

QLDC Council
12 March 2020

Report for Agenda Item | Rīpoata moto e Rāraki take : 11

Department: Chief Executive's Office

Title | Taitara: Chief Executive's Report

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to report on items of general interest and to summarise items considered at recent standing committee and Wānaka Community Board meetings.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;

Glenorchy Water Supply Upgrade Project

2. **Approve** a budget increase for the Glenorchy Water Supply Upgrade project from \$2,134,809 to \$3,400,000 through the internal submission process for the 2020/21 Annual Plan;

Otago Local Authorities' Triennial Agreement 2020-22

3. **Approve** the Otago Local Authorities' Triennial Agreement 2020-22 and authorise the Mayor to sign it on the Council's behalf;

Proposed USA / Canada Study Tour by the Mayor and CE

4. **Approve** overseas travel for the Mayor and CE from 8 May to 23 May 2020 to undertake a study trip to the USA and Canada;
5. **Approve** expenditure of circa \$30,000;
6. **Notes** the possible inclusion of the Mayoress on the trip, to be funded at nil cost to Council;

Wanaka Community Board

Proposal to vest land in Hāwea associated with the Universal Developments Special Housing Area proposal

7. **Approve** the vesting of the five Local Purpose (Stormwater & Connection) Reserves, and two Local Purpose (Stormwater & Recreation) Reserves:

Universal Developments Hāwea Ltd, Wānaka – SH190005

- a. Lot 700 – 704, Local Purpose (Stormwater & Access) Reserves. Areas 256m², 141m², 112m², 201m² and 201m² respectively.
- b. Lot 705 Local Purpose (Stormwater & Recreation) Reserve. Area of 3,942m².
- c. Lot 706 Local Purpose (Stormwater & Recreation) Reserve. Area of 3,190m²

subject to the following works being ¹⁶¹undertaken at the applicant's expense:

- i. Consent being granted (as necessary and subject to any subsequent variations) for any subdivision required to formally create the reserves, and to also level out topography (if advised necessary by the Parks & Open Spaces Planning Manager);
 - ii. All stormwater infrastructure on the Local Purpose (Stormwater & Recreation) reserves shall be in ground, and have no impact whatsoever on the recreation function and values of the flat grassed land above. That flat land shall be able to accommodate recreational uses year round, and the ground standards shall be the same as for any Recreation Reserve not otherwise containing stormwater infrastructure.
 - iii. Such a consent for any reserves with a recreation purpose shall ensure that in any staged development, the creation of such reserves is bound to the first stage to seek title, or subject to alternate timing requirements deemed necessary by the Parks & Open Spaces Planning Manager;
 - iv. Presentation of the reserve in accordance with Council's standards for reserves;
 - v. The submission of Landscape Plans to Council by the developer for certification as appropriate, including subsequent implementation of landscape and planting for the reserves. The certification of such a plan shall be by the Parks and Open Spaces Planning Manager.
 - vi. The formation of sealed pathways on the reserves to a minimum 2 metre wide width, and to also meet the Grade 2 standard of the QLDC Cycle Trail and Track Design Standards & Specifications (2016);
 - vii. A potable water supply point to be provided at the boundary of the reserve lots;
 - viii. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between any public reserve vested in or administered by the Council and any adjoining land;
 - ix. The registration of a Consent Notice (or alternative encumbrance) on any land within the development adjoining the reserves, to ensure any fences on land adjoining, or boundaries along any reserve, shall no greater than 1.2m in height, and be 50% visually permeable;
 - x. A three-year maintenance period by the current landowner commencing from vesting of the reserves;
 - xi. A maintenance agreement being prepared and signed by the Parks and Open Spaces Planning Manager specifying how the reserves will be maintained during the maintenance period; and
 - xii. Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy.
8. **Agree** that any reserve improvement contributions are offset against those payable in accordance with the Development Contributions Policy current at the time of contributions payment, subject to:
- a. Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the the Parks & Open Spaces Planning Manager.

