

**Minutes of an ordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday 9 February 2023 commencing at 1.00pm**

**Present:**

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

**In attendance:**

Mr Mike Theelen (Chief Executive Officer), Mr Stewart Burns (GM Finance, Legal and Regulatory), Ms Meaghan Miller (GM Corporate Services), Mr Tony Avery (GM Planning and Development), Ms Michelle Morss (General Manager, Strategy and Policy), Mr Glen Sowry (CEO, Queenstown Airport Corporation), Mr Simon Flood (Deputy Chair, Queenstown Airport Board), Mr Brendan Peat (Legal Counsel), Mr Naell Crosby-Roe (Stakeholder Services and Governance Manager), Ms Anita Vanstone (Strategic Growth Manager), Mr Quintin Howard (Property Director), Ms Alyson Hutton (Planning Policy Manager), Mr Luke Place (Senior Policy Planner) and Ms Jane Robertson (Senior Governance Advisor); one member of the media and approximately five members of the public

**Apologies/Leave of Absence Applications**

Apologies were received from Councillor Ferguson and Councillor Whitehead, both on approved leave of absence.

The following requests for Leave of Absence were made:

- Councillor Gladding – 21-24 March 2023

**On the motion of Councillor Smith and Councillor Bruce the Queenstown Lakes District Council resolved that the requests for leave of absence be approved.**

**Declarations of Conflict of Interest**

Councillor Wong declared an interest in item 7 and undertook to leave the room for this item.

**Special Announcements**

The Mayor referred to the recent deaths of Peter Hansby and Ian Kirkland and provided details about their individual contributions to the community. A moment's silence was observed in their honour.

## Public Forum

1. John Glover – Statement of Expectations [‘SOE’]

Mr Glover asked the Council to amend the SOE to require Queenstown Airport’s [‘QAC’] Strategic Plan to be approved by Council. This was appropriate as QLDC owned 75% of the airport and the continual denial of community discussion about ‘where to from here’ for QAC was a “festering sore” for the community. The Strategic Plan was key to everything and amending the SOE in this way would not delay it or the SOI. He circulated the specific change that he sought to the SOE.

2. Leslie Van Gelder – Southern Lakes Sanctuary and Glenorchy Dark Skies Strategy

Dr Van Gelder spoke in support of the Destination Management Plan. She commended the efforts to produce it and to achieve consensus between the parties involved. She made three recommendations, suggesting that Project 9 to decarbonise the visitor economy by 2030 needed to be bolder to make a full circle of re-generativity. Her second was that a working group be established to ensure that all Council environmental plans were interwoven. Her final suggestion stemmed from her involvement in the Dark Skies project and it was to adopt the language of the goals being a beacon for the future.

3. Pierre Marasti, Extinction Rebellion

Mr Marasti advised that the last eight years had been the warmest on record and the high ocean temperatures had contributed to the many worldwide flooding events. Millions of people had been displaced by extreme weather events, along with numerous deaths due to weather and record insurance claims. Locally, the consequences of the Auckland floods would last for years and QLDC’s highest priority needed to be action against climate change. In this district nothing could be achieved unless emissions were reduced and key to this was to reduce the number of flights into and out of Queenstown.

4. Julie Scott, Queenstown Lakes Community Housing Trust

Ms Scott advised that the Tewa Banks project in Jopp Street was progressing well but further progress was halted until more finance could be secured. Usually the Trust could use land as loan security but it was not possible in this case because the land had been sold for \$1 and the Trust had no other assets to use for financing. Legal advice was that the proposed covenant in gross would resolve the encumbrance issue and there were good financing options available, subject to the encumbrance issue being resolved. There was demonstrable need for more housing with 870 households on the Trust’s waiting list.

5. Monique Kelly, WAO

Ms Kelly used the simile of a jet boat/sail boat to demonstrate the transformation of economic system needed to bring about the changes required in the Destination Management Plan. The plan would fail without community support and it needed to be at the centre along with community education and good communication. Her second recommendation was to use science-based targets. She believed it was important to decarbonise very quickly but it was impossible simply to become more efficient because this was energy hungry. Equity needed to be at the core of all activity.

## Confirmation of Agenda

**On the motion of the Mayor and Councillor Wong the Queenstown Lakes District Council resolved that the agenda be confirmed without addition or alteration.**

## Confirmation of minutes

### 15 December 2022 (Ordinary meeting)

Councillor Cocks asked for “Flamingo” Scooters to be renamed as “Beam” (page 2).

**On the motion of the Mayor and Councillor Bruce the Queenstown Lakes District Council resolved that the minutes of the public part of the ordinary meeting of the Queenstown Lakes District Council held on 15 December 2022 as amended be confirmed as a true and correct record.**

## 1 Statement of Expectations

A covering report from Meaghan Miller (GM Corporate Services) presented the Statement of Expectations (‘SOE’) for the Council to approve and authorise the Mayor to sign on the Council’s behalf.

