



**SUBMISSION ON QUEENSTOWN LAKES DISTRICT COUNCIL
TEN YEAR PLAN 2018-2028**

To: Queenstown Lakes District Council
Private Bag 50072, Queenstown 9348

Name of submitter: **Queenstown Chamber of Commerce**

Address: Level 2, The Forge, 20 Athol Street,
Attention: Ann Lockhart and Craig Douglas

This is a submission on the Queenstown Lakes District Council ("the Council") Ten Year Plan 2018-2028 ("the Plan").

The Queenstown Chamber of Commerce welcomes the opportunity to provide a submission on the Queenstown Lakes District Council Ten Year Plan 2018-2028.

The Chamber communicates with local and central government to achieve effective outcomes for its members. Its' key services include the provision of current and relevant information to the membership, advocacy on behalf of the members, recognizing and rewarding achievement and generally contributing to the vibrancy of the business community.

The Chamber is motivated by the best long-term outcomes for the business community and is an independent voice with no vested interest. Therefore, the Chamber is pleased to be able to present this submission on behalf of the 630 Queenstown businesses it represents and would like to make comment on the following areas:

1. Rates Review/Funding
2. Town Centre Master Plan / Funding
3. Project Connect
4. Worker Accommodation / Housing
5. Sister City

Introduction:

The Chamber appreciates the situation Council finds itself in with projected growth in the district far out weighing previous forecasts. This growth is expected to continue for the next 25-30 years with the highest rate of growth expected in the next 10-15 years. We congratulate Council on bringing this bold Ten Year Plan to the ratepayers for consideration.

The Chamber is of the opinion that Council has been playing 'catch up' for the last two decades and there is concern that unless longer term, integrated planning is undertaken, under-investment in strategic infrastructure will become the norm.

We congratulate the Queenstown Airport Corporation on their recently released 30 Year Master Plan and encourage Council to do the same and undertake longer term planning across all areas including land planning, town centres, airports, infrastructure and community planning.

We appreciate that Council plans are prescribed by local government requirements. However, there is sense that sectors of the community are feeling disenfranchised from the town they work and live in because of the huge growth in visitation. While the Chamber does represent business interests, business owners are also members of the general community. We therefore urge council to consult with the wider communities on the expected growth projections further out than the formal ten year planning prescribed by LGNZ and develop a dedicated community plan through which all residents and ratepayers can contribute to the planning of their town and environs.

We encourage Council to be aggressive with time lines in order to execute projects quickly and deliver the benefits to the community in a timely manner.

1. Rates Review/Funding

Summary:

- *Supports the revised differentials based on 2017 rating revaluations*
- *Supports lobbying Central Government for funding while recognizing the important economic role Queenstown Lakes plays in the New Zealand Inc tourism proposition*
- *That visitors contribute towards the essential infrastructure which they are users of in order to ease the burden on all ratepayers*

The Chamber considers the Ten Year Plan to be fiscally responsible. In previous years we had concerns around the Councils' strategy of zero rates increases. We agree that the projected average increase of 7% is required if the district is to develop the infrastructure to maintain the quality of life which residents and visitors expect to enjoy and for business to operate efficiently.

Queenstown experiences unique and exceptional circumstances where there is a disproportionate number of visitors to ratepayers - currently one ratepayer per 34 visitors. With growth rates expected to keep increasing, the Chamber supports the

review of the rates differentials to better distribute costs to those ratepayers that have the opportunity to pass on costs to visitors.

However, we believe the current rating system is not the only mechanism to fund infrastructure and new projects which can enhance both lifestyle and visitor experiences for locals and visitors alike. We strongly support Council to find additional funding methods, preferably based on user-pays models. Such additional funding mechanisms will assist with reducing the necessity for significant rates increase in future years. A visitor levy or similar would contribute additional “new” funding to Council.

We also strongly support Council in continuing to make the case to Central Government about the special circumstances of Queenstown, the continued expedient growth and the implications of that on all ratepayers. It is imperative that the upgrading of essential infrastructure is maintained to a standard expected of an international resort.

