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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 10:56 am  
**To:** Karl Beckert  
**Cc:** [REDACTED] 9(2)(a)  
**Subject:** RE: Chateau Lease

Hi Karl  
8.30 next Thursday 19th would be great - [REDACTED] s 9(2)(a) is my DD

Regards  
Kathy

---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Wednesday, 11 April 2018 10:51 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Lease

That sounds good. Thanks Kathy. Shall we do 8.30am or 9am? If you give me a landline to call I'll put the number in my calendar.

Cheers  
Karl.

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 10:49 a.m.  
**To:** Karl Beckert <kbeckert@doc.govt.nz>  
**Subject:** RE: Chateau Lease

Hi Karl  
Could we do first thing Thursday morning as with auditors here Jerome will be busy.  
Ill you call me??  
Regards  
Kathy

---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Wednesday, 11 April 2018 10:45 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Lease

Hi Kathy

What about Thursday next week (19<sup>th</sup>)? I'm free pretty much the entire day, so could do any time.

Cheers  
Karl.

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 10:42 a.m.

**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Subject:** RE: Chateau Lease

Hi Karl

Unfortunately Jerome is going to be away today from 3.00pm and tomorrow at a Conference – we have our 3 yearly internal auditors arriving from Malaysia on Monday and will be taking them to Chateau Monday afternoon – any other date suit?

Kathy

---

**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Sent:** Wednesday, 11 April 2018 10:02 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Lease

Hi Kathy – I've just been booked in now for 2pm. Would 4pm suit? Or else I'm free any time on Monday.

Cheers  
Karl.

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 11 April 2018 9:23 a.m.  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Subject:** FW: Chateau Lease

Morning Karl

**9(2)(a)** [REDACTED] and myself waited for your phone call at 2.00pm yesterday – when you didn't call I tried you on your mobile but to no avail. Could we please arrange another time to speak.

Regards  
Kathy Guy

---

**From:** Kathy Guy  
**Sent:** Monday, 9 April 2018 1:29 p.m.  
**To:** 'Karl Beckert' <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Cc:** [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Lease

Hi Karl

2.00pm tomorrow would be great. Can you please call on my landline as I'll have Jerome with me in the office and can put you on speaker. DD is [REDACTED] s 9(2)(a)

Kind regards  
Kathy Guy

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**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Sent:** Monday, 9 April 2018 12:09 p.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Lease

Hi Kathy

Sorry, I was away last week.

Yes, it would be good to update you on where we are at. Do you have time for a conversation tomorrow? I'm free at 10am or at 2pm?

Cheers  
Karl.

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Tuesday, 3 April 2018 1:52 p.m.  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Cc:** 9(2)(a) [REDACTED] s 9(2)(a)  
**Subject:** Chateau Lease

Afternoon Karl

It has been almost a month since we met at Wairakei to discuss the Lease Fee calculation – can you please advise if there has been any update on this from your end.

Kind regards  
Kathy

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

[REDACTED] s 9(2)(a)

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**From:** 9(2)(a) s 9(2)(a)  
**Sent:** Friday, 20 April 2018 1:09 pm  
**To:** Karl Beckert  
**Cc:** Kathy Guy  
**Subject:** TIA Opex Report  
**Attachments:** TIA Opex Report 2017.xlsx

Hi Karl,

As requested I have attached the 2017 TIA opex report, I have added the line down the bottom to show lease/revenue as a percentage.

Kind regards,

9(2)(a)

Financial Controller

Wairakei Resort & Chateau Tongariro  
Private Bag 2006, Taupo

s 9(2)(a)

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**From:** 9(2)(a) s 9(2)(a)  
**Sent:** Thursday, 26 April 2018 12:29 pm  
**To:** Karl Beckert  
**Cc:** Kathy Guy  
**Subject:** Info

Morning Karl,

Another piece of information to give you some more perspective of where our owners are coming from.

Since 1991 the owners have invested NZ s 9(2)(b)(ii) & s 9(2)(j) into the Chateau in capital expenditure alone. Total profit from the Chateau over that period is a little more than s 9(2)(b)(ii) & s 9(2)(j). Last year's result has done little to repay the investment the owners have made and many more years will be required to do so. That combined with future capital investment requirements will give you a better idea of our owners expectations on the cost of this lease agreement.

