

**2024
2034**

/ Consultation document for the Long Term Plan /
/ Te puka whiriwhiri mō te Mahere Paetawhiti /
/ **Submissions close on 28 July 2024** /



**Let's talk about plans and proposals for the next ten years /
Kia kōrerohia mō ngā mahere me ngā marohi mō ngā tau tekau e whai ake nei**

**LET'S TALK
KŌRERO MAI**



Scan to read the full Long Term Plan and supporting documents.

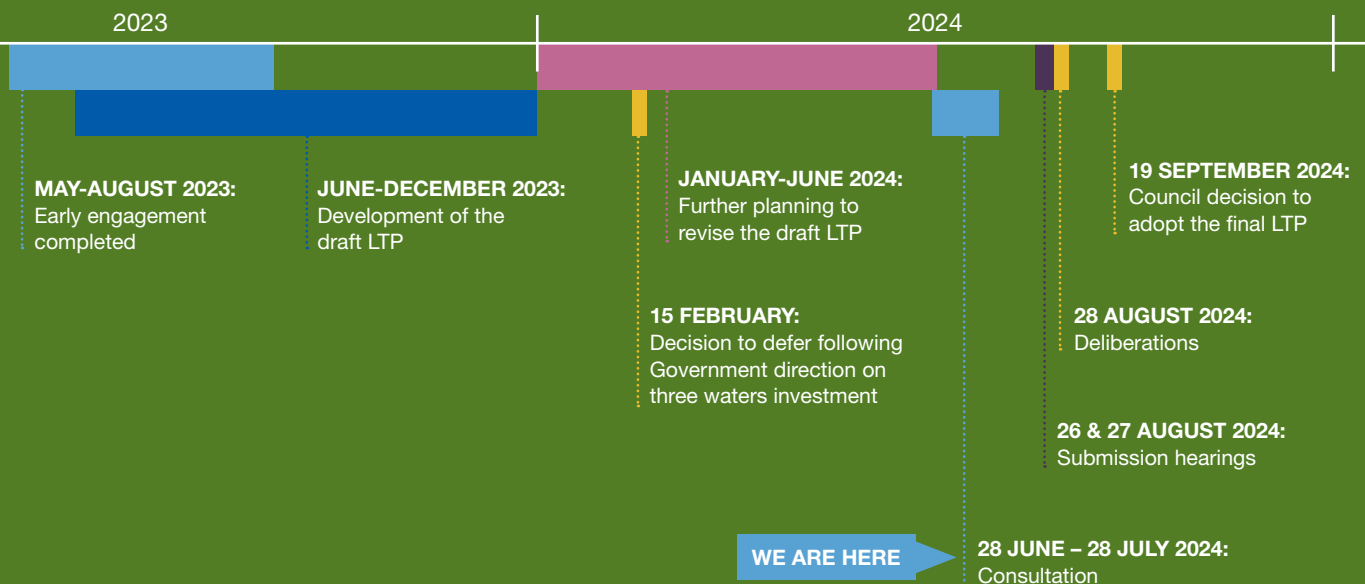
 **QUEENSTOWN
LAKES DISTRICT
COUNCIL**

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OUR PROCESS



What's a Long Term Plan and why does it matter?

He aha tētahi mahere roa, he aha i whai pūtake ai te mahere roa?

We prepare a Long Term Plan (LTP) every three years in consultation with residents and ratepayers right across the Queenstown Lakes District.

Councillors want to hear from you to help support their decision making process.

The draft Long Term Plan 2024-2034 covers all the services we provide to the community. It sets out the projects, activities and services we propose to invest in over the next decade, with a more detailed focus on the first three years.

In interim years we produce Annual Plans to confirm short-term budgets and projects for the coming year.

In developing the draft plan, we must strike a careful balance between maintaining current assets and levels of service, investing in the future, and prudently managing our debt and the impact on the rates people pay. This has been particularly challenging through the development of this draft plan.

This LTP matters because it affects everyone who lives, works, or owns property in the Queenstown Lakes District.

Making a submission will help Council to prioritise projects, invest in services and understand the needs of those who live in our communities now and in the future.

How does this document fit in?

This is our consultation document. It doesn't include full details of everything we have planned over the next ten years. Instead, it summarises the key challenges we're facing as a district, highlights key consultation topics and outlines the important financial information you need to be aware of.

Is there more information available?

All of the supporting information that underpins this consultation document is available at letstalk.qldc.govt.nz/long-term-plan-2024-2034.

This includes what projects are included in the proposed budget, all the policies relevant to the LTP, our draft financial statements, and the Financial and Infrastructure Strategies.

Welcome from Glyn and Mike

He mihi nā Glyn me Mike

Nau mai, haere mai. Welcome to the draft Long Term Plan 2024-2034 Consultation Document.

The previous Long Term Plan (LTP 2021-2031) was developed during a time of great uncertainty in the middle of an unprecedented global pandemic. While that might now be largely behind us, change and uncertainty remains a significant challenge for our communities, this Council and the whole of Aotearoa New Zealand.

Residential growth in the district continues to outpace the rest of the country and visitor numbers are beyond pre-COVID levels. Providing the services and infrastructure to respond to that growth and maintain the wellbeing of our communities is a priority challenge. Whether that's capacity on our roads, maintaining a clean drinking water supply, collection and processing of waste and recycling, or delivering community sports, recreational, library and parks facilities for essential social wellbeing. As the district grows, so do the needs and expectations of our people.

Over the past three years we have continued to invest in meeting these needs. Highlights include opening Wānaka's newest recreation facility – Paetara Aspiring Central – progressing further with the Wānaka lakefront development, significant investment in active travel for both Wānaka and around Queenstown, finishing the upgrades to

Queenstown's town centre, and delivering water supply, stormwater and wastewater upgrades right across the district.

As we look ahead to the next ten years, affordability is top of mind for everyone. Inflation, high interest rates and government compliance costs are not only being felt by the whole local government sector but also worldwide. Everything we do is costing more to deliver making this one of the most difficult budgets to prepare for the district. In short, it's simply not possible to deliver many of the things the community or this Council want to within the existing significant financial constraints.

While we were navigating multiple programmes of government reform over the last three years, a change of government created further uncertainty about what new reforms will deliver, what regulatory expectations they will have and the associated costs, especially in relation to the delivery of three waters infrastructure.

What we do now know is that in December 2023, the coalition Government provided formal direction to bring planning and delivery of three waters infrastructure back onto councils' books for years 3-10 of their LTPs. This represented a significant change to the requirement under the former government to include three waters for years 1 and 2.

To put that challenge into context, three waters make up close to 60% of the Council's capital expenditure programme. That, along with ensuring we're complying with higher regulatory standards, is now a major influence on costs to the community and our

opportunity to invest in other areas.

The consequence of this change in direction is huge for our district and it was the key driver behind a decision to defer the LTP process, which would usually have seen consultation happening over March and April.

This allowed us more time to work through how we would reintegrate this significant cost back into the budget. We've spent the last six months working closely to scrutinise all our projects, services, programmes and general operating costs, and making some very tough decisions around priorities and what this means for rates increases.

As we've had these difficult discussions, we keep returning to the feedback you gave us during early engagement on the plan in mid-2023. At that time, you said that getting the basics right and focusing on "bread and butter" issues was the priority. To do those things you told us that a solid foundation of infrastructure, community facilities and consistent levels of service are essential.

So we've kept this, along with other key drivers, front of mind as we've developed this draft plan. The foundation for the proposed capital investment programme has been getting the basics right and the first two years focuses primarily on essential three waters investment.

We've also had to factor in all the things that we must do – whether that's for legal or compliance reasons, to complete work already underway, or important enabling or planning work to ensure we're ready for the future.

The reality therefore is we simply cannot afford to deliver many of the more discretionary projects we had previously intended and unfortunately, this will affect our ability to invest in important community facilities and services. We have however endeavoured to maintain existing levels of service across all Council functions and activities, also in the face of increasing costs.

As you might have seen in recent media coverage, most councils across the country are proposing significant rates increases. Every single one will be conscious of the fact it can't just keep taking extra rates from the same people, year on year. But we can't ignore the costs in front of us and attempting to delay simply creates an even bigger problem in the future.

Something's got to give. There are more and more requirements being placed on councils but very limited alternative funding levers. And while the government has signalled it will be introducing new funding tools, there is currently no certainty about what form this will take and when it will be available. There are also more government reforms yet to come, in particular 'local water done well', resource management, fast track consenting and transport priorities.

All of these will affect how we plan for, and fund delivery of, our infrastructure and services in the future. Because of this, we anticipate that considerable replanning will be required within the next three years meaning the current years 3-10 will look very different when we get to LTP 2027-2037.

This Council's commitment to you is that we will work with central government and the community to identify how to make best use of existing and emerging alternative funding tools because it is a priority to reduce the rates burden on our ratepayers.

In the meantime, no matter what we do, rates will need to increase. The size of the capital programme has increased to accommodate three waters which has resulted in the proposed average rates increase being higher than we had anticipated for 2024-2025 at 15.6%.¹ There's been reports that many councils are proposing higher increases, with some above 20%, and the pressure is on councils like ours that face high demand for new infrastructure. This level of increase is tough for everyone and not something proposed lightly or without significant consideration.

Consultation on the draft LTP 2024-2034 is underway and your voice is so important as we finalise this plan. It is a plan for the whole district, so whether you live in the smaller communities of Makarora or Kingston, or the larger urban centres of Wānaka or Queenstown, this plan affects everyone.

We encourage you to take some time to read this consultation document, get familiar with the LTP supporting documents, and the policies and strategies we use to shape the plan.

As always, this document includes some key consultation topics we're specifically seeking your feedback on. These include proposals to introduce a revised targeted CBD rate for Queenstown, proposed clean energy upgrades for our aquatics facilities and investment in sports fields and community facilities. Council is also proposing to increase development contributions which would affect you if you were planning to develop or subdivide your property.

