100% third party funding likely by Skyline Enterprises.	0	1,900,000	1,900,000
17	Wakatipu	Stormwater - Wakatipu	STORM W	CP0006832	Ladies Mile New Scheme (SW) HIF	SW Infrastructure to align with/service the new housing development - as per the Ladies Mile HIF business case. Includes land acquisition.	Tfr Year 4-6 expenditure to year 7-9 to offset debt levels prior to year 6 for internal submissions	854,745	0	854,745



18	Wakatipu	Wastewater - Lake Hayes	WASTE W	CP0006616	Ladies Mile New Scheme (WW) HIF	WW Infrastructure to align with/service the new housing development - as per the Ladies Mile HIF business case.	Tfr Year 4-6 expenditure to year 7-9 to offset debt levels prior to year 6 for internal submissions	2,188,000	0	2,188,000
19	Wakatipu	Water Supply - Queenstown	WATER S	CP0006988	Ladies Mile New Scheme (WS) HIF	WS Infrastructure to align with/service the new housing development - as per the Ladies Mile HIF business case.	Tfr Year 4-6 expenditure to year 7-9 to offset debt levels prior to year 6 for internal submissions	6,257,883	0	6,257,883
17	Wakatipu	Parking Facilities - Wakatipu	TRANSPRT	CP0006764	Queenstown Parking Improvements (TR)	Construction of a multi-level carparking facility on Boundary St, replacing carparks removed as a result of the Queenstown Street Upgrades.	Since the draft TYP was developed, an alternative significantly lower cost parking solution has been identified. Creating on grade temporary parking at various strategic sites released around the CBD rapidly responds to immediate needs, while allowing a more strategic long-term holistic transport solution to be understood and developed. Additionally, this enables the release of much needed capital for higher priority interventions requested through internal submissions.	30,000,000	-25,000,000	5,000,000
18	Wakatipu	Refuse - Wakatipu	SOLID W	CP0007200	New Wakatipu Waste Facilities (WM)	New Materials Recovery Facility (Y10) and Transfer Station (Y8), enabling the decommissioning of the existing facilities located in Frankton Flats. Facilities will form the basis of a community eco park.	Phasing of budget updated following El Capo import. Existing facilities cannot support operations over time period attached to draft TYP budget	33,000,000	-1,400,000	31,600,000
19	Wakatipu	Refuse - Wakatipu	SOLID W	CP0007197	Existing Wakatipu Waste Facilities (WM)	Essential investment in existing facilities at Frankton Flats to support mixed recycling service in district	Adjusted to reflect proposed eco park timing (CP7200)	4,000,000	-225,000	3,775,000
20	Wanaka	Refuse - Wanaka	SOLID W	CP0007205	Wanaka Waste Facilities (WM)	Existing site rearrangement and upgrade of transfer station (WMMP 3.19)	Phasing of budget updated following El Capo import. Existing facilities cannot support operations over time period attached to draft TYP budget	4,126,000	-676,000	3,450,000
								<b>229,907,505</b>	<b>-12,849,225</b>	<b>217,058,280</b>

**Deferrals from March 2021 Reforecast for CIP Projects (Auditors have requested the adjustment to the LTP in advance of the carry forward process, due to materiality)**

21	Wanaka	111	TRANSPRT	CP0006765	Queenstown Street Upgrades (TR) CIP	CIP funded construction (\$35M) of Queenstown Street Upgrades incl	\$6.9M deferral from 20/21 to 21/22 from the March Reforecast included in submissions due to materiality. Additional \$2.8M budget requested through internal submissions for 3 Waters services renewals.	46,188,000	9,730,000	55,918,000
22	Wanaka	111	TRANSPRT	CP0007084	Arterial - Stage One (TR) CIP	CIP funded construction (\$50M) of Queenstown stage 1 arterial route from Frankton Road with connection of Melbourne & Henry Streets to Gorge Road.	\$4.9M deferral from 20/21 to 21/22 from the March Reforecast included in submissions due to materiality.	43,463,127	4,850,000	48,313,127
								<b>89,651,127</b>	<b>14,580,000</b>	<b>104,231,127</b>