Upon the current lease situation being resolved the owners are proposing to invest significantly further into bringing the Chateau up to a 5 star exclusive hotel which will increase revenue for the hotel which will in turn increase DOC revenue.

Kind regards,

9(2)(a)

Financial Controller

Wairakei Resort & Chateau Tongariro  
Private Bag 2006, Taupo

s 9(2)(a)

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Monday, 7 May 2018 12:23 pm  
**To:** Karl Beckert  
**Cc:** [REDACTED] 9(2)(a)  
**Subject:** Update

Afternoon Karl  
Do we have any update please on the Lease payment model for chateau?  
Kind regards

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

[REDACTED] s 9(2)(a)  
[REDACTED]  
[REDACTED]

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Thursday, 26 July 2018 9:18 am  
**To:** Karl Beckert  
**Cc:** [REDACTED] 9(2)(a)  
**Subject:** RE: Update on lease discussion

Absolutely fine will expect a call at 11.45  
Regards  
Kathy

---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Thursday, 26 July 2018 8:47 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Update on lease discussion

Hi Kathy – I've got an appointment at 12.10pm today. Would it be possible to have a chat at 11.45?

Cheers  
Karl.

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Thursday, 26 July 2018 8:45 a.m.  
**To:** Karl Beckert <kbeckert@doc.govt.nz>  
**Subject:** RE: Update on lease discussion

Morning Karl

Today would be the better day as both Jerome and I are on site at Wairakei. We have a meeting scheduled from 1-3pm with the owners so if we could arrange an earlier call say somewhere between 12-1.00pm that would be great – does this suit you?

Kind regards

Kathy

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

[REDACTED] s 9(2)(a)

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---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Wednesday, 25 July 2018 4:27 p.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Cc:** Allan Munn <amunn@doc.govt.nz>  
**Subject:** RE: Update on lease discussion

Hi Kathy

I've had a chat to the pricing team as promised. It would be good to catch up by phone if you had 15 minutes tomorrow afternoon or Friday? And we can go over where the department currently sits, and make a decision on a way forward and whether it would be useful to catch up again in person?

Just let me know and I can give you a call

Cheers  
Karl

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 18 July 2018 2:51 p.m.  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Cc:** 9(2)(a) [REDACTED] s 9(2)(a)  
**Subject:** RE: Update on lease discussion

Thanks Karl  
Look forward to hearing from you next week.  
Regards  
Kathy

---

**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Sent:** Wednesday, 18 July 2018 1:36 p.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Cc:** Allan Munn <[amunn@doc.govt.nz](mailto:amunn@doc.govt.nz)>  
**Subject:** Re: Update on lease discussion

Hi Kathy

As per my last email, I mentioned I would be in touch this week.

The direction I've got this morning is to talk to our pricing team about your offer and have a meeting set down next Tuesday to discuss this. I'll flick you an email after that and let you know where we land.

Cheers  
Karl.

Sent from my Samsung Galaxy smartphone.

----- Original message -----

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Date:** 10/07/18 08:35 (GMT+12:00)  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Subject:** RE: Update on lease discussion

Morning Karl  
Many thanks – appreciate your response and look forward to hearing from you in next week.  
Kind regards  
Kathy

---

**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Sent:** Tuesday, 10 July 2018 7:08 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Cc:** 9(2)(a) [REDACTED] s 9(2)(a); Arna Litchfield <[alitchfield@doc.govt.nz](mailto:alitchfield@doc.govt.nz)>  
**Subject:** Re: Update on lease discussion

Hi Kathy

Thanks for the email. I've got a meeting scheduled next week with the director (currently Andrew Baucke) and plan to discuss this with him at that point. Will get back to you more substantively once I've had that chat.

Kind regards  
Karl.

Sent from my Samsung Galaxy smartphone.

