

Community & Environment Committee

20 October 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [3]

Department: Community Services

Title | Taitara: New campground lease of Lakeview Lot 9, Cemetery Road, Queenstown, to Hampshire Holiday Parks

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to consider recommending to Council to grant a new five-year lease to Hampshire Holiday Parks for the recreation reserve known as Lakeview Lot 9 (Lot 9 DP 524367), located at 4 Cemetery Road, Queenstown.

Recommendation | Kā Tūtohuka

That the Community & Environment Committee:

1. **Note** the contents of this report;
2. **Recommend to Council** to grant a new lease, and exercise delegated Minister of Conservation approval, in accordance with section 54(1) of the Reserves Act 1977 to Hampshire Holiday Parks for Lakeview Lot 9 (Lot 9 DP 524367), located at 4 Cemetery Road, Queenstown, subject to the following terms and conditions:

Commencement	Upon issue of resource consent or 1 January 2027 (whichever comes first).
Term	5 years
Renewal	Three terms of one year each (at discretion of QLDC).
Rent	7.5% of turnover, in accordance with Community Facility Funding Policy (or successors). Base rent to be 75% of previous years turnover rent.
Additional clauses	No Complaints clause relating to the Lakeview development, associated enabling works and adjoining QLDC land parcels (replicated from existing agreement);

3. **Delegate** remaining lease conditions and signing authority to the General Manager Community Services.

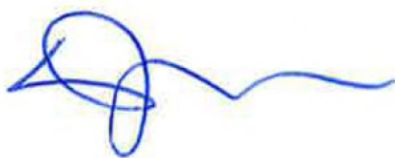
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23 September 2026

Endorsed by:



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Title: Parks Manager

23 September 2026

Reviewed and Authorised by:



Name: Kenneth Bailey
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28 September 2026

Context | Horopaki

1. Lot 9 DP 524367 (the Reserve) is a Recreation Reserve that is 8,250m² in area. The Reserve adjoins the base of Bob's Peak, Queenstown Cemetery, Queenstown Lakeview Holiday Park and Lakeview development precinct. The location of Lot 9 is highlighted in red on Figure 1 below.

