

Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Armstrong Room, Lake Wānaka Centre, Ardmore Street, Wānaka on Thursday 1 August 2024 commencing at 1.00pm

Present:

Mayor Glyn Lewers; Councillors Bartlett, Bruce, Cocks, Ferguson, Gladding, Guy, Smith, Tucker, White, Whitehead and Wong

In attendance:

Mr Mike Theelen (Chief Executive Officer), Ms Michelle Morss (General Manager, Strategy and Policy), Mr David Wallace (General Manager Planning and Development), Mr Ken Bailey (General Manager, Community Services), Mr Peter Harris (Manager, Economic Development), Ms Ren Kirk (Senior Economic Development Advisor), Ms Carrie Williams (Policy Manager), Ms Delvina Gorton (Policy Advisor), Ms Alyson Hutton (Planning Policy Manager), Ms Amy Bowbyes (Principal Planner, Planning Policy), Mr Jon Winterbottom (Democracy Services Team Leader) and Ms Jane Robertson (Senior Democracy Services Advisor); two members of the media and two members of the public

Apologies/Leave of Absence Applications

There were no apologies.

The following requests for leave of absence were made:

- Councillor Cocks: 9-14 August 2024
- Councillor Wong: 5-7 November 2024

It was moved (The Mayor/Councillor Gladding):

That the Queenstown Lakes District Council approve the requests for leave of absence.

Motion carried unanimously.

Declarations of Conflict of Interest

No declarations were made.

Public Forum

1. Michaela Blacklock for David Wallace (re Economic Diversification Plan)

Mr Wallace supported the Economic Diversification Plan as it was important for the district to provide an alternative to tourism and hospitality jobs, as these were traditionally low paid and changeable. Meaningful jobs created by local businesses would help to make the local economy more sustainable and new jobs were needed if the

population were to grow by the numbers anticipated. There was a risk that the district would only attract the mega-rich if there were no worthwhile jobs available.

2. Pierre Marasti (Extinction Rebellion)

Mr Marasti spoke about recent extreme weather events. He noted that floods were now so numerous they no longer featured in news broadcasts which suggested that such events were accepted and people were refusing to adapt. There were those who denied climate change but action needed to be taken in a declared climate emergency. Accordingly, why did the Council still support expansion of Queenstown Airport? Furthermore, McDonalds, one of the world's worst polluters, was trying to extend into Wānaka and one way of taking action was to boycott activities that did not have sustainable practices.

Confirmation of Agenda

It was moved (The Mayor/Councillor Wong):

That the Queenstown Lakes District Council resolve that the agenda be confirmed with withdrawal of the portion of the Chief Executive's report (item 5) dealing with delegations under the Local Government (Rating) Act 2002.

Motion carried unanimously.

Confirmation of minutes

27 June 2024 (Ordinary meeting)

The following amendments were made to the draft minutes of the ordinary meeting held on 27 June 2024 (additions shown underlined and deletions with ~~striketrough~~):

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She also considered that there was a major flaw in the consultation process used for the mooring fee increases as the Statement of Proposal had stated that a decision to adopt a biennial inspection had already been made by the Council ~~she did not understand why a proposed biennial inspection had been included in the Statement of Proposal.~~
- Page 7
Motion carried with Councillors Gladding, Smith and Whitehead recording their votes against the motion.
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Officers also explained that which parts of the previous heritage strategy had been incorporated into the strategy and agreed that the revoked Heritage Strategy would be retained on the QLDC website. ~~how information remaining had been recorded.~~

It was moved (The Mayor/Councillor Bruce):

That the Queenstown Lakes District Council resolve that the public part of the minutes of the ordinary meeting of the Queenstown Lakes District Council held on 27 June 2024 as amended be confirmed as a true and correct record.

Motion carried unanimously.

1 Economic Diversification Plan

A covering report from Peter Harris (Economic Development Manager) presented the Economic Diversification Plan for Council endorsement. The Plan had been developed to address the concern that the Queenstown Lakes District was one of the least economically diverse communities in New Zealand.

Mr Harris and Ms Morss presented the report. Mr Harris acknowledged the large number of people and organisations who had contributed to the plan and particularly thanked one of his staff members, Ren Kirk, for her work on the plan. Also appended to the report was the year one action plan which Mr Harris advised, would be delivered by the Council and its partners in the market who had already been advised of their responsibilities.

