

A unique place. An inspiring future. He Wāhi Tūhāhā. He Āmua Whakaohooho

Wānaka Community Board 14 May 2020

Report for Agenda Item | Rīpoata moto e Rāraki take : 1

Department: Community Services

Title | Taitara New Licence for Lakeland Adventures Limited

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to consider recommending to Council, the approval of a new reserve licence to Lakeland Adventures Ltd. The licence is sought to utilise reserve land in Wānaka at Roys Bay, for the commercial activity of recreational non-motorised equipment hire and the sale of their commercial water based activities upon Lake Wānaka.

RECOMMENDATION | NGĀ TŪTOHUNGA

That the Wanaka Community Board:

- 1. **Note** the contents of this report;
- Recommend to Council that they approve a new licence be granted to Lakeland Adventures Ltd, over recreation reserve at Roys Bay, with legal description Section 13 Block XV TN of Wānaka and Part Section 7 Block XV TN of Wānaka, subject to the following terms and conditions:

Commencement	ТВС
Term	5 years.
Hours of Operation	To be established, but all equipment is to be removed from the Licence Area daily.
Annual Rent	The greater of \$500.00 plus GST or 7.5% of gross revenue.
Reviews	At renewal.
Renewals	One of a further five years by agreement of both parties.
Assignment/Sublease	With Council's approval.
Use	Non-motorised equipment hire, and the sale of guided commercial water based activities upon Lake Wānaka.
Insurance	Requirement to have public liability insurance of \$2 million.

- Safety/Suspension Council to retain ability to suspend the licence for safety purposes or to avoid large public events. Health and Safety plan to be provided to Council and be approved by the Harbourmasters office prior to commencing the activity.
- Other Licensee must ensure they hold a valid resource consent for the activity, including all commercial activities upon the lake and foreshore.

If the requested to do so by Council, the licensee must temporarily relocate their activity to a location identified by Council, if works are required to be undertaken by Council in the licence area. The licensee may also be required to permanently relocate their licence area if necessary to enable development of the lakefront area by Council.

The licensee to obtain a Commercial Activity Permit in accordance with the Waterways and Ramp Fees Bylaws (if required) or successors to this policy.

Licensee to ensure that all associated rubbish is removed from the reserve.

Trailers and equipment to be removed from the reserve daily. Although limited scope can be provided for overnight occupation of the Licence Area with Councils confirmation e.g. congestion from greater Council authorised events making removal problematic.

Retail activities shall be limited to equipment hire, the sale of Lakeland Adventures Ltd tickets, and the sale of other tour company tickets.

Aside from the main trailer and its associated vehicle no vehicle parking on the reserve is allowed by the Licence. Drop offs and pick up of equipment from other vehicles is permitted.

Onsite signage shall be limited to one sandwich board, and the design wrap of the trailer and its tow vehicle. Any proposed signage must first be confirmed as appropriate by the General Manager Community Services, in discussion with the Chair of the Wānaka Community Board.

- 3. **Recommend to Council** that they agree to the exercise of the Minister's consent (under delegation from the Minister of Conservation) to the granting of a new licence to Lakeland Adventures Limited over Section 13 Block XV TN of Wānaka and Part Section 7 Block XV TN of Wānaka.
- 4. **Recommend to Council** that they agree to delegate the final licence terms and conditions and signing authority to the Community Services General Manager.

Prepared by:

Reviewed and Authorised by:

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CONTEXT | HOROPAKI

- 1 Lakeland Adventures Ltd (LAL) seek a Licence over the Roys Bay Recreation Reserve, to undertake commercial activities associated with water based recreation. The requested Licence Area is in the location of the log cabin, and the intention is that an extent of commercial activities currently undertaken at the log cabin, can be accommodated onsite following the forthcoming removal of the log cabin from the Recreation Reserve. LAL currently operate from the log cabin.
- 2 LAL seek a 20m x 10m (200m²) licence area, which is illustrated in red, on the plan included as **Attachment A** to this report. Within this area, it is proposed that an 8 to 9 metre-long trailer, and a towing vehicle are accommodated. Images to describe the trailer are included as **Attachment B**. LAL describe the trailer and associated activities as follows:

"This trailer will include the storage of kayaks, stand up paddleboards, life jackets and other safety equipment to be transported to site daily, and double as a mobile booking office/check in office for all activities. The trailer size is to be approx. 8-9m long, 2.5m wide and 2.4m high, set up with booking windows for customers, rear equipment storage and sign wrapped. The trailer will be stored overnight on the applicant's private property. Two other trailers are proposed to be able to drop and pick up equipment to the beach licence area, which would be stored on the applicant's private property during the day."