----- Original message -----

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Date:** 9/07/18 08:47 (GMT+12:00)  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Cc:** 9(2)(a) [REDACTED] s 9(2)(a)  
**Subject:** RE: Update on lease discussion

Morning Karl

My apologies for the delay in response but we had to wait for the Board to convene in Malaysia. Their instructions are that they would reluctantly accept 9(2)(i) of GOI, but would prefer a flat rate as we are currently paying. If this is not acceptable, then they are prepared to close the Chateau at the termination if the current lease. This I am sure is something that neither of us want given the negative economic/social impact this will have on our region and nationally given the historic and importance to Tourism nationally. I am yet to discuss this with Iwi and our RDC Economic Development however, will be something that I will be doing moving into the Whakapapa AMP process as this will have implications for cost structure across all the existing stakeholders moving forward.

As you are aware, our Board has always been prepared to invest but will not make any decision on that until the lease fee is determined to ensure there is a return on their investment. To ask for them to commit to a capital investment amount is unrealistic until this is sorted. We have given the Board a breakdown of the capital requirements to renovate and refurbish the Hotel, Tavern, Cafe and Staff quarters which sit presently at [REDACTED] s 9(2)(b)(ii) & s 9(2)(j) however, should they wish to undertake a far more extensive renovation to create an exclusive 5+Star hotel will require considerable investment well above that [REDACTED] s 9(2)(b)(ii) & s 9(2)(j). They feel that DOC is holding them to ransom given the requirement to reduce the lease fee relies on them advising you of their investment.

As we have said since the inception of this lease renewal, the costs to run the Hotel, the apportionment of the Village infrastructure both known and unknown and the unknown costs associated with the proposed AMP plus rates to RDC, the Hotel is not returning anything near what would be required to sustain a 9(2)(i) fee GOI.

Kind regards  
Kathy

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

s 9(2)(a)

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**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Sent:** Tuesday, 19 June 2018 12:07 p.m.  
**To:** Kathy Guy s 9(2)(a)  
**Cc:** Arna Litchfield <[alitchfield@doc.govt.nz](mailto:alitchfield@doc.govt.nz)>  
**Subject:** RE: Update on lease discussion

Hi Kathy,

Just following up on the email I sent you on the 16<sup>th</sup> of May. For progression on our negotiations for the Chateau lease fee, I was wondering if you had yet got an indication from the owners on what their offer would be? It would be good to get a formal response and figure down at this point to continue the conversation.

Also, it would be good to get some confirmation on whether the owners want to discuss extra investment. As I said in my previous email, one option to take the s 9(2)(i) down is specify extra investment. As the investment comes on board we could then look at reducing this fee. The details would need to include how much extra capital investment the owners would include and what would it involve.

Cheers  
Karl.

---

**From:** Kathy Guy s 9(2)(a)  
**Sent:** Wednesday, 16 May 2018 4:06 p.m.  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Cc:** s 9(2)(a) s 9(2)(a)  
**Subject:** RE: Update on lease discussion

Afternoon Karl

Thanks for your email – I cannot see that the owners will want to continue this conversation at s 9(2)(i) which is still an excessive amount above the current rate we are paying.

Once the owners have had an opportunity to see this email I will advise as soon as possible if we wish to go to arbitration. I am aware that there are other concessionaires on a lower fee that what you have offered therefore it will be our intention to advise the owners that arbitration would be our recommendation.

Kind regards  
Kathy

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

s 9(2)(a)

s 9(2)(a)

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---

**From:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>

**Sent:** Wednesday, 16 May 2018 3:48 p.m.

**To:** Kathy Guy s 9(2)(a)

**Cc:** Arna Litchfield <[alitchfield@doc.govt.nz](mailto:alitchfield@doc.govt.nz)>

**Subject:** Update on lease discussion

Hi Kathy

Thanks for your patience on this. I've worked through the details you and Jerome have provided.

The DOC offer has been sitting at s 9(2)(i) based on our pricing formula with the details on capital expenditure you've provided. The extra information you've provided puts capital expenditure at s 9(2)(b)(ii) & s 9(2)(j). Given that, we can go down to s 9(2)(i) of revenue in this case. That falls in line with our base price calculation.