**Infrastructure Total 319,558,632 1,730,775 321,289,407**





All \$'s Uninflated

Project	LTP Draft Y1	LTP Draft Y2	LTP Draft Total	Forecast Y1	Forecast Y2	Forecast Y3	Forecast Y4	Total Forecast Y1-4	Var Y1	Var Y2	Var Y3	Var Y4	Total Var Y1-4	Previous Variance based on data provided in Oct 20	Reason for current variance between TYP and forecast
<b>Lakeview Development (Council Works) Projects</b>															
000148	0	0	0	1,500,000	0	0	0	1,500,000	-1,500,000	0	0	0	-1,500,000		
000148				0	0	0	0	0	0	0	0	0	0		
				1,500,000	0	0	0	1,500,000	-1,500,000	0	0	0	-1,500,000		
				<i>**infrastructure corridor (provisional sum)</i>											
	<b>4,103,396</b>	<b>1,758,598</b>	<b>5,861,994</b>	<b>5,726,379</b>	<b>2,562,487</b>	<b>0</b>	<b>0</b>	<b>8,288,866</b>	<b>-1,622,984</b>	<b>-803,888</b>	<b>0</b>	<b>0</b>	<b>-2,426,872</b>		
000283	2,688,832	1,152,356	3,841,188	3,829,260	1,641,112	0	0	5,470,372	-1,140,429	-488,755	0	0	-1,629,184	-1,562,802	Main discrepancy due to previous variance not being captured
000384	1,131,255	484,824	1,616,079	1,382,063	921,375	0	0	2,303,438	-250,807	-436,551	0	0	-687,359	18,808	Cost increase in estimate and previous TYP based on assumption works would commence in 20/21FY
000385	283,309	121,418	404,727	515,056	0	0	0	515,056	-231,747	121,418	0	0	-110,329	11,803	Previous TYP forecast based on assumption works would commence in 20/21 FY
	<b>10,191,894</b>	<b>6,492,240</b>	<b>16,684,134</b>	<b>9,219,332</b>	<b>6,243,155</b>	<b>1,656,000</b>	<b>2,834,000</b>	<b>19,952,487</b>	<b>972,562</b>	<b>249,085</b>	<b>-1,656,000</b>	<b>-2,834,000</b>	<b>-3,268,353</b>		
000794	6,045,635	2,590,987	8,636,622	8,016,025	3,435,439	0	0	11,451,464	-1,970,389	-844,453	0	0	-2,814,842	-189,944	Overall cost for construction works has increased as scope has been defined and previous TYP based on assumption works would commence in 20/21FY
000285	2,490,258	1,067,254	3,557,512	1,203,307	2,807,716	0	0	4,011,023	1,286,952	-1,740,462	0	0	-453,511	19,310	This is a proportionate increase due to P&G and contingency allowances increasing in estimate.
000893	1,656,000	2,834,000	4,490,000	0	0	1,656,000	2,834,000	4,490,000	1,656,000	2,834,000	-1,656,000	-2,834,000	0	95,246	
000286	1,904,169	0	1,904,169	1,307,003	560,144	0	0	1,867,147	597,166	-560,144	0	0	37,022	-796,365	Scope of work has reduced as costs transferred to developer and services providers
	<b>1,877,181</b>	<b>204,506</b>	<b>2,081,687</b>	<b>1,400,000</b>	<b>519,964</b>	<b>0</b>	<b>0</b>	<b>1,919,964</b>	<b>477,181</b>	<b>-315,458</b>	<b>0</b>	<b>0</b>	<b>161,724</b>		
To be set up1	1,400,000	0	1,400,000	1,400,000	0	0	0	1,400,000	0	0	0	0	0		
To be set up2	373,309	159,990	533,299	0	85,431	0	0	85,431	373,309	74,558	0	0	447,868		The proportionate split between works on Hay St and Isle St overlap at the intersection and these costs were previously under the Isle St Upgrades and are now reported under the Hay St upgrades so requires either the estimate to be revised to move the money back to Isle St or a transfer of funds between the two