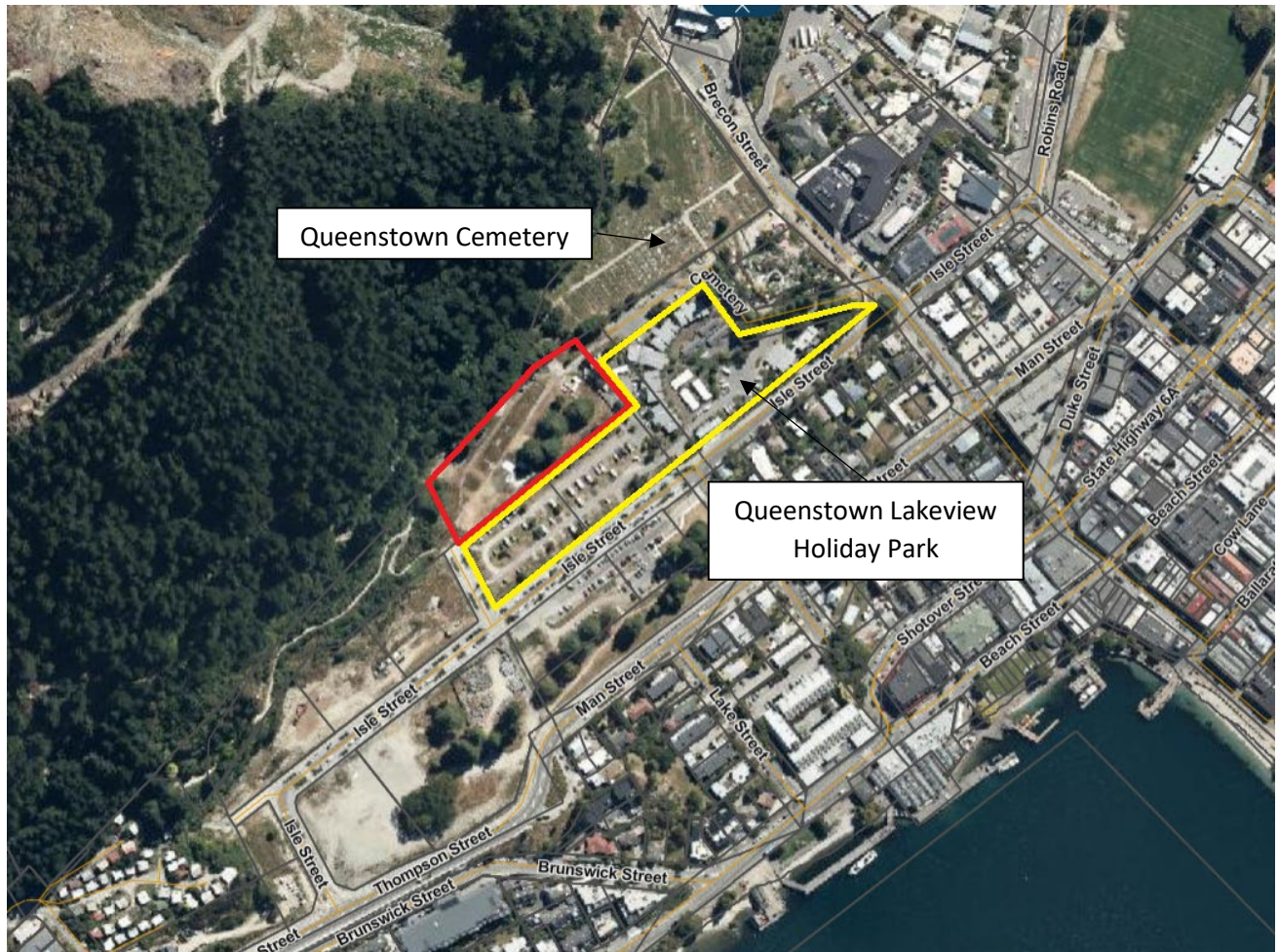


Figure 1 – Location of Lakeview Lot 9 (in red)

2. This land is classified as recreation reserve under the Reserves Act 1977 (the Act).
3. The Reserve previously housed a number of cabins that were leased by Council on a long term basis. These cabins were removed as part of the wider Lakeview site preparation works. The Reserve has recently been remediated with the removal of the final cabin remnants and the encapsulation of contaminated asbestos materials onsite. These works were approved by RM250292.
4. The site is now largely vacant and predominantly grassed. Four large established Himalayan Cedar (*Cedrus deodara*) trees are located in the eastern part of the Reserve. The site contains powerline infrastructure, a gravel access road and two swales to manage stormwater run-off from the Ben Lomond Reserve. Figure 2 below is a recent photo of the Reserve.



Figure 2 – the Reserve (August 2026)

5. The Reserve will provide recreational space which will be important as the adjoining land is intensively developed and the immediate population significantly increases. It will also provide an important connection between Lakeview and Ben Lomond and will facilitate a future entrance and arrival area into the Ben Lomond Reserve. This may include carparking, toilet and signage infrastructure.
6. Hampshire Holiday Parks (Hampshire) currently lease Queenstown Lakeview Holiday Park from QLDC with 17 years remaining on the lease. The current camping area between the Reserve and Isle Street is subject to an early termination clause, to be surrendered when required for the Lakeview development.
7. Hampshire have advised that camping space (tent / campervan / caravan / van sites) is in high demand all year round, especially due to the limited availability of spaces within close proximity to the Queenstown CBD.
8. Hampshire have applied to Queenstown Lakes District Council (QLDC) to lease the Reserve to operate a campground offering camping sites, on a short to medium term basis (minimum of 5 years).