2. Queenstown Town Centre Master Plan

Summary:

- *Re delivery of Master Plan - support option 1 - partial delivery of the Master Plan*
- *Re funding - support neither option 1 or option 2*
- *Recommends reworking of the proposed boundaries for the ‘wider CBD zone’ and apportion the recovery based on a 60% within the boundary and 40% outside the boundary*

We welcome the work which has been undertaken by Council to undertake the master planning for the downtown area.

The Chamber has had an active involvement in the setting up and seed funding of DTQT and are pleased with progress which has been made on the Downtown Strategy, in particular around the development of the Town Centre Master Plan.

While we take a pragmatic approach around what can financially be achieved in the next 10 years, we continue to support the business case for the full Queenstown Arterial Route being advanced. We see this as being a priority in order to ‘unlock’ the wider downtown area and alleviate traffic on Shotover Street and enable the full potential of the town centre. There is a risk of capital being tied up in stage 1 and 2 and not delivering benefit if stage 3 is not completed in a timely manner.

Regarding funding for the Masterplan, it is the Chamber’s view that the downtown area is of strategic economic importance to the wider district, region and Lower South Island. Therefore the proposed wider CBD zone be extended e.g. along Frankton Road and possibly further. We also believe a 60/40 split more fairly represents the importance of the Queenstown downtown area to the wider districts’ economic prosperity.

3. Project Connect

Summary:

- *Support the proposal that Council retains its headquarters in the CBD area and look to lease the new premises*
- *Support Council pursuing private funding or a public/private partnership arrangements to fund capital investment*

The success of the wider district relies on the downtown area retaining a balanced mix of civic and other amenities in the downtown area including both public facilities such as the proposed civic centre and library as well as other sectors such as retail, hospitality and activities.

The Chamber recognises the constraints of housing staff in multiple locations and that the current buildings are not fit for purpose. When considering building new offices, the Chamber supports Council to maintain its presence in the Queenstown town centre.

However, it may not be necessary that all staff be housed in one building and that “front office” customer service functions could be housed in the downtown area while it may be more appropriate, efficient and cost effective to have “back office” staff housed elsewhere.

Alternative funding, other than ratepayer funding, should be actively sought as a priority for this project.

4. Public Transport / Parking

Summary:

- *Establish Park & Ride facilities urgently in order to maximize use of the new bus system*
- *Support funding of alternative transport modes, such as a ferry service and improved walking & cycling tracks and walkways*
- *Support the establishment of two new car parking buildings on the fringe of the town centre*
- *Use private funding for the construction and possibly the operation of car parks*

The Chamber applauds the work which has been undertaken in the last 24 months to escalate a number of transport projects along with partners such as NZTA and ORC while engaging the community in the progress of these.

The Chamber welcomes and supports the subsidy of public transport on buses. We also endorse Council upgrading all other avenues of public transport including the use of water taxis on the lake and upgrading of cycle ways as indicated in the Plan.

Regarding the new bus transport system, we urge Council to ensure that the new subsidised bus system continues to be fit for purpose. We also believe the full benefits of the system cannot be realised without park & ride facilities.

In the meantime, frustration around the current lack of and high cost of parking for businesses and their employees will have the unintended consequences of businesses moving out of the CBD area with CBD businesses unable to attract and retain staff. The Chamber would see corporate and other local businesses moving away from the CBD as a negative. The CBD and wider downtown area requires a mix of corporate, hospitality, retail & civic amenities to maintain relevancy and vibrancy.

The traffic issues in the Frankton Flats have improved significantly in the last 12 months but traffic delays still continue to cause frustrations to businesses and loss of amenity to both residents and tourists. We therefore encourage Council to continue to advance the next stages of the transport project in the Frankton Flats area as a matter of ongoing and immediate urgency.

5. Worker Accommodation /Affordable Housing

Summary:

- *Council to continue to facilitate what is necessary to address the critical housing situation as it relates to the local workforce*

The Labour Force Survey's undertaken by the Chamber in 2016 and again in 2017. This was followed up in 2018 by 30 one-on-one interviews with businesses from all major sectors. The situation around the lack of both short term and long term affordable worker accommodation remains the single biggest issue for employers. This is now at crisis point.

