

Planning & Strategy Committee

13 February 2024

Report for Agenda Item | Rīpoata moto e Rāraki take [2]

Department: Strategy & Policy

Title | Taitara: Update on the status of the priority initiatives and priority development areas associated with the Queenstown Lakes Spatial Plan 21 (QLSP 21), and the development of the Spatial Plan Gen 2.0.

Purpose of the Report | Te Take mō te Pūroko

This report provides an update on progress on the implementation of the Queenstown Lakes Spatial Plan 2021 (QLSP 21) and the Joint Housing Action Plan (JHAP) and the development of the Queenstown Lakes Spatial Plan Gen 2.0.

Recommendation | Kā Tūtohuka

That the Planning & Strategy Committee:

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

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29 January 2024

Reviewed and Authorised by:



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Title: GM – Strategy and Policy
29 January 2024

Context | Horopaki

1. The Queenstown Lakes Spatial Plan was prepared as part of an Urban Growth Partnership between Central Government, Kāi Tahu, Queenstown Lakes District Council and Otago Regional Council called the Grow Well Whaiora Partnership.
2. The partnership provides a forum to align decision-making and collaboration on the long-term direction for the Queenstown Lakes District. It acknowledges that the Queenstown Lakes District is facing growth-related challenges across housing, transport and the environment that may have

flow-on effects nationally, particularly given the importance of the Queenstown Lakes area to Aotearoa New Zealand's tourism sector.

3. Adopted in July 2021, Queenstown Lakes first Spatial Plan (QLSP 21) sets out the partnership's long-term approach to address these challenges providing a vision and framework for how and where the communities of the wider Whakatipu and Whaka-Upper Clutha can grow well and develop to ensure our social, cultural, environmental, and economic prosperity. In order to grow well, five outcomes have been identified and these include:
 1. Consolidated growth and more housing choice;
 2. Public transport, walking and cycling is the preferred option for daily travel;
 3. A sustainable tourism system;
 4. Well-designed neighbourhoods that provide for everyday needs; and
 5. A diverse economy where everyone can thrive.
4. To deliver on the five outcomes of QLSP 21, the partnership developed a joint work programme focusing on 22 priority initiatives and six priority development areas. The six priority development areas were identified as strategically important locations to provide for future growth in a way that will contribute towards achieving the outcomes of the Spatial Plan. The delivery of the Priority Development Areas requires working in partnership with the Grow Well Whaiora Partners, developers and the community to unlock their potential.
5. Work has been progressing on a number of the priority initiatives and priority development areas and this report provides the Planning & Strategy Committee with an update on the progress of those workstreams.

Analysis and Advice | Tatāritaka me kā Tohutohu

Implementation of the QLSP 2021

6. QLSP 21 implementation plan consists of 22 priority initiatives, and these are actively monitored via the QLSP Monitoring Report (**Attachment A**). This report is issued quarterly and discussed at the Grow Well Whaiora Partnership Steering Group meetings. The report dated November 2023 has been used to inform this section.
7. Majority of project updates are progressing on track with a green status. The exceptions are:

Amber Status:

- Arterials Stage 1 is amber as there have been delays to the programme timings and although the further funding requested was approved, it is still above budget. It is no longer red as the funding has been secured and the project can proceed.
- Travel Demand Management programme is amber due to lack of resourcing causing delay to timeframes. Project is now underway.

- Economic Diversification Plan schedule was delayed due to further consultation required with industry stakeholders to complete the draft plan. Draft plan is now complete and will undertake community consultation soon.
- Wānaka Lakefront Development Stage 5 is amber as there is uncertainty in regard to funding.

Red Status:

- Visitor levy is red due to timeframes not being met and the uncertainty of the status of the project.
- Policy 5 Intensification is red as the variation had a further delay due to having to bring the consent order land into the variation. The full Urban Intensification variation has now been notified.
- NZUP continues to face significant costs pressures and the timings are uncertain. Work to resolve pricing is ongoing.

