

**Wanaka Community Board
15 November 2018**

Report for Agenda Item: 1

Department: Community Services

Request to notify new lease to the Coastguard Wanaka Lakes over Eely Point Recreation Reserve

Purpose

The purpose of this report is to consider notifying the intention to grant a new lease to Coastguard Wanaka Lakes, over a portion of Eely Point Recreation Reserve.

Recommendation

That the Wanaka Community Board:

1. **Note** the contents of this report;
2. **Approve** notification under section 119 of the Reserves Act 1977 of an intention to grant a new lease under sections 54(1)(b)&(c) of the Reserves Act to the Coastguard Wanaka Lakes Incorporated, located on land with legal descriptions Sections 29 & 1543R Block XIV Lower Wanaka Survey District, subject to the following conditions:

Commencement	TBC
Term	33 Years
Rent	Pursuant to Community Facility Funding Policy (\$1 per annum at commencement)
Reviews	5 yearly or when the Funding Policy is reviewed
Use	Marine Rescue Centre and associated activities including boat storage and provision of space for the Harbourmasters operations
Operational costs	All rates and charges associated with the land to be paid for by lessee
Assignment/Sublease	With Council approval
Liability Insurance	\$2 million
Expiry Conditions	Lessee can elect to remove improvements and make good or improvements to revert

to Council ownership with no compensation payable

Break Clause

Council can give 5-years cancellation notice if the land is required for the 'provision of core infrastructure services'

Maintenance

All maintenance of the building and lease area including gardening to be paid for by lessee

3. **Delegate** the power to hear any submissions and make a recommendation to Council to three Wanaka Community Board members (any two of which can form a hearing panel).
4. **Approve** notification under Section 48(2) of the Reserves Act 1977 of an intention to grant a Right of Way easement and associated underground infrastructure easements over Council Recreation Reserve at Eely Point Recreation Reserve, Wanaka, with legal description Sections 29 & 1543R Block XIV Lower Wanaka Survey District, to Coastguard Wanaka Lakes Incorporated subject to the following conditions;
 - a. QLDC or its successor in title may relocate the easements, as required;
 - b. That the easements will be non-exclusive as required by Council and surrendered and expiry or cancellation of the lease;
 - c. Council to retain discretion over the exact placement of the Right of Way and underground easements within the Recreation Reserve;

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Property

6/11/2018

Reviewed and Authorised by:



Thunes Cloete
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6/11/2018

Background

1. Coastguard Wanaka Lakes (CWL) have operated in the district since 2011, with informal activity beginning in 2007. They are an important part of the emergency response network on the Wanaka Lakes, with 20 active volunteers in the unit and having been called out to assist 23 people in 2017/18, 27 people in 2016/17 and 14 people in 2015/16.
2. Currently their rescue boat occupies a building on the A&P Showgrounds, on an informal basis. In peak traffic conditions, this can result in a considerable delay between collecting the boat, and launching it at the Wanaka Marina ramp.
3. CWL have identified a preferred location for a new base building at Eely Point Recreation Reserve, land legally described as Sections 29 & 1543R Block XIV Lower Wanaka Survey District. They request that Council consider granting a ground lease over part of the reserve, so that they can self-fund and seek grants to construct a building upon it.
4. Council has one existing ground lease on the reserve to the Scout Association of NZ, which runs through until the 30 June 2027.
5. Council is also currently in the process of designing a boat ramp and jetty at Eely Point, in the location of the existing beach launching area.
6. The Wanaka Community Board previously considered a request to notify a lease to CWL at their meeting of the 14 September 2017, where the following motion was passed:

On the motion of Councillor Smith and Councillor McRobie it was resolved that the Wanaka Community Board:

1. **Note the contents of this report;**
 2. **Agree that the decision on notification be deferred until the Eely Point Reserve Master Plan has been completed.**
7. The Wanaka Lakefront Development Plan, Eely Point Recreation Reserve - Landscape Analysis and Concept Design was subsequently developed, consulted on and adopted by the Wanaka Community Board at their meeting of the 16 August 2018, where the following motion was passed:

On the motion of Councillor MacLeod and Councillor McRobie it was resolved that the Wanaka Community Board:

1. **Note the contents of this report in particular that funding for the implementation of this plan will have to be sought; and**
2. **Adopt the ‘Wanaka Lakefront Development Plan: Eely Point Recreational Reserve Landscape Analysis and Concept Design Plan.’**

Comment

8. CWL provide an invaluable public service, for those that find themselves in trouble on the lakes.
9. They have undertaken an exhaustive review of potential locations for their base, which has included consultation with Council's Parks and Reserves Department, Regulatory, and APL. Other locations considered include, the Wanaka Marina/Yacht Club, A&P Showgrounds, and land on Ballantyne Road adjacent to Council's car impound yard.
10. The location requested at Eely Point would allow a single storey 220m² building to be constructed above and adjacent to the existing Scouts building, providing storage for the rescue boat, a members training room and kitchenette and a further small storage area that may be made available to the Harbourmasters Office to house their equipment along with space for 1 or 2 staff on a non-exclusive part-time operational basis. The building is sited to provide quick access for member parking, boat retrieval and launching into Lake Wanaka during emergencies.