- b. Final approval of reserve improvement costs to be delegated to the the Parks & Open Spaces Planning Manager, and is subject to the applicant demonstrating the actual costs of the improvements.
- c. If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the applicant's expense.

Notice of Intent to prepare a Reserve Management Plan for the Hāwea Domain on Domain Road, Hāwea Flat

- 9. **Agree** that a Notice of Intent be published advising the public that a Reserve Management Plan for the Hāwea Domain is to be prepared, in accordance with S41 (5) of the Reserves Act 1977;

Community and Services Committee

Notice of Intent to Prepare an Omnibus Reserve Management Plan for the recreation reserves within Lake Hayes Estate, Shotover Country and Bridesdale Farm residential areas

- 10. **Agree** that a Notice of Intent be published advising the public that a combined Reserve Management Plan for the Lake Hayes Estate, Shotover Country and Bridesdale Farm Recreation Reserves is to be prepared, in accordance with S41(5) of the Reserves Act 1977.

Prepared by:



Name: Mike Theelen
Title Chief Executive
27/02/2020

CONTEXT | HOROPAKI

Glenorchy Water Supply Upgrade Project

1. The budget required to implement the Glenorchy Water Supply Upgrade Project has a current budget allocation of \$2,134,809. However, in order to deliver the preferred solution to the community, the budget needs to increase to \$3,400,000.
2. The increased budget requirement will initially be funded under the existing rating approach, which requires increasing the loan to Glenorchy water. The debt servicing impact of this loan has been assessed as minimal for the 2020/21 year, which means that the rating impact will not be significant for the 2021/22 Annual Plan. If agreed, the revised budget will be addressed via an internal submission to the 2020/2021 Annual Plan.
3. Looking forward, the issue of how water supply upgrades for small communities are to be funded will specifically be consulted on as part of the next Long-Term Plan process.

Otago Local Authorities' Triennial Agreement 2020-2022

4. Section 15 of the Local Government Act 2002 requires all local authorities within each region to adopt a Triennial Agreement containing protocols for communication and coordination among them. The Local Government Act states that the agreement must be in place by 1 March.
5. A proposed agreement for the Otago Region has been prepared by the Otago Mayoral Forum and is presented for the Council to consider (Attachment A). I recommend that the Council approve it and authorise the Mayor to sign it on the Council's behalf. The agreement will be ratified by the Mayoral Forum at its next meeting.

Proposed USA / Canada Study Tour by the Mayor and CE

6. Since the commencement of the previous Council term the QLDC has been on a rapid-fire journey to tackle many of the challenges of being the country's most fast-growing, desirable (and expensive) place to live, and the lynch pin in the country's tourism and visitor industry. Initiatives such as the Proposed Visitor Levy, Joint Spatial Plan, Housing Affordability Taskforce, Master Planning programme, Cultural Planning, accelerated Public Transport initiatives and the Way 2 Go commitment, all reflect the positive action underway (despite the challenges of doing so).
7. As part of those initiatives Council has drawn inspiration and learning from (and offered learnings to) a number of similar jurisdictions and organisations in North America.
8. In addition to this, the Mayor has also received or met with a number of public figures and international entrepreneurs and developers who have both shown an interest in the district and invited the Mayor to visit and see their work first-hand.
9. In addition, and not at all least importantly, the Council has an established Sister City relationship with Aspen, a town that reflects many of the same issues and opportunities associated with being a highly desirable, expensive and remotely located alpine centre.