The Joint Housing Action Plan (JHAP)

8. The JHAP is one of the 22 priority initiatives, and the finalised plan was adopted by QLDC in August 2023 and subsequently endorsed by the Whaiora Grow Well Governance Group (Link to JHAP: [qldc joint-housing-action-plan.pdf](#)). Work across the 34 actions is underway, including working with central government, local and nation-wide organisations, and across QLDC, to improve housing outcomes in the district. An implementation update is included as **Attachment B**.
9. As part of solution 1, “Form a clear, evidence-based understanding of the district’s housing issues and regularly monitor key indicators”, an A3 has been developed to help communicate the district’s housing challenge and to explain what QLDC is doing to address this challenge. This A3 has been included as **Attachment C** and can be shared with external stakeholders to improve their understanding of our district.

Spatial Plan Gen 2.0 (Future Development Strategy)

10. Work on the Spatial Plan Gen 2.0 began in November 2022, building on the QLSP 21, the second-generation Spatial Plan will meet the requirements of the National Policy Statement Urban and contain the district’s Future Development Strategy (**FDS**). A key benefit of a combined FDS and Spatial Plan is that the Spatial Plan will become the statutory document that Resource Management Act (RMA) documents (i.e., the District Plan) must have regard to when they are being prepared or changed. The document is also strongly encouraged to inform other long-term plans and infrastructure strategies in order to promote long term strategic planning and integration of planning, infrastructure and funding decisions.

11. In terms of progress, work on the Spatial Plan Gen 2.0 is currently paused until the housing and Business Assessment (HBA) has been completed. An HBA provides a high detailed understanding of supply and demand for both residential and business capacity and whether there are any shortfalls in supply over the short-medium-long term.
12. This assessment enables councils to understand whether there are any insufficiencies as a result of not enough plan enabled capacity, insufficient infrastructure supply or other market conditions that may affect the commercial feasibility of developing a site. This evidence base then allows the spatial plan to respond with the appropriate solutions for the identified shortfalls.
13. Work is progressing on the HBA and is due to be completed September/October 2024, it is expected that interim results will be available in approximately June/July 2024, and this will enable the Spatial Plan work to continue. Further updates will be provided as work progresses.
14. This report doesn't contain any recommended options as it is a noting report.

[Consultation Process | Hātepe Matapaki](#)

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

15. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2021 as this paper is a noting paper.
16. The persons who are affected by or interested in this matter are those that have participated in the processes relating to the workstreams described within the report, as well as residents/ratepayers more generally of the Queenstown Lakes district community.

Māori Consultation | Iwi Rūnaka

17. Through the course of development of the Spatial Plan, its work programme and the Spatial Plan Gen 2.0, regular ongoing meetings are being held with Kāi Tahu who are part of the Grow Well Whaiora partnership.

[Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka](#)

18. This matter relates to the Strategic/Political/Reputation risk category. It is associated with RISK10056 Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a low residual risk rating.
19. This matter relates to this risk because it is of importance in terms of the management of growth for the district. Mitigation of this risk shall be achieved by ensuring that all workstreams are co-ordinated in pursuit of the agreed outcomes.

Financial Implications | Kā Riteka ā-Pūtea

20. There are no financial implications to this noting paper.
21. The workstreams discussed have current funding under the Long-Term Plan, Annual Plan and through the Three Waters Better Off Fund.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

22. The following Council policies, strategies and bylaws were considered:
- The outcomes and principles of the Vision Beyond 2050
 - The QLDC Spatial Plan
 - The QLDC District Plan
 - The Climate and Biodiversity Plan
 - The Destination Management Plan
 - The Long Term Plan
 - The Homes Strategy and draft Joint Housing Action Plan
 - The 30 Year Infrastructure Strategy.
23. This report doesn't contain any recommended options as it is a noting report, however the workstreams discussed is consistent with the principles set out in the named policy/policies.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

24. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. This report provides an update on the implementation of the QLSP 21 and the development of Spatial Plan Gen 2.0. Strategically planning for the growth of our communities is critical to achieving the outcomes of the QLSP 21.
25. This report doesn't contain any recommended options as it is a noting report, however the workstreams discussed:
- Can be implemented through current funding under the Long Term Plan and Annual Plan.
 - Is consistent with the Council's plans and policies; and

- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council

Attachments | Kā Tāpirihaka

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| A | QLSP Monitoring Report – November 2023 |
| B | JHAP implementation update |
| C | The Queenstown Lakes Housing Challenge |