We invite you to comment on these or any aspect of the draft plan. We need to know what you think, and your submissions will help shape the final plan and decisions made by the elected Council when it is time to adopt it.

Thank you for your input. Kā mihi nui.



Glyn Lewers
Queenstown Lakes
District Mayor



Mike Theelen
Chief Executive

¹ After allowing for growth of 3.5% in rateable properties in the rates database. **22**

What's driving our thinking?

Nā te aha mātou i whakaaro pēnei ai?

Like many councils, businesses and individuals throughout Aotearoa New Zealand, QLDC is navigating its way through a challenging time. As we've worked to build this draft LTP, there have been several important drivers to our planning.

Our strategic framework and investment priorities

This outlines how the community's aspirations and wellbeing drive everything we do. The framework identifies areas we need to prioritise to address local issues and make meaningful progress towards meeting community outcomes.





OUR COMMUNITY OUTCOMES...



Thriving people
| Whakapuāwai Hapori



Living Te Ao Māori
| Whakatinana i te ao Māori



Opportunities for all
| He ōhaka taurikura



Breathtaking creativity
| Whakaohoho Auahataka



Deafening dawn chorus
| Waraki



Zero carbon communities
| Parakore hapori



Disaster-defying resilience
| He Hapori Aumangea



Pride in sharing our places
| Kia noho tahi tātou katoa

...ARE SUPPORTED BY OUR WELLBEING OUTCOMES FRAMEWORK...

CROSS CUTTING

Equity
Mātauraka Kāi Tahu
Resilience
Sustainability

PEOPLE

Healthy and fulfilled people
A good standard of living

PLACE

A healthy natural environment
An enabling built environment

COMMUNITY

Connected communities
Belonging and identity
Participation and governance

...AND DELIVERED EVERYDAY THROUGH OUR CORE ACTIVITIES...

| Community Partnerships | Libraries | Sport & Recreation | Community Facilities and Venues | Parks and Reserves | Property
| District Plan | Planning Policy | Resource Consents | Water Supply | Wastewater | Stormwater | Transport
| Waste Minimisation and Management | Strategic Growth - Spatial Plan | Economy | Climate Action and Resilience
| Regulatory Functions and Services | Local Democracy | Emergency Management | Finance and Support Services

...AND THROUGH ADDITIONAL FOCUS ON OUR STRATEGIC INVESTMENT PRIORITIES.

GET THE BASICS RIGHT FIRST

| Protect human and environmental health
| Maintain levels of service
| Undertake essential renewals
| Ensuring we're ready for the future

DIRECTLY INVEST IN INFRASTRUCTURE & SERVICES

| Create well designed communities
| Provide for growth
| Build resilience and ability to adapt to the future
| Enhance performance of the transport network
| Create thriving town centres
| Reduce carbon emissions

INVEST THROUGH PARTNERSHIP WITH OTHERS

| Diversify the economy
| Build a sustainable tourism system
| Improve housing affordability

Delivering core activities

You have consistently told us to focus on the basics so we've made that our first priority. This has been reflected in our strategic framework and investment priorities and means making sure we deliver on must-do essentials before investing in areas that are considered more discretionary, aspirational or where timing is more flexible.

Providing for growth

Queenstown Lakes continues to be a place people want to live, work, invest and play. Growth projections indicate this will continue at levels well above any other urban centre in Aotearoa New Zealand.

Our district could have an average day population of well over 124,000 by 2053². When you add in the number of visitors on a peak day, that figure almost doubles.

As we all know, this puts pressure on existing services and infrastructure as well as traditional funding models which are not well suited to enable growth infrastructure.

New infrastructure and services will be needed to enable the projected growth expected in the priority development areas identified in the Spatial Plan.³

The next iteration of the Spatial Plan is being developed and if this identifies different needs, this will inform engagement with partners to deliver investment on our behalf, and/or updates to the LTP through the Annual Plan process.

We will continue planning to provide for projected growth; well-developed structure and master plans, asset management plans, and project designs to ensure we

have a clear investment roadmap and scoped projects that can be progressed if funding becomes available.

A focus on infrastructure

Delivering infrastructure and community services are at the heart of what we do every day.

Our Infrastructure Strategy identifies the significant infrastructure issues for the district over the next 30 years, options for managing those issues, and the implications of those options.

The strategy covers three waters, transport, waste management and minimisation and for the first time, social infrastructure such as community facilities.

Council acknowledges there is a significant increase in investment required for its capital programme. Particularly from year 4 of the LTP where capex requirements are significantly increased on current delivery levels. This may affect planned levels of service if Council is unable to meet the increased output required.

Read the Infrastructure Strategy at letstalk.qldc.govt.nz/long-term-plan-2024-2034.

Three waters reform

Reform of how three waters services are delivered throughout Aotearoa New Zealand has been on Central Government's policy agenda for some time. There has been significant uncertainty in this space which means the goal posts are constantly shifting and councils across the motu are facing affordability challenges like never before. While we've already talked about the challenges associated with this in the introduction to this document, it's important to

reiterate that these reforms will result in obligations to deliver new services and infrastructure at a higher standard than in the past. Existing services and infrastructure will also need to be upgraded to meet these standards. This has directly affected our planning process and the prioritisation of both capital investment and operational costs.

The increased regulation that will be required once an economic regulator for water services has been put in place may lead to higher costs to manage the system, and this will need to be passed onto ratepayers.

While a potential district-wide rate for water supply and wastewater was signalled in the previous LTP, the uncertainty in this space means we have not sought to introduce this in the immediate future. This may be reconsidered ahead of LTP 2027-2037.

By mid-2025, Council must submit a Water Service Delivery Plan (WSDP) to Government.⁴ It is expected that the WSDP will be required to detail the current state of three waters assets and services, the type and level of investment required to ensure services are compliant and respond to projected growth, and how services will be organised and funded to ensure ongoing financial sustainability.

Building resilience and reducing carbon emissions

Over the last few years, Council has begun a journey towards a major organisational behaviour shift ensuring climate change considerations are reflected in decision making, policy setting, projects, and service delivery. Acknowledging climate action and resilience as key drivers, Council declared a climate and ecological emergency in June 2019. Since

² <https://www.qldc.govt.nz/community/population-and-demand/#projections>

³ <https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/>

⁴ This statement is based on indications from Government and assumes that the necessary legislation will be passed to establish this requirement.

then, we have developed our Climate and Biodiversity Plan, which sets out how we're going to respond to biodiversity loss and climate change in Queenstown Lakes.

We've made good progress but there's still a way to go. We need to build on our work to embed resilience and climate adaptation planning across the organisation. This will explicitly target infrastructure upgrades and consider new solutions, built or otherwise, to ensure the district is resilient to the hazards associated with a changing climate.

The projects and priorities in the Climate and Biodiversity Plan 2022-2025 have helped shape our strategic framework and this draft LTP. You can read more about the plan and its actions at climateaction.qldc.govt.nz

Our ability to deliver in the face of uncertainty

Local government is facing a complex and uncertain future. The size of the infrastructure deficit across Aotearoa New Zealand is significant. Locally this is heightened by high visitor numbers and population growth. As we've already highlighted, there are currently few alternatives to traditional rates and development contribution-based funding and financing models for local government.

As a Council we know it's not sustainable to rely simply on these traditional models of funding, especially in the face of rising costs across the board. In the introduction to this consultation document we made a clear commitment that we will continue to seek alternative and innovative funding options so we can keep delivering the infrastructure, facilities and services you need.

We know the current government is introducing the concept of tailored, localised agreements through a model known as City Deals. Whilst the detail of how these will work is still largely unknown, it is something this Council is actively pursuing and preparing for so we're in the best possible position to take advantage of the model when we can. Other alternatives include our ongoing pressure on central government to introduce a local accommodation-related levy for visitors to the district who significantly and disproportionately impact our infrastructure.

The Crown Infrastructure Partners CIP - (the administering entity that financially supported the Queenstown "shovel ready" projects during COVID-19) continues to support infrastructure to enable housing and urban development through the implementation of alternative financing models. In 2020, government enacted a new legislative tool under the Infrastructure Funding and Financing Act and appointed CIP to facilitate it. The tool will make the cost of new infrastructure more transparent and spreads the cost to fall primarily on property owners who benefit. Water and transport infrastructure (including cycleways and public transport projects) could be funded, as well as certain community facilities and environmental resilience infrastructure, such as flood protection. This tool will complement rather than replace existing council planning and decision-making processes and is something we are actively exploring.

Locally, one possible option we'd like to hear from you on is a possible shift in how Council collects development contributions.

Currently, development contributions are collected at various points in the development

process (i.e. when engineering acceptance is granted for a subdivision or a resource consent is obtained). Council is considering pursuing an option to require higher upfront contributions from developers towards the significant growth-related infrastructure costs. For example if a 35% upfront payment was required, this could equate to a contribution of around \$102M spread across years 4-7 of this plan and be used towards funding the service upgrades required by the additional growth-related demand. This option would also reduce the debt on Council's books.

Our relationships

Including mana whenua perspective across council activities is essential to creating thriving communities. QLDC honours its commitment to our Te Tiriti o Waitangi Partners (Kāi Tahu) by acknowledging and adopting Kāi Tahu values, issues and aspirations as a shared responsibility.

The Council recognises that in this district the seven Papatipu Rūnaka of Kāi Tahu (Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Te Rūnanga o Hokonui, Te Rūnanga o Waihōpai, Te Rūnanga o Awarua, Te Rūnanga o Ōraka Aparima) as holding a shared Mana Whenua Status. The Council works with Rūnaka through partnerships with Aukaha Ltd and Te Ao Marama Inc as representatives of the seven Papatipu Rūnaka with interests in the district.

Do you support Council's intent to pursue alternative funding options, such as an upfront development contribution?

What's changed since the Long Term Plan 2021-2031?

He aha kā whakarerekētanga o te Mahere Roa 2021-2031?

There has been a number of changes since the previous Long Term Plan was adopted in June 2021. Some of these are a result of government policy changes, others come down to new opportunities or reprioritising what we can realistically afford and achieve.

