

**QLDC Council
23 March 2018****Report for Agenda Item 10****Department: Community Services****New Licence for Paddle Wanaka****Purpose**

- 1 The purpose of this report is to consider approving a new licence to Paddle Wanaka Limited. A licence is sought to utilise reserve land adjacent to State Highway 6 and the Clutha River as a pick up / drop off point for guided and instructional kayak or stand-up paddle boarding trips.

Recommendation

- 2 That Council:
 1. **Note** the contents of this report;
 2. **Grant** a new licence to Paddle Wanaka Ltd over recreation reserve at Albert Town, with legal description Lot 2, DP 375247, subject to the following terms and conditions:

Commencement	TBC
Term	5 years.
Rent	The greater of \$500.00 plus GST or 7.5% of gross revenue.
Reviews	At renewal.
Renewals	1 of a further 5 years by agreement of both parties.
Assignment/Sublease	With Council's approval.
Use	Hire, lessons, guided and unguided tours with stand-up paddle boards and kayaks.
Insurance	Requirement to have public liability insurance of \$2 million
Safety/Suspension	Council to retain ability to suspend the licence for safety purposes or to avoid large public events. Health and Safety plan to be provided to Council and be approved by the Harbourmasters office prior to commencing the activity.

Other

Licensee must ensure they hold a valid resource consent for the purpose of kayak and stand-up paddle board hire, lessons, guided and self-guided tours.

The licensee to obtain a Commercial Activity Permit in accordance with the Waterways and Ramp Fees Bylaws (if required) or successors to this policy.

Licensee to ensure that all customers/staff abide by the toileting policy provided to Council, and that all rubbish is removed from the reserve.

3. **Delegate** final licence terms and conditions and signing authority to the Community Services General Manager.

Prepared by:

Reviewed and Authorised by:



Dan Cruickshank
Property Advisor

22 February 2018



Aaron Burt
Senior Planner: Parks &
Reserves

8 March 2018



Thunes Cloete
GM, Community Services

8 March 2018

Background

- 3 Paddle Wanaka Ltd (the applicant) has been in operation since February 2013. The company currently provides kayak and stand up paddle board rentals and guided tours based from the Wanaka lakefront under two separate licences. The company is owned and operated locally by Chris and Rebecca Thornton. Chris is also a volunteer to the Wanaka Coastguard.
- 4 The applicant currently operates under three resource consents and a concession from the Department of Conservation (Concession Number: 37796-GUI) for their operations on the marginal strip of Lake Wanaka and the Clutha River.
- 5 It is intended that the new licence being sought will work in conjunction with the applicant's existing concession, but not the licences issued from Council which are for a beach hire activity only on the Wanaka lakefront (Roy's Bay Recreation Reserve).
- 6 The purpose of the new licence is to expand their current operations by utilising different areas of Lake Wanaka, Lake Hawea, Hawea River and Clutha River. Providing different location options not only increases customer satisfaction but also can provide for safer options depending on weather conditions.

- 7 The reserve land will serve as a pick up and drop off area for the operation. There will be no permanent set up at any of the proposed locations, other than that of the main operation on Wanaka lakefront.
- 8 The Wanaka Community Board approved public notification of the intention to grant a licence on the 25 October 2017 where the following resolution was passed:

On the motion of Ms Harrison and Councillor Smith it was resolved that the Wanaka Community Board:

1. **Note** the contents of this report;
2. **Approve** notification of the intention to grant a licence to Paddle Wanaka Ltd over recreation reserve at Albert Town, with legal description Lot 2, DP 375247, subject to the following terms and conditions:

<i>Commencement</i>	<i>TBC</i>
<i>Term</i>	<i>5 years.</i>
<i>Rent</i>	<i>The greater of \$500.00 plus GST or 7.5% of gross revenue.</i>
<i>Reviews</i>	<i>At renewal.</i>
<i>Renewals</i>	<i>1 of a further 5 years by agreement of both parties.</i>
<i>Assignment/Sublease</i>	<i>With Council's approval.</i>
<i>Use</i>	<i>Hire, lessons, guided and unguided tours with stand-up paddle boards and kayaks.</i>
<i>Insurance</i>	<i>Requirement to have public liability insurance of \$2 million</i>
<i>Safety/Suspension</i>	<i>Council to retain ability to suspend the licence for safety purposes or to avoid large public events. Health and Safety plan to be provided to Council, and be approved by the Harbourmasters office prior to commencing the activity.</i>
<i>Other</i>	<i>Licensee must ensure they hold a valid resource consent for the purpose of kayak and stand-up paddle board hire, lessons, guided and self-guided tours. The licensee to obtain a Commercial Activity Permit in accordance with the Waterways and Ramp Fees Bylaws (if required) or successors to this policy.</i>

3. **Appoint** Rachel Brown, Ruth Harrison and Ross McRobie (any two of which can form a hearing panel) to hear any submissions and make a recommendation to Council.

4. Delegate signing of Affected Person's Approval to the applicant's Resource Consent application, to the General Manager Property and Infrastructure. Any material changes to the application shall be first discussed with a nominated representative of the Wanaka Community Board, and guidance sought prior to any exercise of APA. This is to acknowledge that a degree of flexibility could be necessary in this circumstance.

Comment

- 9 The applicant is currently applying for a new reserve licence from Council to expand their operations to include a boat that they wish to use both as a water taxi and for sightseeing. It will also require a service vehicle for water safety classes and to assist for water-based events where needed. Whilst a number of reserves are accessed through, the actual commercial activity is only deemed to be occurring on the following Council reserves:

Commonly known as	Legal description	Certificate of title
Eely Point Recreation Reserve	Section 29 and Section 1543R Block XIV Lower Wanaka Survey District	OT7B/497
Albert Town Boat Ramp (Albert Town Recreation Reserve – South & East locations)	Lot 2 Deposited Plan 375247	302906

- 10 The harbourmaster has been consulted and has provided approval for the application. He has acted as a key instigator and advisor for Paddle Wanaka to purchase a support powerboat and made the recommendation of what vessel would work well. The Coastguard have also provided a signed APA for the planned activities.
- 11 Guided and instructional trips are proposed from the following areas: Eely Point, Glendhu Bay, Waterfall Creek, Outlet Campground, Albert Town Campground, and the Cardrona River Confluence. A pick up and drop off location has also been requested from the new Council commercial jetty adjacent to Wanaka Marina. Clients would be picked up and dropped off at these locations via Paddle Wanaka's water taxi and vehicle support (water taxi only available at Lake Wanaka locations).
- 12 Note that the other locations at Glendhu Bay, Waterfall Creek, Outlet Campground, Lake Hawea and the Cardrona River Confluence pass through Council reserve on an access basis only, but do not include onsite commercial activity that will need to be sought from other adjacent landowners, predominantly Land Information New Zealand and the Department of Conservation.
- 13 One pick up and drop off location near Albert Town, on the shore of the Hawea River, is within the existing lease to CCR Limited. CCR will need to give their approval to the licence and resource consent before that location can be used,

however it is being notified in this application on the assumption that approval is received.

- 14 The maximum number of trips per day on Lake Wanaka are proposed to be 10 across all locations. Each trip would have a maximum of 16 clients + 2 guides.
- 15 The maximum number of trips per day on the Clutha River would be 10. The maximum number of trips per day on the Hawea River would be 1. Each river trip would have a maximum of 8 clients + 1 guide.
- 16 Note that client and trip numbers will initially be significantly less than the maximums proposed as the business is established. However, Paddle Wanaka is anticipating growth and has proposed the stated maximums to allow for future expansion.
- 17 When the notification request was heard by the Wanaka Community Board on the 25 October 2017, it was queried as to how the operator would manage toileting of guests at the Albert Town reserve, as no public toilets are situated there. In discussion with the applicant, they have provided a toileting policy which manages this issue, and is included as Attachment C to this report.
- 18 The activity is not specifically contemplated under the Albert Town Recreation Reserve Management Plan 2010; however, the plan does not prohibit activities that provide access to the adjoining river. On this basis the request was notified in accordance with the Reserves Act legislation. This required publication of a notice to the public, and a waiting period of 1 calendar month. No submissions were received.
- 19 The location at Eely Point Reserve has been excluded from the notification at this time, due to that reserve undergoing a Master Planning process currently. If commercial activity of this type is approved through the Master Plan we expect that this aspect of the request can be included in the licence at a later date, subject to a minor variation process, so long as the Master Plan is notified in accordance with Reserves Act requirements.