I'm unable to go any lower than this.

If the owners wish to discuss extra investment written into the contract, and moving up towards s 9(2)(i) then we are happy to discuss this. If you were able to provide me with details of what the extra investment would entail in Jerome's email on bringing the hotel up to Five star exclusive status, and how much extra capital investment we were talking about, that'd be a great starting point.

The alternative at this stage would be heading into arbitration as per the terms of the existing contract.

Let me know your thoughts.

Kind regards

Karl.

Karl Beckert  
Pou Tūtohu - *Manager (Permissions)*  
Te Papa Atawhai - *Department of Conservation*  
Level 3, 73 Rostrevor Street, Hamilton  
s 9(2)(a)

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**From:** Kathy Guy s 9(2)(a)  
**Sent:** Tuesday, 29 May 2018 10:03 am  
**To:** Karl Beckert  
**Cc:** 9(2)(a)  
**Subject:** Chateau Lease Fee

Morning Karl

We have had ongoing communications with the owners of the Chateau regarding the 9(2)(b) fee. The Board have asked for the following please: ***Could you please advise how DOC arrived at 9(2)(b) for the proposed lease fee and can DOC show us evidence that this is indeed a fair market rate*** This would be helpful for us to know and explain to the Board.

We note, that in the documents originally received from the Department of Conservation under the proposed operating conditions received from Lynette Trewavas and David Lumley **Schedule 3/Page 15 Fees: - Activity Fee:** It states: **The Department sought to have an independent valuation of the market value for the proposed lease from 2020. However, valuation standards do not allow for valuing forward in time as it is not possible to predict what market conditions will be like. One possibility is to review current market conditions and estimate what market rent would be if a new lease was struck “today”; however, this would be under the terms and conditions of the existing lease.**

***It is considered instead for the recommended fee be set at the current fee level of 9(2)(b) of “land value” with a condition requiring a full valuation to be undertaken within the first 12 months of the new lease.***

Can you please advise why this is now 9(2)(b) - or 9(2)(b) of Gross Operating Revenue.

Look forward to your response.

Kind reagrds

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

s 9(2)(a)

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30 June 2018 from 11am**

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Friday, 1 June 2018 9:38 am  
**To:** Karl Beckert  
**Cc:** 9(2)(a)  
**Subject:** FW: Chateau draft lease documents for comment  
**Attachments:** Kah Corporation Non-Notified Report - [54074-ACC] - DOC-3035026.pdf

Morning Karl

Thanks for the email.

Please see page 15 of the attached Report which clearly states: I am asking why the change to 9(2)(i) of Gross Operating Revenue from this document.

We note, that in the documents originally received from the Department of Conservation under the proposed operating conditions received from Lynette Trewavas and David Lumley **Schedule 3/Page 15 Fees: - Activity Fee:** It states: **The Department sought to have an independent valuation of the market value for the proposed ease from 2020. However, valuation standards do not allow for valuing forward in time as it is not possible to predict what market conditions will be like. One possibility is to review current market conditions and estimate what market rent would be if a new lease was struck “today”; however, this would be under the terms and conditions of the existing lease.**

*It is considered instead for the recommended fee be set at the current fee level of 9(2)(i) of “land value” with a condition requiring a full valuation to be undertaken within the first 12 months of the new lease.*

Kind Regards  
Kathy

# Non-notified Report to Decision Maker

**Report to Decision Maker: David Lumley, Operations Manager - Turangi District**

**Applicant:** Kah New Zealand Limited

**Permission Record Number:** 54074-ACC

The purpose of this report is to provide a thorough analysis of the application within the context of the legislation, the statutory planning framework and actual and potential effects, so the Decision Maker can consider the application and confirm that it should not be notified and decide whether it should be granted or declined.

## 1.0 Summary of proposal

### **Background:**

In 1925 the New Zealand Government (via the Tongariro National Park Board) offered up a lease including providing up to £40,000 to a private company to build a hotel on the site. The Chateau was built in 1929 by Tongariro Park Tourist Company and opened to the public on 1 August 1929. It was built to offer overseas tourists a luxury international standard of accommodation to stay in. During World War Two the Chateau was commandeered by the Government as an asylum and was renovated and opened in 1948. The hotel building passed to the Tourist Hotel Corporation of New Zealand in 1957 and was sold to Kah Corporation New Zealand Limited in 1990 during a period of Government privatisation of assets. Note the land remained National Park and remained in public ownership.

