



# Housing Infrastructure Fund Call for Final Proposals

## Summary of Proposal for Queenstown Intensification



### Summary Information

<b>Territorial Authority:</b>	Queenstown Lakes District Council
<b>Proposal Title:</b>	Queenstown Intensification
<b>Infrastructure Project/s :</b>	Transport
<b>Location of Project/s:</b>	<b>Inner Links</b> - On the periphery of the town centre between Frankton Road and Henry St, and between Henry Street and Man Street.
<b>Location of housing being enabled:</b>	All the housing being enabled is within the Queenstown Urban Area. They include: <ul style="list-style-type: none"> <li>• Gorge Road Special Housing Area (SHA) for the proposed Business Mixed Use Zone</li> <li>• Lakeview (Plan Change 50 area)</li> <li>• Proposed District Plan Intensification</li> <li>• Wakatipu High School site (potential - school moves in 2018)</li> </ul>
<b>Is the proposal and/or projects in existing plans</b>	<b>Inner Links</b> This project was deferred in 2014 based on extensive travel demand activities being implemented to achieve a 20% reduction in trips on the network. Currently programmed for Stage 1 work to begin in 2029/30 and Stage 2 in 2040/41.

### Funding Information

<b>Total Funding Requested:</b>	\$9,500,000 (Growth portion, 29%, of total project value \$33,000,000)
<b>Funding by infrastructure project</b>	Transport \$9,500,000 (Growth portion, 29%, of total project value \$33,000,000)
<b>Estimated drawdown of funding</b>	First drawdown 01/2018 / Last drawdown 06/2020
<b>Estimated repayment period</b>	First instalment 01/2028 Last instalment 06/2030

<b>Description of the Proposal and Projects:</b>
<p><b>Infrastructure</b></p> <p><i>Inner Links</i></p> <p>The Inner Queenstown Transportation Study Final Scoping Report (August 2008) identified that high projected growth and seasonality of travel patterns will only exacerbate existing high traffic volumes with future predicted traffic volumes likely to result in gridlock. The development of the Inner links transportation option will improve transportation to/from the town centre, while also promoting pedestrian friendly movements within the inner CBD.</p>

## Housing

### *SHA for the proposed BMU Zone (Gorge Road SHA)*

The Business Mixed Use zone is very enabling under the proposed District Plan (75% site coverage and up to 20m high buildings as a restricted discretionary activity). Council has also obtained a Special Housing Area notation over the zone. One SHA consent has already been granted and further applications are expected following pre-application discussions.

### *Lakeview*

Of the total 10.7ha Lakeview site, 3.6ha is proposed as development land (excluding the preferred convention centre site). The majority (59%) of the Lakeview site land area is proposed for reserve and a road/pedestrian network.

### *Proposed District Plan Intensification*

Under the Proposed District Plan, a new High Density Residential (HDR) zone has been developed. Under the new HDR zoning there is no density rule, and you can build three units per site as a permitted activity, and 4 or more are restricted discretionary. Other areas also proposed to be rezoned to new Medium Density Residential.

## Public Statement: (30-50 words)

Inner Links is a proposed roading infrastructure upgrade to enable intensification of housing in the central Queenstown urban area. The project will provide for future growth of the town centre and enable high density residential development within close proximity to an international resort destination.

## Dwellings, Yield and Spend

	1 July 2017 to 30 June 2022 - 5 years (Short Term)	1 July 2022 to 30 June 2027 - 10 years (Medium Term)	1 July 2027 to 30 June 2032 - 15 years (Long Term)	1 July 2032 to 30 June 2047 - 30 years
No. of dwellings to be constructed (within each period)	400	500	244	-
No. of lower cost dwellings to be constructed (included in the number of dwellings)	100	125	61	-
Cumulative no. of dwellings to be constructed	400 + High School site	900 + High School site	1,144+ High School site	1,144+ High School site
Projected demand (cumulative)	5,900	6,200	6,500	7,200
No. of dwellings/projected demand	7%	15%	18%	16%
Infrastructure cost (total funding sought)	\$9,500,000 (growth portion only)			
Infrastructure cost per dwelling constructed	\$23,700	\$10,500	\$8,300	\$8,300

## Acceleration of infrastructure

Project	Plan	Current timing	Timing if b/f with HIF assistance	Change in timing
Inner Links	30 year strategy	2030 Stage 1 2041 Stage 2	2019/20 Stage 1 & Stage 2	10 years Stage 1 21 years Stage 2

