

**QLDC Council
24 August 2016**

Report for Agenda Item: 4

Department: Property & Infrastructure

Patagonia Chocolates – Licence to Occupy Recreation Reserve

Purpose

The purpose of this report is to consider a licence to occupy over an area of recreation reserve, Lot 7 DP 1172 to enable the applicant to place a small set of steps in order to provide access to their tenancy at Lot 1 DP 20357, through a new doorway which they plan to install.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Grant** a licence to occupy an area of Recreation Reserve being Lot 7 DP 1172 in favour of Patagonia Chocolates subject to the following terms and conditions:

Commencement	Following Resource Consent
Term	5 years
Rent	Same rate as set by Council's Table and Chair Policy for that area, currently \$80.00 per m ² plus GST.
Reviews	Two yearly
Renewals	Two of 5 years
Use	Stairs
Assignment/Sublease	At Council's sole approval/discretion
Liability Insurance	\$2 million
Expiry Conditions	Remove improvements and make good or improvements revert to Council ownership at the election of Council.
Termination	Council may give 12 months' notice of termination at its sole discretion. At termination, Council can require that the licensee shall remove improvements and make good, or that improvements revert to Council ownership at the election of Council.
Other	The relocation of the light pole is to be done in consultation with Council and is to be carried out by Council's approved contractors at the cost of the licensee. Any necessary Resource and Building Consent be obtained prior to the commencement of the licence.

3. **Agree** to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of a licence to the Patagonia Chocolates over Lot 7 DP 1172.
4. **Delegate** signing authority to the General Manager, Property and Infrastructure.

Prepared by:



Blake Hoger
Property Manager
APL Property Limited

4/08/2016

Reviewed and Authorised by:



Aaron Burt
Planner: Parks & Reserves

5/08/2016

Background

- 1 Patagonia Chocolates ("Patagonia") have taken over the ground floor lease of 2 Rees Street, Queenstown Lot 1 DP 20357, previously occupied by Pumpkin Patch.
- 2 Patagonia intends seeking resource consent to install an additional doorway leading out to the Recreation Reserve to the South West of the tenancy. Should the new doorway proceed, as a result of the difference in height of the tenancy floor to the paved outdoor reserve, a set of exterior stairs will be required to enable people to access the property.
- 3 The steps will cover 4.8m² and be exposed aggregate concrete. They will be tied to the ground with a footing into the ground at the front.
- 4 The owners of the building at 2 Rees Street, Skyline Enterprises Limited, have granted their consent for the additional doorway.
- 5 The proposed location of the stairs will conflict with an existing light pole which is proposed to be relocated approximately 1.8 metres in a westerly direction.

Comment

- 6 The proposed location of the stairs and light pole is in a relatively disused part of the reserve and would not affect existing pedestrian flow.
- 7 Improved access to the tenancy may increase the amenity of the waterfront reserve given the property will, more often than not, attract high value tenants desirable to the public.

- 8 The owner of the adjacent restaurant, Prime Waterfront Restaurant and Bar has been contacted about the proposed works and has raised no concerns.
- 9 Any works to relocate the light pole should be done in consultation with Council's Infrastructure team and be done by Council approved contractors at the applicant's cost.
- 10 The application is consistent with the Queenstown Bay Foreshore Reserves Management Plan 2016 in that access will be permitted over a reserve but will not lead to activities that have inappropriate detrimental effects on the public's use, access or enjoyment of reserves.
- 11 This report recommends that any licence granted be conditional upon the following conditions:

Commencement	Following Resource Consent
Term	5 years
Rent	Same rate as set by Council's Table and Chair Policy for that area, currently \$80.00 per m2 plus GST.
Reviews	Two yearly
Renewals	Two of 5 years
Use	Stairs
Assignment/Sublease	At Council's sole approval/discretion
Liability Insurance	\$2 million
Expiry Conditions	Remove improvements and make good or improvements revert to Council ownership at the election of Council.
Termination	Council may give 12 months' notice of termination at its sole discretion. At termination, Council can require that the licensee shall remove improvements and make good, or that improvements revert to Council ownership at the election of Council.
Other	The relocation of the light pole is to be done in consultation with Council and is to be carried out by Council's approved contractors at the cost of the licensee. Any necessary Resource and Building Consent be obtained prior to the commencement of the licence.

- 12 The licence may be granted pursuant to sections 54(1)(d) and 61 of the Reserves Act 1977. The intention to grant such a licence has been publicly however no comments from the public were received.
- 13 It should be noted that this licence would be to a commercial entity and therefore the recently adopted community lease terms policy does not apply. It is appropriate that the licence includes a twelve month notice period for early termination because that period would allow adequate time for the Licensee to remove the door and steps if necessary. The licence could be terminated for any reason, not just core infrastructure purposes.