This lease was granted on 9 July 1991 to Tourist Hotel Corporation of New Zealand Limited for the Chateau Hotel and surrounding area under section 50(4) of the National Parks Act 1980. Between the term start date of the lease on 1 May 1990 and the registration date of 22 July 1991 the ownership of the Hotel changed from The Tourist Hotel Corporation of New Zealand to Kah New Zealand Limited. On 5 April 2004, the parties agreed to a variation to allow a 40-room extension which also included a small area of land outside the original lease area (Lot 4, DP 436518).

The original lease included easements (Schedule F) for the right to convey water and drain sewage as per the following: The leasehold estate created by lease B183686.1 is subject to rights to convey water over part Lot 7 DP 69559 marked E, F, G, H, I, J, K, L and M on DP 69559 and over part Lot 4 DP69562 marked A on DP 69562 and rights to drain sewage over part Lot 7 DP 69559 marked A, B, C, D, E, J, K, L and M on DP 69559 over part Lot 1 DP 69560 marked A on DP 69560. A separate easement to grant a water supply easement over Lot 7 DP 69559 was also granted and registered for the same term as the lease.

Variations were made to the lease in 2004 and were for the addition of a 40-room extension to the Hotel. The easements were also rationalised and Schedule F was removed from the lease document as easements are not required for services within the lease land. Right of way easement instruments were subsequently granted to the Applicant to provide access to 'land-locked' lease areas. At the same time easements have been granted to the Department over the Applicant's lease land for community services. These variations and easements have been registered in late August 2017.

It is anticipated that the new lease and easement documents will also be registered by the Applicant.

### **Lessee's First Option to Accept Offer of New Lease**

Kah Corporation NZ Ltd ('the Applicant') holds a current 30-year lease for the Chateau Tongariro (TT-002-ACC) which is due to expire in April 2020. Clause 2.03 provides for the Lessee's First Option to Accept Offer of New Lease of one further term of 30 years if certain conditions are met. These conditions include paying on time and complying with the existing lease.

To trigger the new lease offer, the Applicant must give at least 6 months' notice in writing prior to the expiry of the 30-year term of its desire for a new lease. The Applicant has given such notice by way of letter dated 27 January 2017 and seeks to have the new lease offer processed now.

The new lease is to be at market rates, terms and conditions stipulated by the Department. Once offered, the Applicant has 60 days to accept or reject the offer. If the offer is not accepted by the Applicant the offer expires and a new application may be received.

### **Information about the Applicant:**

The Applicant is Kah New Zealand Limited, a New Zealand registered company with a registration number 505319. The company was registered on 1 May 1991, shortly before purchasing the Chateau Tongariro. The ultimate holding company is Oriental Holdings Berhad, an International Non-ASIC Company which is registered in Malaysia. Although owned by an international company the Applicant is a New Zealand registered company and is regulated by New Zealand law. The Applicant has held the lease since 1991 and has worked closely with the Department since this time.

**Type of authority sought:** Lease under section 50 of the National Parks Act 1980 and Easement under Part 3B of the Conservation Act 1987.

It is noted that as this is a lease under section 50(4) of the National Parks Act 1980, the assessment criteria of Part 3B of the Conservation Act does not apply. When considering such leases, the Minister is only required to have regard to the provisions set out in section 50(5)(b) of the National Parks Act 1980. The only requirement under this section is to have regard to the relevant management plan that is in force for that park. However, a full analysis has been undertaken to consider all relevant matters for the decision-maker to consider.

The right of way easements must be considered simultaneously with the lease. This is because the term of the existing easements aligns with the term of the lease and are essential to provide the Applicant legal access to parts of the lease area. The Easements must be granted under Part 3B of the Conservation Act 1987 and a full analysis of this has been included in this report. A separate easement document will be created (if approved).