## Contribution to Development Capacity

	2017/18- 2019/20 (1-3 years)	2020/21- 2027/28 (3-10 years)	2028/29- 2047/48 (Up to 30yrs)
<b>Territorial development capacity targets required to meet the NPS-UDC</b>	1,800	3,000	6,000
<b>Contribution to NPS-UDC targets</b>	400 22% of requirement	900 30% of requirement	1,144 19% of requirement

## Declaration

Topic	Declaration	Territorial Authorities' declaration
<b>Primary Contact</b>	Enter the contact details for your primary point of contact.	<b>Not required</b>
<b>Name:</b>	Peter Hansby	
<b>Telephone:</b>	027 202 9348	
<b>Email:</b>	peter.hansby@qldc.govt.nz	
<b>Secondary Contact</b>	Enter the contact details for your secondary point of contact.	<b>Not required</b>
<b>Name:</b>	Ulrich Glasner	
<b>Telephone:</b>	027 222 4813	
<b>Email:</b>	ulrich.glasner@qldc.govt.nz	
<b>Public Statement</b>	I/we have provided a public statement in this response form, and understand that MBIE or Ministers may make this statement available to the public, in whole or in part.	<b>Agree</b>
<b>CfFP Process, Terms and Conditions</b>	I/we have read and fully understand this CFFP, including the CFFP Process and Terms and Conditions. I/we confirm that the Territorial Authority agree to be bound by them.	<b>Agree</b>
<b>Requirements</b>	I/we have read and fully understand the nature and extent of MBIE's Requirements as described in the Call for Final Proposals. I/we confirm that the Territorial Authority has the necessary ability to meet or exceed the Requirements of the HIF.	<b>Agree</b>
<b>Ethics</b>	In submitting this Proposal the Territorial Authority warrants that it: <ul style="list-style-type: none"> <li>a. has not directly or indirectly approached any representative of MBIE (other than the Point of Contact), NZTA (other than regional advisors), or Government to lobby or solicit information in relation to the CfFP; and</li> <li>b. has not attempted to influence, or provide any form of personal inducement, reward or benefit to any representative of MBIE, NZTA, or Government.</li> </ul>	<b>Agree</b>
<b>Conflict of Interest declaration</b>	The Territorial Authority warrants that it has no actual, potential or perceived Conflict of Interest in submitting this Proposal. Where a Conflict of Interest arises during the CfFP process the Territorial Authority will report it immediately to MBIE's Point of Contact.	<b>Agree</b>
<b>Details of conflict of interest:</b> Not applicable.		
<b>DECLARATION</b>		
I/we declare that in submitting the Proposal and this declaration:		
a. the information provided is true, accurate and complete and not misleading in any material respect		

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- b. I/we have secured all appropriate authorisations to submit this Proposal, to make the statements and to provide the information in the Proposal and I/we am/are not aware of any impediments to enter into an Agreement to deliver a project.

I/we understand that the falsification of information, supplying misleading information or the suppression of material information in this declaration and the Proposal may result in the Proposal being eliminated from further participation in the CfFP process and may be grounds for termination of any Agreement awarded as a result of the CfFP.

**By signing this declaration the signatory below represents, warrants and agrees that he/she is a duly elected member of the Territorial Authority and authorised to make this declaration on its/their behalf.**

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**Signature:**



**Full name:** James Boulton

**Title / position:** Mayor of Queenstown Lakes District

**Name of Territorial**

**Authority:** Queenstown Lakes District Council

**Date:** 28 March 2017

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## Project Status

The Queenstown Inner Links Business Case (September 2014) proposed that the construction of the Inner Links project should be deferred to progress other travel demand initiatives. These have been relatively unsuccessful and the strategic case for Inner Links has recently been reviewed, Queenstown Town Centre Arterials Business Case: Strategic Case (March 2017).

The 2017 strategic case and the 2014 business case form the basis of the submission for the Queenstown Intensification proposal.

## Overall Alignment to HIF Eligibility and Assessment Criteria

	Criteria	Queenstown Intensification
<b>Eligibility Criteria</b>		
1.	Does the project enable dwellings within a high growth urban area (as described in NPS-UDC)?	Yes.
2.	Does the proposal relate to new or upgraded trunk infrastructure?	Yes. Upgraded wastewater infrastructure and a new arterial road link. <ul style="list-style-type: none"><li>• Wastewater upgrades – CBD to Frankton reticulation upgrades and new Recreation Ground pump station.</li><li>• Inner links - construction of new road links on the periphery of the town centre between Frankton Road and Henry St, and between Henry Street and Man Street.</li></ul>
3.	Does the proposed infrastructure support a net dwelling increase in the short-medium term?	Yes. 1,144+ dwellings
4.	Does the proposal relate only to the capital costs of building or procuring the infrastructure?	Yes. <ul style="list-style-type: none"><li>• Roading \$33.0m.</li></ul> Only targeting 29% of this expenditure (growth portion) through the HIF.

