

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday, 28 June 2018 commencing at 3.00pm

Present:

Mayor Boulton; Councillors Clark, Ferguson, Forbes, Hill, MacDonald, McRobie, MacLeod, Miller, Smith and Stevens

In attendance:

Mr Mike Theelen (Chief Executive), Ms Meaghan Miller (General Manager, Corporate Services), Mr Peter Hansby (General Manager, Infrastructure and Property), Mr Stewart Burns (General Manager, Finance, Regulatory and Legal), Mr Colin Keel (Chief Executive, Queenstown Airport Corporation Ltd), Mr Mark Edghill (Chief Financial Officer, Queenstown Airport Corporation Ltd), Mr Blair Devlin (Manager, Planning Practice), Mr Aaron Burt (Senior Planner, Parks and Reserves), Ms Sophie Mander (Senior Waste Minimisation Planner), Mr Paul Speedy (Strategic Projects Manager), Mrs Jan Maxwell (Arts and Events Facilitator), Mr Ben Harland (RCP), Mr John Holmes (CBRE), Mr Andrew Monteith (Minter Ellison Rudd Watts), Ms Gabrielle Tabron (Grit Projects), Mr Andrew Timms (RCP) and Ms Jane Robertson (Senior Governance Advisor); two members of the media and approximately 30 members of the public; one member of the media joined the meeting via Skype from Wanaka

Apologies/Leave of Absence Requests

The following requests for leave of absence were made:

- Councillor Hill 12-24 July 2018
- Councillor Miller 26 July 2018

**On the motion of the Mayor and Councillor Stevens
the Council resolved to grant the requests for Leave
of Absence.**

Declarations of Conflicts of Interest

Councillor McRobie advised that he owned a property in the Luggate Park Residential Development and he would therefore not take part in discussion on Item 4 ('Proposal to vest land as Local Purpose (Stormwater Detention) Reserve associated with the Luggate Park residential development'.)

Matters Lying on the Table

There were no matters lying on the table.

Public Forum

1. Lane Hocking, Universal Developments Ltd

Mr Hocking advised that he was the developer behind the Hawea SHA. He considered it was a compelling proposal involving the development of 400 new

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homes. The land and house packages would qualify for the KiwiSaver HomeStart scheme and the masterplan included a community hub and reserves. He believed the proposal represented the development of modern high quality housing in a timely fashion.

2. Jason Kelly

Mr Kelly advised that he was a low income earner and had been resident in Hawea for 7 years. He viewed the proposed Hawea SHA as the first glimmer of hope that he would be able to buy his own home, and without this he would not be able to do so. Affordable housing developments should not be limited to being a big city initiative.

3. Tim Ryan

Mr Ryan advised that he was also a lower income earner who lived in Hawea but he did not support the proposed SHA. He did not own the house he currently lived in but he could not afford to buy a land/house package in the Hawea SHA as with a 5% deposit it represented repayments of \$732/week. He was critical of the proposal because Universal Developments did not provide land size which created a doubling of cost per square metre on each property. In addition, he did not think the proposal would provide sections at a lower price than Sentinel Park and he was concerned about price premium and property speculation.

4. Jennifer Rumore (Vice President, Hawea Community Association)

Ms Rumore advised that the proposed SHA was both distressing and harming the Hawea community. Both the nature of the community and economics did not suggest that the Hawea SHA was a good idea. Further, the Council was disrespecting the residents because the agenda report had been written 14 days before public input on the proposal had closed and the community felt marginalised because it appeared the Council would simply carry on regardless. The people of Hawea supported growth but wanted smart growth.

5. Carmen Howell

Ms Howell understood that the Council was bound by legislation but there was compounding evidence that the Hawea SHA proposal was highly inappropriate. Further, Council approval would raise questions about its decision-making processes. She considered that the Council needed to acknowledge the data collected by the community showing the EOI's significant lack of important information. She observed that although the Council may be acting in accordance with legislation, it did not mean that the actions were lawful.

Special Announcements

There were no announcements.

Confirmation of agenda

On the motion of the Mayor and Councillor Hill the Council resolved that the agenda be confirmed as prepared but reversing the order of items 1 and 2.

2. Special Housing Area Expression of Interest: Hawea (Universal Developments)

A report from Blair Devlin (Manager, Planning Practice) assessed an expression of interest ['EOI'] from Hawea (Universal Developments Hawea Ltd) for development of a Special Housing Area ['SHA'] in Hawea and whether it was appropriate for the Council to recommend it for approval to the minister for Housing and Urban Development. The report concluded that the EOI was consistent with the Lead Policy, HASHAA and the Queenstown Lakes District Housing Accord. The report therefore recommended that the Council add the area into Category 2 of the Lead Policy, subject to negotiation of the Stakeholder Deed to address various requirements of the Lead Policy.