Wanaka Lakefront Reserves Management Plan 2014

11. The Wanaka Lakefront Reserves Management Plan 2014 covers the reserves in this area and contemplates and describes that "the reserve is a popular swimming and picnicking spot and offers an alternative to Wanaka Marina as a boat launching site, supported by a large parking area. However, this high level of activity generates congestion during the peak summer months".
12. The Reserve Management Plan has objectives which include to "manage the impact on the natural amenity values of the lakeside reserves by minimising buildings and positioning them appropriately". It specifically provides a policy that "ensures that the character of the reserve is not compromised by structures associated with leases and licences and that the reserve values are maintained or enhanced". Consideration of these objectives and policies are required before any new building can be approved.
13. As the activity is not contemplated by the Reserve Management Plan, it will require public notification under section 54(2) of the Reserves Act 1977.
14. CWL volunteers would access the building, on existing formed access roads and trails, and launch at the main unformed boat ramp area on the reserve. This would at times require navigating picnickers, walkers and cyclists using the reserve requiring some management and planning on the part of the Council and CWL.
15. Council officers have previously sought advice from the Wanaka Community Board on this request in 2017. This advice outlined a need for a comprehensive reserve development plan at Eely Point, before any new leases should be considered. This was completed in 2017/2018 and adopted by the Wanaka Community Board at their meeting of the 16 August 2018. The plan process considered where it would be most appropriate to locate a Wanaka Marine Rescue Centre on the Reserve. This is the location now requested by CWL and is on the main entrance to the reserve, at a point that is least visible from the lake and township, being behind

existing trees, and the Scout building. It also takes the launch vehicle and trailer away from the buys swimming and picnicking are of the lakeside reserve.

The Harbourmaster service is contracted by the Queenstown Lakes District Council to Southern Monitoring Services Ltd. Council contract managers have advised that they would support a Harbourmasters office being sub-let within the proposed CWL building, in order to locate personnel and equipment in close vicinity of the lake and Town Centre.

Leases under the Reserves Act 1977

16. Section 54(1)(b) of the Reserves Act 1977 provides that Council may grant a lease with the prior consent of the Minister to a voluntary organisation over part of the reserve to erect buildings and structures associated with, and necessary for, the use of the reserve for recreational activities. CWL is a voluntary organisation that provides services that enable the reserve to be used for recreational activities, including boating activities, and swimming.
17. Section 54(1)(b) also provides that buildings or other structures may be built for public recreation that is not directly associated with outdoor recreation, if the Minister provides consent and considers it to be in the public interest. This consent has been delegated to Council, and it is considered that buildings or other structures associated with CWL is in the public interest.
18. Under section 54(1)(c) the Council may grant a lease with prior consent of the Minister to a voluntary organisation over part of the reserve for recreational activities where the preparation and maintenance of the area for such recreational activity requires the voluntary organisation to spend a sum of money that in the opinion of Council is substantial. As above, CWL is a voluntary organisation and provides services that enable the reserve to be used for recreational activities. It is considered that the sum of money CWL will spend on construction of the building is substantial.
19. Under both sections 54(1)(b) and 54(1)(c) of the Reserves Act 1977, Ministerial consent is required before a lease can be granted over a reserve. This consent has been delegated to Council.
20. As the CWL lease is not contemplated by the Wanaka Lakefront Reserve Management Plan 2014, section 54(2) provides that any lease will require public notification in accordance with section 119.
21. A lease term of 33 years is proposed, with a termination clause of 5 years with compensation payable by Council, should it be required for provision of core infrastructure services. This term is proposed in line with Council's community lease terms guidance, as the investment in the building is estimated to be \$900,000.

Associated Easements

22. Service and access right of way easements associated with the building, have also been requested by CWL. The exact locations of these easements are to be confirmed, subject to the final design of the building, but are expected to be

approximately within the area shown as the access route to the building from Lakeside Road. Council will retain final discretion of the placement and location of the proposed easements once they are confirmed by CWL.

23. Earthworks will be necessary to excavate and install the in-ground infrastructure and will be considered by Council officers at the time of construction, through the reserve permit process if the lease is fully approved and the necessary reserve and building consents obtained.
24. Council's Easement Policy 2008 requires that one off fee be payable where easements are agreed over Council land. This is calculated at 30% of the land value (CV). In this instance, as the easements area associated with a proposed community lease and will be surrendered on expiry, a fee is not recommended.
25. Existing infrastructure exists in the recreation reserve, notably a sewer line from the public toilets blocks on the reserve. This is likely to require relocation by CWL before the building can be construction, and other infrastructure installed.
26. Granting an easement is permitted by section 48(1) of the Reserves Act 1977 for any public purpose or providing access to any area included in a lease under the Reserves Act 1977, with the prior consent of the Minister. This consent has been delegated to Council. Any such easement must be publicly notified in accordance with Section 48(2). Section 48(3) provides that notification is not necessary if it can be shown that the reserve is not likely to be materially altered or permanently damaged, and the public's rights to use and enjoy the reserve is not likely to be permanently affected by the establishment and use of the easement. These matters are considered below.

