

Wanaka Community Board
10 August 2016

Report for Agenda Item: 4

Affected Person's Approval – CCR Limited, Glendhu Bay

Purpose

The purpose of this report is to consider an Affected Person's Approval (APA) to allow the construction of 14 buildings within the existing Glendhu Bay Campground.

Recommendation

That the Wanaka Community Board:

1. **Note** the contents of this report;
2. **Approve** an affected person's approval for resource consent application RM160608 plans dated 7 July 2016 at Sec 1-3 Block XV Lower Wanaka SD for the purpose of constructing 14 buildings.
3. **Delegate** execution of the affected person's approval to the QLDC Property Manager.

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APL Property Limited

19/07/2016

Reviewed and Authorised by:



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Planner: Parks & Reserves

26/07/2016

Background

- 1 Council has leased the Glendhu Bay camping ground to CCR Limited (CCR) for a period of 25 years, commencing on the 28 November 2014. The land being leased by CCR at Glendhu Bay is legally known as Section 1 & 2, Block XV Lower Wanaka Survey District and Part Section 3 Block XV Lower Wanaka Survey District. It was classified Recreation Reserve under gazette notice 1985, page 4323.
- 2 The reserve is covered by the Wanaka Lakefront Reserve Management Plan 2014, which provides for granting of a camping lease over the land, and outlines an objective to *'provide safe camping opportunities on the lakefront'*.
- 3 CCR are proposing to remove and replace thirteen cabins and one ablution block at the campground. As landowner, Council has been asked to provide affected

person's approval for resource consent application RM160608. A copy of the applicant's assessment provided in support of that application is included as Attachment B.

- 4 The lease also requires CCR to seek lessor's approval for the alteration of existing buildings and the construction of new buildings. This will ultimately be considered by Council after a decision on the Affected Part Approval has been made by the WCB. It should be noted that any Affected Persons Approval would not be taken to additionally constitute a Lessor's Approval, or influence the discretion of Council to otherwise provide (or withhold) Lessor's Approval for the proposed development.

Comment

- 5 The 2014 lease decision has provided the lessee with enough surety of tenure to upgrade campground facilities. Therefore resource consent is sought to construct fourteen buildings within the existing campground – with ten of the buildings to replace and upgrade existing buildings previously established onsite, and the remaining four being new buildings in addition to current operations.
- 6 The proposed buildings will include one ablution block (which will replace an existing ablution block), five two-bedroom cabins (four additional and one replacing existing), and eight one-bedroom cabins (replacing eight existing cabins).
- 7 The proposed buildings are required to upgrade the accommodation offered at the campground to support campground operations. Buildings to be removed through this application are of poor quality and unable to be used during winter. Proposed buildings are located within the existing area of development within the campground.
- 8 The District Plan requires land with Rural General zoning to have a minimum road setback of 20m. This request seeks permission to construct 5 dwellings within 0.5m of the road boundary. This aspect will be considered through the resource consenting process, however it should be noted that there are already a number of buildings close to the road boundary, well within the 20m setback.
- 9 All buildings have been designed to be unobtrusive and consistent with other buildings in the campground. They will be a maximum of 3.5m high and floor areas kept to the minimum possible. A site plan illustrating the existing and proposed buildings is contained in Attachment A. Elevation and design plans for the proposed buildings are contained in Attachment B.
- 10 The proposed ablution block will include a toilet block and kitchen/laundry facilities and will replace an existing ablution block with similar features. The proposed block is approximately three times the size of the existing and will be located approximately 10m to the south west. The block will be a rectangular building, approximately 200m², 27m long and 7.6 wide (excluding verandas). It will have mono-pitched roof with 5 degree slope. It will be coloured Resene "wedgewood" with an LRV of 21% and clad in horizontal weatherboard with colourcote roofing. The existing ablution block is located approximately 2.5m from

the southern boundary of the campground with Wanaka-Mt Aspiring Road. The proposed building will be located approximately 0.5m from the road boundary.

