

**Minutes of an extraordinary meeting of the Queenstown Lakes District Council held in the Council Chambers, 10 Gorge Road, Queenstown on Monday, 26 August 2019 commencing at 10.00am**

**Present:**

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

**In attendance:**

Mr Mike Theelen (Chief Executive), Mr Stewart Burns (General Manager, Finance, Regulatory and Legal), Mr Colin Keel (Chief Executive, Queenstown Airport Corporation), Ms Sara Irvine (GM Corporate and Community Affairs, Queenstown Airport Corporation), Mr Tony Avery (General Manager, Planning and Development), Mr Ian Bayliss (Planning Policy Manager) and Ms Jane Robertson (Senior Governance Advisor); three members of the media and approximately 65 members of the public

**Apologies/Leave of Absence Requests**

There were no apologies or requests for leave of absence.

**Declarations of Conflict of Interest**

The Mayor advised that he had a conflict of interest in relation to item 3 ('Stage 3 Proposed District Plan Notification') and would withdraw from the table for the item and pass the chair to the Deputy Mayor.

**Special Announcements**

No special announcements were made.

**Public Forum**

The Mayor reminded those in the public gallery of the Standing Orders as they applied to the Public Forum. He asked speakers not to repeat material from previous presentations.

1. Mark Sinclair (Deputy Chair Wanaka Stakeholders Group)

Mr Sinclair reminded the Council of the group's size and level of local support. He noted that in 2010 QAC had sold 24.99% of the shares to Auckland Airport without full and proper consultation and had effectively sold out control. He asserted there had been other decisions behind closed doors. He questioned the purchase of 149 ha of land next to Wānaka airport for \$12.3M before the Council had undertaken consultation to grant QAC a lease. He contended that this demonstrated that plans were in place to introduce jet aircraft. He dismissed the SOI as 'spin and obfuscation'.

2. Hudson Turnbull

Mr Turnbull stated that he had both worked and operated a business at Queenstown Airport. He supported limits on its growth. He observed that there were several hours during the day when no flights operated but there were also periods of far too many flights, putting a great strain on all facilities. He suggested that QAC schedule aircraft movement to even the flow out during the day. He did not want to attract more visitors and supported greater use of Invercargill Airport.

3. Meg Taylor

Ms Taylor observed that the interests of QAC and QLDC were not the same and this confused matters. She suggested that open board meetings would address the suspicions about collusion. Because QAC had constraints on its present site, it had identified another site in Wānaka airport. A community did not need a high level of connectivity to attract a high number of tourists and airport growth was at odds with sustainable tourism objectives. She drew a comparison with the high levels of planning control in place in Queenstown's sister city, Aspen.

4. Marian Poore

Dr Poore stated that she was a retired public health physician and a candidate for SDHB in the 2019 local elections. She advised that excessive noise had adverse health effects including cardio events, sleep disturbance, cognition and learning difficulties. There were also the mental health challenges of living in the fastest growing area in country and the associated stress and anxiety. The proposal to move part of QAC's operation to Wanaka was simply a way to transfer these issues to another community. She asked whether the community wanted high value or high volume tourism or both and suggested that Queenstown Airport had reached its growth limits.

5. Kirsty Sharpe

Mrs Sharpe had lived in Queenstown for 45 years and she was opposed to Queenstown Airport extending its air noise boundary. The SOI should reflect the community's wishes but directors had been told to run the business on commercial lines. The SOI should allow community people to be on the Board (one each from Wānaka and the Wakatipu) as it was impossible for absentee directors to appreciate Queenstown's unique situation. She asked for the QAC directors to be made aware of the community's wishes and for these wishes to be reflected in the SOI. She asked Council to seek no further growth at QAC and to cap the noise boundaries.

6. John Hilhorst

Mr Hilhorst commented as follows:

- Fifty-three submissions had been received in support of Queenstown Airport extending its noise boundaries with more than 1000 opposed.
- The level of engagement on this topic had been higher than many other projects.
- It was belittling to claim from these figures that overall opposition was only 3% of ratepayers and therefore not that significant.
- Many in the community were deeply concerned about the region's future.
- The Council was legally compelled to support the airport's growth but also to promote social and community well-being.

- The proposed growth would only provide bulk cheap air services.

7. Judy Williamson

Mrs Williamson considered that airport growth would perpetuate low value, high volume tourism and a low wage economy. Mass tourism was destroying high value tourism all over the world but a more sustainable tourism economy could provide for better wages and living standards. Destination California had already recognised this and planned on destination management rather than destination marketing. California was one of the largest economies in the world and provided a worthwhile example. Future success did not equal more tourists.