Queenstown Town Centre Arterial Stages 2 & 3

There is currently no funding allocated to construct stages 2 and 3 of the Queenstown Town Centre Arterial Road within the ten-year period. Budget has been proposed to continue preliminary design work (\$4.4M in years 6-10) and early land acquisitions (\$11.5M in years 8-10) to preserve the option to progress the project in the future.

Stage 1 of the new road, which was partially funded by the government's 'shovel ready fund', is expected to be open by Christmas 2024. This will link Melbourne and Henry Streets, enabling the removal of traffic from Stanley Street to better support public transport and access into the town centre. You can read more about this project at www.qldc.govt.nz/town-centre-arterial-road

Project Manawa

Project Manawa is the name for a long-term vision for community and cultural facilities in the heart of Tāhuna Queenstown. A place that celebrates our district's culture, heritage and community with facilities such as arts and community spaces, a purpose-built library, a performance and visual arts centre, a town square, council administration building and commercial buildings. The concept is an integral part of the 2017 Queenstown Town Centre Masterplan.⁵

Community consultation on foundational steps to enable the development occurred over November and December 2023. In April 2024, Council resolved to complete various land exchanges to preserve and optimise the future potential for the Manawa site. The process for the land exchange includes seeking ministerial approval and public notification.

Council also decided not to progress with negotiating a proposed joint venture with Ngāi Tahu Property Ltd as a potential governance structure to construct and administer a new council office. Instead, Council has requested further assessment of the proposed office building, known as Project Connect. We've provided more details on that below.

Read more about Project Manawa at www.qldc.govt.nz/project-manawa

Project Connect

In February 2016, Council confirmed its preference for a central Queenstown location for a new council office. The proposed office would centralise council staff who currently operate out of multiple sites across the Queenstown CBD, providing operational efficiencies and a better customer experience. Progressing the single office was also part of the LTP consultation process in 2018 and 2021.

In April 2024, Council decided to press pause on the project given the length of time and changing context since the original decisions were made. Instead, Councillors requested a new assessment of options for the building. This will assess factors such as costs of building on different site topography, accessibility for staff and customers via a variety of transport modes, funding options, and potential governance structures. The assessment will consider the currently proposed site at Stanley Street, Queenstown, and a range of other alternative locations. There will be further opportunities to engage in this process in the future.

Mt Iron

In December 2021, Council reached an agreement to purchase nearly 100ha of land around Mount Iron and Little Mount Iron in Wānaka. Since then, Council has been working closely with the local community, Iwi and the

Department of Conservation on plans for Mount Iron's long-term future. A reserve management plan is now being prepared and expected to be finalised by the end of 2024. There is \$184k proposed in this LTP to progress capital improvements on the reserve. Read more about the Mount Iron Reserve Management Plan at www.qldc.govt.nz/mount-iron-reserve-management-plan

Investment in active travel

We're an active bunch in Queenstown Lakes meaning demand for improved opportunities to get around on foot or by bike continues to grow. Council is also very aware that providing genuine alternative options for people to get around is vital for our transport network as the district grows.

There has been considerable investment in active travel over the past three years, thanks in part to government funding. However at this point in time, investment in most active travel interventions across the district have been delayed due to affordability challenges. This is due to changing government priorities and funding for transport, and significant budget needing to be reallocated back to three waters investment.

This LTP does propose some budget for low cost, low risk projects in Whakatipu (\$5.2M years 3-10) and Wānaka (\$5.4M years 3-10), along with allocation for a Wānaka primary cycle network (\$6.7M years 7-10), Fernhill Road active travel (\$1.2M year 4) and Gorge/Robins Road active travel (\$2.1M years 9-10).

User fees and charges

Consultation on proposed changes to user fees and charges was completed in May. This usually forms part of the LTP

consultation process but needed to be considered separately once the decision was made to delay the adoption of this plan. The final Council decision will have been made at the meeting where this consultation document was adopted. For details of the outcome of that process and a full schedule of adopted user fees and charges, visit www.qldc.govt.nz.

Legal claims

Since the previous LTP, costly historic weather tightness and building defect claims have been an ongoing challenge for Council. This has had wide ranging-cost implications, affecting debt levels, adding to higher interest costs and ultimately increasing rates (an additional 4.3% in the 2023-2024 year).

It is worth noting that recent case law in Aotearoa New Zealand provides examples where the developers, builders and other persons who were primarily responsible for designing and constructing the buildings in question have often 'wound up' or been declared bankrupt. Local authorities often face alleged liability for the entire claim, under the principle of joint and several liability. Councils often find themselves as 'the last person standing' in these cases, which results in Council being held liable for amounts well in excess of its actual proportion of fault or blame. This LTP assumes that no further settlement will be required and therefore no provision has been included for future payouts.

Regenerative Tourism Plan

Queenstown Lakes' destination management plan, Travel to a Thriving Future, aims to achieve regenerative tourism and a carbon zero visitor economy by 2030. Jointly developed with Lake Wānaka Tourism (LWT) and Destination Queenstown (DQ), the

plan was unanimously endorsed by the full Council in February 2023. As an output of the Spatial Plan and Climate and Biodiversity Plan, this is an important plan for the district, aligning decision making and sustainable development principles, reducing the impact of tourism in Queenstown Lakes on the environment and communities. Going forward, the independent board at Destination Southern Lakes will be responsible for the long-term delivery of the plan, with oversight of actions being undertaken by QLDC, DQ, LWT and other partners.

Read the plan and updates on progress to deliver it at www.queenstownnz.co.nz/regenerative-tourism-2030/the-plan/

Visitor Levy

The introduction of a visitor levy to fund visitor-related infrastructure and services within the Queenstown Lakes District was supported by 81.37% of those who voted in a referendum in June 2019. QLDC had been working with central government officials to prepare and introduce a local bill to enact this, however work was put on hold due to COVID-19 and uncertainty around when international tourism would return.

The Long Term Plan 2021-2031 included an assumption that a visitor levy would be introduced from year four (2024-2025), however a change in government in 2023 resulted in further delays and some uncertainty about whether a local bill would be supported.

While not included in financial assumptions for this LTP, QLDC will continue to pursue a visitor levy as an alternative funding source to relieve the pressure on our district's small ratepayer base.

/ Key consultation topics /

/ Kā kaupapa uiuika /

Topic 1: Targeted rate on Queenstown Town Centre properties

TOPIC 1A:

Targeted rate on Queenstown Town Centre properties
(Street Upgrades 2024-2025)

TOPIC 1B:

Targeted rate on Queenstown Town Centre properties
(Arterials from 2025-2026)

In 2018 and 2021, we asked for your feedback on proposals to fund the implementation of the Queenstown Town Centre Masterplan. This is a programme of work which includes the arterial road, street upgrades, carparking, a public transport hub, improved active travel options and other smaller associated projects. The preferred option was to introduce a targeted CBD rate to ensure that those who would benefit most from this significant investment, contributed in a fair and equitable way.

Since the previous LTP, we have completed stage 1 of the street upgrade programme at a cost of \$69M and progressed stage 1 of the Town Centre Arterial Road (partially funded by Crown Infrastructure Partners). Council must now finalise an appropriate rating model to fund the increased

level of service for the street upgrades for the 2024-2025 year. This topic also includes a proposal to recover part of the cost of the Town Centre Arterial Road and associated underground service upgrades (stage 1) from the 2025-2026 rating year. More detail is provided on this on page 16.

Generally, it is proposed that all properties within the area of benefit (shown below) will be subject to the new targeted town centre transport rate. The proportion of costs will be determined by the relative benefit of the works to the area versus the benefit received by the rest of the ward. It has been assessed that around 65% of the benefit is accrued to the wider town centre area, with the remaining 35% proposed to be recovered from wider Arrowtown-Kawarau and Queenstown-Whakatipu ward's ratepayers.

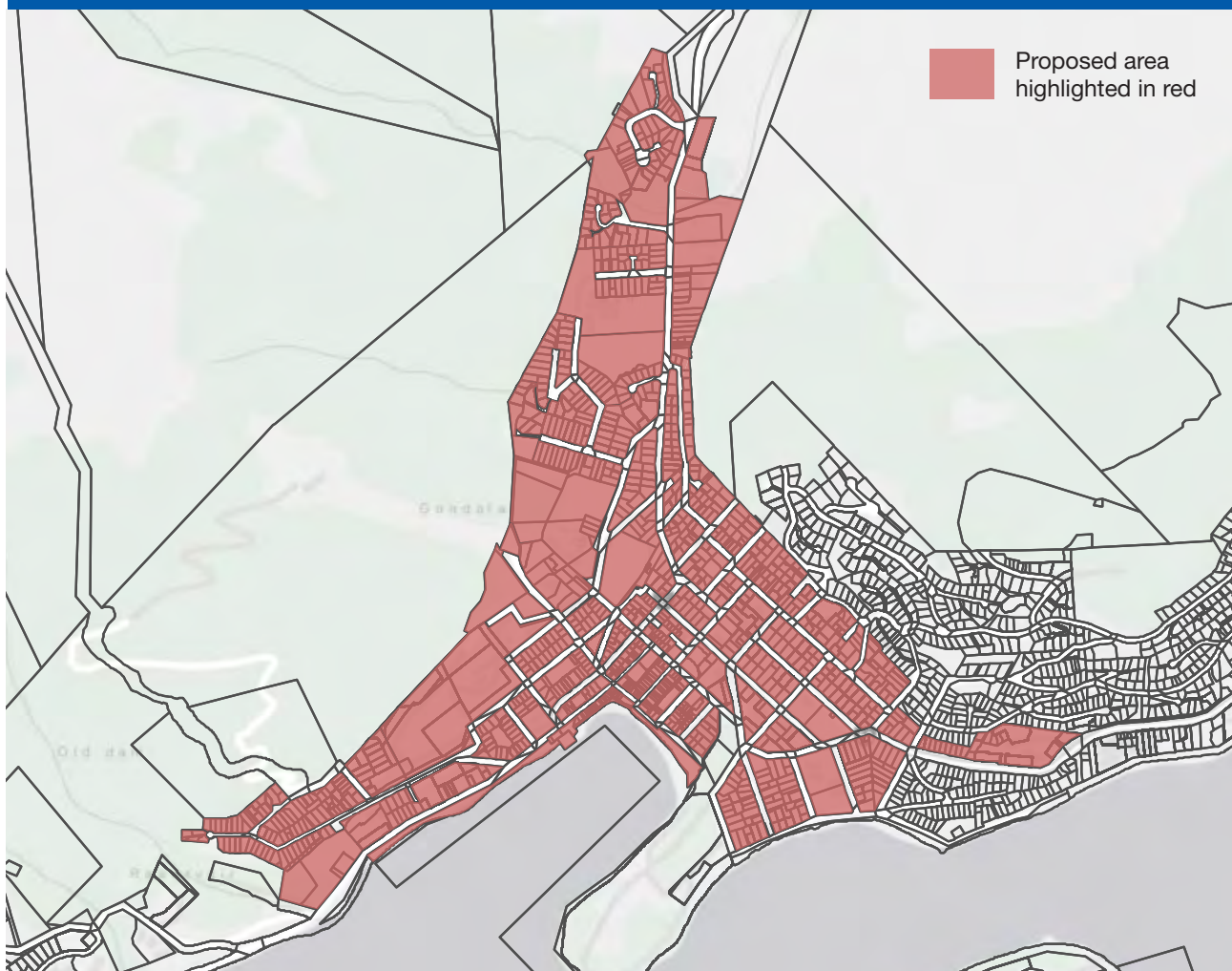
While this might not be welcomed by everyone in the current climate, Council considers that this is the fairest approach. For example, someone operating a hotel or business within the town centre benefits most from the improved experience and underground servicing, compared to a resident living in Frankton who may only visit town occasionally.