**Term sought:** 30 years – this is the length of lease provided for under the Lessee's First Option to Accept Offer of New Lease as set out in clause 2.03(a) of the current lease document TT-002-ACC.

**Description of the proposed activity:** A lease for the operation and maintenance of the Chateau Tongariro, Tourist Resort Hotel and surrounding land. This includes the following facilities and associated administration services **(check the following list with the applicant):**

- The Chateau Hotel building (including all extensions and alterations)
- Staff accommodation
- Tussock Tavern
- Fergussons Café
- Restaurant
- Golf Course (9-hole)
- Tennis courts
- Bowling green
- Swimming pool
- Movie theatre
- Gift shop
- Conference facilities
- Service station

A separate easement will simultaneously be granted for the following:

- Right of way to access part of the lease area, specifically lots 2 and 3 DP 69560
- Right of way to access part of the lease area, specifically lot 5 DP69562

### **Description of locations where activity is proposed:**

The location is within the Amenity Area, Whakapapa Village, Tongariro National Park and is 26 hectares more or less with legal descriptions as shown below.

### Lease area

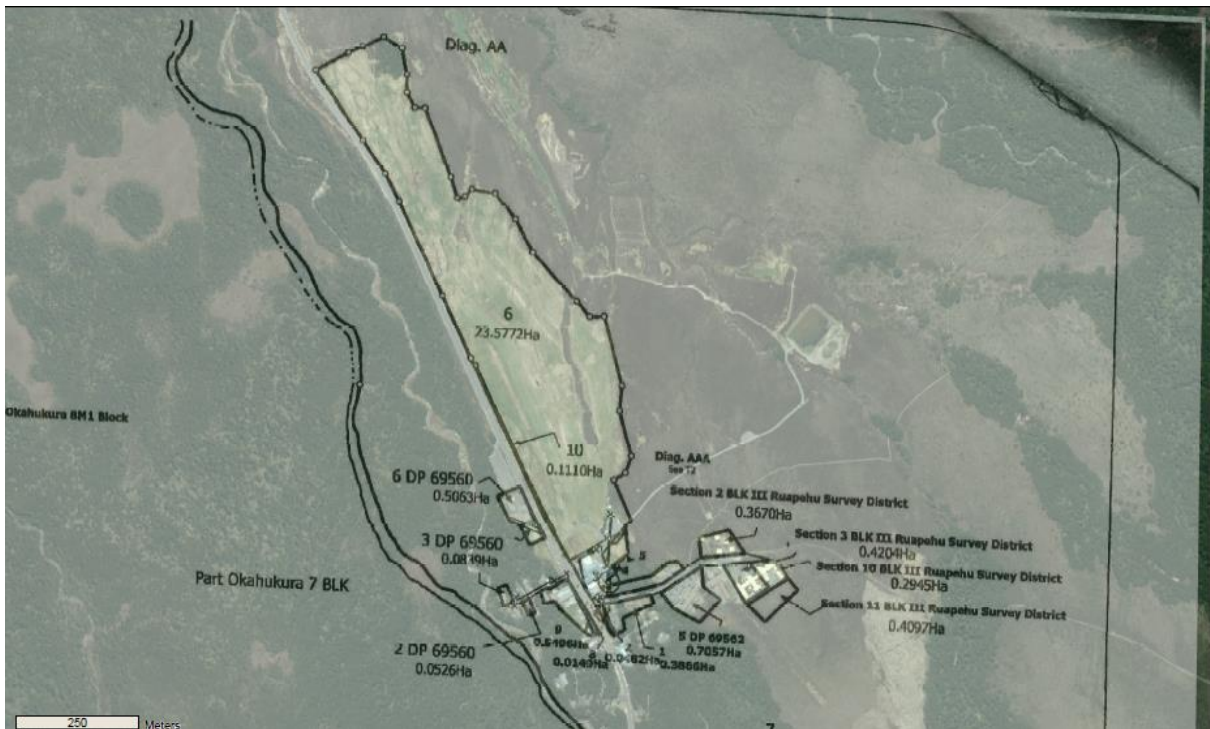
Computer Freehold Register Number	Legal Description	Area
CFR 620712	Lot 1 DP 436518	3866 m <sup>2</sup>
CFR 620713	Lot 2 DP 436518	482 m <sup>2</sup>
CFR 620714	Lot 3 DP 436518	9 m <sup>2</sup>
CFR 620715	Lot 4 DP 436518	257 m <sup>2</sup>
CFR 620716	Lot 5 DP 436518	37 m <sup>2</sup>
CFR 620717	Lot 6 DP 436518	23.57 ha
CFR 620719	Lot 8 DP 436518	149 m <sup>2</sup>
CFR 620720	Lot 9 DP 436518	5,496 m <sup>2</sup>
CFR 620721	Lot 10 DP 436518	1,110 m <sup>2</sup>
CFR 796058	Lot 2-3, 6 DP 69560 and Lot 5 DP 69562	1.3485 ha

