

**QLDC Council
18 December 2014**

Report for Agenda Item: 4

Department
Operations

4: Cycle Tours New Zealand - Application for Commercial Guided Tours on Queenstown Lakes District Tracks

Purpose

- 1 To consider notifying the intention to licence under the Reserves Act 1977 for the purposes of commercial guided walking and biking tours on tracks around the Queenstown Lakes District.

Recommendation

- 2 *That the Council:*
 - a. **Agree** to notification of the intention to grant a licence as per the properties listed below to Cycle Tours New Zealand; and
 - b. **Appoint** three commissioners of which two are required to hear submissions (if required) and make a recommendation to the full Council.

Queenstown/Wakatipu Trails – Queenstown Lakes District Council recreation reserve land

Trail Name & Map Ref.	Proposed Activity	Landowner/s	Legal Description	Title Reference
Jacks Point Track	Biking, walking	QLDC Recreation Reserve	Lot 70 DP 9249	95114
Lake Hayes Walkway	Biking, walking	QLDC Bendemeer Bay Recreation Reserve	Section 65 Blk IX Shotover SD	OT17C/1329
		QLDC Recreation Reserve	Lot 3 DP 15096	129117
		QLDC Recreation Reserve	Lot 4 & Pt Lot 5 DP 15096	464206

Wanaka/Hawea Trails – Queenstown Lakes District Council recreation reserve & freehold land

Eely Point	Biking, walking	QLDC Eely Point Recreation Reserve	Sec 29 Blk XIV Lower Wanaka SD, Sec 1543R Blk XIV Lower Wanaka SD	OT7B/497
Beacon Point	Biking, walking	QLDC Beacon Point Recreation Reserve	Sec 71 Blk XIV Lower Wanaka SD	1701
		QLDC Recreation Reserve	Lot 9 DP 18825	OT10A/14
		QLDC Recreation Reserve	Pt Lot 3 DP 19057	OT13A/1038
		QLDC Recreation Reserve	Pt Lot 2 DP 17422	5997
Outlet Track	Biking, walking	QLDC Clutha Outlet Recreation Reserve	Sec 59 Blk XIV Lower Wanaka SD	OT15C/528
Deans Bank Track	Biking, walking	QLDC Recreation Reserve	Pt Sec 28 Blk V Lower Wanaka SD	4D/1290
		QLDC Recreation Reserve	Lot 1 DP 375247	302906
Waterfall Creek Track	Biking, walking	QLDC Roys Bay Recreation Reserve	Sec 46 Blk III Lower Wanaka SD	2290
Damper Bay Track	Biking, walking	QLDC Damper Bay Recreation Reserve	Secs 12, 18 Blk XIII Lower Wanaka SD, Pt Sec 4 Blk XV Lower Wanaka SD, Sec 14 SO 397287	474509
Upper Clutha River Track (true right bank)	Biking, walking	QLDC Recreation Reserve	Sec 1 SO 431144	568321
		QLDC Freehold	Sec 2 SO 24616	OT18C/526
Hawea River Track	Biking, walking	QLDC Freehold	Lot 1 DP 20555 and Lot 1 DP 24534	OT16C/1158

Advice Prepared by:	Report Advice Reviewed and Recommended by:	Reviewed and Authorised by:
		
Dan Cruickshank Senior Property Manager, APL Property	Mike Weaver Manager, Parks & Operations	Ruth Stokes General Manager, Operations
24/11/2014	8/12/2014	8/12/2014

Background

- 3 With the development of tracks and trails by the Queenstown Trails Trust (QTT) and the Upper Clutha Tracks Trust (UCTT), the demand for commercially guided trips is increasing.
- 4 The Council went through a process in 2012 to put in place a generic licence and to gain resource consent for bike guiding on the Queenstown Trail (QT Trail) network, administered by Council. This allows for up to 12 licences to be issued on the Queenstown Trail under one Resource Consent, and is in accordance with the provisions of the Reserves Act 1977.
- 5 To date four operators have registered for a licence, and another seven are considering taking out a licence.
- 6 The Council has not established a similar pre-approved and consented licence framework in the Wanaka region. This is partly due to a lack of previous interest by commercial operators, and partly due to the cost involved with seeking the necessary approvals.