Employers note that there is an obvious reduction in the number of people applying for jobs as the lack of accommodation and other associated high costs of living in Queenstown are well 'advertised' before prospective workers come to town.

The Chamber congratulates and welcomes the work undertaken to date by the Mayor's Housing Forum and the progress which is being made. Also the support of the Housing Trust is be applauded and we encourage Council to continue to facilitate what is necessary to address the critical housing situation as it relates to the local workforce.

The Chamber has also facilitated a number of meetings and forums with employers, property developers and construction companies. However, this process has been frustratingly slow due to a number of factors, primarily: lack of appropriate land; cost of land; zoning issues and satisfactory ROI for developers. We appreciate that a number of these issues are not easily resolvable but encourage Council to do an audit of unoccupied Council land and make available for housing, even on a lease basis.

Solving the affordable accommodation / housing issues will take an integrated approach. At the same time, we caution that a balanced approach to affordable housing is required. We believe that 'urban sprawl' is not an appropriate solution for all of Queenstown and its environs. This may be suitable in some areas of the district where land is not so geographically constrained. Other initiatives, currently being considered under the district plan, which encourages higher building limits and increased density in certain areas, are considered to be the preferred.

6. Sister City

Summary:

- *Requests Council continues to support the sister city initiatives and contribute \$10k from the 2018/2019 Annual Plan*

A working group was formed in 2013 to encourage new business, tourism and investment opportunities for a Queenstown-Hangzhou sister city relationship. The formal sister city relationship agreement was subsequently signed in Hangzhou late in 2014.

The Chamber also administrates the Aspen Sister City relationship. This relationship is being reinvigorated and new opportunities for the commercial sector identified. The long standing high school exchange programme continues to have active support from the high school and wider community.

2017/2018 Activities:

Hangzhou:

- Queenstown attended Mayoral Forum around Smart Cities. Investigated commercial opportunities in Hangzhou – wine & food, education, tourism and film
- Hosted Chinese business delegations - various
- Hosted Business Seminars on Doing Business in China and Chinese Investment in New Zealand

Aspen:

- Delegation of representatives from Aspen to Queenstown – study of transport and transit, housing affordability, worker accommodation, community planning, environmental protection, education and events, town centre and tourism

2018/2019 Activities:

Hangzhou:

- Host visiting delegations – various. Hangzhou Foreign office visiting Queenstown, April 24th
- Hold a business expo in Hangzhou late 2018/early 2019
- Investigate commercial and investment opportunities for Queenstown businesses
- Support initiatives by the education sector
- Intern and cultural exchanges

Aspen:

- Continue implementation of Aspen findings
- Investigate commercial and investment opportunities for Queenstown businesses:
 - Wine & Food Festival, May 2018 (wine makers attending)
 - Aspen Transport Project, July 2018
 - Continue to support cultural exchanges including high school exchange

Actions Sought

Address the issues raised in this submission including:

- *Rates Review / Funding:*
Supports average 7% rate increase and supports lobbying Central Government to find new funding mechanisms to relieve rate payers.
- *Town Centre Master Plan:*
On the basis that NZTA funding assumptions are correct, support delivery for option 1.
Requests the business case for stage three of the Queenstown Arterial Route be advanced.
Requests the zoning of the CBD area be extended and the ratio of rates be more evenly apportioned to the wider Queenstown area.
- *Council Offices:*
Support Council retaining its headquarters in the CBD.
Support Council pursuing private funding or a public/private partnership to fund capital investment.
- *Accommodation / Housing:*
Requests Council continue to focus on the critical issue of accommodation shortages.
- *Sister City:*
Requests \$10k to support the administration of the sister city relationships.

The Chamber wishes to speak in support of its submission.

The Queenstown Chamber of Commerce

Ann Lockhart

Chief Executive Officer

Date: 13/04/2018