### Easement

Purpose	Plan reference	Servient Tenement	Dominant Tenement
Right of way	"EB" on DP 436518	Lot 7 DP 436518 (CFR 796059)	Land subject to lease contained in CFR 620712 and Lot 5 DP 69562
Right of way	"EC" on DP 436518	Lot 7 DP 436518 (CFR 796059)	Land subject to lease contained in Lots 2 and 3 DP 69560

The specific parcels and their purposes are listed and shown on the map below.

- **DP 69560**  
 Lot 2 – Staff accommodation  
 Lot 3 – Staff accommodation  
 Lot 6 – Tussock Tavern and easement, community play area
- **DP 69562**  
 Lot 5 – Staff accommodation
- **DP 436518**  
 Lot 1 – Staff accommodation and covenant area  
 Lot 2 – Public use area  
 Lot 3 – Chateau Tongariro  
 Lot 4 – Chateau Tongariro (additional land) and staff housing  
 Lot 5 – Chateau grounds  
 Lot 6 – Golf course, car park, old croquet lawn  
 Lot 7 – Balance allotment  
 Lot 8 – Public use area  
 Lot 9 – Garage, Fergussons Café, car park  
 Lot 10 – Public use area



## 2.0 Information available for consideration

### Information received:

- From Applicant  
The Applicant submitted a letter on 27 January 2017 (see [DOC-2968874](#)) constituting their notification of desire to have the new lease offer processed. The Applicant requested that the initial term for the new lease be for a further 30 years as per the existing lease clause, and requested that a further plus 30 years be considered for the new lease. The Applicant wanted to apply for the new lease earlier than 2020 to enable the company to strategically plan for its future and to ensure that the ongoing financial investment required to maintain and grow its business opportunities can be realised within a reasonable timeframe. The Applicant notes that this will ensure the ongoing sustainable economic and employment opportunities and benefits that the property brings to the Ruapehu region, well into the future. The Applicant stated that they are fully committed to ongoing engagement with Iwi and expected a full consultation with the relevant parties, requesting that the Department advise the process for who it should consult with to ensure full engagement is undertaken.
- From whanau/hapu/iwi  
Upon advice from the Department, the Applicant consulted with Te Runanga O Ngati Hikairo Ki Tongariro who responded stating that they support the new lease offer, as the Chateau Tongariro's presence in Whakapapa Village has been hugely beneficial (see [DOC-3024492](#)). The benefits of the Applicant's presence in the village were stated as including the initiation of the skiing fraternity, becoming an internationally iconic venue, contributing to services within Whakapapa Village and providing employment opportunities which have benefitted Ngati Hikairo. The group would like to see how future employment and training opportunities could be progressed into the future; and noted that they will investigate how to prevent Chateau Tongariro management and staff from any possible challenges from neighbouring Iwi.

The District Office also consulted with Te Runanga O Ngati Hikairo Ki Tongariro, who confirmed their support in principle but requested information about the full extent of areas and buildings involved in the lease. The District Office provided the same map and list of parcels that are contained earlier in this report, receipt of which was acknowledged by Te Runganga O Ngati Hikairo. There has been no further communication received.