The report was presented by Mr Devlin. As signalled in the report, he noted that Te Ao Marama had not responded to date. In reply to concerns about alleged unlawfulness of the EOI Mr Devlin advised that he did not consider the EOI was unlawful, pointing to the seven SHAs approved to date. He explained why the change to the Lead Policy was necessary and that staff had decided to present both issues in the same report as the Hawea EOI gave more meaning to the recommended policy change. He noted that Hawea as a whole had not been considered in Stage 1 of the Proposed District Plan ['PDP'] because Township Zones were due to be reviewed in Stage 3. Although the SHA proposal was outside the Urban Growth Boundary that had come about through the PDP submissions process, the Urban Growth Boundary had been appealed and he did not consider that its existence harmed the proposal.

Councillor Stevens stated that he considered the proposal a sound development and well-intended, but he did not support it because it breached the Urban Growth Boundary that the Council had adopted as part of its resolution on 2 May 2018 to adopt the commissioners' recommendations on Stage 1 of the PDP.

Councillor Forbes did not agree with this argument. She considered that despite the feedback from the people of Hawea the proposal represented smart town development that achieved the objective of providing affordable housing. Accordingly, she supported the proposal. Her views were echoed by Councillors Miller and Hill and Clark.

Councillor MacLeod stated that whilst he commended the applicant, he considered that the proposal represented too much development too soon and needed to be subject to a more robust process.

Councillor Smith acknowledged the reality of the affordability issue in the area and the effort made with this proposal to address it. However, he could not support it without evidence based strategic planning which defined urban growth boundaries. Accordingly, he signalled that he could not vote for the motion until Stage 3 of the District Plan review addressed this issue.

Councillor McRobie acknowledged the views of the other Wanaka Councillors and agreed that it was a difficult decision. However, he was supportive of the proposal because of the impact the SHA would have on the provision of affordable housing in the area.

On the motion of the Mayor and Councillor MacDonald it was resolved that Council:

- 1. Note the contents of this report;**
- 2. Note that public feedback received has been provided to Councillors separately, and that the response from Te Ao Marama will be reported to Councillors at the meeting;**
- 3. Amend the Housing Accords and Special Housing Areas Act 2013 Implementation Guidelines (Lead Policy) to:**
 - a. add that part of Lot 2 DP343855 shown in the EOI into Category 2 of the Lead Policy; and**
 - b. to delete the sentence relating to not accepting proposals for inclusion in Category 2;**
- 4. Approve in principle the Hawea EOI for a Special Housing Area and instruct the General Manager of Planning and Development to proceed with negotiation of the Stakeholder Deed that addresses the requirements of the Lead Policy including:**
 - a. The contribution to the QLCHT, including the doubling of the contribution for Stage 1;**
 - b. The proposed affordability mechanisms set out in section 13 of the EOI, including a requirement to meet the price points specified;**
 - c. A restriction on visitor accommodation;**
 - d. Infrastructure requirements;**
 - e. Parks and reserves (including trails, footpaths and connections); and**
 - f. Qualifying development criteria for the proposed Special Housing Area.**
- 5. Instruct Council officers to report back to the Council on the measures discussed in Point 4 above.**

Councillors MacLeod, Smith and Stevens recorded their votes against the motion.

The meeting returned to the original order of the agenda items.

1. Adoption of Ten-Year Plan

A covering report from Meaghan Miller (General Manager Corporate Services) introduced the Queenstown Lakes District Council 2018-2028, recommending its adoption. The plan (in two separate volumes) was presented separately and appended to the report were the proposed resource consent and building consent fee schedules and the 10 Year Plan Executive Summary.

Item 1 was presented by Mr Burns and Ms Miller.

Ms Miller advised that in addition to the grants listed in the report, \$220,000 had been allocated to economic development to fund a districtwide start-up initiative and \$50,000 had been approved for Study Queenstown. She was also pleased to advise that the plan and all its supporting documents had received an unqualified auditor's opinion.

The Council thanked all the staff involved in production of the Ten-Year Plan for their input.

Members noted that although the submissions had showed the community's overall support for the plan's direction, the biggest challenge would be its deliverability.

The Mayor addressed the Council highlighting the unprecedented scale of this plan. He stressed the importance of effectively managing growth and the expectations of residents and he thanked the public for their contribution through the submissions process and Councillors for their work on the plan. He pointed to the importance of thinking as one District but expressed his personal disappointment in the lack of traction achieved to introduce a local bed tax as the district could not pay for all the visitor-related infrastructure itself. He observed that the Council would revisit and enhance the plan as part of future Annual Plans.

On the motion of the Mayor and Councillor MacDonald it was resolved that the Council:

- 1. Adopt the 2018-2028 10 Year Plan (Long Term Plan) pursuant to sections 83, 83A, 85 and 95 of the Local Government Act 2002;**
- 2. Adopt the amendments to the Building and Resource Consent Fee Schedules as per section 219 of the Building Act 2004 and section 36 of the Resource Management Act 1991 to come into effect on 1 July 2018; and**
- 3. Adopt the Policy on Development Contributions for 2018/19 as per section 102 (4) of the Local**

**Government Act 2002. (Pages 197-260 of Vol 2 of
the 2018-2028 10 Year Plan (Long Term Plan)).**

3. Statement of Intent, Queenstown Airport Corporation 2018-19

A covering report from Stewart Burns (General Manager, Finance, Legal and Regulatory) presented the Statement of Intent for the Queenstown Airport Corporation ['QAC'] for the 2018/19 year, amended following earlier consideration by the Council on 23 March 2018. The report noted that the three year forecast had improved since the draft and detailed why this had occurred. The updated Statement of Intent ['SOI'] was appended in both track changes and clean versions.