The alternative option is that 100% of costs are recovered from all Whakatipu ward ratepayers through the existing roading rate.

To ensure that future generations continue to pay for the benefit of the investment, a 30-year repayment period has been modelled, amounting to \$1.29M per annum (including 5% interest).

There is no future debt impact associated with this proposal.

PROPOSED AREA FOR TARGETED CBD RATE



Topic 1A: Targeted rate on Queenstown Town Centre properties (Street Upgrades 2024-2025)

Work to transform Brecon Street, Rees Street, Beach Street, Park Street and Hotops Rise into high quality public spaces that are safe and accessible for everyone was completed in 2023.

The upgrades involved significant investment to improve underground services and create more space for people to wander and relax. Cultural design elements have been woven integrated into the upgrades, sharing local stories of the area’s traditional values and rich history. You can read more about this project at www.qldc.govt.nz/town-centre-street-upgrades

OPTIONS

OPTION 1:

PREFERRED

Targeted rates recovery focused on wider Queenstown CBD ratepayers

Council has determined that properties within the wider Queenstown 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 Whakatipu/Kawarau/Arrowtown 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 a 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 low to moderate depending on the capital value and use. Residential properties show increases of between 1.6% to 4.1%, commercial from 1.7% to 3.0%, and accommodation from 0.9% to 2.2%. The impact is reduced for properties outside of the wider town centre area.

OPTION 2:

Apply costs to the existing Whakatipu Rooding Rates

Option two is to apply the cost to the existing Whakatipu Ward Rooding Rate. This option gives no weighting to those properties which benefit most (i.e. within the CBD) and shares the cost across the whole Whakatipu area (Queenstown-Whakatipu and Arrowtown-Kawarau wards).

The impact under this option would also see low to moderate increases for most properties depending on capital value and use, residential property increases would be between 0.7% and 1.6%, commercial from 1.3% to 2.3%, and accommodation from 1.9% to 2.3%.

IMPACT ON RATES (PREFERRED OPTION)

The following table illustrates the rates impact on different types of property (median values) including both those within the wider CBD and those in the balance of the ward. The analysis is based on the impact of the increased costs on rates for the current 2023-2024 year. Further analysis of low and high value properties is available at letstalk.qldc.govt.nz/Long-Term-Plan-2024-2034

Summary of Indicative Total Rate Movements - QT Street Upgrades				
Median Values			Rates	Rates
Property Type	CV ⁶	Location	%	\$
Residential	\$1,390,000	Wider CBD	2.28%	\$89
Residential	\$1,390,000	Ward	0.43%	\$17
Commercial	\$2,999,000	Wider CBD	2.97%	\$245
Commercial	\$2,999,000	Ward	1.64%	\$136
Accommodation	\$2,860,000	Wider CBD	2.22%	\$286
Accommodation	\$2,860,000	Ward	1.07%	\$137
M/U Accommodation	\$1,720,000	Wider CBD	2.41%	\$125
M/U Accommodation	\$1,720,000	Ward	0.69%	\$36
Primary Industry	\$5,750,000	Ward	1.19%	\$56
Country Dwelling	\$3,281,000	Ward	1.01%	\$39
Vacant	\$1,086,000	Wider CBD	2.51%	\$76
Vacant	\$1,086,000	Ward	0.65%	\$20
M/U Commercial	\$1,565,000	Wider CBD	2.34%	\$107
M/U Commercial	\$1,565,000	Ward	0.56%	\$26

QT Town Centre Street Upgrades Project from 2024-2025	
	\$000'S
Total Capital Cost	69,034
<i>LESS:</i>	
Crown Subsidy	35,000
Development Contribution (DC) Funding	8,168
Three Waters Rates	5,949
Balance to fund - Roading Rates	19,917
Wider CBD Share 65%	12,946
Balance of Ward 35%	6,971

QT Town Centre Street Upgrades Actual Impact 2024-2025				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Wider CBD Share	842,146	12,945,853	5.00%	30
Balance of Ward Share	453,463	6,970,844	5.00%	30

Topic 1B: Targeted rate on Queenstown Town Centre properties (Arterials from 2025-2026)

Stage 1 of the new road is expected to be open by Christmas 2024. The project has involved significant upgrades to underground services, creating more capacity and resilience in the three waters network for current and future residents and visitors. Once complete, a new section of road will link Melbourne and Henry Streets, enabling the removal of traffic from Stanley Street to better support public transport and access into the town centre. You can read more about this project at www.qldc.govt.nz/town-centre-arterial-road

The original proposals in 2018 and 2021 included rates recovery for the Town Centre Arterial Road Stage 1. The targeted rate we have proposed above does not factor this cost in as the project will not be completed until December 2024. The rating approach will need to be confirmed for the 2025-2026 year.

The cost for this project has increased significantly from the original estimates and Council wishes to seek feedback on the options for the funding of the project.

The analysis below is also based on the impact of the increased costs on rates for the current 2023-2024 year. Please note, these examples do not include the impact of the Queenstown Town Centre Upgrades shown above.

OPTIONS

As above, there are two options presented.

OPTION 1:	PREFERRED
Targeted rates recovery focused on wider Queenstown CBD ratepayers	
<p>This option seeks to recover the cost in accordance with the targeted rates proposal with 65% of the cost recovered from the wider CBD zone with the remaining 35% from the wider Whakatipu/Kawarau/Arrowtown ratepayers, as described in more detail above.</p> <p>The increases for properties within the wider town centre area are significant in some instances depending on the capital value and use. Residential properties show increases of between 3.4% to 8.3%, commercial from 3.1% to 5.4%, and accommodation from 3.4% to 3.9%. The impact is reduced for properties outside of the wider town centre area.</p> <p>In the current cost of living crisis, we recognise this may be a challenging option to consider. If you're affected by this proposal, please make sure you let us know your views.</p>	

OPTION 2:
Apply costs to the existing Whakatipu roading rates
<p>Option two is to apply the cost to the existing Whakatipu 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 Whakatipu area (Queenstown-Whakatipu and Arrowtown-Kawarau wards).</p> <p>Proposed increases vary depending on the capital value and use. Residential properties show increases of between 1.2% to 2.9%, commercial from 2.3% to 4.1%, and accommodation from 3.4% to 4.0%.</p>

IMPACT ON RATES

The rates impact of each option is shown below. Please note, this analysis covers cost recovery for the Town Centre Arterial Road (stage 1). It does not include the impact of cost recovery for the Town Centre Street Upgrades project.

OPTION 1: Targeted rate 65% from wider CBD balance from existing ward based rate (35%)

The following table illustrates the rates impact on different types of property (median values) including both those within the wider CBD and those in the balance of the ward. The analysis is based on the impact of the increased costs on rates for the current 2023-2024 year. Further analysis of low and high value properties is available at letstalk.qldc.govt.nz/Long-Term-Plan-2024-2034

Summary of Indicative Total Rate Movements - QT Arterials				
Median Values			Rates	Rates
Property Type	CV	Location	%	\$
Residential	\$1,390,000	Wider CBD	4.62%	\$180
Residential	\$1,390,000	Ward	0.56%	\$22
Commercial	\$2,999,000	Wider CBD	5.55%	\$459
Commercial	\$2,999,000	Ward	1.98%	\$164
Accommodation	\$2,860,000	Wider CBD	3.93%	\$505
Accommodation	\$2,860,000	Ward	1.40%	\$180
M/U Accommodation	\$1,720,000	Wider CBD	4.67%	\$243
M/U Accommodation	\$1,720,000	Ward	0.91%	\$47
Primary Industry	\$5,750,000	Ward	1.56%	\$73
Country Dwelling	\$3,281,000	Ward	1.32%	\$51
Vacant	\$1,086,000	Wider CBD	4.94%	\$149
Vacant	\$1,086,000	Ward	0.85%	\$26
M/U Commercial	\$1,565,000	Wider CBD	4.64%	\$212
M/U Commercial	\$1,565,000	Ward	0.74%	\$34

Rating Impact - QT Arterials Project from 2025-2026	
	\$000'S
Total Estimated Capital Cost	128,867
LESS:	
Crown Subsidy	50,000
Development Contribution (DC) Funding	34,701
Three Waters Rates	8,833
Balance to fund - Roading Rates	35,332
Wider CBD Share 65%	22,966
Balance of Ward 35%	12,366

QT Arterials Forecast Impact 2025-2026				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Town Centre Share	1,493,976	22,966,070	5.00%	30
Balance of Ward Share	804,449	12,366,346	5.00%	30

Should Council implement the previously proposed targeted CBD rate or apply the costs to a wider Whakatipu roading rate?