- 11 The individual cabins will be a mixture of one and two bedroom units. The two bedroom cabins will be 44.4m² and include kitchen/bathroom facilities and a small veranda. One existing two bedroom cabin will be removed as part of this application. As with the existing and proposed ablution block and shop and manager's houses etc, four of the proposed two-bedroom cabins are located within the road setback. Eight one bedroom cabins are also proposed, all of which will replace existing very old one-bedroom cabins. The one bedroom cabins will be 15m² and will not include kitchen/bathroom facilities. The proposed one-bedroom cabins are all located greater than 25m from the road boundary.
- 12 The proposed buildings will be built in two stages. Stage one is planned for winter 2017 and will include all eight one-bedroom cabins, the ablution block and one of the two-bedroom cabins. Stage two will include the remaining four two-bedroom cabins and will be constructed in winter 2018.
- 13 The proposal will not change the use of the site or increase the capacity of accommodation provided at the Glendhu Bay campground as the proposed buildings will either replace existing buildings used for the same purpose or will be located in areas used as tent/campervan sites.
- 14 CCR have confirmed that as per their lease terms, they intend to be responsible for all maintenance and insurance of the new buildings once installed. Under the terms of their lease, CCR are responsible for taking all reasonable steps to ensure compliance with health and safety and other government legislation concerning the demolition and construction of new buildings.

Options

- 15 Option 1 The first option is to grant affected person's approval to CCR Limited in relation to RM160608.

Advantages:

- 16 Improved and expanded facilities and accommodation at Glendhu Bay camping ground will benefit users and could increase the year round operation of the camp.
- 17 Council will benefit financially through any increased rental income derived from the improved facilities.

Disadvantages:

- 18 As the proposed buildings will have a larger footprint than that of the existing structures, more of the reserve land will be covered with buildings and will be unable to be used for recreational purposes.
- 19 Option 2 The second option is to decline affected person's approval to CCR Limited in relation to RM160608.

Advantages:

20 The existing building footprints occupying the reserve land would not be increased.

Disadvantages:

21 Improved and expanded facilities and accommodation at Glendhu Bay camping ground would not take place.

22 Council would not benefit financially through increased rental income derived from improved facilities.

23 This report recommends **Option 1** for addressing the matter as it will provide both improved facilities to users of the camp and increase rental income to Council.

Significance and Engagement

24 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it involves a Council strategic asset and is a reserve used by a considerable number of rate payers and tourists particularly in the summer season.

Risk

25 This matter related to the operational risk OR027 'Delivering levels of service', as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because it requires a decision from Council relating to a commercial activity.

26 The risk is tolerated as it is considered a relatively minor change to an existing commercial leasing arrangement, previously publicly notified and approved by a full Council.

Financial Implications

27 Council currently derives a set annual rental income for each camping ground they manage under the CCR lease. At the next rent review the valuer will assess future rent, calculated at 20% of net profit on existing Council owned buildings. By CCR removing the Council owned buildings and replacing them with new buildings that they now own, the method of calculation used by the valuer will be replaced with an assessment of based on 9% of gross profit.

28 All costs associated with the demolition, consenting, design and construction of the new buildings will be met entirely by CCR.

29 Council is set to benefit through a reduced maintenance obligation as the new building will be maintained entirely by CCR. Under the lease, Council is currently responsible for maintaining the roof and external cladding of the building, which could be costly in future years given their run-down state.

Council Policies, Strategies and Bylaws

30 The following Council policies, strategies and bylaws were considered:

- Wanaka Lakefront Reserves Management Plan 2014. Conforms to the policy, specifically envisaged leases under sections 4.3 and 6.2 and development of facilities and infrastructure envisaged by policy 5.2.2.2 bullet point 3.
- Significance and Engagement Policy 2014.

31 The recommended option is consistent with the principles set out in the named policy/policies.

32 This matter is included in the 10-Year Plan/Annual Plan

- Administration associated with overseeing this approval will be covered in existing property budget provisions.

Local Government Act 2002 Purpose Provisions

33 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 opportunity for increased income to Council and making a decision in a timely manner;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- 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

34 The persons who are affected by or interested in this matter are primarily ratepayers and visitors to the reserve.

35 Council has undergone a public notification process prior to issuing the lease to CCR. Improvements at the camping ground are also anticipated through the Wanaka Lakefront Reserve Management Plan. As part of the resource consent, effects associated with this application will be assessed at that time. It is not considered necessary to conduct further consultation relating to the affected persons approval.

Attachments

- A CCR Glendhu Bay – Site Plan
- B CCR Glendhu Bay – Building Plans and Elevations
- C Resource Consent Application