3 It is proposed that a 1m² sandwich board will be used within the licence area, and that the trailer will be sign wrapped in images to identify the business and services it offers. At

this stage, it is unclear if the towing vehicle associated with the trailer will be similarly branded, but it is expected to be so, and assessed as such.

- 4 Sale of LAL tickets, and the sale of other tour company tickets, is the only retail activity to be undertaken within the licence area.
- 5 Details of the two other trailers and vehicles have not been provided, and it is recognised that these will only be onsite for the purpose of dropping off, and picking up equipment, after which they will vacate the site.
- 6 An important consideration is that the removal of the log cabin, will allow for the development of the Wānaka lakefront area. The applicant's proposal requires trailers and a temporary occupation of the licence area. This allows for flexibility in how Council manages the area, and there needs to be an ability for Council to either temporarily, or permanently reposition the licence area if there is a need to undertake works in the area, or develop the area for other purposes.
- 7 The activities of LAL extend beyond just the hiring of kayaks and stand up paddleboards. The trailer within the proposed licence area is intended to enable and support a greater extent of commercial water based activated undertaken by LAL on Lake Wānaka. LAL have described their greater operations as follows, and it is noted that they are currently seeking Resource Consent (application number RM200245, where the following description has been sourced, and amended to assist the context with this report) to enable the following, including some aspects that are not currently authorised. The following is included to illustrate the extent of retail/hire activities that are proposed to be undertaken from the Licence Area:

Non-Powered Equipment Hire

Consent is sought to operate non-powered hire activities on Lake Wānaka, from the proposed beach licence area.

• The hired activities are to include Kayaks, SUPs (Stand up paddle boards), and pedal boats

- Maximum 50 passengers on the water at any one time
- Hire from existing Lakeland Wānaka beach licence

Kayak/SUP/Beach Toys Hire

The applicant proposes to hire out kayaks and stand up paddle boards from Roys Bay. The equipment is to be brought to site each day via trailers which would also double as a booking office. Rental is only proposed in Roys Bay up to Ruby Island and Eely Point. Rentals will be non-guided. The activity is to operate year-round between the hours of 8am and 10pm. Kayaks and SUPs will be packed up into the trailer at the end of each day and taken from site; with the exception of busy periods when access to site is difficult (these exemptions will be managed with QDLC, as discussed with Parks and Reserves). Beach toys will either be packed up into the trailer or attached to approved swing moorings in Roys Bay.

Powered Activities

A maximum of 7 vessel movements are proposed to depart from Lakeland Wānaka Jetties on the waterfront - 4 jet skis tours and 3 boat hires, as explained below.

Jet Ski Tours

The application seeks to operate jet ski tours on Lake Wānaka, and to launch and retrieve these jet skis from public launching ramps. The jet ski tours would consist of the following:

- Maximum 5 jet skis used per tour with maximum 9 passengers
- Maximum 10 trips daily between the hours of 8:00 am and 8:00 pm
- Maximum of 4 vessel movements from waterfront jetties per day.
- Main operation during summer months of October to April with occasional trips occurring over winter.