OPTION 2: 100% from Existing Ward based rate

Summary of Indicative Total Rate Movements - QT Arterials				
Median Values			Rates	Rates
Property Type	CV	Location	%	\$
Residential	\$1,390,000	Wider CBD	1.60%	\$62
Residential	\$1,390,000	Ward	1.60%	\$62
Commercial	\$2,999,000	Wider CBD	4.07%	\$336
Commercial	\$2,999,000	Ward	4.07%	\$336
Accommodation	\$2,860,000	Wider CBD	3.99%	\$513
Accommodation	\$2,860,000	Ward	3.99%	\$513
M/U Accommodation	\$1,720,000	Wider CBD	2.59%	\$135
M/U Accommodation	\$1,720,000	Ward	2.59%	\$135
Primary Industry	\$5,750,000	Ward	4.45%	\$209
Country Dwelling	\$3,281,000	Ward	3.76%	\$147
Vacant	\$1,086,000	Wider CBD	2.42%	\$73
Vacant	\$1,086,000	Ward	2.42%	\$73
M/U Commercial	\$1,565,000	Wider CBD	2.11%	\$96
M/U Commercial	\$1,565,000	Ward	2.11%	\$96

Rating Impact - QT Arterials Project from 2025-2026	
	\$000'S
Total Estimated Capital Cost	128,867
<i>LESS:</i>	
Crown Subsidy	50,000
Development Contribution (DC) Funding	34,701
Three Waters Rates	8,833
Balance to fund - Roading Rates	35,332
Whakatipu/Kawarau/Arrowtown ward 100%	35,332

QT Arterials Forecast Impact 2025-2026				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Ward Share	2,298,424	35,332,416	5.00%	30

/ Key consultation topics /

/ Kā kaupapa uiuika /

Topic 2: Bringing forward investment in community and sporting facilities

While essential three water infrastructure makes up the lion's share of our capital programme, we know there's considerable demand on our community and sporting facilities.

As we've already highlighted, we've had to take extra care while developing this LTP to ensure prudent financial management. While not included in our current financial model, we are proposing an opportunity to bring forward funding for three key investments, if this is supported by the community.

516 Ladies Mile Community Facilities

Sports fields and community facilities across Whakatipu are under considerable pressure. There is an opportunity to bring funding forward to deliver a community centre building (formerly the temporary hall in Luggate), carpark and access extension, three sports fields, necessary site infrastructure services, and a toilet/change block, at 516 Ladies Mile.

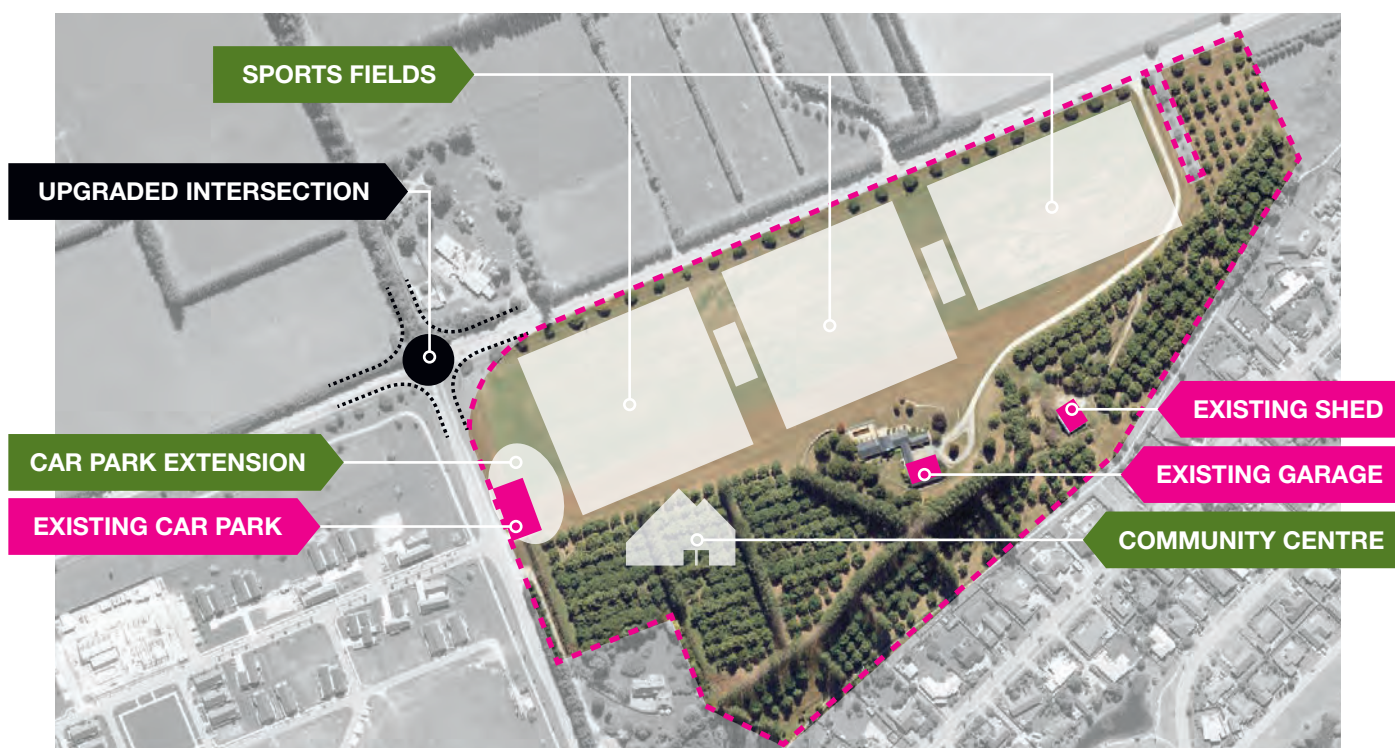
This would directly service the fast-growing areas of Lake Hayes Estate and Shotover Country and cater for growth in Te Pūtahi Ladies Mile when rezoning is approved in the future. It is also easily accessible to other areas across Whakatipu.

Delivery of the community facilities would be a year earlier noting costs associated with realignment increases overall from \$5M to \$6.8M (difference is including new sports fields).

The table below shows the specific budget movements required to years 2 and 3.

Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
516 Ladies Mile Community Centre	-	\$1,800,000	\$5,000,000	\$3,200,000
New Sports Fields in Queenstown	-	\$937,500	-	\$937,500
Total	\$0	\$2,737,500	\$5,000,000	\$4,137,500
Change to Yr 2		\$2,737,500		
Change to Yr 3				-\$862,500

LOCATION FOR PROPOSED COMMUNITY AND SPORTS FACILITIES



Investment in new sports fields in Wānaka

Demand on sports fields has grown considerably and currently there's not enough to meet our community needs in the Upper Clutha, particularly in the very busy winter months. There is an opportunity to bring forward \$1.2M of funding for new sports fields along with sports field floodlighting to enable winter training. Delivery would be in 2025-2027, and locations to be confirmed.

Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
New Sports Fields in Wānaka	-	\$100,000	\$937,500	\$837,500
Sports Field Lighting Renewals - Wānaka	-	\$300,000	-	-
Total	\$0	\$400,000	\$937,500	\$837,500
Change to Yr 2		\$400,000		
Change to Yr 3				-\$100,000

Clean energy upgrades at our Aquatic facilities

Council is committed to demonstrating ambitious climate leadership and a big part of that involves making sure we have our house in order.

There are many actions included in the Climate and Biodiversity Plan 2022-2025 which speak to this. One of these is to convert the water heating at Alpine Aqualand, Wānaka Recreation Centre and Arrowtown Pools from LPG to cleaner energy sources, such as an electric heat pump solution (action 1.16). This project is the most significant single project that the organisation can undertake in order to reduce its emissions.

Currently our aquatic facilities are powered by LPG. Converting to a renewable energy source is more efficient and offers lower running costs over the long term, emitting little to no greenhouse gases or pollutants into the air.

The draft Long Term Plan allocates approximately \$6M to deliver the energy upgrades between 2031-2033. There is an option to bring that funding forward to deliver the upgrades sooner, between years 2025-2027.

Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
Wānaka Pool - Energy Upgrade	-	\$180,000	-	\$520,000
Alpine Aqualand - Energy Upgrade	-	\$944,000	-	\$4,000,000
Arrowtown Pool - Energy Upgrade	-	\$200,000	-	-
Total	\$0	\$1,324,000	\$0	\$4,520,000
Change to Yr 2		\$1,324,000		
Change to Yr 3				\$4,520,000

Options

OPTION 1:

PREFERRED

Bring forward funding to invest in community and sports facilities in Queenstown and Wānaka

This option allows Council to deliver much needed community and sporting facilities earlier in the ten year programme.

This option does impact the rates paid by residential properties, increasing the average rates for 2025-2026 by 0.54% to 13.44% (after allowing for growth). For 2026-2027, the average rates would increase by 1.74% to 12.12% (after allowing for growth).

OPTION 2:

Don't bring forward funding and deliver the facilities and upgrades at a later date

Option two retains the funding for these projects later in the ten year period and has less impact on rates for years 2 and 3.

FINANCIAL IMPACT

Bringing forward \$8M of capital investment for the projects outlined above will have a moderate impact on rates. The growth portion of the local share will be funded by development contributions, which leaves the portion related to increasing levels of service coming largely from rate funded debt.

The tables below shows the impact on rates of the preferred options for affected properties.