9. Initial plans include development of a single amenities block centrally located on the site which can be removed at the end of the lease term. They intend to provide individual parking spaces and power for each camping site. Site works would also include construction of a loop access road and reconfiguration of drainage swales.
10. The Reserve is included within the Te-Taumata-o-Hakitekura Ben Lomond and Te Tapunui Queenstown Hill Reserve Management Plan 2025. This plan identifies the Reserve as the location for an entrance into Ben Lomond from Lakeview. The plan provides for the consideration of new commercial activities however does not specifically contemplate Lot 9 being leased for a commercial campground.
11. Section 54 (1) of the Act allows the administering body, with the prior consent of the Minister, to lease a recreation reserve for the purposes of a campground. The Minister has delegated their powers to Council via the *Reserves Act 1977 Instrument of Delegation for Territorial Authorities 2013*.
12. The Act requires public notification of a lease application that is not in conformity with and contemplated by an approved management plan. QLDC publicly notified the intention to grant this lease on the 13 of August 2026 with submissions being open for one month. No submissions were received.

Analysis and Advice | Tatāritaka me kā Tohutohu

13. The Reserve has recently been remediated and is likely to be subject to minimal public use until development progresses within Lakeview which will provide a surrounding residential population.
14. A short-term lease will provide income to QLDC and provide additional camping capacity next to an existing campground near central Queenstown.
15. Hampshire have advised that five years is the minimum term required to make development of the Reserve viable for camping. Noting Hampshire will be required to remediate the site at the conclusion of the lease.
16. There is unlikely to be development of the immediately adjoining Lakeview lots within the next five years.
17. One-year rights of renewal give opportunities to extend the lease, if appropriate, at the discretion of QLDC. This will depend on the timing of adjoining development and also timeframes for QLDC to develop the Reserve.
18. 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.

19. Option 1 recommend to Council to approve a new lease to Hampshire Holiday Parks for the Reserve

Advantages:

- Will provide income to QLDC during the term of the lease.
- Will allow recreational use of the Reserve (camping) which will otherwise be underutilised.

Disadvantages:

- Restricts the general public's use of the Reserve for other recreational activities.

20. Option 2 recommend to Council to decline a new lease to Hampshire Holiday Parks for the Reserve

Advantages:

- Ensures the Reserve remains open to the public to enjoy as an open space recreation area.

Disadvantages:

- Loss of potential income source to QLDC.
- Underutilisation of the Reserve.

21. This report recommends **Option 1** for addressing the matter because it allows higher utilisation of the Reserve until such time the Reserve is developed and provides an income to QLDC.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

22. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because it involves leasing of a strategic asset.

23. The persons who are affected by or interested in this matter are users of the Reserve, QLDC ratepayers and campers within the Queenstown town centre area.

24. The Council has publicly notified the intention to grant this lease in accordance with section 119 of the Act. No submissions were received. Council has also engaged directly with 94Feet, as developer of adjoining Lakeview precinct.

Māori Consultation | Iwi Rūnaka

25. The Council has not specifically engaged with Iwi on this matter.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

26. This matter relates to the Community & Wellbeing risk category. It is associated with RISK10022 Ineffective operations and maintenance of community services or facilities within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.

27. The approval of the recommended option will allow Council to avoid the risk. This will be achieved by allowing a third party (Hampshire), to provide additional campground capacity in central Queenstown.

Financial Implications | Kā Riteka ā-Pūtea

28. Adoption of the recommended option will provide a new income source for Council.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

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

- QLDC Strategic Framework including the Vision Beyond 2050; specifically Pride in sharing our places.
- Community Facilities Funding Policy 2019.
- Te-Taumata o-Hakitekura Ben Lomond and Te Tapunui Queenstown Hill Reserve Management Plan 2025.
- Reserves Act 1977.

30. The recommended option is consistent with the principles set out in the named policies.

31. This matter is not included in the Long Term Plan/Annual Plan. This potential lease would provide a new income stream for QLDC.

Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

32. In granting a lease over recreation reserve, QLDC as administering body, must follow the prescribed process within The Act. This includes public notification and a decision from the Minister (delegated to full Council).

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

33. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; (b) to meet the current and future needs of communities for good-quality, cost-effective, and local — (i) infrastructure; (ii) public services; (iii) performance of regulatory functions; and (c) to support local economic growth and development by fulfilling the purpose set out in paragraph (b). This item has been publicly notified, allowing public the opportunity to input into the decision process. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

34. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter 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.