

CAMPING GROUND STRATEGY

REPORT TO QLDC FROM HEARING COMMITTEE

The Hearing Committee appointed by the Council has concluded the hearings and makes the following recommendations to the Council.

Format of Report:

- A. Definitions and Policies applicable to all camps
- B. Frankton Camp
- C. Arrowtown Camp
- D. Glendhu Bay Camp
- E. Wanaka Camp
- F. Luggate Camp
- G. Lake Hawea Camp
- H. Albert Town Camp
- I. Twelve Mile Delta Camp

Attachments:

Locality maps

Schedule of Submissions and Hearings

PART A ~

DEFINITIONS AND POLICIES APPLICABLE TO ALL CAMPS

A1 ~ Definitions

A1.1

"In use" in relation to a caravan, campervan, trailer or tent means it is currently occupied for the purpose of overnight accommodation.

A1.2

"Unoccupied" in relation to a caravan, campervan, trailer or tent means a caravan, campervan, trailer or tent that is not in use.

A1.3

"A permanent caravan or structure" means a caravan or structure which is not able to be moved from its permanent location in to a Caravan/Campervan/Trailer Storage Area, or able to be towed around site or taken on the road.

A1.4

"Onsite caravan/campervan/trailer storage" means the location on a camp site usually used by the camp operator or private owner for the purpose of accommodation, of a caravan, or trailer which is, at the time, capable of being towed, or a campervan which is, at the time, capable of self propulsion.

A1.5

"Unoccupied Caravan/Campervan/Trailer Storage" means the storage of caravans, campervans and trailers, which are not in use, in a Caravan/Campervan/Trailer Storage Area.

A1.6

"Caravan/campervan/trailer Storage Area" is an area of land within the boundaries of a camping ground which has been set aside for the purpose of storing caravans, campervans and trailers when not in use, and is not an area intended by the camp operator for caravans, trailers, tents or campervans which are in use.

A1.7

A "management lease" is a lease by which the Council owns the land and improvements and the lessee is required to maintain the improvements.

A1.8

A “ground lease” is a lease of ground or site only where the lessee is likely to own buildings and improvements and to pay only ground rent.

A1.9

“In-house operation” is where the camp is managed and operated directly by QLDC staff and/or sub-contractors.

A1.10 Kiwi Camp

“A Kiwi Camp” is a camp where the traditional values of camaraderie, fun and outdoor life-style are fostered and encouraged. Facilities will be provided to support a self-sufficient approach to camping holidays, including powered and un-powered sites for tents, campervans and caravans towed to the site, showers, toilets, barbecue areas and shared kitchen facilities. Cabins without cooking facilities, but including a toilet and hand basin may also be provided. The majority of the site will be undeveloped grass areas.

A1.11 Holiday Park

“A Holiday Park” is a Kiwi Camp where more sophisticated accommodation including Holiday flats with more extensive facilities may also be provided and the site may be more extensively developed with formal hard landscaped areas and controlled vehicle parking.

A1.12 Combination Kiwi Camp / Holiday Park

“Combination Kiwi Camp/Holiday Park” is a camp that combines the elements of both a Kiwi Camp and a Holiday Park.

A2 ~ Policies

A 2.1

The hearings committee recommends to the QLDC that it should operate camp grounds through an in-house operation.

A 2.1.1 After considering the submissions made to us, and giving careful consideration to all options for operation of camping grounds in the district, we have a preference for in-house operation of the camping grounds.

Our reasons for this preference are:

- (a) It will best ensure that camps are run as Kiwi Camps or Holiday Parks as defined above at a fair cost to the user.*
- (b) Significant investment is required to develop new amenities at existing camps.*
- (c) Future camp amenities are to be of high quality and of a design which is, in the view of the Council, in keeping with the environment.*
- (d) Camps are to be developed in a planned way, which will include the establishment of an asset management plan for maintenance, renewal and replacement of amenities.*
- (e) The Community should retain the goodwill of the camps because they are on community owned reserve land. In some cases substantial sums have been paid on transfer of leases, with the result that camp fees payable by the public are inflated by the lessee recovering a return on this goodwill, and/or amortising it over the lease term.*
- (f) Joint booking and marketing systems can be initiated.*

Comment: Frequently recurring themes in the submissions were tradition, affordability and capacity. There was a great deal of support for continued provision of traditional camping facilities at a cost which is affordable by families, and for no loss of capacity in the district's camping grounds. At the same time there is evident demand for some more sophisticated facilities, in some areas, and it is clear that in some camps space (which is in short supply at peak times) is being taken up by monopoly use by some patrons.

