

QLDC Council
28 September 2017

Report for Agenda Item: 12

Department: Property & Infrastructure

Lessor's and Minister's approval – Skyline Enterprises Limited, Replacement and Upgrade of the Skyline Luge Chairlift and associated development

Purpose

The purpose of this report is to consider granting Lessor's and Minister's approval to Skyline Enterprises Limited for a proposed replacement and upgrade of the existing luge chairlift and associated development.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Approve** Lessor's Approval and Minister's Approval for the proposed replacement and upgrade of the existing luge chairlift and associated development, granted in accordance with resource consent RM170147, on Section 1 SO 24832.
3. **Ensure** that prior to any works being undertaken upon the site, a Health and Safety Plan is first provided to Council to ensure the health and safety of users of the Ben Lomond Recreation Reserve, for all works associated with the proposal.
4. **Require** that the development of the chairlift and associated development is undertaken in accordance with RM170147.

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8/09/2017

Reviewed and Authorised by:



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8/09/2017

Background

- 1 Skyline Enterprises Limited (SEL) own and operate the Skyline Luge on Bob's Peak within the Ben Lomond Recreation Reserve (Reserve). SEL holds a lease which enables the operation to take place on the Reserve. That lease is registered as encumbrance 5014878.1 on the Certificate of Title for the Reserve (Lease).

2 Clause 6 of the Lease states:

“That the Lessee shall not erect or place any buildings or other improvements or add any addition to any existing building or structure on the demised land without the prior approval in writing of the Lessor and the Minister.”

3 Skyline Enterprises Limited (SEL) has obtained resource consent to replace and upgrade the Skyline Luge chairlift that operates on Bob’s Peak, within the Ben Lomond Recreation Reserve including associated earthworks (RM170147). They now seek Lessor’s and Minister’s approval for the development in accordance with the Lease. Council has the delegation to provide these approvals.

4 Affected Persons Approval was provided by Council for that activity, but Lessor’s and Minister’s approval was not (at that time) because it was considered appropriate to await the outcome of the resource consent process. This would enable an assessment under that resource consent process to identify any effects on the environment and persons, and determine appropriate means to mitigate any such effects.

5 Resource Consent RM170147 approved the following aspects of the activity for which both Lessor’s and Minister’s approval is now sought:

- i. Proposed New Luge Chair Lift
- ii. Building for emergency drive and LV room (9m²)
- iii. Top terminal building to contain operator’s room (13.34m²)
- iv. Southern building to contain operator’s room (10.5m²)
- v. Walkway over luge tracks
- vi. Widening of luge track and cart conveyor system
- vii. Resurfacing of some areas
- viii. Associated earthworks

6 Because resource consent has been approved, SEL now requests that the necessary approvals are provided by QLDC in accordance with Clause 6 of Lease 5014878.1. The consideration of this Lessor’s and Minister’s approval is the purpose of this report.

7 Southern Planning Group, as the agent of SEL has outlined their request for approval in the document included as Attachment A to this report. The proposal includes a new higher capacity four seat chairlift, new pedestrian path to the lower terminal, relocation of the luge tracks along with associated earthworks and landscaping. Some of the works associated with the pedestrian path and associated earthworks will occur outside of SEL’s lease area. The approved plans appended to RM170147 are included as Attachment B.

8 SEL’s have sought an easement to enable the works on land outside their lease area (on Pt Sec 110 Blk XX Shotover SD). This will be considered as a separate matter to this report.

9 The proposal will result in the removal of an existing photo shop building near the lower terminal and the workshop building at the upper terminal.

- 10 The current two seat chair lift is located on four pylons ranging in height from 3.5m to 11.9m in height, all coloured Karaka Green. The proposed (40 x) four seater chair lift will sit on six pylons ranging in height from 5.05m to 8.05m and will also be painted Karaka Green, with bare metal head gear and cables.
- 11 A new luge cart conveyor system is proposed to be installed adjacent to the learner's area at the upper terminal to transport the luge carts up from the terminal into the learner's area.
- 12 The luge tracks currently terminate at the lower terminal. In order for the tracks to connect with the newly positioned lower terminal and avoid the foundations of the new restaurant building proposed in RM160647, the tracks will be relocated slightly to the south.
- 13 The lower terminal is constructed on top of an existing timber crib retaining wall which will need to be removed and replaced. The replacement wall will be pushed south and will wrap around the plateau that the existing lift sits upon. It will also require the removal of an existing stacked schist rock wall. The maximum height of the retaining wall will be 9.4m³.