Options

14 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:

15 Option 1 Grant a Licence to Occupy Recreation Reserve subject to the conditions outlined above.

Advantages:

16 The applicant will be able to install a further entry into their tenancy.

17 Amenity to that part of the reserve may be improved.

Disadvantages:

18 The area of reserve will become encumbered by a licence.

19 Option 2 Grant a Licence to Occupy Recreation Reserve subject to alternative conditions.

Advantages:

20 Similar to Option 1 however Council may wish to add, amend or remove certain conditions.

Disadvantages:

21 Similar to Option 1.

22 Option 3 Decline issuing a Licence to Occupy Recreation Reserve

Advantages:

23 The area of reserve will remain unencumbered by any licence.

Disadvantages:

24 Amenity to that part of the reserve won't be improved.

25 This report recommends **Option 1** for addressing the matter as an area of reserve will be improved through the access to a high value shopping tenancy.

Significance and Engagement

26 This matter is of low significance, as determined by reference to the Council's Significance and Engagement policy as it does not involve a Council strategic asset, is of low importance to the Queenstown Lakes District, is not of great interest to the general community, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity.

Risk

- 27 This matter related to the operational risk OR027, 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 for a commercial activity.
- 28 Option 1 conforms to the Queenstown Bay Foreshore Reserves Management Plan 2016 and as such the risk is mitigated.

Financial Implications

- 29 It is proposed that the applicant pay a rent to Council for the permanent occupation of the reserve. It is recommended that the fee be in line with the square meter rate of the Table and Chair policy, in this case, \$80.00 plus GST per m².
- 30 All works are to be undertaken at the applicant's cost.

Council Policies, Strategies and Bylaws

- 31 The following Council policies, strategies and bylaws were considered:

- Queenstown Bay Foreshore Reserves Management Plan 2016. Conforms to the General Policies.
- Tables and Chairs in Public Space Policy 2006.
- Significance and Engagement Policy.

The recommended option is consistent with the principles set out in the named 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 allowing a local business to improve their tenancy whilst improving the amenity of the reserve;
- 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 intention to grant such a licence has been publicly notified.

35 The neighbouring business, Prime Waterfront Restaurant and Bar has been consulted and has no concern.

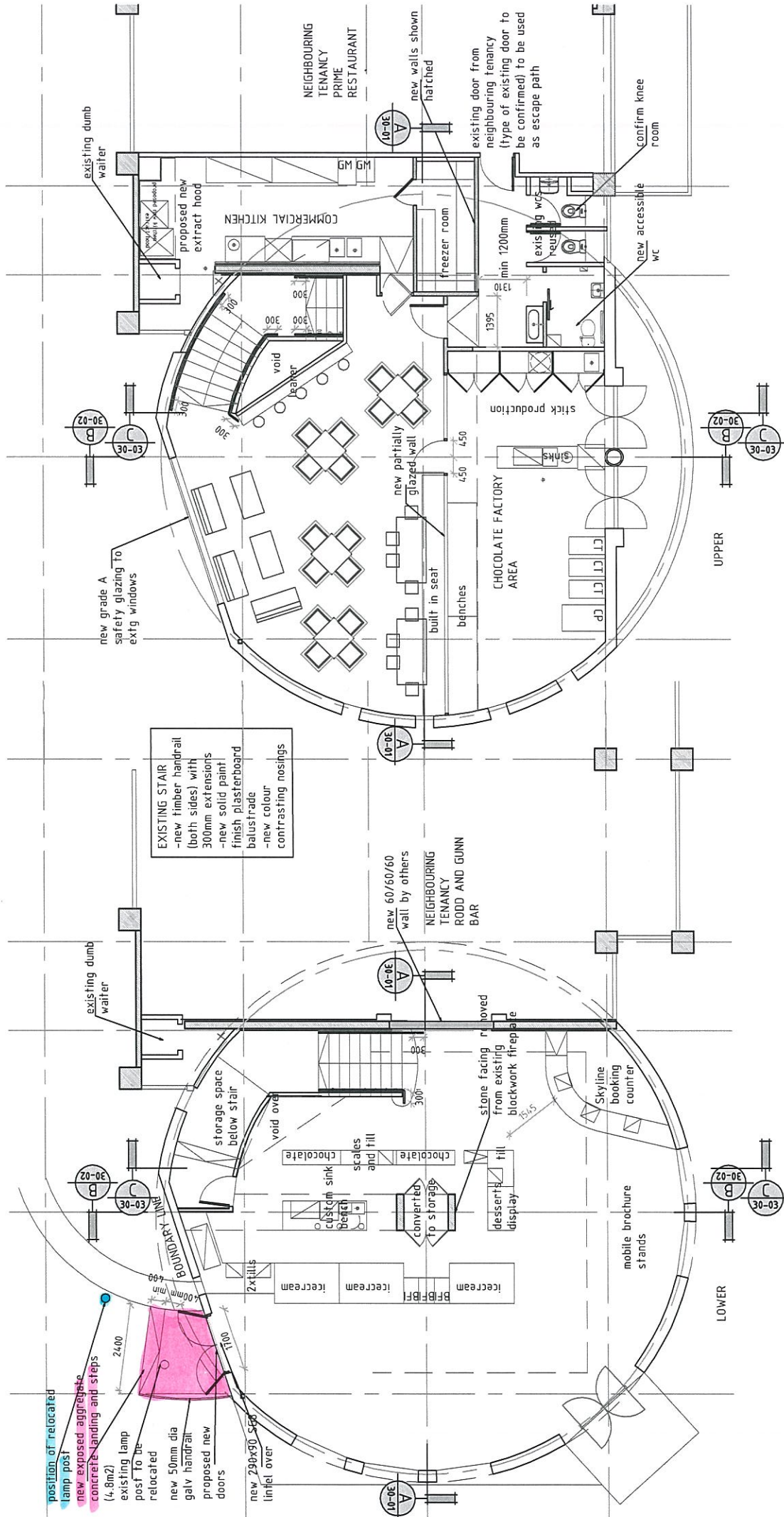
36 The owner of the premises, Skyline Enterprises Limited has approved the addition of a further doorway to the reserve.