A2.1.2 For the same reasons, the hearings committee recommends to the Council that neither management leases nor ground leases should be made to operate camp grounds in the future.

A2.1.3 If the Council decides to grant management leases rather than electing in house operation:

- (a) it should develop an asset management plan incorporating a costed maintenance schedule which each lessee is required to implement.
- (b) each lease should stipulate that an electronic booking and auditing system is to be implemented, to enable concise patronage and income records to be kept and, if appropriate, audited.
- (c) The principles set out in policy A2.5 should apply.

A2.2

Caravan/campervan/trailer storage shall be permitted at camping grounds, except at Luggate, on the following conditions:

A2.2.1 On-site caravan/campervan/trailer storage as defined in A1.4 shall not be permitted. Caravan, campervan and trailers are to be removed from camp sites when they cease to be in use.

Our reasons for this recommendation are:

- (a) *Incoming patrons should have freedom of choice of camp sites. It is not fair, or effective or efficient, to have prime sites taken up with unoccupied caravans, campervans or trailers.*
- (b) *In some cases, current on site storage of unoccupied caravans / trailers or tents is unsightly.*

A2.2.2 Unoccupied Caravan/Campervan/Trailer storage as defined in A1.5 shall be permitted but only in a caravan/campervan/trailer storage area which has received QLDC consent, on such terms as it considers appropriate, which may include a requirement that the area be screened to the satisfaction of the council.

Our reasons for this recommendation are:

- (a) *There is evidence that a number of patrons with caravans have cars that are not*

suitable for towing, and others have boats they wish to tow to their holiday destination.

(b) There is also evidence that some patrons, do not have room for storage at their residences.

(c) Storage of caravans at the camping ground relieves some traffic congestion.

A2.2.3 The provisions of the Resource Management Act apply and the lessee is to make any necessary application for consent.

A2.2.4 Caravans/campervans and trailers stored may only be those that are used on the camping ground where they are stored.

Our reason for this recommendation is:

(a) camp operators cannot operate a subsidiary business on reserve land.

A2.2.5 The number of caravans/campervans/trailers, if any, that may be stored on site will be restricted by the size of the caravan storage area and any conditions of any Resource Consent granted under the Resource Management Act.

A2.3

Removal of permanent caravans and structures

A2.3.1 All permanent caravans and structures will be removed at the end of the current QLDC lease term or where applicable, the end of the licence period for the caravan or structure concerned, whichever shall be earlier.

Our reasons for this recommendation are:

(a) It is not the function of the Council to provide permanent or semi-permanent accommodation on reserve land, or to make reserve land available for others to build such accommodation.

(b) The method of operation of camps is to change – see policy A2.1

A2.4 Bylaw 1992

A2.4.1 Upon adoption of these policies in the Camp Ground Strategy the hearings committee recommends to Council that it review Bylaw 1992 and promulgate amendment of it to comply with these policies.

A2.4.2 The new Bylaw should include a term to the following effect;

“No licence to occupy any part of the camp, except the caravan/campervan/trailer storage area, shall be granted for a period longer than 28 consecutive days provided that any licence may from time to time and at the discretion of the Camp Manager, subject to the directions of the Council, be renewed for a further period not exceeding 28 days. In no case shall any person occupy any site in the same camping ground for a period in excess of 56 days in any 6 month period commencing on the day of that person’s first occupation.”

A2.4.3 No person shall permanently reside in any structure, vehicle, caravan, house bus, tent or campervan, except for camp staff who may reside in accommodation specifically designated by the Camp Manager, with the consent of the Council for that purpose.