To be set up3	103,872	44,516	148,388	0	434,532	0	0	434,532	103,872	-390,016	0	0	-286,144	-71,239	The proportionate split between works on Hay St and Isle St overlap at the intersection and these costs were previously under the Isle St Upgrades and are now reported under the Hay St upgrades so requires either the estimate to be revised to move the money back to Isle St or a transfer of funds between the two
	<b>18,076,640</b>	<b>8,455,344</b>	<b>26,531,984</b>	<b>19,152,714</b>	<b>9,885,749</b>	<b>1,656,000</b>	<b>2,834,000</b>	<b>33,528,463</b>	<b>-1,076,074</b>	<b>-1,430,405</b>	<b>-1,656,000</b>	<b>-2,834,000</b>	<b>-6,996,479</b>	<b>-2,475,183</b>	Previous variance
														-1,500,000	Asbestos not previously known
														<b>-3,021,296</b>	<b>Actual Variance for Lakeview Works once you update for previous variance and ACM removal</b>
	<b>732,881</b>	<b>314,091</b>	<b>1,046,972</b>	<b>843,528</b>	<b>935,863</b>	<b>0</b>	<b>0</b>	<b>1,779,391</b>	<b>-110,647</b>	<b>-621,771</b>	<b>0</b>	<b>0</b>	<b>-732,419</b>		
001121	486,454	208,480	694,934	401,084	935,863	0	0	1,336,947	85,370	-727,382	0	0	-642,013		Scope of work has increased to include longer length of upgrades - QLDC approved
001118	246,427	105,611	352,038	442,444	0	0	0	442,444	-196,017	105,611	0	0	-90,406		Increased cost in estimate due to understanding scope
	<b>5,299,987</b>	<b>2,271,423</b>	<b>7,571,410</b>	<b>1,445,967</b>	<b>6,277,757</b>	<b>0</b>	<b>0</b>	<b>7,723,724</b>	<b>3,854,020</b>	<b>-4,006,334</b>	<b>0</b>	<b>0</b>	<b>-152,314</b>		
001127	1,074,170	460,359	1,534,529		2,078,292	0	0	2,078,292	1,074,170	-1,617,933	0	0	-543,763		Increased cost in estimate based on defined scope and increases in requirements at QLDC request
001126	2,673,217	1,145,664	3,818,881	1,445,967	3,373,923	0	0	4,819,891	1,227,249	-2,228,259	0	0	-1,001,010		Increased cost in estimate as requirements defined
001128	1,552,600	665,400	2,218,000	0	825,541	0	0	825,541	1,552,600	-160,141	0	0	1,392,459		Design has changed for safety rail above retaining wall which allowed for a different construction technique and reduction in cost
New	0	0	0	0	0	0	0	0	0	0	0	0	0		
	<b>6,032,868</b>	<b>2,585,514</b>	<b>8,618,382</b>	<b>2,289,495</b>	<b>7,213,619</b>	<b>0</b>	<b>0</b>	<b>9,503,115</b>	<b>3,743,373</b>	<b>-4,628,105</b>	<b>0</b>	<b>0</b>	<b>-884,733</b>		
	<b>24,109,508</b>	<b>11,040,858</b>	<b>35,150,366</b>	<b>21,442,209</b>	<b>17,099,369</b>	<b>1,656,000</b>	<b>2,834,000</b>	<b>43,031,578</b>	<b>2,667,299</b>	<b>-6,058,511</b>	<b>-1,656,000</b>	<b>-2,834,000</b>	<b>-7,881,212</b>		
	16,420,640	5,621,344	22,041,984	19,152,714	9,885,749	0	0	29,038,463	-2,732,074	-4,264,405	0	0	-6,996,479		
	22,453,508	8,206,858	30,660,366	21,442,209	17,099,369	0	0	38,541,578	1,011,299	-8,892,511	0	0	-7,881,212		