Ms Miller and Mr Peat presented the report. Ms Miller confirmed that QAC considered it was their statutory responsibility to lead the consultation on the Master Plan. She detailed the extent of the proposed consultation and the intention to return to QLDC with the Master Plan and all the feedback received.

In response to a question, the Chief Executive confirmed that QLDC as principal shareholder was empowered to make comment via a SOE without the involvement of Auckland International Airport Ltd [‘AIAL’] and AIAL had chosen not to prepare a SOE.

Councillor Cocks asked for the SOE to be reviewed to ensure consistent use of QLDC/Council and masterplan/master plan.

There was discussion about the need for public consultation, particularly as Queenstown Airport was deemed a strategic asset. The Chief Executive confirmed legal advice that the Statement of Intent was not a matter for public consultation, adding that other councils did not do so and it was the company’s SOI and not the Council’s.

**On the motion of the Mayor and Councillor Cocks It was resolved that the Queenstown Lakes District Council:**

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

2. Approve the Queenstown Airport Corporation Statement of Expectations 2023; and
3. Authorise the Mayor to sign the latter on behalf of Council.

*Councillor Gladding recorded her vote against the motion.*

## 2. Jopp Street Encumbrance

A report from Michelle Morss (General Manager Strategy and Policy) proposed an alternative solution to the current encumbrance contained on the agreement to transfer land in Jopp Street, Arrowtown to the Queenstown Lakes Community Housing Trust to ensure the delivery of 68 affordable houses. The report recommended the replacement of the encumbrance with an updated covenant.

Ms Morss, Ms Vanstone and Mr Peat presented this report. Ms Morss confirmed that the proposed resolution would address any barriers to the Trust borrowing on the project.

**On the motion of Councillor Gladding and Councillor Smith it was resolved that the Queenstown Lakes District Council:**

1. Note the contents of this report;
2. Confirm that Council agrees in principle to removing the encumbrance and negotiating an updated covenant (includes first right of refusal to Council if covenant breached or the financiers exercise power of sale), which can effectively balance the objective of delivering affordable housing against the risk and costs of loosening the strict controls currently in place;
3. Recognise that without removing the encumbrance it is unlikely the Queenstown Lakes Community Housing Trust can proceed with the development of 68 affordable homes in Jopp Street in the near future;
4. Recognise the risks associated with removing the strict encumbrance, noting these can be managed via the proposed covenant;
5. Instruct Council officers to draft an updated covenant that provides QLDC with the first right of refusal if the financiers exercise power of sale and / or the land stops being used for affordable housing; and
6. Delegate to the Chief Executive the authority to remove the encumbrance, and negotiate, settle the terms of, and

**execute the covenant and tri-partite agreement on behalf of the Council.**

The motion was put and carried unanimously.

### 3 Destination Management Plan

A covering report from Michelle Morss (GM Strategy and Policy) presented the Destination Management Plan for Council endorsement, noting that the DMP was Priority Initiative 11 of the Spatial Plan.

Ms Morss presented the report. She was joined by Tim Barke, Chief Executive of Lake Wānaka Tourism and Mat Woods, Chief Executive of Destination Queenstown. Ms Morss introduced the plan, adding that Council endorsement was sought in order to develop more detail. She observed that the plan had been subject to a very significant community engagement process and it sought to drive major change and reduce the district's reliance on the tourism industry.

A question was raised about whether 'endorsing' the plan took away its weight. The Chief Executive noted that it was not just the Council's plan and therefore endorsement was the correct position to take. The Mayor added that it was incumbent upon the Council to show leadership and drive the plan to require district-wide change, in which case it was not material whether the plan was either 'endorsed' or 'adopted.' Councillor Gladding remained of the view that it should be adopted as Council policy.

Councillor Gladding asked for 'North Star' to be changed to Matariki and commented further on plans to keep the actions within the district. Mr Barke responded, noting that the decision had been made to adopt a 'carbon zero' not 'net carbon zero' as this might imply the ability to be offset or to eliminate all carbon emissions. He supported the suggestion of Matariki, noting that it could be added at a later date as it was an evolving plan.

Councillor Cocks asked how the projects contained in the plan would be achieved. He favoured a resolution to 'support' the plan in preference to 'endorse' and wished to reserve the right to suggest this as an amendment. Ms Morss noted that the Council would only address the projects that it could deliver and other organisations such as the RTOs would address others. In addition, the Destination Management Plan was aligned with other Council strategies and commitments so did not require actions contained in another plan.

**On the motion of Councillor Gladding and Councillor Bruce it was resolved that the Queenstown Lakes District Council:**

- 1. Note the content of the report; and**
- 2. Endorse the Destination Management Plan for the District.**

The motion was put and carried unanimously.

**4 Retrospective Approval of Remuneration Authority Submission**

A report from Stewart Burns presented new remuneration rates for elected members of the Queenstown Lakes District Council and sought agreement for the period following the election to 30 June 2023.

Mr Burns presented the report.