Councillor Smith pointed out that there was at least as big a risk of the building industry failing in the district. Mr Harris noted that one of the challenges identified in the plan had been altered to add construction. Comment was also made about the film industry, noting that television seemed to provide more repeat work but it was a complex industry that was difficult to rely on. There was also discussion about the events industry and the risk of events starting in the district and then leaving because of cost and administrative challenges.

Councillor Gladding commented that it was a big plan and it was important for elected members to have good oversight of its progress and expenditure on activities. She suggested that a report at least every six months was desirable.

It was moved (Councillor Gladding/Councillor Whitehead):

That the Council require officers to report to full Council every six months on the implementation and costs associated with delivery of the Economic Diversification Plan.

The motion was put and carried 7:4 on a show of hands, with Councillors Bruce, Cocks, Guy and Wong voting against the motion.

It was moved (Councillor Guy/Councillor White):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report;**
- 2. Endorse the Economic Diversification Plan for the District;**
- 3. Revoke the 2015 Economic Development Strategy; and**
- 4. Require officers to report to full Council every six months on the implementation and costs associated with delivery of the Economic Diversification Plan**

Motion carried unanimously.

2. Adoption of draft Brothel Control Bylaw 2024/Kā Ture Whakahaere Whare Kairau

A report from Carrie Williams (Policy Manager) presented the final version of the draft Brothel Control Bylaw 2024/Kā Ture Whakahaere Whare Kairau following completion of the Special Consultative Procedure. The hearing panel recommended minor changes to the draft bylaw that went out for public consultation and the changes included:

- amending the purpose provision of the draft bylaw to remove reference to meeting community demand for services; and
- amending the location requirements of brothels to remove the restriction on brothels being beneath ground level of any building, but retaining the restriction on brothels being at ground level.

Ms Morss and Ms Williams presented the report.

It was noted that none of the submissions had supported the bylaw as drafted. However, in order to give effect to the Prostitution Reform Act 2003 the Hearing Panel had recommended approval of the bylaw (with two minor amendments).

It was moved (Councillor Smith/Councillor Tucker):

That the Queenstown Lakes District Council resolve to:

- 1. Note the contents of this report;**
- 2. Note that on 2 May 2024, Council determined, pursuant to section 155(1) of the Local Government Act 2002, that a bylaw is the most appropriate way of addressing the issues related to brothels in the district;**

3. Determine prior to making the bylaw, pursuant to section 155(2)(a) of the Local Government Act 2002, that the draft Brothel Control Bylaw 2024 / Kā Ture Whakahaere Whare Kairau is the most appropriate form of bylaw;
4. Determine pursuant to section 155(2)(b) of the Local Government Act 2002, that the draft Brothel Control Bylaw 2024 / Kā Ture Whakahaere Whare Kairau does not give rise to any implications under the New Zealand Bill of Rights Act 1990;
5. Adopt the draft Brothel Control Bylaw 2024 / Kā Ture Whakahaere Whare Kairau, with the following changes recommended by the hearing panel from the draft bylaw that went out for consultation:
 - a. Clause 2(1)(b): "The purpose of this bylaw is to ... enable commercial sexual service providers to operate within the district in a manner that addresses community concerns and sensitivities."
 - b. Clause 4.1: "No persons may establish, operate, or permit the operation of a brothel unless the brothel satisfies all of the following requirements: ...(c) the brothel is not located at ground level."
6. Resolve that the draft Brothel Control Bylaw 2024 / Kā Ture Whakahaere Whare Kairau will come into effect on 1 September 2024 and that the Brothel Control Bylaw 2017 is revoked on 1 September 2024.
7. Note that in accordance with section 157 of the Local Government Act 2002, public notice be given of the review of the draft Brothel Control Bylaw 2024 / Kā Ture Whakahaere Whare Kairau, advising:
 - a. that the bylaw will come into force on 1 September 2024;
 - b. that copies of the bylaw may be inspected, without fee, at all Council offices.

Motion carried unanimously.