Options

- 20 Option 1 To grant a licence to Paddle Wanaka Limited over recreation reserve with legal description Lot 2, DP 375247, to operate stand up paddle board and kayak rentals, guided and unguided trips and lessons.

Advantages:

- 21 Allows for commercial activity that provides a beneficial and enabling form of recreation and enjoyment from the Council land.
- 22 Supports an established and successful local business operator.
- 23 Will add to the existing tourist offering in Wanaka.
- 24 Will provide additional income for Council.

Disadvantages:

- 25 May increase commercial congestion on the reserve land and lake/river surface.
- 26 May create potential safety concerns on the water which will require close management by the operator and Harbourmaster.
- 27 Option 2 To grant a licence to Paddle Wanaka Limited over recreation reserve with legal description Lot 2, DP 375247, to operate stand up paddle board and kayak rentals, guided and unguided trips and lessons, subject to different terms and conditions.

Advantages:

- 28 Similar to the above.

Disadvantages:

- 29 Similar to the above.
- 30 Option 3 To decline the application by Paddle Wanaka Ltd.

Advantages:

- 31 Will not increase commercial congestion on the reserve land and lake/river surface.
- 32 Will not create potential safety concerns on the water which will require close management by the operator and Harbourmaster.

Disadvantages:

- 33 Will not allow for commercial activity that provides a beneficial and enabling form of recreation and enjoyment from the Council land.
- 34 Will not support an established and successful local business operator.
- 35 Will not add to the existing tourist offering in Wanaka.
- 36 Will not provide additional income for Council.
- 37 This report recommends **Option 1** for addressing the matter because the recommendations proposed provide a balance between Council controls and the ability for the operator to expand a successful business.

Significance and Engagement

- 38 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it involves a waterfront reserve that can be used by many local rate payers as well as tourists visiting the area.

Risk

- 39 This matter relates to the operational risk OR011A Decision Making as documented in the Council's risk register. The risk is classed as moderate. The risk is mitigated by the need to publicly notify the licence and consider any submissions received prior to considering granting a licence.

Financial Implications

- 40 It is proposed that Council will receive base income of \$500+GST or 7.5% of turnover, whichever is the greater.
- 41 All legal fees and advertising associated with issuing the licence will be met by the applicant.

Council Policies, Strategies and Bylaws

- 42 The following Council policies, strategies and bylaws were considered:
- Significance and Engagement Policy
 - Albert Town Recreation Reserve Management Plan
 - Community Facility Pricing Policy
- 43 The recommended option is consistent with the principles set out in the named policy/policies.
- 44 This matter **is not** included in the 10-Year Plan/Annual Plan but has no impact on it.

Local Government Act 2002 Purpose Provisions

- 45 The recommended option:
- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing income to Council and a decision in a timely manner;
 - Is consistent with the Council's plans and policies; and
 - Would not alter significantly 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.

Consultation: Community Views and Preferences

- 46 The persons who are affected by or interested in this matter are predominantly the users of the reserve and residents/ratepayers of the Queenstown Lakes District community.
- 47 The Council has provided a mechanism for community consultation through the public notification of the intention to grant a licence. No submissions were received.

- 48 The Harbourmaster has been consulted prior to this application and provided their approval to the request.
- 49 The Coastguard has provided affected parties approval for the proposed operation.
- 50 Both the Albert Town and Outlet Camp Ground managers have been consulted and have given approval for the activities.

Attachments

- A Location maps
- B Application letter
- C Toilet policy