Our reason for this recommendation is:

(a) A bylaw incorporating the above provisions is consistent with present bylaw 1992

(b) See the reasons for policy A2.3

A2.5

The basis of lease rental that would apply, should a new management lease be negotiated for any camp, is:

A2.5.1 Land value is not to be the sole basis of future rental assessment.

A2.5.2 Lessee to pay rates that reflect the actual cost of providing the district infrastructure services, in particular roads, utilities, reserves etc. This may result in a differential rate for camps that reflects their demand on services.

A2.5.3 QLDC to recover a market return on capital investment in improvements.

- A2.5.4 The lessee shall keep electronic records of camp occupancy and turnover and shall make those available to the Council on request.
- A2.5.5 A minimum camp rental to be set for each camp, taking account of the need for camping at QLDC camp grounds to be affordable.

Our reasons for this recommendation are:

- (a) *Land values of some camping grounds are now so high that strict adherence to obtaining a return on value would make camp operation uneconomic.*
- (b) *Income from operations cannot increase in line with increases in land values.*
- (c) *The present rating system should be reviewed to determine whether it fairly apportions the cost of provision of services to camping grounds.*

B. ~ FRANKTON CAMP

The 1.8 hectare camp is located on the lake edge taking advantage of the relatively shallow lake depth which makes children's water play a safe option.

The occupancy of the camp peaks at Christmas/New Year with all lessee-owned facilities, including 6 cabins, 3 tourist flats and 22 powered sites, in use. In addition there is some scope for non powered camping and caravans along the lake frontage. There are 27 privately owned cottages predominately fronting the lake, 22 privately owned permanently built in caravans and 14 privately owned caravans permanently located on the site.

A few of the privately-owned cottages are made available for commercial rental when not in use by their owners.

The lease commenced on 1 September 1998 for a term of 10 years with a right of renewal of 10 years from 1 September 2008. The lease concludes on 31 August 2018.

The camp buildings are owned by the lessee. The rental (currently being reviewed) is \$27,000 + gst per annum.

27 privately owned cabins pay an annual rental to the lessee of \$2,000 inc gst per annum each. The income from these cabins is retained by the lessee.

Rates of \$16,845.36 per annum are currently paid.

A locality map is attached to this report.

The hearing committee recommends that at the end of the Frankton lease term, the QLDC should close the existing camp and redevelop the site as a new camp which will be run as an in-house operation.

B1 - Lease Issues

- B1.1 The existing lease expires in 2018.
- B1.2 There is no right of renewal for the existing lease.
- B1.3 Assets owned by the lessee will be dealt with under the provisions of the existing lease.

B2 - New Camp

The hearing committee recommends that the land be developed as a Combination Kiwi Camp / Holiday Park on termination of the lease in 2018. The final decision on the style of camp is to be made by the Council at the time:

Our reasons for this recommendation are:

- (a) *As presently operated, the camp has largely become a surrogate residential area on public land. It is not appropriate that a publicly owned asset of this nature (reserve land) be used to subsidise the cost of residential accommodation. Most cabin owners do not make their cabins available for holiday use by others. Thus parts of the reserve land are set aside for the exclusive use of relatively few people.*
- (b) *It is appropriate that the reserve continue to be used as a camp. It will be more accessible to the public than at present.*

B3 - Permanent caravans / cabins

- B3.2 Cabins held under licence, permanent caravans and structures will be allowed to remain until the end of the existing term of the licences granted by the lessee, (30 September 2013).
- B3.3 No additional caravans, cabins or other permanent structures may be permanently located on the camp for the remaining term of the lease.

B3.4 The existing 22 permanent caravans are to be removed by 30 September 2013.

Our reasons for this recommendation are:

(a) See the reasons under paragraph B2.

B4 - Storage of Caravans

B4.1 Refer policy A2.2

C. ~ ARROWTOWN CAMP

The camp is located in the central area of Arrowtown. A portion of the land (2.2668 hectares of 5.2986 hectares) was acquired through the Adamson sub-division commenced in early 1960's for recreation purposes.