3. **Approval of Queenstown Lakes District Council submissions – Local Water Done Well, International Visitor Conservation and Tourism Levy, Land Transport Rule: Setting of Speed Limits and Otago Regional Council’s representation arrangements**

A report from Delvina Gorton (Policy Advisor) presented proposed submissions made on behalf of Queenstown Lakes District Council to:

- The Finance and Expenditure Committee on the Local Government (Water Services Preliminary Arrangements) Bill (**Local Water Done Well Bill**);
- The Ministry of Business Innovation and Employment (**MBIE**) on the review of the international visitor conservation and tourism levy (**IVL**);
- The Ministry of Transport on the draft Land Transport Rule: Setting of Speed Limits 2024 (speed limits rule); and
- Otago Regional Council (ORC) on representation arrangements for the 2025 local election (representation arrangements), due 11 August.

The first three submissions required retrospective approval but the submission on representation arrangements to Otago Regional Council was not due until 11 August 2024.

There was further discussion about notifying the rest of the community about these consultation opportunities and encouraging more public participation. The Mayor advised that he would discuss this suggestion with the Chief Executive.

It was moved (Councillor Smith/Councillor Whitehead):

That the Queenstown Lakes District Council resolve to:

1. **Note the contents of this report;**
2. **Approve retrospectively QLDC’s submission to the Finance and Expenditure Committee on the Local Water Done Well Bill;**
3. **Approve retrospectively QLDC’s submission to the Ministry of Business Innovation and Employment on the International visitor conservation and tourism levy;**
4. **Approve retrospectively QLDC’s submission to the Ministry of Transport on the draft speed rule; and**

5. Approve QLDC's draft submission to Otago Regional Council on representation arrangements, due for submission on 11 August 2024.

Motion carried unanimously.

4. **Report and recommendations of the Independent Hearing Panel for the Inclusionary Housing Variation to the Proposed District Plan**

A covering report from Amy Bowbyes (Principal Planner – Resource Management Policy) introduced the report and recommendations of the Independent Hearing Panel for the Inclusionary Housing Variation to the Proposed District Plan. The report advised that the Hearing Panel had recommended withdrawal of the Variation, principally on the basis that the Variation did not meet the S.32 test in regard to assessing all reasonably practicable alternative options. The report observed that although officers did not necessarily accept the reasoning and conclusions of the Hearing Panel, the Panel's recommendation made it impracticable to progress the Variation any further at this time and therefore recommended that the Council resolve to withdraw the Variation and consider other options for providing affordable housing.

Mr Wallace, Ms Hutton and Ms Bowbyes presented the report. A correction was made to paragraph 31 of the report which should instead read:

The preferred option would not include the opportunity for Environment Court appeals, which would require funding for legal and consultant costs provided through the PDP budget.

It was noted that officers would develop an alternative plan for providing affordable housing, but could only do so once the Council had resolved on the Variation. Officers noted that approval to withdraw the Variation would result in the existing affordable housing provisions in the District Plan remaining in place.

There was further discussion about whether the Hearing Panel's recommendation was outside its mandate. Notwithstanding this, it was generally agreed that the only option open to the Council was to resolve to withdraw so that the existing provisions could remain in effect and officers could investigate alternatives.

It was moved (Councillor Tucker/The Mayor):

That the Queenstown Lakes District Council resolve to:

1. Note the contents of the report;
2. Note the recommendation to withdraw the Inclusionary Housing Variation;

3. Withdraw the Variation under cl. 8D of Schedule 1 of the Resource Management Act 1991 for the reasons generally expressed in this report; and
4. Authorise the General Manager Planning & Development to summarise those reasons for the purpose of giving public notice of the withdrawal.

Motion carried unanimously.

5. Chief Executive's Report

A report from the Chief Executive presented recommendations from the Community & Services Committee meeting held on 27 June 2024 regarding the vesting of reserves at Henley Downs and Hayes Creek.