The application provides guided jet ski tours departing from Roy's Bay continuing through the southern end of Lake Wānaka. The applicant hires out jet skis with trained guides driving lead skis to monitor the group in accordance with navigational laws and safe driving standards required on the lake. Each tour shall consist of one guide and up to 4 jet skis hired to clients. The tours depart from the waterfront/Lakeland Wānaka jetties with passengers being shown operations of the jet skis before being guided safely through Roy's Bay transit zone (to Ruby Island). Once through this transit zone and into the open lake, the jet ski tour continues on one of 4 possible routes with durations ranging from 1 hour to 4 hours. These routes are shown in **Attachment D1**. All routes follow Maritime Laws with 5 knot speed limits imposed within 200m of the shore. The main operation will take place during summer months of October to April with occasional trips taking place over winter. Jet skis will be stored overnight on a floating pontoon attached to an approved swing mooring. This pontoon will be brought to the beachfront daily and tied to one of the Lakeland Wānaka Jetties. When the jet skis are not being used, they will be stored on this floating pontoon. Passengers will embark/disembark the jet ski tours from either this floating pontoon or the depending on their experience beachfront and confidence. When embarking/disembarking from the beachfront jet skis will be parked to minimize any disruption to the public. Outside of the limited beachfront departures the jet ski tours will take place from public boat ramps being launched for each tour from a trailer. No use of public wharfs is proposed. Refuelling will be undertaken at the Wānaka Marina fuel pumps or fuel stations on land. The proposed jet skis are Sea Doo GTI's. These Sea Doo jet skis are fitted with D-Sea-Bel Sound Reducing System; a Sea-Doo patented sound-reduction system which uses resonators, acoustical foam, and vibrationabsorbing components to make Sea-Doo watercrafts among the quietest on the water.

Powered Vessel Activities

The application proposes to operate up to 2 power boats under 9 metres on Lake Wānaka. The proposed activities are to include lake tours, lake ferry services/water taxi, fishing charters, vessel hire and towed water sports for both scheduled and private clients. The activities are to depart from either the Wānaka Marina using the commercial jetty and Jetty 147 or the existing Lakeland Wānaka jetties, and would involve the following:

- Maximum of 3 vessel movements from the Lakeland Wānaka jetties
- Maximum 12 passengers on a boat
- Maximum of 10 powered vessel trips are proposed per day between the hours of 8:00am and 8:00pm.
- The main operation will take place during the summer months of October to April with occasional trips taking place over winter.

Lake Cruises & Ferry Services

The applicant proposes to conduct lake cruises (both scheduled and private) and lake ferry services on Lake Wānaka. The vessel is launched each day or stored overnight on one of the aforementioned swing moorings. Trips are to depart from Roys Bay before heading to one of the 3 cruise destinations with durations ranging from approximately 1 hour to 4 hours. Occasionally clients are dropped off and picked up at these locations. The applicant also proposes to undertake occasional charter work for special interest groups and school groups that may vary from these specified routes. This would require flexibility for the operators to provide for alternative scenic trips or charters customised to specific client requirements. The areas for the lake cruise tours are shown on the maps attached as **Attachment D2**.

Fishing Charters

The applicant proposes a commercial recreation boating operation on Lake Wānaka for fishing tours at the southern end of Lake Wānaka. Fishing charters are mainly conducted south of Mou Tapu Island, around Glendhu Bay/Paddock Bay, Stevenson's Arm, Beacon Point and Roy's Bay. The vessel is launched each day or stored overnight on a swing mooring. Trips are to depart from Roy's Bay before heading to one of the main fishing destinations with durations ranging from approximately 1 hour to 3 hours.

The areas for the fishing charters are shown on the maps attached as **Attachment D3**.

Vessel Hire (Powered)

The applicant proposes a commercial recreation boating operation on Lake Wānaka for the rental of powered vessels south of Mou Waho Island. The vessel is launched each day or stored overnight on a swing mooring. The hired vessel departs from the existing Lakeland Wānaka jetties on the beach front before heading out on Lake Wānaka. The hired vessel is limited to a maximum passenger capacity of 8 passengers and is limited to 3 departures from this waterfront location per day. Prior to any hire, clients are to be vetted and screened to check knowledge of Maritime Law, QLDC bylaws and Navigational safety and their confidence on the water. Clients will be briefed around lake hazards, weather conditions, boat traffic and waste disposal policies. Boat hires will take place from Lakeland Wānaka jetties due to safety briefings and vetting.

Towed Water Sports Activities

The applicant proposes a commercial recreation boating operation on Lake Wānaka for towed water based activities including but not limited to wakeboarding, wake surfing, tube rides and water skiing. The vessel is launched each day or stored overnight on a swing mooring. Trips are to depart from Roys Bay before heading to one of the 2 main water sport destinations taking other boating activity and weather into account. Sessions are predominantly 30 minutes to 60 minutes durations but occasionally sessions may be up to 3-4 hours for larger groups. Sessions are predominantly started from deep water to avoid ski lanes/other boat traffic and to comply with Maritime Law speed limits in proximity to shore.