The majority of the site has been developed for the purpose of a camp ground. A rugby field has been retained for seasonal local club use in the central area of the site.

Some of the camp buildings are owned by the Council and these are generally approaching the end of their useful lives.

There are 331 sites formally identified, which includes tent/caravan/cabin options. However given the availability of the sportsfield there are significant "overflow" areas for peak periods. On freehold land adjoining the camp are located 21 privately owned cabins and 5 lessee-managed cabins.

The camp ground provides a lodge, used by school groups, and 7 lessee-owned cabins and 1 built-in permanent caravan which is privately owned.

The lease expired on 30 September 2001 after a term of 10 years, commencing on 1 October 1991. Currently the camp is let on a month to month tenancy to its former lessee.

Rental of \$47,000 + gst per annum is paid. The tenant pays rates on both the freehold land and rates of \$14,700 inc gst per annum on the camp ground land.

A locality map is attached to this report.

The hearing committee recommends that the camp ground be redesigned and a community reserve be developed. It further recommends that the new camp be run as an in-house operation.

C1 - Community Reserve

- C1.1 A community reserve, to include a sportsfield, will be located on the northern area of the existing camp. The sportsfield will run from east to west, and have adequate “run off” areas.
- C1.2 The QLDC will facilitate a concept design for the new reserve area in consultation with the Arrowtown RFC, Arrowtown Tennis Club, Arrowtown Village Association and such other organisations as shall wish to be consulted, for final approval by the Council (outside of the strategy) by December 2005. The design shall incorporate a shared camp/community playground.
- C1.3 The design will also make provision for the development of a facility for use by sports teams, and at peak periods of demand, by the camp. The facility shall include toilets, washing areas, showers and kitchen in a location to be identified in the plan.
- C1.4 Access to the Community Reserve from Jenkins Place will be maintained.

Our reasons for these recommendations are:

- (a) *There is a clear need for a community reserve for the stated purposes.*
- (b) *The southern end of the land was originally taken for a community reserve, and is used as a camp. The northern end should now be used for this purpose instead.*
- (c) *The camp is in need of re-design to optimize the potential of the site.*
- (d) *The existing facilities are old and no longer of the standard expected in a modern camp.*
- (e) *There was a significant level of support for this, in submissions.*
- (f) *Shared use of the sports facilities at peak times is likely to attract more campers to the area.*

C2 - Lease Issues

- C2.1 There was no right of renewal of the former lease.
- C2.3 The existing assets owned by the tenant will be removed from the camp site at the conclusion of the tenancy with the exception of those identified for relocation into the new camp and for which a negotiated financial settlement with QLDC will be made.
- C2.4 The cabins (4, 5, 6, 7 and 8) operated by the tenant on QLDC owned freehold land are not subject to the same conditions relating to other private cabins. At the conclusion of the present tenancy these cabins will be returned to QLDC.
- C2.5 The tenant-owned cabins (1, 2, 3, 9, 10, 12, and 14) and lodge located on the camp ground will be removed from site by the tenants or, at its choice, acquired by the QLDC and relocated into the area of the new camp.
- C2.6 All permanent privately owned caravans and structures will be removed from the present camp area by 10 October 2005.

C3 - Permanent cabins on freehold land

- C3.1 The QLDC will be responsible for the management of the cabin licences of the privately owned cabins which are sited on QLDC owned freehold land, from the expiration of the current camp ground monthly tenancy.
- C3.2 All cabin owners will be advised that licences will not be renewed when they finally expire on 30 September 2011, and cabins are removed or purchased by the QLDC at this time in keeping with historical agreement. Cabins, when acquired by the QLDC in 2011, are to be removed from site.
- C3.3 The QLDC may acquire cabins as and when they become available for purchase during the period leading up to 30 September 2011. Any cabins purchased prior to September 2011 may be made available for rental by the QLDC until that time.
- C3.4 The QLDC will take over the management of cabins 4, 5, 6, 7 and 8 (which are on QLDC freehold land) at the conclusion of the current monthly tenancy of the camp.