10. The opportunity has arisen to engage first-hand with many of these key players, and consequently funding approval is sought for the Mayor and CE to undertake a 15-day trip to the USA and Canada to meet with some of the key agencies and leaders in spaces and places that mirror some of our challenges. The Mayor has also proposed that he be accompanied by the Mayoress, and the cost of Mrs Boulton's attendance will be directly met by her.
11. A copy of the draft itinerary is attached, and while this is not final and is subject to change, it demonstrates the scope of communities being visited. The purpose of the visit is twofold; to establish a working relationship between Queenstown Lakes District and each municipality, but specifically to also look at and discuss in depth some best practice examples of initiatives that are challenges for our communities. The key areas of focus for the proposed visit are as follows:
 12. Managing high demand visitor expectations in a pristine and fragile alpine environment

Queenstown and Wanaka are two of New Zealand's premier tourism destinations and the district contributes over 8% of the value of tourism GDP to the New Zealand economy on its own. The reputation of the district is built on its stunning scenery, idyllic lakes, skiing and four season adventure tourism. QLDC is interested in looking at initiatives that seek to protect and enhance environmental reputation while continuing to deliver a growing high quality visitor environment that supports the local, regional and national economies.
 13. Managing high growth with high property values as well as supporting a local workforce and assisting the delivery of a well-balanced community

QLDC has both the highest residential property values in the New Zealand and the highest property rental rates. It also has below average worker income. This causes ongoing stress in the community as more and more workers are required to commute long distances. QLDC is keen to explore different initiatives to support the delivery of well-balanced communities that assist local workers and make our communities affordable, while dealing with high property values largely driven by out-of-town investors.
 14. Managing visitor accommodation and key worker requirements

The concept of what is a key worker is well understood in New Zealand but our ability to insulate them against housing costs is limited. The district's Community Housing Trust has done great work at creating some balance in the market, but its impact has been very small in the face of growth. The district's relative poverty is being experienced by the people who keep the towns alive; teachers, police, nurses, administrators. Similarly, the district has a significant proportion of its housing owned remotely. The peer to peer sector is an important part of the visitor accommodation ecosystem but is also impacting on community participation and reducing the affordability of much of the traditional rental stock. QLDC are interested in exploring innovative tools to manage better the peer-to-peer sector in a manner that supports the whole community.
 15. Transport

The district relies on either road or air access and is also subject to large volumes of tourist drivers who impact significantly on local accident statistics. The district has

introduced very cheap public transport fares which has significantly increased patronage. QLDC is keen to explore forms of Mass Rapid Transport (MRT) that both support our local community but also adds proactively to the district's visitor attractiveness and reduces the district's carbon footprint. QLDC is interested in seeing examples of best practice public transport infrastructure that works in relatively small but high value environments.

16. The key places and reasons for visiting each is summarised as follows –

17. **Kittyhawk: San Francisco** – an entrepreneurial company developing autonomous transport services. Personal invitation to the Mayor.
18. **South Tahoe City: Lake Tahoe** – the Tahoe environs are a four-season holiday destination centred on Lake Tahoe. It includes a number of towns and centres and crosses two state boundaries. The region hosts some 20 million visitors per annum. The area hosts a number of communities scattered around the lake and has through its regional planning agency and transport authority invested in significant public transport infrastructure to meet both local and visitor expectations. This visit has been recommended to Council by Stantec who have worked on our Town Centre Business Cases and have identified this as being a good example of innovation in the public transport delivery space to visit first-hand. Facilitated by Cynthia Albright of Stantec.
19. **Denver City Mayor's Office** – innovative example in planned affordable urban housing regeneration, including mixed ownership housing development. Personal invitation to the Mayor.
20. **Aspen City: Sister City connection** – affordability and key worker housing discussions, example of successful philanthropy-led community and cultural programmes, focused on funding operation and delivery. Hosted by Mayor Torre of Aspen, the Aspen City Council and the Aspen Chamber of Commerce.
21. **Portland** – urban renewal, innovative medium-high density urban form and attraction of very high-tech, high-value businesses. Portland also has traditionally had one of the highest commitments in the USA to public transport investment and a 25 year sub-regional planning framework based on new communities linked to the centre by high-quality public transport. A personal invitation by Mr Clyde Holland.
22. **Banff, Canada** – Banff has a well-developed community vision plan and has established programme of delivering this at a community level. Banff is also a significant tourist destination supported by a large servicing centre in Canmore. Focus is both on understanding the parallel success and challenges of the community. Hosted by the Mayor of Banff, Karen Sorenson.
23. **Whistler, Canada** – Whistler is often cited as a close parallel to Queenstown, being an all-season adventure destination. There are shared learnings in respect of issues such as affordability, visitor levy and charges, key worker accommodation, environmental sustainability and transport. Whistler is one of a handful of civil jurisdictions in British Columbia and Canada, tagged as a mountain resort and able to levy visitors, though how it is to be used is very different to what is proposed for QLDC. Whistler also has experience, both positive and negative, in the efforts and management of peer to peer