The areas for the towed water sports activities are shown on the maps attached as **Attachment D4**.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 8 The proposed licence combines the activities formerly conducted out of the log cabin and the beachfront hire activity. The majority of LAL's customers are anticipated to be 'walkins', which is what the applicant's product is designed to cater for, and the associated need for the business to rely upon a waterfront location. Customers access the beachfront from the adjacent Wānaka township or are already parked nearby or arrive by bus located across the car park from the log cabin.
- 9 The proposed activity and licence are considered to result in lesser onsite effects compared to the presence of the log cabin. This is because the infrastructure onsite will be smaller by comparison, as it will comprise a primary trailer and its associated vehicle, and potentially two other trailers (for drop off/pick up only), with all elements being removed from the site daily. Aside from the main trailer and vehicle, the two other trailers will only be onsite temporarily whilst picking up and dropping off equipment. However, some limited scope is requested to leave the main trailer (and potentially associated vehicle) onsite in scenarios such as where the presence of a large event might result in congestion that could make removal difficult. A general comparison of the log cabin and the proposed trailer is illustrated in **Attachment C**.
- 10 An important consideration is that the activity onsite is temporary, and that Council is able to either require a temporary or permanent relocation of the licence area to enable works, or the development of Wānaka lakefront area. It is a recommendation that any licence provides such a mechanism to allow for the relocation of the licence area.

- 11 The activity onsite, in essence comprises two aspects, being the hire of non-motorised recreational equipment such as kayaks and paddleboards, and the sale of commercial motorised activities upon the lake.
- 12 The hire of beach toys, paddle boards, paddle boats and kayaks is considered to be appropriate for the Wānaka Lakefront area, as it will enable persons to undertake activities that can increase their recreational enjoyment, and such activities also typically occur in a non-commercial recreational sense.
- 13 The other component of the licence is the sale of motorised vessel activities, that will predominantly occur within Roys Bay. Whilst these activities do not occur upon the reserve land, they can potentially impact upon users of the lakefront reserves. The use of jet skis has historically been raised as a concern, and over the years such use has been a contentious topic. To address potential concerns, the applicant only proposes to undertake a limited number of guided jet ski tours, as this will ensure that customers of LAL are under the instruction and control of LAL guides. It is not suggested that jet skis be simply hired, and thereafter used in an unsupervised manner.
- 14 Aside from a small 1m² sandwich board, the applicant proposes that the trailer and support vehicle located within the licence area, are to include signage wrap i.e. to be principally covered in signage. Given that such signage has the potential to create adverse effects, it is a recommended Licence condition that any signage must be first endorsed by the General Manager Community Services, in discussion with the Chair of the WCB. The applicant has recently indicated that the theme of the signage wrap will be images of people enjoying the lake, and a scenic backdrop will be the prominent feature. On balance, this approach has merit, as images of the Lake mimic the colours of the surrounds and could be attractive, or complementary to the surrounds. The situation that should instead be avoided is stark corporate colours, or signage intended to seek attention by its conspicuous nature.
- 15 It is relevant to consider the Wānaka Lakefront Reserves Management Plan 2014 (RMP), which applies to the site and the nature of the activity sought to be covered by the Licence. Commercial activities are not prohibited by the RMP, and the Roys Bay Reserve also contains an extent of lake-related commercial activities, which are managed by Council as the authority responsible for the reserve.
- 16 The RMP seeks to support commercial recreational activities where appropriate, provided that any impacts and effects do not unreasonably limit the ability of the public to use and enjoy the reserve. The RMP also acknowledges the lakefront connection with the Wānaka CBD, and that existing commercial licences associated with existing buildings, including the log cabin, can be supported.
- 17 It is the position of this report that the licence area is in an appropriate location, for the reason that it will occupy the otherwise vacant space that will be left following the removal of the log cabin. The activity within the proposed licence area will not unreasonably limit the ability of the public to use the reserve, and the commercial recreation activities offered complement the use of the lake for recreation and public enjoyment.

