

QLDC Mayor  
Jim Bolt  
Tuesday, 6 November 2018

RE: QLDC decision on visitor levy

Dear Jim

In September the Wanaka B&B Association met with Calum MacLeod to discuss the challenge and opportunity faced by our region from increasing visitor numbers. Calum helpfully provided us with a venue and an overview of the situation from the Council's perspective. The meeting was constructive and a positive step forward in engaging with our Association. As a follow up to this meeting we would like to provide a summary of our thoughts on the issue, and invite the Council to continue to include us in each stage of the decision process.

New Zealand Bed & Breakfast Association members provide hosted accommodation to a wide range of visitors including high end spenders. Our guests typically stay multiple nights in the area, spend significant amounts on guided activities, eat out in local restaurants, and contribute to the local retail sector. In short they are the segment of visitors who bring most value to our economy and community, and are the group that QLDC has indicated they want to encourage. We understand these visitors needs and can be a valuable resource for the Council when considering how we collectively respond to the growth challenges.

We agree that there is an urgent need to improve infrastructure and that this requires additional funding which should not be met through a blanket rates increase. Central Government has an obligation in this matter, whether this is through visitor levy, regional development fund or other means. We do not agree that a bed tax is the preferred means to fund this and should not be promoted as the only revenue solution. A bed tax would disproportionately affect our members' businesses relative to overall visitor expenditure in the region, and penalise precisely the wrong end of the visitor market. Freedom campers who contribute only minimally to our economy and offer very little to our community would not be impacted by a bed tax. Freedom campers should be taxed at point of hire through the vehicle hire companies. They negatively impact on the town and the overall visitor experience and should be banned from parking on the Wanaka water front and directed to the camping grounds for overnight accommodation or specifically designated freedom camping areas outside the town so as to minimise the negative impact on our community.

If any bed tax type funding option is pursued it is essential that an equitable model is agreed. The majority of bed and breakfast operators in the area should be paying either mixed use or commercial rates and are therefore already making an additional contribution through their businesses. Obtaining tax revenue and any additional applicable rates from non-registered properties should be prioritized as a revenue source.

While a regional solution to infrastructure needs and visitor management is ideal, the specific challenges faced by Wanaka, and other individual areas within the region, should not be lost. We the Southern Lakes regional group of Bed & Breakfast Association New Zealand, would like to continue to be involved in dialogue with QLDC over visitor accommodation in this region. We currently have 30 active members across the Wanaka Queenstown region and are in regular communication with the larger accommodation sector in our region.

Yours Faithfully

*Fiz Webster*

*(On behalf of Wanaka Bed & Breakfast Association)*