8. John Glover

Mr Glover observed that the Council held QAC at arms' length but as a company, QAC operated in a political environment and must meet the community's expectations. He read from an Office of the Auditor General's statement about governance. He had attempted to ascertain from Council the purpose that it had set for QAC but he had received no reply a month later. He believed that the Council/QAC relationship was a dreadful example of governance.

9. John Halse

Mr Halse noted that over the last few meetings he had informed the Council about various air incidents in the airspace over Queenstown and the real safety concerns that many in the air industry had about its risks. Various CAA reports over the last four years mentioned the airspace risk at Queenstown airport with no mention made of other airports. It was therefore a challenging operational environment with increased potential for an accident to occur. Expanded boundaries, equating to more flights and passengers, would mean increased risk and the raised likelihood of an accident. He tabled his statement for inclusion with the other records of the Council meeting.

**On the motion of the Mayor and Councillor MacDonald the Council resolved that Standing Orders be suspended to allow the Public Forum to continue past 30 minutes.**

10. Nick Paige

Council's Climate Change Action Plan was a step in the right direction and a clear statement that the Council wished to lead by example but it was counter to this to fob the community off on the SOI revision. Reducing the volume of air traffic was a specific action that the Council could take to reduce greenhouse emissions but there was nothing in the revised SOI that acknowledged this. It was only appropriate to increase capacity if QAC could reduce emissions. He urged the Council not to receive the amended SOI.

11. Terri Anderson

Ms Anderson noted that she had been a candidate for Council in 2016 and she was disappointed at the adversarial nature of the discussion.

12. Marion Marquand

Mrs Marquand showed one of her paintings of this region. She could have chosen to live elsewhere but was drawn to the mountains and green spaces as she found them spiritually nourishing. However, many people wanted to make money from these attributes and tourism had destroyed other cities, such as Venice. She believed that Queenstown was already developed to capacity and she feared tragedy was looming. She wanted the population to take care of the region and not support profiteers.

13. Ben Acland

Mr Acland presented rubbish that he had collected from the Lower Shotover area. He had contacted the Council about waste and litter previously, but the companies contracted for waste services did not have the time to address all the issues. Of the rubbish collected, some was pieces of polystyrene that would have otherwise blown into the lake. The local infrastructure was stretched and it was not possible to keep adding numbers until the infrastructure caught up.

14. Evan Cutler

Mr Cutler advised that he was a tourism business owner and relied on tourists coming through the airport for his income. However, he was prepared to sacrifice the growth of his own business by opposing growth of the airport. He noted that Remarkables Primary School was already affected by the level of air traffic and he was concerned that any increase would adversely affect the learning environment.

15. Greg Miller

Mr Miller noted that the meeting convened by the Kelvin Peninsula Community Association to discuss air noise boundaries was the largest turnout ever, with the meeting expressing unanimous opposition to the airport extending its air noise boundaries. QLDC had a mandate from community to oppose airport expansion.

16. Karen O'Donahoo

Ms O'Donahoo noted that she, like many, had dreamed of moving to Queenstown but the way in which had been exploited and ruined for profit had caught people unaware. She was strongly opposed to any expansion of the air noise boundaries, but this was still explicitly stated in the SOI. The Council had been voted into office to govern fairly and democratically, but the community's trust in the Council to look after the people and environment had been damaged.

17. Anna van Wichen

Mrs van Wichen stated that she and her family had seen many changes over time including increased numbers of flights. They were disturbed by flight noise at Arrow Junction and the continuous stream of flights during the day. Queenstown was 'maxed out', with roads and sewerage not coping and tourism fatigue. Many were leaving town because it had become too expensive and difficult to live here. She did not understand why QAC wanted to promote growth because travel should be a quality experience for tourists and locals; she espoused the principle of 'less is more'. The SOI did not reflect public opinion so she asked Council to reject it. The Council had declared a climate emergency and flying was one of the biggest causes of greenhouse gases. She asked whether the Council was in control of QAC or vice versa.

18. AJ Mason

Mr Mason advised that he was running for Council because he was a long-term resident and lover of the area and wanted to be of service to the community. Queenstown Airport was a community asset and needed to continue to be; it also needed to have the approach that it was of service to the community.

19. Sally Stockdale

Mrs Stockdale observed that the SOI's flaws had been well covered by other speakers, but all the good this Council had done over the last three years would be forgotten if it accepted the revised SOI. She asked the Council not to abdicate its responsibility and to tell QAC that it needed to stay within its present air noise boundaries.