<b>Assessment Criteria</b>		
<b>1.</b>	<b>Number of dwellings enabled</b>	<p><b>1,144 or 16% of 30-year dwellings</b></p> <p>Gorge Rd - To date one resource consent has been approved under the HASHAA which was for a 143 x 1 bedroom worker accommodation building. Further SHAs are expected over the next three years. Conservatively we could get another 300 residential units in this area.</p> <p>Lakeview - 277 residential plus 324 worker accommodation rooms – note does not include visitor accommodation.</p> <p>Inner Links Stage 1 - Due to the amount of development already in place along this part of the route, the inner links project is unlikely to lead to a dramatic change in the pace of redevelopment, as all properties already enjoy legal access to a road. Therefore, conservatively an additional 50 residential units could appear along this stretch of the inner links route.</p> <p>Inner Links Stage 2 - Majority of route also to be rezoned High Density Residential. As above, due to the amount of development already in place along this part of the route, the inner links project is unlikely to lead to a dramatic change in the pace of redevelopment, as all properties already enjoy legal access to a road. Therefore, conservatively, an additional 50 residential units could appear along this stretch of the inner links route.</p>
<b>2.</b>	<b>Timing of dwelling construction</b>	2019. Further SHAs are expected over the next three years. Needs to be justified with supporting evidence e.g. developer estimates, historical data etc.
<b>3.</b>	<b>Infrastructure spend per dwelling</b>	<p>\$8,300</p> <p>Is based on the growth portion only (\$9.5m).</p>
<b>4.</b>	<b>Developer commitment to accelerating development</b>	<p>To date one resource consent has been approved under the HASHAA which was for a 143 x 1 bedroom worker accommodation building. Further SHAs are expected over the next three years. This SHA is a little different to others that are already approved, like Bridesdale, or under consideration because it is coming from the Council and applies to multiple properties rather than from one private landowner.</p> <p>Lakeview is a council led development and they are well advanced with development plans with their development partners.</p>
<b>5.</b>	<b>Council's commitment to removing barriers</b>	<p>Lakeview - The subdivision plan has been endorsed through the Plan Change 50 (30 June 2015) and land exchange (30 July 2015) processes. The subdivision plan sets out the configuration of reserves, roads and proposed 'super lots' available for development.</p> <p>Hearings for Stage 1 of the Proposed District Plan are underway and will continue through until at least mid-2017.</p>



<b>6.</b>	<b>Degree to which timing of infrastructure is brought forward</b>	10 years for Stage 1 and 21 years for Stage 2. This project was deferred in 2014 based on extensive travel demand activities being implemented to achieve a 20% reduction in trips on the network. Currently programmed for Stage 1 work to begin in 2029/30 and Stage 2 in 2040/41.
<b>7.</b>	<b>Crown reimbursement period</b>	First drawdown 01/2018 / Last drawdown 06/2020 First instalment 01/2028 / Last instalment 06/2030
<b>8.</b>	<b>Co-benefits and economic growth</b>	<p>The ongoing economic effects of development at the Lakeview Site are advised as potentially being :</p> <ul style="list-style-type: none"> <li>a. \$68.4 million of additional regional GDP,</li> <li>b. 1,600 additional full-time jobs, and</li> <li>c. \$45.8 million of additional household income.</li> </ul> <p>The Inner Links project will also deliver the following benefits:</p> <ul style="list-style-type: none"> <li>- Improved productivity of the transport network.</li> <li>- Improved access to the central business district by all modes.</li> <li>- Improved functionality of the town centre network for all users.</li> <li>- Improved liveability and visitor experience.</li> <li>- Access to and through the town centre is improved to support growing demand.</li> </ul>
<b>9.</b>	<b>Level of lower-cost housing</b>	Around 25% of the dwellings constructed are estimated to be lower cost housing. This can be encouraged through planning controls and is considered feasible as the current proposal under the SHA is for worker accommodation (lower cost housing).
<b>10.</b>	<b>Contribution to development capacity under National Policy Statement</b>	19% of the total requirement in the next 30 years.