# Memo

<b>To:</b>	Mike Theelen/Thunes Cloete
<b>Cc:</b>	Richard Pope
<b>From:</b>	Simon Battrick
<b>Date:</b>	23/04/2021
<b>Subject:</b>	<b>Mitre 10 Community &amp; Youth Centre Options – Wanaka</b>

## Purpose

The purpose of this memo is to seek direction through the internal submission process regarding the development of a Community & Youth Centre in the Plantation Road Mitre 10 Building in Wanaka.

## Background

The Queenstown Lakes District Council (QLDC) is committed to delivering high quality services which satisfy the needs and expectations of our community. This includes developing and managing community facilities, and also facilitating investment in new community infrastructure.

There are a number of community groups and services experiencing immediate challenges finding appropriate community space. In late 2018 some initial queries by Council officers were made to the owners of Mitre 10 regarding the use of their building once they had built the new Mitre 10 Mega in Three Parks for community use. At this time QLDC officers were told that the building would be tenanted commercially. This has since changed post-covid and the owners are willing to look at leasing or purchasing the building. QLDC currently owns the Mitre 10 carpark with an easement over it for use by Mitre 10.

In late 2020 Sport Otago met with a number of sporting codes and community groups to gauge interest in being part of multisport Community Centre at Mitre 10. Further due diligence around the building, potential occupants, third party funding, valuations, impact on existing community group rentals has all been completed to-date

## Strategic Case

Our Community Spaces Report was completed in December 2018 and identified a number of community groups in the Wanaka/Upper Clutha area who required access to facilities in the short term and longer term. Some of the community groups and services experiencing these challenges include:

- Gymsport
- Trampoline
- Kahu Youth
- Toy Library
- Bridge Club
- Skate
- Martial Arts
- Menz Sheds

In 2019 QLDC Sport & Recreation commissioned a Gymnastics/Trampolining feasibility study to examine possible facility options for these sporting codes. The concept of a movement centre has been proposed in the Wanaka Recreation Centre Masterplan as per the consultation with the public, for the long term, but no suitable short term option has been considered viable until the Mitre 10 building became vacant.

The draft Queenstown Lakes –Central Otago Sub-Regional Recreation & Sport Facilities Strategy clearly identifies the lack of/or fit-for-purpose facilities in the Wanaka/Upper Clutha particularly for GymSports, Trampolining and indoor sports. The Draft Wanaka Recreation Centre Masterplan identifies an opportunity to develop a Movement Centre at the site however funding for this has been moved outside the Ten Year Plan funding period

Further to this a QLDC Community Facility Strategy 2020 has been developed (Public consultation on the Strategy pushed to May/June 2021) which identifies a shortage of sporting facilities in the Wanaka/Upper Clutha area for the community (especially for Gymnastics/Trampolining and other indoor sports).

Two examples of the types of groups that require support are:

- (a) The Aspiring Gymnastic Club - 300 plus members has been lobbying QLDC for assistance for around 6-8 years and a small grant of \$15,000 was recently given to them via the Annual Plan to offset their commercial rental of \$60,000
- (b) Kahu Youth have been looking for a permanent home for a number of years and the Mitre 10 building has been identified as a fantastic location as it within walking/cycling distance to Mt Aspiring College. Kahu Youth currently pay commercial rental on its premises and Council provides an annual grant to offset this.

### **Economic Case**

A shortlist of four options has been identified, these cover the spectrum of engagement for QLDC – starting with status quo, leasing part of an existing commercial space, leasing an entire existing commercial space or purchasing an existing building. The following four options were considered:

A range of options are outlined in Table 1.

<b>Table 1. LOS Options</b>		
<b>Option</b>	<b>Description</b>	<b>Impact</b>
1	<b>Status quo – do nothing</b>	<b>Same levels of service</b>
2	<b>Lease part of the building</b>	<b>Increased levels of service</b>
3	<b>Lease the whole building</b>	<b>Increased levels of service and potential for additional revenue stream to sublease</b>
4	<b>Purchase the building</b>	<b>Increase levels of service, substantial capital outlay</b>

### **Financial case**

See Appendix A – **PUBLIC EXCLUDED** due to Commercial sensitivities

### **Management Case**

QLDC officers in consultation with Sport Central/Sport Otago have considered a range of options in how the Community Centre could be developed and managed.

There are 2 potential options for running the facility:

- a) QLDC managed and staffed facility
- b) Non-profit trust managed facility operating on a management contract

One clear outcome was that without the financial and management support of QLDC the groups individually would struggle to fund and initiate an opportunity for the wider community.

It is recommended that QLDC manage the day-to-day operations of the centre on a 7 day basis. Further dialogue with clubs utilising exclusive space and multiuse spaces is required to ensure the right balance of health & safety and staffing requirements

**Recommendation**

- (1) That Council approve the development and management of a new Youth & Community Centre at the old Mitre 10 building in Wanaka

# Memo

<b>To:</b>	Mike Theelen/Thunes Cloete
<b>Cc:</b>	Richard Pope
<b>From:</b>	Simon Battrick
<b>Date:</b>	23/04/2021
<b>Subject:</b>	<b>516 Ladies Mile Community Centre – Te Putahi</b>

## Purpose

The purpose of this memo is to seek approval through the internal submission process to proceed with the development of a temporary Community Centre at 516 Ladies Mile – Te Putahi

## Background

The Council completed the purchase of 516 Ladies Mile in mid July 2019. Since then the Council has been considering to what level the site should be developed for public use, whilst considering that it might only be for a period of up to 5-7 years, until such time as significant changes might occur in the area as a result of Council's Ladies Mile Master planning and further residential/commercial zone changes take effect.