The report was presented by Mr Burns, Mr Keel and Mr Edghill.

Mr Keel expressed thanks to the Council for its contribution to the final SOI.

Councillor Smith encouraged ongoing communication between QAC and the Wanaka community, adding that the general aviation group sought discussion with Queenstown Airport and inclusion in the master plan process. Mr Keel advised that work was proceeding on Wanaka master plan process as fast as possible, whilst still maintaining a considered approach.

Councillor Forbes advised that she remained concerned about growth at the airport as she was aware that the community was increasingly resistant to greater visitor numbers. She saw an opportunity to work with neighbouring airports so that their different problems could become shared solutions.

The Mayor observed that the sort of growth being experienced by Queenstown Airport was the envy of others in New Zealand and there had been much discussion about sustainable growth. He added that it was important to maintain the present operating hours for the community.

**On the motion of Councillors MacLeod and Clark it
was resolved that Council receive the Statement of
Intent for 2018/19 for the Queenstown Airport
Corporation.**

Councillor McRobie sat back from the table and did not take part in the following item.

**4. Proposal to Vest Land as Local Purpose (Stormwater Detention)
Reserve associated with the Luggate Park Residential Development**

A report from Aaron Burt (Senior Planner, Parks and Reserves) assessed the Council approving a Local Purpose (Stormwater Detention) Reserve in the Luggate Park development. The report recommended that the Council approve vesting the proposed reserve subject to various conditions.

The report was presented by Mr Burt.

Councillor Smith noted that in the interests of expediting a decision, he had accepted that the report should not firstly go to the Wanaka Community Board. He added that stormwater management in this subdivision was of concern but this was a matter for engineering professionals to address.

On the motion of Councillors MacLeod and MacDonald it was resolved that Council:

1. Approve the vesting of the proposed reserve:

Willowridge Developments Ltd – RM171385

a. Lot 400: Local Purpose (Stormwater) Reserve, Luggate Park;

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

- i. Presentation of the reserve in accordance with Council's standards for reserves;**
- ii. The detention pond is fenced in accordance with any necessary legislative requirements to ensure that any water does not pose a hazard to persons;**
- iii. The submission to Council by the developer, certification as appropriate by Council, and subsequent implementation of a landscape and planting plan for the reserve;**
- iv. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserve to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;**
- v. A three year maintenance period by the current landowner commencing from vesting of the reserve;**
- vi. A maintenance agreement being prepared specifying how the reserves will be maintained during the maintenance period; and**
- vii. Vesting of reserve to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy.**

Councillor McRobie returned to the table.

5. Adoption of QLDC Waste Minimisation and Management Plan 2018

A covering report from Sophie Mander (Senior Waste Minimisation Planner) presented the final QLDC Waste Minimisation and Management Plan 2018 following completion of a consultation process.

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The report was presented by Ms Mander and Mr Hansby. Ms Mander commented positively on the successful consultation process with 199 submissions received. She added that future funding adjustments would be necessary as new initiatives were implemented.

On the motion of Councillors McRobie and Forbes it was resolved that the Council:

- 1. Note the contents of this report;**
- 2. Agree to the recommended changes to the Draft Waste Minimisation and Management Plan 2018 as a result of the public consultation; and**
- 3. Adopt the final QLDC Waste Minimisation and Management Plan 2018.**

Resolution to Exclude the Public

On the motion of the Mayor and Councillor MacLeod the Council resolved that the public be excluded from the following parts of the proceedings of the meeting:

- Item 6: Lakeview Development Request for Expressions of Interest (REOI) Evaluation**
Item 7: Queenstown Town Centre Parking Buildings Detailed Business Case
Item 8: Events Funding Allocations

And

That the following persons remain because of their knowledge and expertise of matters in the following agenda items:

- Item 6: Mr B Harland (RCP), Mr J Holmes (CBRE), Mr A Monteith (Minter Ellison Rudd Watts), Ms G Tabron (Grit Projects), Mr A Timms (RCP)**

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

Agenda Items

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.

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6. Lakeview Development Request for Expressions of Interest (REOI) Evaluation	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;	Section 7(2)(h)
7. Queenstown Town Centre Parking Buildings Detailed Business Case	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); j) prevent the disclosure or use of official information for improper gain or improper advantage;	Section 7(2)(h) Section 7(2)(i) Section 7(2)(j)
8. Events Funding Allocations	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: 2(b)(ii) protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information to including that of deceased natural persons.	Section 7(2)(b)(ii)

This resolution is made in reliance on Section 48 [1] [a] of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting went into public excluded at 4.10pm.

The meeting came out of public excluded and concluded at 4.43pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

M A Y O R

D A T E