Attachments

- A Location Plan
- B Site Plan
- C Photograph showing proposed location of stairs
- D Stair design plan



The map is an approximate representation only and must not be used to determine the location or size of items shown, or to identify legal boundaries. To the extent permitted by law, the Queenstown Lakes District Council, their employees, agents and contractors will not be liable for any costs, damages or loss suffered as a result of the data or plan, and no warranty of any kind is given as to the accuracy or completeness of the information represented by the GIS data. While reasonable use is permitted and encouraged, all data is copyright reserved by Queenstown Lakes District Council. Cadastral information derived from Land Information New Zealand. CROWN COPYRIGHT RESERVED



position of relocated lamp post
 new exposed aggregate concrete landing and steps (4.8m²)
 existing lamp post to be relocated
 new 50mm dia galv handrail
 proposed new doors
 new 290x90 steel lintel over void over

EXISTING STAIR
 -new timber handrail (both sides) with 300mm extensions
 -new solid paint finish plasterboard balustrade
 -new colour contrasting nosings

PROPOSED PLANS - GENERAL ARRANGEMENT

job:	10-04-16
date:	10-04-16
drawn:	PJ/SK
scale:	1:100
drawing no.:	10-03

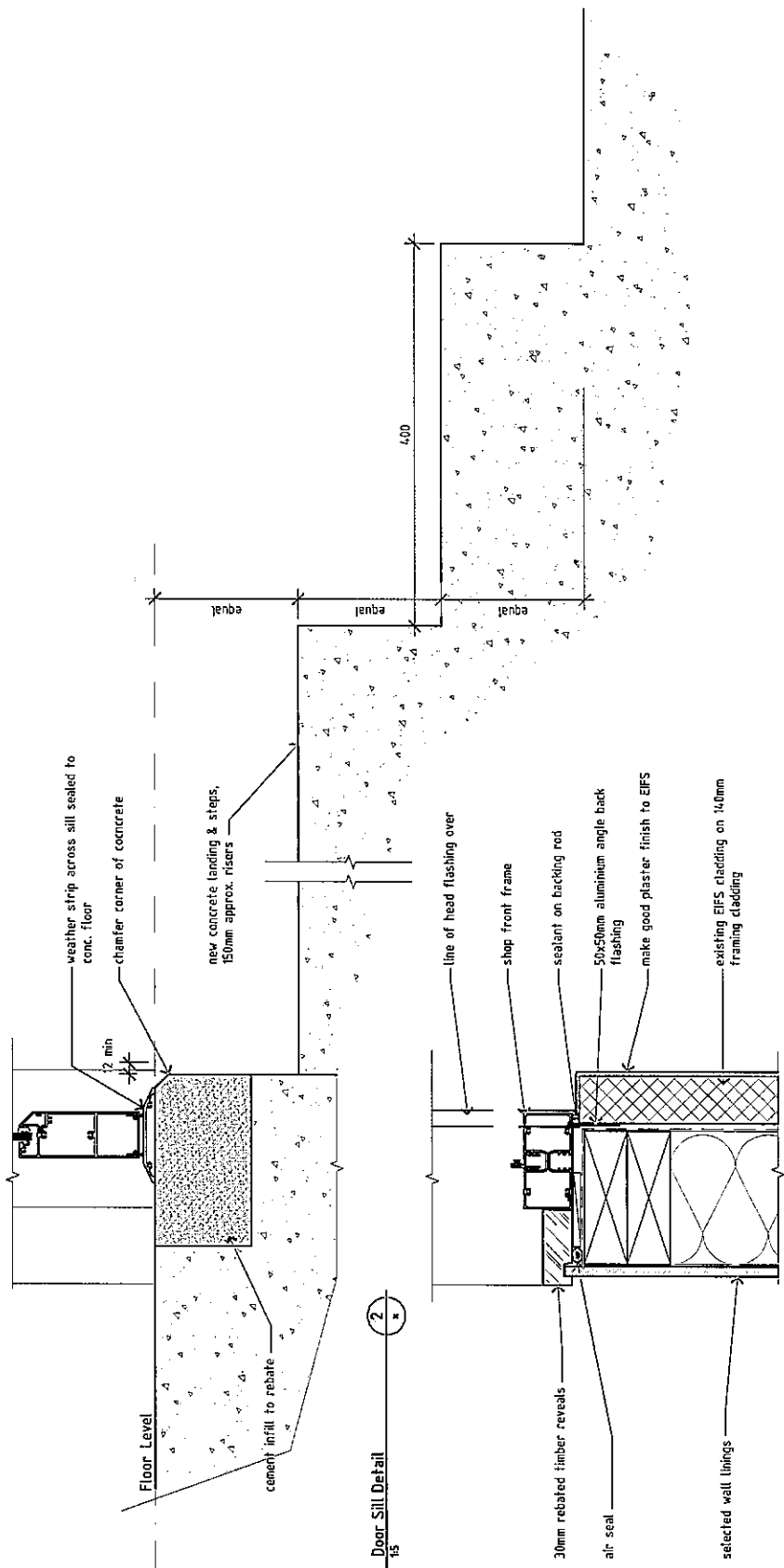
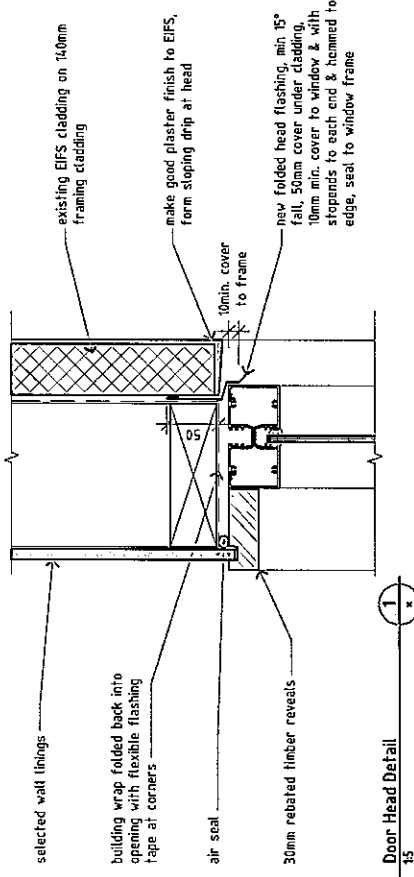
Building Consent
 kerr > ritchie
 >>> ARCHITECTURE >>> LANDSCAPE >>>

Town Pier Building fit-out, 2 Rees Street, Queenstown for Patagonia Chocolates Ltd
 Lot 1 DP 20357
 >>> po box 1894 queenstown 9348 new zealand TEL +64 3 441 4513 EMAIL bronwen@kerrritchie.com WEBSITE www.kerrritchie.com >>>

notes:
 1. Copyright belongs to Kerr Ritchie Ltd
 2. Do not scale from drawings. All dimensions govern.
 3. Do not create from drawings. All dimensions govern.
 4. Architect in writing.



Proposed position of stairs



DOOR DETAILS

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 2. No part may be reproduced without the written permission of Kerr Ritchie Ltd.
 3. All dimensions are in millimetres unless otherwise stated.
 4. Attention to the drawings must be paid to the construction details.

Town Pier Building Fit-out, 2 Rees Street, Queenstown for Patagonia Chocolates Ltd
 Lot 1 DP 20357
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