- C3.5 It is noted that the license documents require the Council to give 24 months notice of its intention to terminate the licenses, the earliest date for such notice being 1 October 2009.
- C3.6 Future use of the freehold land on which cabins are located is to be considered in 2011. The hearings committee recommends that the future use of the freehold land be for the benefit of the wider community, in particular recreational uses.

Our reasons for these recommendations are:

- (a) *The council owned freehold land is a community asset currently in exclusive use by relatively few.*
- (b) *The asset should be available for wider use by the community.*
- (c) *There is strong support for the land being retained by the Council, for a recreational purpose.*

C4 - Storage of Caravans

- C4.1 Refer policy A2.2 and reasons for it.

C5 - New Camp

- C5.1 The Council will facilitate a design layout for the new camp for final approval by the Council by December 2005. The camp design will be presented to the Council with a costed development plan and implementation plan outlining the time frame for project completion.
- C5.2 The camp is to be developed as a Combination Kiwi Camp / Holiday Park.

Our reason for this recommendation is:

- (a) *This reflects the views of many submitters.*

C5.3 Financial provision for camp renewal has been provided to date as follows:

2004 / 2005	\$ 40,000	(including \$30,000 for playground)
2005 / 2006	\$250,000	(including \$30,000 for playground)
2006 / 2007	\$300,000	

It is likely that funding in excess of that currently budgeted will be required to develop a new camp.

D. ~ GLENDHU BAY CAMP

The attraction of this camp is its location on the lake edge and the relatively close proximity of Wanaka. The camp is a traditional “Kiwi” camp.

The camp ground has a slightly run down feel to it and the buildings are old and in a deteriorating condition overall. The camp requires major asset renewal. Some of the existing buildings are Council owned. The boat ramp is used by both camp users and the wider community. The camp has a lodge used by community groups, 10 old cabins, a managers house and a lessee’s house.

There are 132 powered sites formally identified with significant scope for further development of additional powered sites should the need arise. The occupancy of the camp peaks at Christmas/New Year with all cabins, and powered sites in use. In addition there is significant scope for non-powered camping and caravans and the lessee estimates that up to 1,500 people may be at the camp over the busiest period. During the winter months the camp is quiet with mainly cabins and a few caravans in use.

The lease term of 10 years was commenced on 15 August 2000 and is due to expire on 13 August 2010. Rental (currently being reviewed) is \$51,000 + gst per annum. Rates of \$5,992.80 inc gst per annum are currently paid to the council.

A locality map is attached to this report.

The hearing committee recommends that at the end of the current lease term in 2010 the camp ground be developed and run as a Kiwi Camp by way of an in-house operation.

D1 - Lease Issues

- D1.1 The existing lease expires on 13 August 2010.
- D1.2 There is no right of renewal under the existing lease.
- D1.3 Assets owned by the lessee will be dealt with under the provisions of the existing lease.
- D1.4 QLDC will identify which, if any, assets it may wish to acquire, prior to December 2008.

D2 - New Camp Assets

- D2.1 The land is to be operated as a Kiwi Camp on termination of the lease in 2010.
- D2.2 The QLDC will facilitate a design for the layout of the camp, to be presented to the Council with a costed development and implementation plan, outlining the time frame for project completion, prior to December 2007.
- D2.3 New camp assets – to be determined in accordance with the definition of Kiwi Camp.
- D2.4 Financial provision for camp renewal has been provided to date as follows:
- | | |
|-------------|-----------|
| 2004 / 2005 | \$256,000 |
| 2005 / 2006 | \$ 36,000 |
| 2006 / 2007 | \$ 41,000 |

It is likely that funding substantially in excess of that currently budgeted will be required to develop new camp assets.

D3 - Storage of Caravans

- D3.1 Refer policy A2.2

D4 - Camp Lessee's House

D4.1 The house built by the lessee on the camp ground in 2001 is to be dealt with under the terms of the existing lease as one of the lessee owned assets which may either be removed by the lessee or acquired by QLDC by negotiation.