20. Cath Gilmour

Ms Gilmour stated that the revised SOI did not address concerns about the airport extending its air noise boundaries. The community wanted to determine QAC's future direction, but was starting to feel that Council was not listening. Respectful communication was two way, timely and responsive. A 'Protect Queenstown' campaign had therefore been launched to ensure Council heard the public demand not to extend the air noise boundaries. Queenstown was a destination not a hub and was starting to lose its sparkle. Airport growth was a rare issue on which both Queenstown and Wānaka residents were united and acting together. If the Council supported the revised SOI it would effectively be ignoring both communities.

The Public Forum concluded with a song from Craig Smith, the lyrics of which commented about the future of Queenstown.

**On the motion of Councillor Stevens and Councillor Forbes the Council resolved that Standing Orders be reinstated.**

**1. Statement of Intent Modifications, Queenstown Airport Corporation 2019/20**

A covering report from Stewart Burns presented a modified Statement of Intent ('SOI') for 2020-2022 from the Queenstown Airport Corporation.

Mr Burns, Mr Keel and Ms Irvine joined the table. Mr Burns and Mr Keel commented on the report.

Mr Burns detailed the steps leading to the current position. He noted that the SOI presented in the agenda had been subject to the follow-up work required by the Council's resolution of 27 June 2019. Alignment with the Spatial Plan and economic and social impact assessments would now be undertaken and the next SOI would reflect this work. These assessments would be undertaken by external independent parties and would be widely consulted on and there would be no increase in air noise boundaries or action on Wānaka commercial services until the outcome of these assessments was known.

Mr Keel acknowledged the feedback received and the work undertaken since June to revise the SOI to take into account the views of Councillors and communities. He

considered that the SOI presented achieved the common goal and provided clear objectives for the next three years.

Councillor Forbes was concerned that her previous concerns about the SOI had not been minuted in full. She asked why the revised SOI still had the intent of growing air noise boundaries which was contrary to what Council had sought in the revision. She questioned the contention that there had been engagement between Council and QAC as she had not viewed different versions of the SOI and the workshop referred to had offered very limited opportunity for councillor feedback and did not include review of the actual documents. She asked if the meetings that had resulted in the latest SOI iteration had been minuted, as she wished to understand the nature of the discussions, who was involved and how Councillor feedback had been passed on.

The Chief Executive stated that there had been various discussions with QAC at which Councillor Forbes had been present. He did not agree that QAC had ignored the Council's requests for changes to the SOI.

During extensive discussion, diverse views were expressed. It was suggested that part three of the recommendation provided comfort that growth would be controlled and that the SOI presented could be viewed as an interim position until preparation of the next SOI in March 2020. Councillor Forbes did not accept this argument.

Mr Keel asked why some members still had concerns when the SOI explicitly stated that QAC did not seek to expand the air noise boundaries or introduce commercial services at Wānaka. Councillors expressed concern that the SOI was not sufficiently clear on either point and to achieve this, the SOI needed to identify the risk of no further growth and explain how QAC would continue to operate under its existing noise boundary limits. Mr Keel advised that the present SOI covered a three-year period and QAC would work within its existing noise boundaries over this time, with the next SOI to contain this further planning.

Councillors expressed concern that they and many in the community remained troubled about the SOI because regardless of these undertakings, it still contained a number of references to growth and failed to explain QAC's plans for what it would do when it reached the present air noise boundaries. Further, members did not consider that the SOI provided sufficient clarity for the Wānaka community about plans for Wānaka Airport.

Councillor Forbes did not consider that the matter should be left for the incoming Council to address. She asked see a new SOI before the final meeting of the Council term in October because she was not prepared to accept this version. Councillor Smith agreed that there had been little ability for the Council to contribute significantly to this SOI. He did not agree that it fulfilled the statutory requirements and he indicated that he would vote against parts 1 and 2 of the recommendation, although he was prepared to support part 3, if the parts of the recommendation were taken separately.

The Mayor acknowledged the grave concerns of the community. He asked Mr Keel to take on board the strong message that there was no interest in increasing the air noise boundaries in the Wakatipu or introducing commercial services at Wānaka until the clarity to be provided by the proposed assessments was available. He also supported the request for a risk assessment about the impact of ceasing all growth initiatives.

Councillor Clark suggested that there would be value in the item lying on the table for presentation at a future meeting, pending the removal of all references to growth in the SOI.

It was moved (Councillor Clark/Councillor Forbes):

**That the item lie on the table pending further change and presentation back to the Council at its meeting on 10 October 2019.**

The motion was put and lost on a show of hands 4:7.