Our Community Spaces Report was completed in December 2018 and identified a number of community groups who required access to facilities in the short term and longer term. Groups such as Plunket, Wakatipu Toy Library, Lake Hayes & Shotover Country Community Association, Dance and ballet groups, martial arts, AA, Alzheimer's Assn, Repair workshops, community gardens have been identified as utilising a Community facility as proposed. These groups would also serve to the Centre to become a pilot for the future new build of a community facility as per the Council's Ladies Mile Master planning processes.

Further to this a QLDC Community Facility Strategy 2020 has been developed (Public consultation on the Strategy pushed to May/June 2021) which identifies a shortage of facilities in the Ladies Mile/Lake Hayes Estate and Shotover Country areas for the community. The LHESC Community Association has also been lobbying hard for the need for a community space for its residents and a number of meetings have been had with Council staff regarding possible use of land and buildings in the area.

Council staff undertook to try and provide access to the 516 site for public use and has managed to obtain an informal use consent for dog walking/informal recreation use with a small carpark (20 cars) accessed from Howards Drive.

One of the major impediments to the use of 516 previously was the Howards Drive/SH6 intersection which is at capacity at peak times. Recent correspondence with Waka Kotahi indicates a positive change in stance regarding vehicle access from Howards Drive to allow a community facility to be possibly developed and to trial transport behaviour change.

The Ladies Mile Masterplan Consortium have drafted a Masterplan which will be going out for public consultation in late April 2021. The 516 ladies Mile site owned by Council has been identified (through initial feedback from the Community) as being the preferred site for community facilities and sports fields. It is expected that the implementation of this masterplan may take up for 7-10 years to be realised dependant on growth and transport implications which does not provide for an immediate need by the local community.

## Options

A range of options has been discussed as below;

- (1) Retrofit the 516 House to a full use community centre (circa 200 people in multiple rooms) + 3 sports fields with lights for training/game purposes + access/infrastructure upgrades
- (2) Retrofit the 516 House to a full use community centre (circa 200 people in multiple rooms) + access/infrastructure upgrades – No Sports fields
- (3) Relocate the temporary Luggate Hall building once the new Luggate Hall has been built to the 516 site (circa 50-75 people) in one large room+ 2x toilet/small kitchen area
- (4) Purchase and place the old kitchen block from the Frankton campground onto the 516 site for use
- (5) Building a new permanent community facility on the site as per the Draft Ladies Mile Masterplan (due July 29<sup>th</sup> 2021)

QLDC officers have discussed the advantages and disadvantages of each of the options and believe that multi use smaller rooms would be more beneficial for the local community rather than one big space. This is also based on a potential occupancy analysis that was completed from the Our Community Spaces report. One of the key aspects of multiuse is to enable local residents to walk/cycle to the Community Centre thus reducing the flow of traffic across the Shotover Bridge.

The Ladies Mile Masterplan Consortium team has no issues with the temporary Community Centre option (5-7 years) and discussions have occurred with them to ensure no impacts on any future use of the 516 site.

### **Costs**

The costs for each option are tabled below

<b>Table 1. Options costings</b>					
<b>Community Centre Options</b>	<b>Consenting Cost</b>	<b>Infrastructure cost (3 Waters/Access)</b>	<b>Building construction/purchase</b>	<b>Contingency 20%</b>	<b>Total</b>
<b>Option 1</b>	\$100,000	\$300,000	\$1,900,000	<b>\$460,000</b>	<b>\$2,760,000</b>
<b>Option 2</b>	\$100,000	\$300,000	\$1,600,000	<b>\$280,000</b>	<b>\$2,280,000</b>
<b>Option 3</b>	\$100,000	\$300,000	\$500,000	<b>\$180,000</b>	<b>\$1,080,000</b>
<b>Option 4</b>	\$100,000	\$300,000	\$420,000	<b>\$164,000</b>	<b>\$984,000</b>
<b>Option 5</b>	\$100,000	\$300,000	\$5,000,000	<b>\$1,000,000</b>	<b>\$6,400,000</b>

\*The project costs do not include provision for park and ride facility, major parking, or access improvements to the current Lake Hayes Estate/SH6 intersection or carpark. It also does not include any significant works to the garage building, which will only be used for storage in the interim once it has gained retrospective CCC.