PROJECT	BRING FORWARD COMMUNITY SERVICES PROJECTS
Capital Cost	\$8M
Timing	2025/26 onwards
Ratepayers Affected	District-wide
Main Impact	Residential, Mixed Use, Country Dwelling & Primary Industry
Rates Increase	0.6% to 4.0%
Residential Impact (\$)	Increased Aquatic Charge & Sports, Halls & Library Charge: \$109 per annum
Debt Impact	\$5.1M

IMPACT ON RATES			
	Increase to budget \$	Average rates increase %	Revised annual rate increase
2025-2026 (year 2)	832,979	0.54%	13.44%
2026-2027 (year 3)	3,151,366	1.74%	12.12%

Do you agree Council should bring forward funding for community and sports facilities in Queenstown and Wānaka?

Other projects

Kā kaupapa anō



District-wide capital investment

After the change in Government and confirmation of a change in direction for water reform, we revised our capital programme to include three waters investment for the full ten years of the LTP.

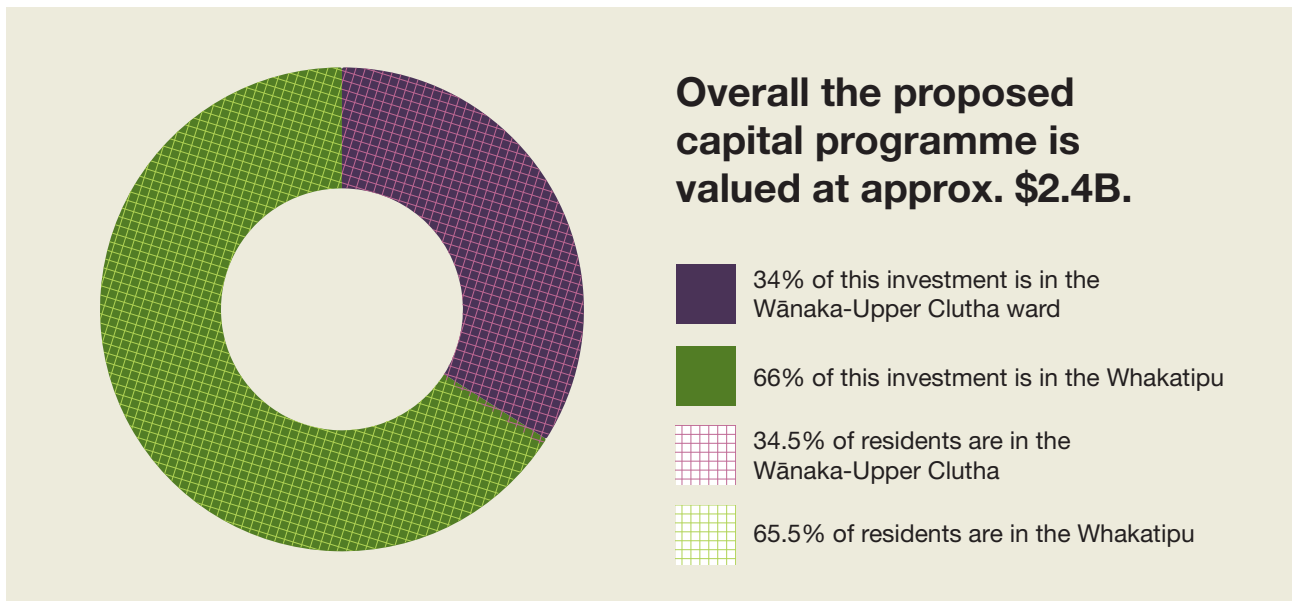
To accommodate the three waters expenditure non-three waters strategic priority projects

have had to be deferred both within and outside of the ten years of the LTP.

There's still plenty planned for our communities right across the district. Some highlights include Glenorchy Playground (\$367k year 3), Hāwea Playground (\$799k year 3), Makarora community building renewals (\$40k), Kingston Community Building and St John (\$65k), Cardrona Hall and Church (\$96k).

We've provided an online dashboard mapping where capital investment is proposed across the district. Wherever you live in the district, you can filter to see what's planned for your area.

Visit the dashboard at letstalk.qldc.govt.nz/long-term-plan-2024-2034 and explore what's proposed in your area. If you have any trouble, there are some pointers available on the Let's Talk page.



LONG TERM PLAN DASHBOARD

WELCOME TO THE DRAFT LONG TERM PLAN 2024-34 (LTP) CAPITAL PROGRAMME.

This has been developed to assist the 2024 Consultation on QLDC's LTP.

Note: the points on the map **do not** represent exact locations.

How to Use:

- 1) Click the filters at the bottom of this dashboard to focus locations and activities
- 2) Hover over a circle on the map to view details of a capital project.
- 3) Click the CLEAR FILTERS button to reset the dashboard.

For more details on how to use this dashboard [click here](#).

Three Waters

\$1.47bn

Infrastructure

\$0.64bn

Communi...

\$0.30bn

PROPOSED BUDGET BY FINANCIAL YEAR

Year	Budget (\$M)
2024/25	\$147M
2025/26	\$164M
2026/27	\$211M
2027/28	\$261M
2028/29	\$284M
2029/30	\$284M
2030/31	\$261M
2031/32	\$275M
2032/33	\$254M
2033/34	\$305M

Timeframe

PROJECT

All

+
-

Leaflet | Icon Map

Check out what's proposed in your area at letstalk.qldc.govt.nz

FILTER BY LOCATION

District Wide | Whakatipu | Upper Clutha

Queenstown | Area Wide (W) | Southern Corridor | Eastern Corridor | Wānaka | Hāwea

Frankton | Arthurs Point | Kingston | Arrowtown | Glenorchy | Area Wide (UC) | Cardrona | Luggate

CLEAR FILTERS

FILTER BY ACTIVITY

Community | Infrastructure | Three Waters

Venues & Facilities | Transport | Waste Water

Parks & Reserves | Building | Water Supply

Library | Solid Waste | Storm Water

Organics Kerbside Collection Service

Diverting and processing organic materials from landfill was identified as a priority in the 2018 Waste Minimisation and Management Plan (WMMP). This commitment was strengthened through a central government policy direction in 2023 requiring councils to implement a kerbside collection for food scraps to urban areas with populations greater than 1,000 before January 2030.

In February 2024, the Council approved a preferred option to implement a weekly combined food scraps and greenwaste (known by the acronym FOGO) 80 litre kerbside collection service for urban and rural properties entitled to a collection service.

This draft plan provides for initial implementation of this service in year 2 (2025-2026) at a cost of \$1.6M.

Wānaka Airport

Wānaka Airport is owned by QLDC, and operated by Queenstown Airport Corporation under a management services agreement. These operations include noise monitoring, property management, regulatory planning and compliance, and liaising with the airport community on day-to-day matters. Airport operations include a scheduled domestic return service to/from Christchurch with Sounds Air and a large and growing number of helicopters offering training and charter flights.

Current capital investment at the airport covers safety and Civil Aviation Authority regulatory compliance and providing fit-for-purpose services for existing tenants and airport users.

The future of the airport is an important topic for the area and it's essential to ensure the Wānaka-Upper Clutha community is part of shaping it.

This draft plan proposes funding to enable the development of a long term plan for Wānaka Airport

(including a future Masterplan). We'll provide more information on this important community conversation later in the year.

Housing

Housing is one of the biggest challenges our community faces. The root causes of housing unaffordability in the district are complex and centre on supply, choice, availability, and quality.

Council is addressing this challenge with the Joint Housing Action Plan, which was endorsed in August 2023. We have begun implementing this plan, working with central government, the Queenstown Lakes Community Housing Trust, Kāi Tahu, and the local community. You can read about progress at www.qldc.govt.nz/improving-housing-outcomes

In parallel to this LTP process, we are consulting on proposal to transfer ownership of Council-owned elderly housing stock to the Queenstown Lakes Community Housing Trust on the condition it remains an elderly housing resource. A full statement of proposal can be found at letstalk.qldc.govt.nz/elderly-housing

Significance and engagement policy

The Significance and Engagement Policy guides how we engage with the community on important Council decisions. It outlines what the Council will consider 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 2024 as part of this planning process. Minor amendments are proposed to include diversity, equity and inclusion as considerations for engagement, update the lists of strategic assets, and align Council engagement practice with the IAP2 Spectrum of Public Participation and engagement principles.

The Significance and Engagement Policy 2024 can be read in full at letstalk.qldc.govt.nz or any Council office.

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 Long Term Plan consultation. The proposed amendments to the Policy on Development Contributions are available to review within the Long Term 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 Long Term Plan 2024-2034. To find out more visit letstalk.qldc.govt.nz

New materials recovery facility

The existing materials recovery facility at Frankton is nearing the end of its useful life, meaning a new facility to process the district's recycling is required.

Council is currently investigating site options for the new facility. The draft LTP includes \$76.4M across years 1-6 continue this work.

Upgrades are also required for the Queenstown and Wānaka Transfer Stations. A concept design for an upgraded transfer station in Wānaka is underway and the LTP includes \$9.7M across years 1-3 to progress the new facility.

Queenstown Airport

Queenstown Airport is operated by the Queenstown Airport Corporation Limited which is a Council Controlled Trading Organisation (CCTO). The CCTO disclosure statement can be found in the LTP supporting document on page 131.

/ The numbers you need to know /

/ Kā tatauraka /

Our financial strategy identifies the challenges we are facing over the next 10 years and how we plan to respond to them. This section summarises some of the key considerations and numbers you need to know. The full draft Financial Strategy can be read online at letstalk.qldc.govt.nz/long-term-plan-2024-2034

As we've already highlighted, high inflation and significant cost escalation have impacted both operational and capital expenditure budgets. These budgets have been developed with an emphasis of getting the basics right to ensure the impacts 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.

