



**COUNCIL**  
**26 JULY 2013**

**REF: COU130701X**

## **Item: 1. - Queenstown Convention Centre Project – Public Consultation**

### **Purpose – Decision Making**

1. The purpose of this paper is to:
  - a) Inform Council of the current progress made in relation to the proposed Queenstown Convention Centre (QCC);
  - b) Advise Council of the applicable provisions regarding consultation under the Local Government Act (LGA); and
  - c) Recommend that Council adopt a special consultative procedure in respect of the options for the development of the QCC.

### **Background**

2. In August 2011, QLDC established a Working Group which included membership from the Queenstown Chamber, Destination Queenstown, the arts and the accommodation sector, to establish criteria with which to evaluate various options for a QCC. A feasibility study was commissioned by the group in March 2012.
3. Then in August 2012, a Request for Proposal was publicly issued seeking potential partners with the Council to develop a convention centre. In February 2013, a consortium including Ngai Tahu Property; Morrison & Co; and Sky City Entertainment Group were selected as the preferred party to enter into negotiations for a convention centre development.
4. The negotiations have not proceeded to a point where a firm proposal can be considered for Council approval. However, during this time QLDC has commissioned a number of specialist reports to assess the merits of a convention centre which is funded or partially funded by Council. It is considered that there is sufficient detail around the costs and benefits of a convention centre project to consult the ratepayers of the District and, in turn, better inform any Council decision on this project. The basis for the consultation is that the funding parameters proposed are a "worst case" scenario, with a reduced Council funding commitment being possible.

### **Recommendation**

1. ***That the Council:***
  - a. ***Note the contents of this report;***
  - b. ***Agree to seek public comment in accordance with s.87(1)(b) on the proposal for a Council-led project to develop a Queenstown Convention Centre within the parameters stated in the consultation summary document; and***
  - c. ***Authorise the Mayor to issue a media release outlining the consultation being undertaken by Council in respect of this report.***

Prepared by:

A handwritten signature in black ink, appearing to read 'Adam Feeley', with a stylized, cursive script.

Adam Feeley  
Chief Executive

## Consultation Requirements

5. The principles governing consultation are contained in s.82 of the LGA. These include:
  - a. Providing access to information to those with an interest in the matter
  - b. Providing the opportunity to present views to Council;
  - c. Ensuring people understand the purpose of consultation;
  - d. Ensuring that Council maintain an open mind to views presented and give those views due consideration.
6. The general principles are supplemented by an obligation to use special procedures where the matter concerns the long term plan; the annual plan; by laws; or “...*where a local authority chooses to use the special consultative procedure.*” (s.87(1)(b))
7. In the present instance, use of the procedure is not mandatory. However, in the event that Council proposes to make specific financial decisions regarding the QCC project that would have financial implications for the Long Term Plan, subsequent to consultation, then the procedure would be required. Accordingly, using the procedure at this point obviates the need for further consultation at a later point provided the decision remains within the parameters of what is currently being consulted upon.
8. If the special consultative procedure is adopted, then the key statutory requirements which must be observed are:
  - a. A statement of proposal must be prepared;
  - b. The information relevant to the proposal must be made publicly available;
  - c. A summary of the information must be prepared which is a fair representation of all the relevant information;
  - d. Council must have copies of the information available for inspection at Council offices and the summary must be distributed “...*as widely as reasonably practicable.*”;
  - e. Receive submissions on the proposal and provide the opportunity for the public to be heard on the proposal.
9. Council officers have engaged relevant experts to prepare reports on the following aspects of the QCC project:
  - a. **Overview** – CBRE Structured Transaction & Advisory Services have provided an overview of the project including operating costs and revenue; development models; and funding options.
  - b. **Economic impact:** BERL Economics have forecast the likely economic impact of both the construction and post-construction periods of the project to both the District and New Zealand.
  - c. **Construction cost:** WT Partnership have provided revised estimates on the construction cost for the three sites under consideration.

d. **Site location:**

- i. Conference managers, The Conference Company, and convention centre architects, Populous, have reviewed the respective merits of the three sites;
- ii. McDermott Miller (economic advisers to the Council on the District Plan) have provided analysis of the merits of the respective sites in terms of economic impact

10. Based on the expert advice, we have prepared a summary for the purposes of s.89 of the Local Government Act which:

- a. Outlines the key elements of the proposal (i.e. site location; development models, funding sources, etc);
- b. Provides some pictorial and diagrammatic information on the proposed preferred location (Lakeview);
- c. Poses six key issues on which public comments is sought; and
- d. Provides details on the submissions and hearing process.

11. The summary will be provided to every resident via an insert into community newspapers and a direct mail-out to all out-of-town ratepayers. The substantive reports will be available online and at Council offices and libraries. The consultation period will be the required calendar month, with a public meeting for hearing submissions set for 3 and 4 September 2013.

### **Financial Implications**

12. The cost of providing a copy of the summary proposal to all residents is modest and will be met from existing budgets.

### **Publicity**

13. It is proposed that a general media release will be issued by the Mayor if Council accept the recommendations of this report.

### **Local Government Act 2002 Purpose**

14. The recommendation is consistent with s.10 of the Local Government Act “to enable democratic local decision-making and action by, and on behalf of, communities...”

### **Relevant Council Policies and Plans**

15. The following Council policies have been considered in the preparation of this report:

*Community Consultation Policy*

- a. The recommendation to use the special consultative procedures is consistent with the principles outlined in the Council’s Consultation Policy.

*Significance Policy*

- b. Not applicable