**On the motion of Councillor Gladding and Councillor Bartlett it was resolved that the Queenstown Lakes District Council:**

- 1. Note the contents of this report;**
- 2. Agree the remuneration rates for councillors of the Queenstown Lakes District Council for the period following the 2022 election to 30 June 2023 as follows:**
  - a. Deputy Mayor (x1) \$56,308 per annum**
  - b. Committee Chair (x3) \$52,675 per annum**
  - c. Councillor (x7) \$45,410 per annum**

The motion was put and carried unanimously.

**5 Otago Regional Council RPS (Regional Policy Statement): Renotification of Freshwater Planning Instrument submission for retrospective approval**

A report from Jennifer Fraser (Policy Manager) presented the submission made in response to consultation on the Proposed Regional Policy Statement Renotification of the Freshwater Planning Instrument. The report noted that the submission had been made to the Otago Regional Council on 29 November 2022 and retrospective approval of the submission's content was sought.

Ms Hutton and Mr Place presented the report.

**On the motion of Councillor Cocks and Councillor Gladding it was resolved that the Queenstown Lakes District Council:**

- 1. Note the contents of this report;**
- 2. Approve the contents of the Proposed Regional Policy Statement Renotification of the Freshwater Planning Instrument Submission.**

The motion was put and carried unanimously.

## 6 Chief Executive's Report

A report from the Chief Executive presented:

- The Otago Triennial Agreement 2023-25 (adoption of which was a requirement of Section 15 the Local Government Act 2002);
- Formal approval of a funding arrangement considered in mid-2022 to meet a funding shortfall in the project to convert the former Mitre 10 building in Wānaka to a Community Centre. It was proposed to approve the allocation of an additional \$1,000,000 from the Wānaka Asset Sale Reserve;
- Approval of the Governance Agreement with the Wānaka-Upper Clutha Community Board
- Agreement to appoint Councillor Lyal Cocks as Chair of the Planning and Strategy Committee (left vacant following the resignation of Councillor Shetty).

### Otago Triennial Agreement 2023-25

It was noted that there had been some additions to the triennial agreement in an effort to increase the group's transparency. There was further discussion about how Councillors could access Mayoral Forum agendas. The Chief Executive noted there may be an Otago Mayoral Forum website that could be linked with the QLDC website and he was happy to make this suggestion at the next meeting of the Otago Mayoral Forum.

### Funding for conversion of former Mitre 10 building in Wānaka to a Community Centre

Councillor Bruce asked whether the option of providing more funding from the Wānaka Asset Sale Reserve could be firstly considered by the Wānaka-Upper Clutha Community Board. In response, it was noted that this would delay any decision by at least six weeks and such a delay would increase risk. Further, it was noted that an alternative funding stream of funding via rates had previously been considered but rejected and an allocation from the Wānaka Asset Sale Reserve represented the only realistic alternative. In addition, this funding allocation would be repaid over ten years.

There was further discussion about how to avoid such a situation occurring again in the future. It was agreed to add a further point to the resolution requiring no further draw down from the Wānaka Asset Sale Reserve unless there was prior consideration by the Wānaka-Upper Clutha Community Board.

A request was made to take this part of the resolution separately from the rest of the motion.

**On the motion of the Mayor and Councillor Gladding it was resolved that the Queenstown Lakes District Council:**

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

2. Approve the Otago Local Authorities' Triennial Agreement 2023-25 and authorises the Mayor to sign it on the Council's behalf;
3. Approve the Governance Agreement between the Council and the Wānaka-Upper Clutha Community Board; and
4. Note the appointment by the Mayor of Councillor Lyal Cocks as Chair of the Planning and Strategy Committee.

The motion was put and carried unanimously.

It was moved (Councillor Bruce/Councillor Wong):

That the Council:

5. Approve the allocation of an additional \$1,000,000 from the Wānaka Asset Sale Reserve to part fund the conversion of former Mitre 10 Building to a Community Centre, this funding to be repaid in full over the first ten years of the lease; and
6. Agree that no further funds will be allocated from the Wānaka Asset Sale Reserve without an initial resolution from the Wānaka-Upper Clutha Community Board.

The motion was put and carried unanimously.

#### RESOLUTION TO EXCLUDE THE PUBLIC

On the motion of the Mayor and Councillor Gladding it was resolved 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

Ordinary meeting held on 15 December 2022

Item 9: Arterial Stage 1 Pedestrian Overpass Review



General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
9. Arterial Stage 1 Pedestrian Overpass Review	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities i) enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	Section 7(2)(h)  Section 7(2)(i)

### Agenda items

Item 7: COVID-19 Lease Rent Relief Requests

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
7. COVID-19 Lease Rent Relief Requests	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable Council to carry on, without prejudice or disadvantage, commercial activities	Section 7(2)(h)

***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 are as shown above with respect to each item.***

*The meeting went into public excluded at 2.33pm.*

*The meeting came out of public excluded and concluded at 2.44pm.*

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**MAYOR**

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**DATE**