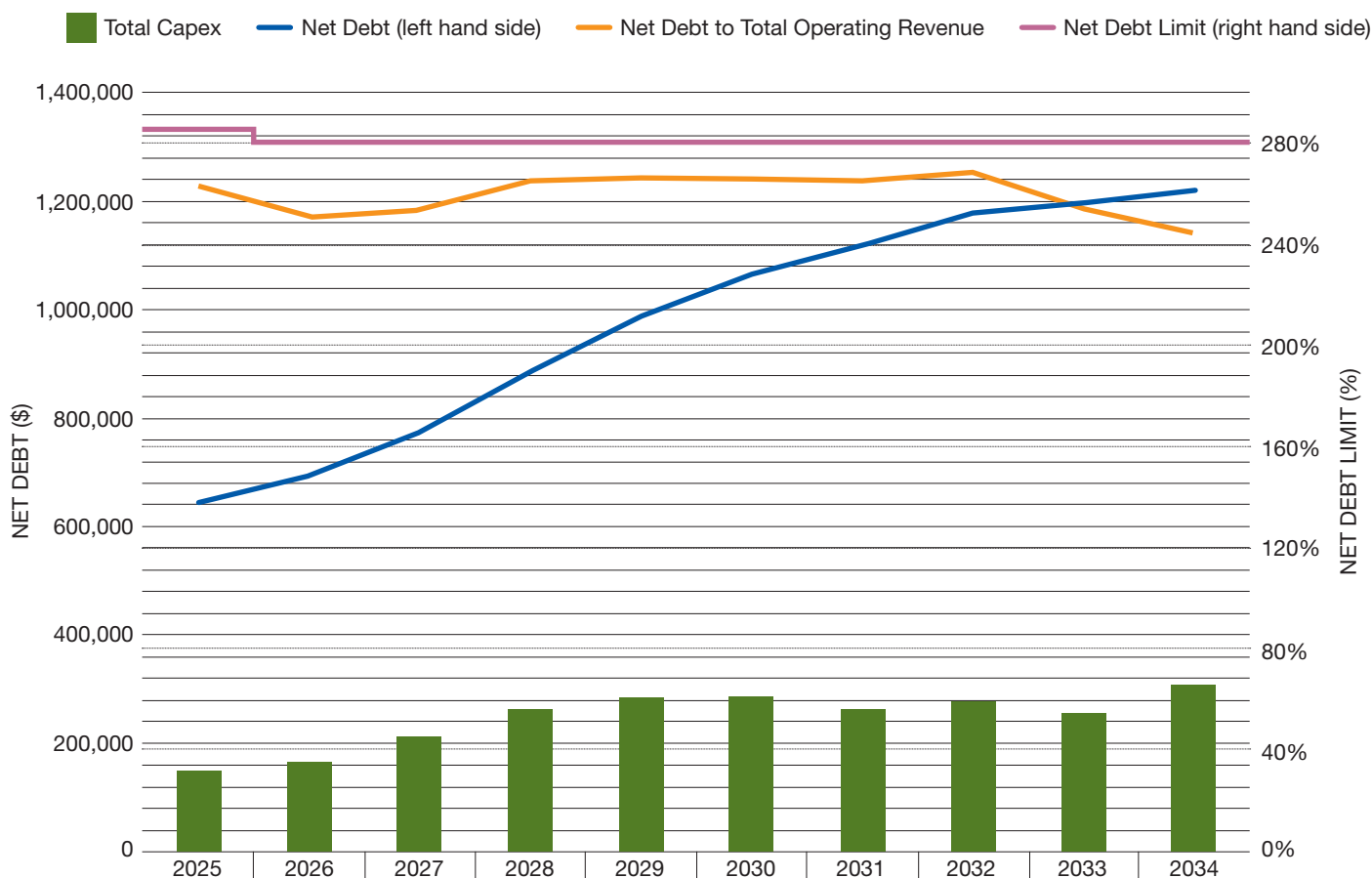
Financial summary

The key borrowing limit is the ratio of debt to revenue, which is set at 285% for 2024/2025 and 280% thereafter. Our approach has been to remain within that limit to ensure there is sufficient contingency should it be required. This could be required for many reasons, including responding to an emergency event, unforeseen maintenance due to breakages, or changing legislative requirements. In these circumstances, depending on the situation and level of investment required, Council may also consider cutting back on aspects of its capital programme, which in turn could affect planned levels of service. There are also consequences for breaching that limit that would significantly reduce Council's borrowing capacity in the future.

The table and graph below summarise some of the key financial metrics over the next 10 years.

10 Year Key Financial Metrics	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Debt	642.9M	692.8M	772.4M	884.9M	986.7M	1,064.2M	1,117.6M	1,177.1M	1,195.3M	1,219.0M
Net Debt to Total Operating Revenue	263.0%	250.7%	253.4%	265.0%	265.9%	265.7%	264.9%	268.3%	253.7%	243.9%
Headroom by Year	54M	81M	81M	50M	52M	57M	64M	51M	124M	180M
Total Capex	146.7M	163.7M	210.8M	261.0M	283.6M	284.2M	260.7M	275.0M	254.2M	305.0M
Rates Increase (after growth)	15.6%	12.9%	10.3%	9.1%	11.9%	5.8%	2.7%	3.4%	2.1%	1.4%

FORECAST DEBT TO CAPITAL EXPENDITURE 2024-2034



Depreciation funding

To remain within borrowing limits, it is necessary to progressively increase the funding of depreciation expense through the draft Long Term Plan 2024- 2034.

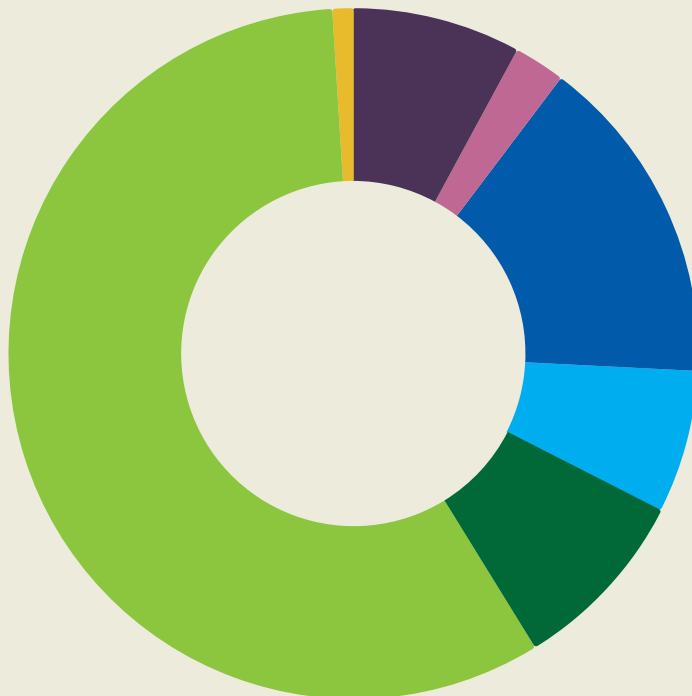
Depreciation funding will increase progressively over the ten year period to fund renewal programmes. We need to increase the funded percentage 67% by 2033-2034. This strategy helps us to avoid a large spike in rates required in a single year. QLDC has historically funded up to 50% of depreciation expense.

In the first year (2025) there is a significant 19% increase in depreciation expense which is primarily due to increased revaluations of roading and water asset values.

What's depreciation?
Most assets lose their value over time through wear and tear. Depreciation is used to recognise this decrease in value and spreads the cost over their useful life.

Where the money comes from

This graph shows our sources of funding over the ten year period of this Long Term Plan.



- 7.9%** Development and financial contributions
- 2.4%** Interest and dividends from investments
- 15.5%** Fees and charges
- 6.7%** Subsidies and grants for capital/operating expenditure
- 9.1%** Loans
- 57.5%** Rates
- 1.0%** Gross proceeds from sale of assets

And how it's spent

Take a look at some of the different services and activities we provide for our district.

 Libraries	 Building compliance	 Food safety	 Parking	 Resource consents	 Sports programmes
 Community engagement	 Consultation	 Playgrounds	 Roads	 Stormwater	 Arts and events
 Cemeteries	 Walkways and cycleways	 Emergency management	 Planning	 Sustainability	 Animal control
 Pools	 Community halls	 Noise control	 Public toilets	 Monitoring and enforcement	 Water supply
 Customer service	 Democracy	 Parks and reserves	 Streetlights	 Wastewater	 Waste minimisation

\$93

With this plan, we'll be able to provide all these services and more for about \$93 in rates per week per property (on average)⁷

⁷ Including GST, allowing for 3.5% growth for 2024-2025.

What all this means for the rates you pay

Council is proposing an average rates increase of 15.6%

FOR 2024-2025 (AFTER ALLOWING FOR GROWTH⁸)

This is driven by inflation, high interest rates, increasing insurance and compliance costs and meeting demand for growth-related infrastructure.

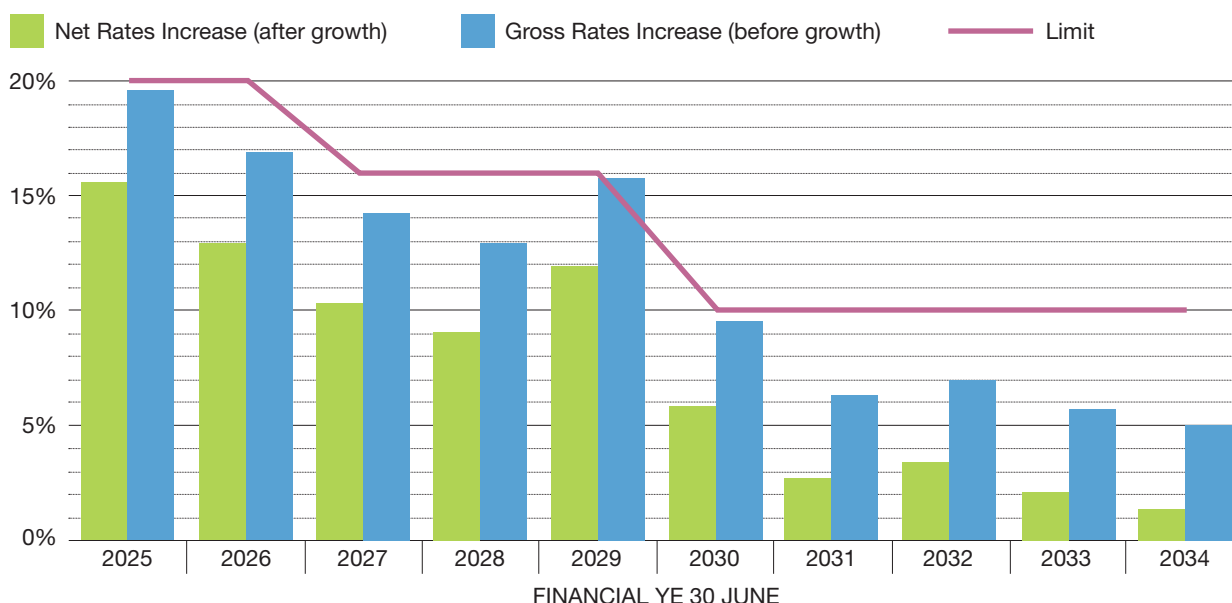
Higher debt servicing costs and increased depreciation accounts for more than 50% OF THE PROPOSED RATES INCREASE.