Concern was expressed that extensive and on-going editing of the SOI had affected its clarity. If the SOI was to be subject to further change, the Mayor asked Mr Keel whether there would be a QAC Board meeting occurring before the end of the Council term at which it could be discussed. Mr Keel advised that a Board meeting was scheduled for late October although he anticipated that the SOI could be circulated to the board members without a formal board meeting.

The Mayor stated that he would take each part of the recommendation separately.

It was moved (The Mayor/Councillor Stevens):

**That the Council receive the modified Statement of Intent for 2020-2022 for the Queenstown Airport Corporation.**

Councillor Smith requested that a division be taken for each part of the recommendation.

The motion was lost on a division, 4:7.

For: Councillor Hill, Councillor McRobie, Councillor Stevens; The Mayor

Against: Councillor Clark, Councillor Ferguson, Councillor Forbes, Councillor MacDonald, Councillor MacLeod, Councillor Miller, Councillor Smith

It was moved (The Mayor/Councillor Stevens):

**That the Council agree the completed Statement of Intent in accordance with section 65 of the Local Government Act 2002.**

The motion was lost on a division, 4:7.

For: Councillor Hill, Councillor McRobie, Councillor Stevens; The Mayor

Against: Councillor Clark, Councillor Ferguson, Councillor Forbes, Councillor MacDonald, Councillor MacLeod, Councillor Miller, Councillor Smith

It was moved (The Mayor/Councillor Stevens):

**That the Council note the undertaken that until such time as an Economic Impact Assessment, Social Impact Assessment and QAC Sustainability Review have been undertaken, Council will not consider or accept an change to Queenstown Airport Air Noise Boundaries OR the development of commercial services at Wānaka Airport.**

The motion was carried unanimously on a division.

*The meeting adjourned at 12.00pm and reconvened at 12.05 pm. Councillor Forbes and the Chief Executive were absent from the meeting when it recommenced.*

## **2. Setting of 2019/20 Rates**

A report from Stewart Burns presented the rates for the Queenstown Lakes District Council for the 2019/20 financial year in accordance with section 23 of the Local Government (Rating) Act 2002. The report sought a Council resolution to set the rates.

Mr Burns presented the report.

*The Chief Executive re-entered the meeting at 12.06pm.*

Mr Burns advised that there had been more growth in the district than anticipated so the impact on rates was less than signalled in the Annual Plan.

*Councillor Forbes re-entered the meeting at 12.07pm.*

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

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



**2. Sets the rates for the Queenstown Lakes District Council for the 2019/20 financial year as per section 23 of the Local Government (Rating) Act 2002.**

*The Mayor withdrew from the table for the following item and the Deputy Mayor took the chair.*

**3. Stage 3 Proposed District Plan Notification**

A covering report from Ian Bayliss (Planning Policy Manager) presented the provisions of the Proposed District Plan (the PDP) that would make up the next stage of the review of the QLDC Operative District Plan 2009. The topics included industrial zones, rural visitor zones, townships, Three Parks, wāhi tūpuna (sites of significance to Iwi), design guidelines for residential and business mixed-use zones and a set of minor variations arising from previous decisions

Mr Avery and Mr Bayliss presented the report.

Mr Bayliss acknowledged that the report and its attachments were very detailed and Councillors had received them at short notice, making it difficult to study such a volume of material prior to the meeting. He advised that if the Council had concerns, it was possible to delay this decision until the 10 October 2019 Council meeting.

Councillor MacLeod thanked Mr Bayliss for acknowledging the timeframe in which documentation had been provided and he thanked staff for the significant work involved in preparing the material.

Councillor Stevens also acknowledged the massive undertaking for staff. He stated that he would favour leaving Chapter 46 Rural Visitor Zone to the side and it coming back to a future meeting, although he was happy to support the remainder proceeding to public notification.

Councillor Smith was opposed to leaving aside a section and raised a number of questions to which staff provided responses. He agreed that there was value in holding back Chapter 46 – Rural Visitor Zone, but did not support doing this piecemeal, instead preferring the totality to be delayed to a future meeting so that it could all be considered together.

Councillor Stevens pointed out that the District Plan was already separated in that it was presented in different chapters. He considered that Chapter 46 would benefit from further work and presentation at a later meeting.

The Council agreed to consider the motion with the deletion of part 2(e) of the recommendation. This would have the result of removing D.1 chapter 46 and D.2 section 32 evaluation report and the further result of amending the Stage 3 PDP planning maps and to remove all Stage 3 proposed zones and mapping notations for these areas related to the Rural Visitor Zones:

- Arcadia
- Arthurs point
- Blanket bay
- Cardrona
- Cecil Peak
- Walter Peak
- Windermere

Councillor Smith stated that he did not support removing this chapter from the rest.