- 18 The proposed Licence has not been publicly notified, as it is determined that Section 54(2AA)(a) of the Reserves Act 1977 (the Act) has been fulfilled. This section of the Act does not require a licence to be publically notified, if it is in conformity with, and contemplated by the approved management plan for the reserve. Because the proposed licence is considered to be appropriate in the location, will not limit the ability of the public to enjoy the reserve, and is a continuation of the activities (formally) undertaken from the log cabin, it is determined that the activity is anticipated by the RMP.
- 19 Overall, because the scale of onsite structures is reduced because of the removal of the log cabin, the trailer is mobile and can be removed from site, controls on operations from the beach requiring guided tours only, the proposed licence is recommended to be considered for approval.
- 20 <u>Option 1</u> To grant a licence to Lakeland Adventures Ltd, to undertake the commercial activity of equipment hire and the sale of their commercial water based activities upon Lake Wānaka.

Advantages:

- 21 Allows for commercial activity that provides a beneficial and enabling form of recreation and enjoyment, from the Recreation Reserve.
- 22 Enables the continuation of equipment hire and the sale of commercial water based activities from the location.
- 23 Will contribute to the existing tourist offering in Wānaka.
- 24 Will provide income for Council.

Disadvantages:

- 25 May increase commercial congestion on the reserve land, lake foreshore and lake surface.
- 26 The Licence area could be used for alternative purposes.
- 27 <u>Option 2</u> To grant a licence to Lakeland Adventures Limited, subject to different terms and conditions.

Advantages:

28 Similar to the above.

Disadvantages:

- 29 Similar to the above.
- 30 <u>Option 3</u> To decline the application of Lakeland Adventures Ltd and not grant a Licence.

Advantages:

- 31 Will not increase commercial congestion on the reserve land and lake/river surface, and will decrease such.
- 32 Other uses of the Recreation Reserve could be considered.

Disadvantages:

- 33 Will not allow for commercial activity that provides a beneficial and enabling form of recreation and enjoyment from the Council land.
- 34 Will not support an established local business operator.
- 35 Will not add to the existing tourist offering in Wānaka.
- 36 Will not provide additional income for Council.
- 37 This report recommends Option **One** for addressing the matter because the recommendations proposed provide a balance between Council controls and the ability for the operator to undertake business activities.

CONSULTATION PROCESS | HATEPE MATAPAKI:

SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 38 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because it involves the use of lakeside reserves that are a strategic Council asset.
- 39 The persons who are affected by or interested in this matter are predominantly the users of the reserve, and residents/ratepayers of the Queenstown Lakes District community, particularly those in the Upper Clutha area.
- 40 The Council has not publically notified the Licence proposal, as it is determined that the Wānaka Foreshore Reserves Management Plan 2014 provides for the activity in the context of the Log Cabin, and recognition of its associated activities.

MĀORI CONSULTATION | IWI RŪNANGA

41 The Council has not consulted with Iwi on this matter, although the applicant has obtained the Affected Persons Approval of We Te Ao Marama Inc and Aukaha for their Resource Consent application.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

42 This matter relates to the Community risk category, relating to ineffective management of community assets, identified as RISK00009 within the QLDC Risk Register. The risk is classed as high, and it is determined that the risk is mitigated by the activity being anticipated by the Reserve Management Plan.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 43 It is proposed that Council will receive an income of whichever is the greater of \$500+GST or 7.5% of gross revenue, the latter being identified as appropriate in the Community Facilities Funding Policy 2019. This rental is consistent with that applied to the recent Licence for Paddle Wānaka, and commercial activities in the District.
- 44 All legal fees associated with issuing the licence will be met by the applicant.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

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

- Wānaka Foreshore Reserves Management Plan 2014.
- Significance and Engagement Policy
- Community Facility Pricing Policy

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

47 This matter is not included in the Ten Year Plan, but will not have any impacts upon it.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 0 TE KĀWANATAKA Ā-KĀIKA

48 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 [explain how it will help];
- Can be implemented through current funding under the Ten 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.

ATTACHMENTS | NGĀ TĀPIRIHANGA

А	Location and Licence Area	
В	Trailer	
С	Representation of Trailer size in context	
D	Resource Consent Application Plans	