Comment

- 14 Resource Consent (RM170147) has been granted for the proposed works and the Queenstown Lakes District Council in its capacity as lessor provided affected persons approval. It is understood that SEL are seeking to vary that consent, and affected persons approval will likely again be necessary.
- 15 The underlying land is a recreation reserve administered by QLDC and leased to SEL by QLDC.
- 16 There is a management plan in place for the reserve and one of the objectives of the Ben Lomond and Queenstown Hill Management Plan is "provision for recreation and tourism activities, including commercial activities that do not adversely impact on the landscape, recreation and natural values."
- 17 The commercial luge activity, permitted under the terms of the current lease, will not change fundamentally and is included as an existing activity under the management plan.
- 18 The proposal will increase the capacity of the luge chair lift, and conditions of RM170147 will ensure that any adverse effects on the landscape, recreation and natural values are mitigated.
- 19 Recessive colours are being used for the new pylons which match the existing.
- 20 Approximately 150m³ of fill will need to be brought to site, and conditions of RM170147 will ensure any associated effects are appropriately mitigated.
- 21 Proposed landscaping will be in keeping with the existing landscaping and will not impact on the amenity of the area.
- 22 The Council has delegated to the Chief Executive any and all of its responsibilities, duties and powers to act on any matter subject to specified limitations. None of the limitations apply in this instance. The Chief Executive

therefore has delegated authority to determine whether to grant lessors approval as requested by SEL.

Options

23 Option 1 Council can grant Lessor's and minister's Approval to Skyline Enterprises Limited for the proposed replacement / upgrade of the luge chair lift and associated development in accordance with RM170147.

Advantages:

24 SEL will be able to undertake the proposed replacement / upgrade of the luge chair lift.

25 SEL will be able to increase the capacity of the luge chair lift speeding up the waiting times for customers.

26 Recreational use of the Ben Lomond Reserve will be enhanced in a manner that does not adversely impact the landscape and natural values of the reserve.

Disadvantages:

27 The Ben Lomond Recreation Reserve will be further developed albeit in a relatively minor way when compared with the existing use.

28 There will be some initial adverse effects during earthworks and construction relating to noise and transport.

29 Option 2 Council can decline Lessor's and Minister's approval to Skyline Enterprises Limited for the proposed replacement / upgrade of the luge chair lift in accordance with RM170147.

Advantages:

30 The Ben Lomond Recreation Reserve won't be further developed.

31 There will be no effects relating to noise and transport as a result of this proposal.

Disadvantages:

32 SEL will not be able to implement its resource consent to increase the capacity of the luge chair lift which may lead to delays for patrons.

33 This report recommends **Option 1** for addressing the matter as it will lead to improved facilities in a popular Queenstown tourist attraction, and because conditions of RM170147 can appropriately mitigate any adverse effects.

34 Significance and Engagement

35 This matter is considered 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 of moderate interest to the general community, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity.

Risk

- 36 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.
- 37 The risk is tolerated as it is considered a relatively minor change to an existing commercial activity which is provided for under lease and the Ben Lomond and Queenstown Hill Management Plan.

Financial Implications

- 38 Council is likely to benefit from the proposal as it will potentially increase the use of luge track and therefore SEL's revenue. Council and the community benefit from the lessee doing well commercially.
- 39 All costs associated with the consenting, design and construction of the new luge chair lift will be met entirely by SEL.

Council Policies, Strategies and Bylaws

- 40 The following Council policies, strategies and bylaws were considered:
- Significance and Engagement Policy 2014
 - Ben Lomond and Queenstown Hill Management Plan
- 41 The recommended option is consistent with the principles set out in the named policy/policies.
- 42 This matter is included in the 10-Year Plan/Annual Plan as administration associated with overseeing this approval will be covered in existing property budget provisions.

Local Government Act 2002 Purpose Provisions

- 43 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

- 44 As part of the resource consent, effects associated with this development have been assessed. It is not considered necessary to conduct further consultation relating to the Lessor's Approval.

Attachments

- A Applicant's Description of Activity
- B Plans