**On the motion of Councillors Stevens and Clark it was resolved that the Council:**

- 1. Note the contents of this report;**
- 2. Having particular regard to the section 32 evaluation reports, approve pursuant to section 79(1) and clause 5 of the First Schedule of the Resource Management Act 1992 the Stage 3 provisions of the Queenstown Lakes District Council Proposed District Plan 2015 for notification:**
  - a) Chapter 18A General Industrial Zone**
  - b) Chapter 19A Three Parks Commercial Zone**
  - c) Chapter 20 Settlements Zone**
  - d) Chapter 39 Wāhi Tūpuna**
  - e) Associated zones and mapping notations set out on the Stage 3 PDP web mapping application.**
- 3. Having particular regard to the section 32 evaluation reports, approve pursuant to clauses 5 and 16A of the First Schedule of the Resource Management Act 1991 the following variations to the Stage 1 and 2 provisions of the Queenstown Lakes District Council Proposed District Plan 2015 for notification:**
  - a) Chapter 30 Energy & Utility Chapter: changes to address the relationship between utilities and other chapters and to provide for works associated with natural hazard mitigation.**
  - b) Chapters 21 Rural Zone, 22 Rural Residential and Rural Lifestyle Zones, 24 Wakatipu Basin and 30 Open Space and Recreation Zones: changes to make the standards for water storage for firefighting.**
  - c) Chapter 26 Historic Heritage: add Chalmers Cottage at 41 Warren Street in Wānaka to the listed heritage features.**

- d) Residential Chapters 7-9 and Town Centre Chapters 13-16: changes relating to provisions addressing glare and lighting.
  - e) Chapter 2: applying the Residential Flat definition in the Wakatipu Basin Rural Amenity Zone.
  - f) Residential Chapters 7-9: changes to permitted activity standards for waste and recycling and storage.
  - g) Chapter 38 Open Space, Chapter 12 Queenstown Town Centre Waterfront Sub-zone, Chapter 13 Wānaka Town Centre, and Chapter 14 Arrowtown Town Centre: changes relating to outdoor dining and the land and water interface.
  - h) Chapter 27 Subdivision and Development: amending public access and servicing provisions in Peninsula Bay, Kiriwaka and Wyuna, Millbrook Resort Zone.
  - i) Planning maps for Wānaka Central, Queenstown Hill, Gorge Road, Queenstown Central, Frankton Road, and Arthurs Point: amendments to fix anomalies and update zoning of certain sites.
  - j) Variation to Chapter 16 Historic Heritage to add Chalmers' Cottage, 41, Warren Street and Helwick Street, Wānaka as a Category 3 listed heritage feature.
  - k) Residential Chapters 7-9: incorporating the Proposed Queenstown Lakes District Council Residential Zone Design Guide May 2019.
  - l) Chapter 16 Business Mixed Use: incorporating the Proposed Queenstown Lakes District Council Business Mixed Use Zone Design Guidelines May 2019.
4. Authorise the Manager Planning Policy to make minor edits and changes to the chapters, maps and section 32 reports to improve clarity and correct errors and to notify Stage 3 of the Queenstown Lakes District Council Proposed District Plan 2015 in accordance with clause 5 of the First Schedule of the Resource Management Act 1991.
5. Instruct the Manager Policy and Planning and General Manager Planning and Development to exclude the following from the Stage 3 notified provisions:
- a) Attachment D.1 Chapter 46 Rural Visitor Zone
  - b) Attachment D.2 Section 32 Evaluation Report – Rural Visitor Zone
  - c) Zones and associated mapping notations for the following areas:

- i. Arcadia
- ii. Arthurs Point
- iii. Blanket Bay
- iv. Cardrona
- v. Cecil Peak
- vi. Walter Peak
- vii. Windermere

6. Request the Manager Policy and Planning and General Manager Planning and Development to report to the 10 October Council meeting with recommendations and updated advice in relation to proposals for the Rural Visitor Zone, following additional consultation and relevant parties and further review.

*Councillor Smith recorded his vote against the motion.*

Mr Bayliss advised that the notification date would be slightly later than indicated in the covering report because additional time was needed to rework the material. The ability to make such a change was enabled under delegated authority.

*Councillor Miller left the meeting at 12.48pm.*

The Deputy Mayor left the chair and the Mayor retook the chair.

*The meeting concluded at 12.49pm.*

**CONFIRMED AS A TRUE AND CORRECT RECORD**

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**MAYOR**

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**DATE**