Our reasons for these recommendation are:

- (a) The committee accepts the submissions favouring operation of the Glendhu Bay camp as a Kiwi Camp. A Kiwi Camp at Glendhu Bay will also complement a holiday park operation at Wanaka.*
- (b) See also reasons given in part A for general policies.*

E. ~ WANAKA CAMP

Wanaka Camp is situated close to the centre of Wanaka township, approximately 200metres from Lake Wanaka and bordering on the A & P Show Ground and occupies an area of 4.88 hectares. It has 200 powered camping sites, 5 tourist flats, 21 cabins, and a lodge for up to 38 people and 2 dormitories for up to 12 people in each building. In addition there is 1 permanent caravan owned by the camp lessee. The buildings on the camp are owned by the Council and the camp is operated via a lease agreement that expires on 13 August 2010 after a term of 10 years, which commenced on 14 August 2000.

A ground rental of \$147,000 + gst per annum together with an adjoining house at a separate rental of \$8,320 + gst per annum is paid to Council annually. Rates of \$16,410.82 inc gst per annum are also paid.

The camping ground facilities, whilst serviceable, are in need of a significant upgrade and it is likely that a complete replacement of all assets would be the most logical option.

A locality map is attached to this report.

The hearing committee recommends that at the expiration or earlier termination of the lease the camp be developed as a Holiday Park and be run as an in-house operation.

E1 - Lease Issues

- E1.1 The existing lease expires on 13 August 2010.
- E1.2 There is no right of renewal of the existing lease.
- E1.3 Assets owned by lessee will be dealt with under the provisions of the existing lease.
- E1.4 QLDC will identify which, if any, assets it may wish to acquire, prior to December 2007.
- E1.5 QLDC will consider terminating the lease at a mutually agreed date prior to August 2010, should the lessee wish to consider this option.

E2 - New Camp Assets

- E2.1 The hearings committee recommends that a feasibility study for the development of the Wanaka camp as a holiday park be commissioned, and presented to the Council for consideration, by December 2006.
- E2.2 Subject to the QLDC being satisfied with the feasibility study it will develop a design for the layout of the Holiday Park. The camp design will be presented to the Council with a costed development and implementation plan, outlining the time frame for project completion, prior to December 2007.
- E2.5 Financial provision for camp renewal has been provided to date as follows:

2004 / 2005 \$ 5,000
 2005 / 2006 \$20,000
 2006 / 2007 \$20,000

It is likely that funding substantially in excess of that currently budgeted will be required to develop new camp assets.

E3 - Storage of Caravans

- E3.1 Refer policy A2.2

Our reasons for these recommendations are:

- (a) The Lake Hawea and Glendhu Bay camps are in close proximity to Wanaka and will provide Kiwi Camps for those seeking this form of facility.*
- (b) A Holiday Park will provide more sophisticated facilities enhancing the choice available to visitors to the area.*

F. LUGGATE CAMP

Luggate Albion Cricket Club is based at the Luggate Domain fronting Queensbury Road which it maintains.

The Domain has been developed specifically as a cricket ground with provision made to accommodate camping away from the field of play. There are no built accommodation structures on the site. The occupancy of the camp peaks at Christmas/New Year with up to 20 tents and/or caravans using the site.

The camp ground is not promoted in mainstream accommodation guides and the cricket club which administers the ground sees the camping opportunities as a means of extra minor income to of-set club costs.

There is a public toilet facility located on the Domain close to the main pavilion.

The lease commenced on 1 March 1993 and concludes on 31 August 2112.
A peppercorn rental is paid.

A locality map is attached to this report.

The hearings committee recommends that the future use of the ground as a camp be reviewed as part of the Reserve Management Plan referred to below.

F1 - Lease Issues

- F1.1 The lessee maintains the reserve as a cricket ground at no cost to QLDC. As a benefit to the cricket club informal camping is permitted on the reserve from which the cricket club make a modest recovery.
- F1.2 The Luggate Albion Cricket Club has a lease that expires on 31 August 2012.