Comment

- 7 Cycle Tours New Zealand Ltd is applying for a 10-year licence to undertake guided mountain biking and walking trips for groups of up to 12 people (inclusive of guides) along existing tracks located on recreation reserve land administered by the Queenstown Lakes District Council and on Council-owned freehold land.
- 8 The applicant intends to operate small high-end guided biking and walking trips at a maximum rate of two trips per day on any one track. The applicant is seeking resource consent for this activity, and has been supplied with Council 'Affected Party Approval' in order to facilitate the application in a timely manner, prior to consideration of a licence. The applicant understands that the licensing process is separate to that of the consenting process and that there is no obligation on the Council to then enter into a licence. The resource consent application includes tracks crossing numerous land parcels owned by a variety of private land owners, the Department of Conservation, LINZ and the Council.
- 9 The applicant requests approval from the Council to operate on the following:

Eely Point Track

Beacon Point Track

Outlet Track (partly on DOC land)

Deans Bank Track (partly on DOC land)

Waterfall Creek Track

Damper Bay Track

Upper Clutha River Track (true right bank) (partly on DOC land)

Hawea River Track

Jacks Point Trail (mostly on DOC land)

Lake Hayes Walkway (mostly on DOC land)

- 10 The applicant has also noted that it intends to request a separate licence under the Queenstown Trail licensing scheme at a later stage in order to operate on the main trails around Queenstown. The application and supporting documents are attached to this report.
- 11 There has been some recent interest by businesses wishing to operate guided tours on tracks around Wanaka. This has resulted in one temporary permit being issued to Wanaka Bike Tour for a maximum of forty days per year and no more than six days consecutively, to take groups of no more than six at a time.
- 12 Council staff have considered the option of implementing similar approvals to that of the QT Trail, to enable a Wanaka Trails Licence. This is not currently envisaged due to the potential cost involved and the limited number of commercial users likely to use it.
- 13 Cycle Tours New Zealand has provided confirmation that its operational health and safety practices have been audited under the Outdoors Mark adventure tourism scheme. This level of accredited auditing is not required under legislation for bike guiding; however, it is recognised as best practice.
- 14 It is recommended that the application be progressed to notification, prior to setting proposed licence terms. This is intended to allow user conditions to be set through the resource consenting process, and then adopted or revised as necessary under the licensing process and Reserves Act public notification process.
- 15 The Wanaka Community Board has discussed informally the likely impact of commercial guiding on Wanaka tracks. It is suggested in order for the Board to provide input to Council, prior to a licence being approved, that a Board report be prepared for early in the New Year.

Options

1. Approve notification of the intention to grant a licence over Eely Point Track, Beacon Point Track, Outlet Track, Deans Bank Track, Waterfall Creek Track,

Damper Bay Track, Upper Clutha River Track, Hawea River Track, Jacks Point Trail and Lake Hayes Walkway to Cycle Tours New Zealand. To appoint three commissioners to hear submissions if required and make a recommendation to the full Council;

2. Approve notification of the intention to grant a licence over a selection of the requested tracks. To appoint three commissioners to hear submissions if required and make a recommendation to the full Council;
3. Decline the licence request.

Advantages

- 16 Should a licence be approved, the Council will be supporting commercial recreational tourism in the district, providing enhanced opportunities for businesses in the region.
- 17 Council contributes significant time and money to maintaining trails across the district. Allowing commercial operators on its trails will provide a modest income to contribute towards track upkeep.

Disadvantages

- 18 Commercial groups using tracks may not be supported by some of the Wanaka public where parts of tracks are often narrow and windy in comparison to some of those in the QT Trail network.
- 19 Bigger group sizes with more than six people present possible congestion concerns on tracks such as the Millennium Track traversing the lakeside from Glendhu Bay to Wanaka Township. This will need to be managed carefully by the operator from an operational health and safety point of view.

Financial Implications

- 20 There is no direct cost to the Council in approving the notification of a licence or granting a licence, as the applicant must pay for all costs including advertising and legal advice.
- 21 The Council has budgeted to receive revenue from Wanaka and Wakatipu reserve land. The applicant will pay an annual licence fee to the Council, set in accordance with the Community Facility Funding Policy, and a base fee decided by the Council.

Local Government Act 2002 Purpose Provisions

- 22 The author has given consideration to the LGA purpose provisions (ss10, 11, 10A). They are considered to be relevant to this report under the classification of Activity, local public services. This report involves the use of Council land for the purposes of delivering efficient, effective property services, appropriate to present and future circumstances of ratepayers.

Council Policies

- 23 The following Council Policies were considered:

- Policy on Significance 2013 – The decision is not considered significant under the Council's policy as:
 - it will not incur more than \$200,000 of unbudgeted expenditure;
 - it will not involve the transfer of ownership or control of a strategic asset;

Consultation

24 Will be undertaken in accordance with section 119 of the Reserves Act 1977, requiring public notification of the intention to grant a table and chairs permit on recreational reserve land.

Attachments

1. Map of tracks requested
2. Supporting application