It was moved(Councillor Smith/Councillor Bruce):

That the Queenstown Lakes District Council resolve to:

1. Note the contents of this report; and
2. Approve the vesting of the following reserves:

RCL Henley Downs Limited RM230485

- a. Local Purpose (Walkway and Services) Reserve – Lot 78 being 1,400m² in area

Subject to the following works being undertaken at the Applicant's expense:

- i) Compliance with the conditions of resource consent RM230485 (and any subsequent variations) which include:
- ii) The submission of landscape plans to Council for certification by the Parks and Open Spaces Planning Manager;
- iii) The formation of an off-road trail within Lot 78 and the existing Lot 98 DP 519609 to meet the Grade 2 standard of the Queenstown Lakes District Council (QLDC) Cycle Trail and Track Design Standards & Specifications (2016);
- 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 any public reserve vested in or administered by the Council and any adjoining land;**
- v) The registration of a Consent Notice (or alternative encumbrance) on any land within the development adjoining the reserve, to ensure any fences on land adjoining, or boundaries along any reserve, shall no greater than 1.2m in height, and be 50% visually permeable;**
 - vi) A three-year maintenance period by the consent holder commencing from vesting of the reserve; and**
 - vii) A maintenance agreement for reserve prepared and approved (signed) by the Parks and Open Spaces Planning Manager specifying how the reserves will be maintained during the maintenance period.**
- b. Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy 2016; and**
- c. Presentation of the reserve in accordance with Council's policies.**

Hayes Creek Development Limited RM220821

- b. Esplanade Reserve - Lots 101 and 102, being 11,113m² and 3,180m² in area.

Subject to the following works being undertaken at the Applicant's expense:

- i) Compliance with the conditions of resource consent RM220821 (and any subsequent variations) which include:
- a) The submission of a pedestrian easement layout plan detailing the southern connection from the western boundary of Lot 101 with Lot 307 DP 505513 to Alec Robins Road to Council for approval;
 - b) A draft pedestrian easement instrument;
 - c) The submission of detailed design of mounding within the site adjacent to the public access easement to Council for certification by the Parks and Open Spaces Planning Manager;
 - d) 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 any public reserve vested in or administered by the Council and any adjoining land;
 - e) Formation of all the trails within the public access easements connecting Alec Robins Road to the Esplanade Reserves (and in the case of the southern easement, across the Esplanade Reserve).
 - f) A maintenance agreement for reserve prepared and approved (signed) by the Parks and Open Spaces Planning Manager specifying how the reserves will be maintained during the maintenance period; and
 - g) A three-year maintenance period by the consent holder commencing from vesting of the reserve; and
 - h) The registration of a Consent Notice (or alternative encumbrance) on any land within the development adjoining the reserve, to ensure Council is not responsible to contribute to work on any fence between a public reserve vested

in or administered by Council and any adjoining land.

- ii) Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy 2016; and
 - iii) Presentation of the reserve in accordance with Council's policies.
- c. Agree that any reserve improvement contributions are offset against those payable in accordance with the Developments Contributions Policy current at the time of contributions payment, subject to:
- i) Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the Parks & Open Spaces Planning Manager.
 - ii) Final approval of any reserve improvement costs to be delegated to the Parks & Open Spaces Planning Manager and is subject to the applicant demonstrating the actual costs of the improvements.
 - iii) If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the Applicant's expense.

Resolution to Exclude the Public

It was moved (The Mayor/Councillor Bartlett):

That the Queenstown Lakes District Council resolve that the public be excluded from the following parts of the meeting:

The general subject of each matter to be considered whilst the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Confirmation of minutes

Item 9: Appointment of Commissioners to the Independent Hearings Panel for the Urban Intensification Variation to the Proposed District Plan

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
9. Appointment of Commissioners to the Independent Hearings Panel for the Urban Intensification Variation to the Proposed District Plan	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: a) protect the privacy of natural persons, including deceased natural persons	Section 7(2)a)

This recommendation 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 as shown above with respect to each item.

Motion carried unanimously.

The meeting went into public excluded at 2.28pm.

Councillor Gladding left the meeting at this point.

PUBLIC EXCLUDED

27 June 2024 (Ordinary meeting)

It was moved (the Mayor/Councillor):

That the Queenstown Lakes District Council resolve that the minutes of the public excluded part of the ordinary meeting of the Queenstown Lakes District Council held on 27 June 2024 be confirmed as a true and correct record.

Motion carried unanimously.

The meeting came out of public excluded and concluded at 2.30pm.

MAYOR

DATE