OF THE PROPOSED RATES INCREASE.

An increase of this level is historically high but unavoidable. The reason for significant rates rises has been a key theme throughout this consultation document. It reflects the impact of significant cost escalation in both capital expenditure and operating costs over the past 3 years. The increases proposed for water and wastewater schemes reflect the required increases in depreciation funding (discussed above), interest payments related to capital expenditure and increases to electricity, insurance and maintenance contract costs. We have attempted to minimise the impact of all these factors but increases in these areas are inevitable.

The rates impact associated with the two consultation topics, if approved, would be additional to the proposed increase described below.

10 YEAR RATES INCREASE



RATES CHANGES FOR 2024-2025

The proposed rates increase include the following elements:

Charge type	Charge detail
Uniform Annual Charge	Increase of \$23 per property per annum
Waste Charge	Increase of \$16 per property per annum (residential only)
Aquatic Centre Charges	Whakatipu increase of \$71 per property per annum; Wānaka \$18 increase per property per annum (residential only)
Increased Rates for wastewater	Queenstown \$108 per connection per annum; Wānaka \$62; Arrowtown \$124; Lake Hayes \$156
Increased Rates for water supply	Wānaka \$20 per connection per annum; Hāwea \$60; Arthurs Point \$60; Lake Hayes \$90

The table below shows indicative rates movements for median property values. There are separate tables available for high and low property values at letstalk.qldc.govt.nz

Summary of indicative total rates movements 2024-2025				
Median Values			Draft rates movement	Draft rates movement
Property Type	CV	Location	%	\$
Residential	\$1,390,000	Queenstown	15.64%	\$610
Commercial	\$2,999,000	Queenstown	13.67%	\$1,130
Accommodation	\$2,860,000	Queenstown	17.23%	\$2,214
M/U Accommodation	\$1,720,000	Queenstown	16.30%	\$849
Vacant	\$1,086,000	Queenstown	15.22%	\$460
M/U Commercial	\$1,565,000	Queenstown	15.11%	\$690
Residential	\$1,298,000	Wānaka	12.54%	\$485
Commercial	\$1,780,000	Wānaka	11.43%	\$650
Accommodation	\$1,724,000	Wānaka	13.28%	\$1,189
M/U Accommodation	\$1,613,000	Wānaka	13.45%	\$687
Primary Industry	\$7,138,000	Wānaka	11.97%	\$658
Country Dwelling	\$2,465,000	Wānaka	12.25%	\$408
Vacant	\$907,500	Wānaka	10.80%	\$309
M/U Commercial	\$1,390,400	Wānaka	12.19%	\$537
Residential	\$1,437,000	Arrowtown	15.94%	\$652
Commercial	\$3,302,000	Arrowtown	15.43%	\$1,357
Accommodation	\$2,689,000	Arrowtown	18.45%	\$1,962
M/U Accommodation	\$1,380,000	Arrowtown	16.25%	\$775
Vacant	\$1,180,000	Arrowtown	15.67%	\$491
M/U Commercial	\$1,430,000	Arrowtown	15.48%	\$695
Primary Industry	\$5,750,000	Whakatipu	15.26%	\$715
Country Dwelling	\$3,281,000	Whakatipu	16.19%	\$633
Residential	\$892,000	Glenorchy	16.45%	\$536
Residential	\$1,042,000	Lake Hayes	17.85%	\$643
Residential	\$843,000	Hāwea	15.61%	\$486
Residential	\$788,000	Luggate	10.68%	\$369
Residential	\$840,000	Kingston	16.00%	\$353
Residential	\$1,013,000	Arthurs Point	11.97%	\$434

Summary of indicative total rate movements 2024-2025				
Median Values			Draft rates movement	Draft rates movement
Property Type	new CV	Location	%	\$
Residential	\$1,390,000	Queenstown CBD	17.43%	\$679
Commercial	\$2,999,000	Queenstown CBD	15.49%	\$1,281
Accommodation	\$2,860,000	Queenstown CBD	18.34%	\$2,358
M/U Accommodation	\$1,720,000	Queenstown CBD	17.96%	\$935
Vacant	\$1,086,000	Queenstown CBD	17.03%	\$514
M/U Commercial	\$1,565,000	Queenstown CBD	16.83%	\$769

/ We want to hear from you /

/ Whakapā mai /

Consultation is also underway on proposed changes to the Development Contribution Policy and transfer of ownership of elderly housing stock. Get full details at letstalk.qldc.govt.nz

How to make a submission



The online form is the quickest and easiest way to make a submission – go to letstalk.qldc.govt.nz

Alternatively you can:



Email us at letstalk@qldc.govt.nz subject line 'LTP submission'

Scan and email your completed hard copy 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 Long Term Plan is about our future as a district. It's the big picture of where we're heading and deciding how to get 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** (Queenstown) or **03 443 0024** (Wānaka)
- > 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 will be provided in full to Councillors and relevant officers. Submissions are public information because in local government we have an obligation around decision-making to be as transparent as possible. Your name, any organisation you represent and your submission will be published online, however we won't publish any personal contact or address information.

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

The short answer is no - all submissions are considered equally. However, everyone has an opportunity to make their submission personally if they want to.

If you'd like 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 Long Term Plan. At the end of the process, we will summarise the significant decisions made by Council and let you know the outcomes.

Let's talk | Korero mai

We've scheduled opportunities to talk to Councillors during the consultation period. You can find details of these at letstalk.qldc.govt.nz



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

Want more information about the Long Term Plan?

You can access the full draft Long Term Plan 2024-2034 document and frequently asked questions at letstalk.qldc.govt.nz. Alternatively drop into one of our Queenstown or Wānaka offices, or any of the libraries or recreation centres across the district.

Need help with your submission?

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

To the reader:

Independent auditor's report on Queenstown Lakes District Council's consultation document for its proposed 2024-34 Long-Term Plan

I am the Auditor-General's appointed auditor for Queenstown Lakes District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and the Council requested me to audit the consultation document. I have carried out this audit using the staff and resources of Deloitte Limited. We completed our audit on 27 June 2024.

Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2024-34 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan; and
 - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for auditing the consultation document and reporting on the matters described in sub-sections 93C(4)(a) and 93C(4)(b) of the Act, as agreed in our Audit Engagement Letter. We do not express an opinion on the merits of any policy content of the consultation document.

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Mike Hawken

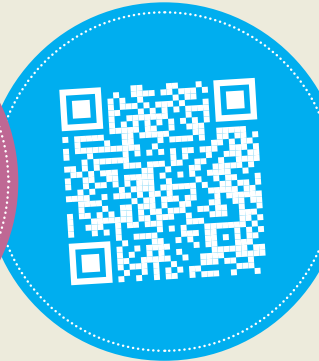
For Deloitte Limited
On behalf of the Auditor-General,
Dunedin, New Zealand



Submission form

Puka tāpaetaka

Please think about making your submission online at letstalk.qldc.govt.nz



All submissions will be made public (excluding contact and address information)

Name:

Organisation (if any):

Contact email address or postal address:

Location: Arrowtown Albert Town Frankton Glenorchy Hāwea
 Kingston Luggate Makarora Queenstown Wānaka
 Gibbston
 Other (please specify)

Do you wish to speak at a hearing for the Long Term Plan 2024-2034? Yes No → If yes, please provide a contact number:

Do you wish to speak at a hearing for the draft Policy on Development Contributions? Yes No

Please have your say on the key consultation topics identified below

TOPIC 1A: Targeted rate on Queenstown Town Centre properties (Street Upgrades 2024-2025)

I support **OPTION ONE:** Targeted rates recovery focused on wider Queenstown CBD ratepayers PREFERRED OPTION

I support **OPTION TWO:** Apply costs to the existing Whakatipu Roding Rates (Queenstown-Whakatipu and Arrowtown-Kawarau wards)

Neither / Neutral

Please tell us more about your response:

TOPIC 1B: Targeted rate on Queenstown Town Centre properties (Arterials from 2025-2026)

I support **OPTION ONE:** Targeted rates recovery focused on wider Queenstown CBD ratepayers PREFERRED OPTION

I support **OPTION TWO:** Apply costs to the existing Whakatipu Roding Rates (Queenstown-Whakatipu and Arrowtown-Kawarau wards)

Neither / Neutral

Please tell us more about your response:

Pages 12-15

Pages 16-18



TOPIC 2: Bringing forward investment in community and sporting facilities

- I support **OPTION ONE:** Bring forward funding to invest in community and sports facilities in Queenstown and Wānaka PREFERRED OPTION
- I support **OPTION TWO:** Don't bring forward funding and deliver the facilities and upgrades at a later date
- Neither / Neutral

Please tell us more about your response:

Pages 19-22

General questions

Do you support Council's intent to pursue alternative funding options, such as an upfront development contribution?

- I support
- I oppose
- Neither / Neutral

Please tell us more about your response:

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Please use this space to comment on the consultation topics or any aspect of the draft Long Term Plan:

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