Operational costs are expected to be as below and are included already in the draft Ten Year Plan;

<b>Table 2. Operational costs</b>	
Operational Costs	Income/Expenditure
Electricity	\$10,000
Building & Grounds maintenance	\$25,000
Operations & Maintenance (incl. BWOFF)	\$5,000
Cleaning	\$5,000
<i>Sub Total Expenditure</i>	<i>\$45,000</i>
Operational Income	
Venue hire - charitable	\$15,000
Venue hire - standard	\$10,000
Venue hire - commercial	\$15,000
Sundry income - User Charges	\$2,000
Subtotal	\$42,000
<b>Total</b>	<b>-\$3,000</b>



## **Budget**

It is proposed to re-purpose \$2M capex in the 20/21 budgets and carry forward to enable consenting, design and construction works to be undertaken in 21/22 for the project.

<b>Activity</b>	<b>Budget</b>
<b>P&amp;I (Property)</b>	\$600,000 (20/21 budget)
<b>Community Services (Reallocate savings from Artificial Turf project and other capex projects)</b>	\$1.4M (20/21 budget)
<b>Third Party Funding (CLT/CTOS etc) - TBC</b>	\$250,000 –Not included
<b>TOTAL</b>	<b>\$2,000,000</b>

\*The draft TYP has funding for a permanent community centre in years 6/7 – circa \$3,900,000.

In addition to this QLDC officers have had discussions with third party funders regarding the project and will be submitting funding applications to seek funding to reduce Councils contribution.

Discussions have been had with the Sanderson Group regarding possible funding support possibly through construction labour, but this will need to meet Council's procurement processes.

## **Recommendation**

- (1) That Option 2 to retrofit the House and complete required external works be approved for the purposes of developing a Community Centre at 516 Ladies Mile

**From:** Alex Dunn <[REDACTED]>  
**Sent:** Monday, 19 April 2021 4:16 PM  
**To:** Let's Talk <[letstalk@qldc.govt.nz](mailto:letstalk@qldc.govt.nz)>  
**Cc:** Stewart Burns <[REDACTED]>  
**Subject:** Ten Year Plan submission - Internal submission on Development Contribution Policy

Hi there,

Re: Internal submission on LTP (DC Policy).

The Development Contribution team has been testing scenarios for mixed use accommodation assessments (the use of residential units for visitor accommodation purposes) utilising the Proposed Development Contribution as detailed within the proposed Ten Year Plan 2021 – 2031.

Mixed use accommodation is based on Ground Floor Area. Each unit has one residential Dwelling Equivalent (DE) credit applied. This credit is based on the typical house of 180m<sup>2</sup> and applies to units regardless of their size. As mixed use accommodation is based on ground floor and the credit applied is the same for each unit, the cost of development contributions for buildings with a larger floor area rise substantially and are not proportionate to the actual demand of the activity. For example a 500m<sup>2</sup> residential unit under proposed policy is assessed as having an extra demand of 2.10 to 2.65 dwelling equivalents (this is with the one dwelling equivalent already applied). The actual demand is likely to be a lot less than this. If this part of the Policy is not amended it is likely we will see a high amount of remissions.

We therefore propose to amend the policy to ensure a more fair assessment for mixed use accommodation activities. It is proposed that each unit pays the same *gross floor area based* development contribution when converted to be used for visit accommodation activities. The specific change requested to the Policy to ensure this outcome is achieved is a proposed change contained within the definition for Mixed Use Accommodation (page 219 QLDC Ten Year Plan 2021 – 2031). The requested change is shown in bold underline below:

Any development that involves the redevelopment of an existing residential dwelling unit, flat or multi-unit residential apartment that is converted to short or long term visitor accommodation. When assessing the number of dwelling equivalents for mixed use accommodation, the assessment will be done using the gross floor area of the development and the mixed use accommodation differentials shown in the dwelling equivalent calculation table. Credits will be based on the existing demand as per the table of credit types, **however the conversion of residential dwellings will be based on the dwelling's GFA and calculated using the multi-unit residential land use differential.** This method more clearly defines the impact of redevelopment from residential to visitor accommodation.

Regards,  
Alex

---

**Alex Dunn** | Team Leader: Subdivision, Development Contributions & Property | Planning & Development  
Queenstown Lakes District Council  
P: [REDACTED] | DD: [REDACTED]  
E: [REDACTED]