Is the easement likely to materially alter or permanently damage the reserve?

27. Aside from during the installation process, the easements will not affect the ability of the reserve to provide for its current purpose. As the infrastructure will be either underground or on existing formed access ways through the reserve, it is considered the creation of the easements will not have any long-term effect on the reserve.

Does the easement affect the ability of the public to use and enjoy the reserve?

28. As there is an existing accessway upon the reserve where the easements are intended to be located, there is unlikely to be any change to the reserve from the proposed easements. Some temporary minor disruption may be created during the installation of the underground services. Long term there would be no detrimental effect on the ability of the public to use and enjoy the reserve once the installation is complete, and users of the reserve would be unaware that any changes that have been made to the reserve.
29. Considering the above factors, and also that the application requires notification of an intention to grant a lease to the Coastguard, it is considered that it is also appropriate to notify the potential easements at the same time.

Options

30. Option 1 To approve the notification of the intention to grant a lease and easements to Coastguard Wanaka Lakes at Eely Point Recreation Reserve.

Advantages:

31. CWL would be able to support recreational users of the reserve and lake, by providing a dedicated fast response for the craft and volunteers if the lease was progressed and the building constructed.

32. May increase the utilisation of the reserve for recreational activity, through improving onsite supervision of the reserve and adjacent lakefront.

33. Would provide a lakefront location for the Harbourmaster to occupy.

Disadvantages:

34. Would enable a permanent building to be constructed upon the reserve taking away some open space used for general recreation

35. Would generate additional traffic movements within the reserve, which may require ongoing management by Council for health and safety and adherence to other lease terms.

36. Would occupy additional land through provision of service easements and a Right of Way access easement to the lease area.

37. Option 2 To decline the request by Coastguard Wanaka Lakes at Eely Point Recreation Reserve.

Advantages:

38. Would not enable a permanent building to be constructed upon the reserve taking away some open space used for general recreation

39. Would not generate additional traffic movements within the reserve, which may require ongoing management by Council for health and safety and adherence to other lease terms.

40. Would not occupy additional land through provision of service easements and a Right of Way access easement to the lease area.

Disadvantages:

41. CWL would not be able to support recreational users of the reserve and lake, by providing a dedicated fast response for the craft and volunteers if the lease was progressed and the building constructed.

42. Would not increase the utilisation of the reserve for recreational activity, through improving onsite supervision of the reserve and adjacent lakefront.

43. Would not provide a lakefront location for the Harbourmaster to occupy.

44. This report recommends **Option 1** for addressing the matter as it will enable the lease and proposed building to be publicly notified and consulted on with the Community.

Significance and Engagement

45. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because involves use of a reserve that is a strategic Council asset.

Risk

46. This matter related to the operational risk, OR011A Decision Making, as documented in the Council's risk register. The risk is classed as moderate. This matter relates to this risk because it requires the board to make a decision regarding the long-term use of a lake front reserve.

Financial Implications

47. None.

Council Policies, Strategies and Bylaws

48. The following Council policies, strategies and bylaws were considered:

- Wanaka Lakefront Development Plan, Eely Point Recreation Reserve, 2018.
- Wanaka Lakefront Reserve Management Plan, 2014.
- Significance and Engagement Policy, 2014.
- Community Facility Funding Policy, 2011.

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

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

- Within existing Property operating budgets.

Local Government Act 2002 Purpose Provisions

51. 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 progressing a lease request that will support the delivery of emergency recreational support to waterways users in a location that is most likely to support a timely and efficient delivery of service;
- 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

52. The persons who are affected by or interested in this matter are the residents and visitors to Wanaka and in particular those users of the reserve and adjacent residents.

53. The Council will provide a mechanism for community consultation through the public notification of the intention to grant a lease required by the Reserves Act 1977.

Legal Considerations and Statutory Responsibilities

54. Before granting any lease under sections 54(1)(b) or (c) of the Reserves Act, Council is required to publicly notify its intention to grant the lease in accordance with section 119. This notice must specify the proposed lease to be granted and Council shall give full consideration to all objections and submissions in relation to the proposal in accordance with section 120.

55. Before granting any easements under section 48(1), Council is required to publicly notify the intention to grant the easements in accordance with section 119. This notice must specify the easements intended to be granted and Council shall give full consideration to all objections and submissions in relation to the proposal in accordance with section 20. Section 48(3) provides that notification is not necessary if the reserve is not likely to be materially altered or permanently damaged; and the rights of the public in respect of the reserve are not likely to be permanent affected by the establishment and use of the easement.

56. As outlined at paragraphs 14 and 25 above, this report recommends publicly notifying both the intention to grant the lease, and the intention to grant easements in accordance with section 54(1)(b) ad (c), and section 48(1) respectively.

Attachments

- A Lease location plan
- B Proposed lease area
- C Eely Point development plan preferred concept, 2018
- D Building plans
- E Application letter
- F Marine Rescue Centre Report, 2018