housing. Hosted by the Mayor of Whistler, Jack Crompton, and Chief Executive Mike Fury.

24. Timing and Cost

It is proposed that the study tour be undertaken from Friday 8 May and returning Saturday 23 May 2020. The estimated cost for the Mayor and CE to travel to these destinations is approximately \$15,000 per person including flights, transfers and accommodation. As with previous overseas visits and expenses a full report will be provided to Council following the trip.

Committee Meetings of Previous Round

Planning and Strategy Committee – Councillor Clark (5 February 2020)

Information:

- 1 Update on decisions of the Proposed District Plan
- 2 Request to mediate in relation to the appeal by C G and E L K Streat against the decline of resource consent RM181638 (Treespace Queenstown Limited – Mt Dewar Station)
- 3 Update on appeals relating to Council’s decisions on the Proposed District Plan

Items 2 and 3 were conducted in the public excluded part of the meeting.

Infrastructure Committee – Councillor Smith (13 February 2020)

Information:

- 1 Option to address large cracks in Meads Road which are currently preventing access into Hunter Valley beyond ‘the Homestead’
- 2 Proposed speed limit changes in Arrowtown Town Centre, Wānaka and surrounding areas

Wānaka Community Board – Mr Barry Bruce (20 February 2020)

Information:

- 1 Renaming of one private road, originally 267 Studholme Road, to Heaton Park Drive
- 2 Temporary Road Closure – Wānaka A&P Show 2020
- 5 Chair’s Report

Recommendations:

- 3 Proposal to vest land in Hāwea associated with the Universal Developments Special Housing Area proposal
- 4 Notice of Intent to prepare a Reserve Management Plan for the Hawea Domain on Domain Road, Hawea Flat

Community and Services Committee – Councillor Ferguson (27 February 2020)

Information:

- 2 Heritage Incentive Grant Application – St Peter’s Anglican Hall and Vicarage
- 3 Heritage Incentive Grant Application – Kinloch Lodge

Recommendation:

- 1 Notice of Intent to Prepare an Omnibus Reserve Management Plan for the recreation reserves within Lake Hayes Estate, Shotover Country and Bridesdale Farm residential areas

Appeals Subcommittee – Councillor Clark (27 February 2020)

Information:

- 1 Update on appeals relating to Council’s decisions on the Proposed District Plan

Audit, Finance and Risk Committee – Councillor MacDonald (5 March 2020)

Information:

- 1 2019:20 Quarter 2 Actual to Quarter 2 Budget Financial Overview
2019:20 Quarter 2 Full Year Re-forecast to Full Year Budget Overview
2019:20 Quarter 2 Capital Expenditure Reporting Overview
2019:20 Quarter 2 Statement of Financial Position
2019:20 Quarter 2 Debtors’ Analysis
- 2 Sensitive Expenditure
- 3 Risk Management
- 4 QLDC Organisational Health, Safety and Wellbeing Performance
- 5 EY Draft Report: Independent Programme Advisory for QLDC Three Waters Programme
- 6 Treasury Update: February 2020

Items 5 and 6 were conducted in the public excluded part of the meeting.