F1.3 There is no right of renewal of the lease.

F2 - Operational Issues

F2.2 The hearings committee recommends that the QLDC prepare a Reserve Management Plan, in consultation with the Cricket Club, which is to address the future management and operation of the reserve including identifying the appropriate approach for managing the reserve from 2012.

F3 - Storage of Caravans

F3.1 Storage of caravans, campervans and trailers shall not be permitted.

G. ~ LAKE HAWEA CAMP

Hawea camp is located on 2.8 hectares of the Hawea Domain which in total area is 14.88 hectares. The occupancy of the camp peaks at Christmas/New Year with all 10 cabins, 2 tourist flats and 90 powered sites in use. In addition there is significant scope for non-powered camping and caravans and the lessee estimates that up to 800 people may be at the camp over the busiest period.

The attraction of this camp is the lake edge location, semi rural facilities and heavily treed nature which provides shade and colour throughout the year.

The lease commenced on 1 January 1971 for a term of 33 years with a right of renewal of 33 years from 1 January 2004. The lease concludes on 1 January 2037.

The existing assets are owned by the lessee and are in good condition. The lessee has taken over the development and maintenance of the whole of the Hawea Domain Reserve consisting of mature trees, well maintained grass areas and lake frontages, at no cost to the council. There is an area of reserve that specifically serves the boat ramp which is maintained by the council.

Rental is based on 2% of the gross takings of the lessee for the financial year immediately preceding the review. Rental is able to be reviewed every 11 years.

Rates of \$3,591.60 per annum are currently paid to the council in addition to rental.

A locality map is attached to this report.

G1 - Lease Issues

- G1.1 The existing lease expires on 1 January 2037.
- G1.2 There is no right of renewal of the existing lease.
- G1.3 The hearings committee does not recommend that the QLDC makes provision for future camp operation or a possible new lease after 2037 as the existing lease has 32 years to run before expiry.
- G1.5 The exact area leased is to be identified via a survey of the site. The QLDC will share the costs of survey, providing agreement is reached with the lessee on rental of an additional area of the adjacent Hawea Domain presently used as part of the camp from time to time. The survey is to include a survey of the existing access road.
- G1.6 Should any of the existing buildings or structures be found to be outside the leased area, once surveyed, the area will be adjusted to incorporate the existing buildings or structures at no additional rental cost.
- G1.7 The lessee is using the Hawea Domain adjacent to the camping ground for seasonal camping. Whilst the lessee pays some rental for this by a percentage of turnover and in addition maintains the whole area of this domain without charge to the Council, year round, the hearings committee considers that a modest license fee should be imposed for use of this land. It proposes an initial annual license fee of \$3,000 + gst on condition that the camp lessee continues to maintain the domain. It also records that no leasehold interest is created by this arrangement and recommends to the Council that it grants a licence for a period of one year at a time but on a rolling two year cycle to give the operation some business certainty.

Our reasons for these recommendations are:

- (a) *There is a long term lease in place*
- (b) *The boundary , and access to, the area lease have not been formalised. This should be attended to.*

- (c) *The lessee undertakes a significant amount of maintenance of the adjacent Domain which would otherwise be carried out by the Council, at some cost.*
- (d) *The lessee derives income from use of the Domain, which is a public asset. A rental should be set to reflect all factors.*

G2 - Storage of Caravans

G2.1 Policy A2.2 applies.

H. ~ ALBERT TOWN CAMP

The Department of Conservation camp ground adjoining the river in Albert Town is currently the subject of negotiation with QLDC terms for future operation and management. The camp is presently run on an honesty basis with very basic facilities. One area of the camp some 800metres from the main camp is closed for the winter period. The committee does not make any recommendations in relation to this camp.

I. ~ TWELVE MILE DELTA CAMP

The Department of Conservation camp ground on the edge of Lake Wakatipu is likely to be the subject of negotiation with QLDC in terms of future operation and management. The camp is currently run on an honesty basis with very basic facilities. The committee does not make any recommendations in relation to this camp.