- From Conservation Board

Consultation with the Conservation Board was deemed not to be required for this application as it is for an existing activity and was provided for in the previous lease.

- **From DOC staff**  
The District Office supports the new lease offer, stating that the Applicant is a responsible lease holder and that there are no concerns about their suitability to undertake the approved activity (see [DOC-2985892](#)). It notes that the Chateau is one of the key relationships held by the Department at Whakapapa; and that the lease area is situated in the Tongariro National Park which is subject to a Treaty of Waitangi claim, negotiations for which are expected to begin within the next year. Other information provided includes:
  - that the hotel building is a Category I Historic Building;
  - that there are a number of outbuildings and associated buildings with known heritage values – information about which can be found in the “*Whakapapa Village Tongariro National Park Heritage Values*” report, prepared by Chris Cochran, Conservation Architect for the Department, 4<sup>th</sup> March 2005;
  - that some of the outbuildings require painting;
  - that the operation of the activity must comply with the Tongariro National Park Management Plan (“TNPMP”);
  - that some activities carried out on the lease area are subject to the TNPMP i.e. filming and aircraft (drones).
  
- **From other sources**  
The Department sought to have a rental valuation of the market value for the proposed lease from 2020. Response to this was that valuation standards do not allow for valuing forward in time as it is not possible to predict what market conditions will be like. One possibility is to review current market conditions and estimate what a market rent would be if a new lease was struck ‘today’; however, this would be under the terms and conditions of the existing lease. This is discussed further in section 7.0 below.

**Requested information not received:**

No further information requested.

### **3.0 Acknowledgement of complete application**

The letter sent by the Applicant constitutes a complete application by way of notification of their desire to have the new lease offer clause in their current lease processed.

### **4.0 Analysis of proposal**

It should be noted that unlike the Conservation Act where Part 3B specifies what must be considered before granting a concession, leases granted under section 50(4) of the National Parks Act do not specify any tests or what needs to be considered, other than under section 50(5)(b) where the Minister shall have regard to the provisions of the management plan for the park. An analysis of the proposal including consideration of the effects, purpose for which the land is held and an analysis against relevant policies and plans have been included to provide relevant information about the application to the decision-maker. A full consideration must be given to the right of way easements.

**Public notification:**

Lease: In comparison to a concession considered under Part 3B of the Conservation Act 1987, there is no requirement to public notify applications considered under section 50 of the National Parks Act 1980. Notification is deemed to be required as it is for the renewal of an existing activity, based on similar terms as the initial lease.

Easement: Under section 17T(5) the Minister may publicly notify an easement if, having regard to the effects of the easement, he or she considers it appropriate to give the notice. As mentioned above, the application is for the renewal of an existing activity and public notification is not required.

**Analysis of Effects:**

There are a number of considerations that the Minister needs to take into account when determining an application. These include the nature of the activity and the type of the structure or facility proposed to be constructed, the effects of the activity, structure or facility and the measures that can be reasonably taken to avoid, remedy or mitigate any adverse effects of the activity.

Section 2.03 (a) of the existing lease states the new lease must be at such terms and conditions to meet market conditions. No new capital works are anticipated (only maintenance of existing buildings). The Department's standard National Parks Authorisation Lease template will be used for the proposed lease to ensure the lease is at current market conditions. This will also cover the management and mitigation of any standard effects. Any relevant special conditions to the management or mitigation of any adverse effects from the existing lease will be brought forward from the current lease into the proposed lease.

As there are no new capital works or expansions to the activity anticipated, there should be no effects from the activity further to those that already exist and, as noted by the District Office, the existing lease is quite 'hands on' from an operational perspective. The District Office has looked through the existing lease and determined that all clauses apart from the offer for new lease should remain. The effects and management measures are discussed in further detail below.

#### Effects on conservation values + methods to manage and/or special conditions required

The existing effects can be considered quite 'standard' for the activity – for example, waste removal and ensuring that the activity does not go beyond the scope of the management and planning documents. The following conditions of the existing lease will be brought forward to the new lease. These provide that the Lessee shall, at its own cost:

1. Place all routine waste in suitable receptacles daily and remove any excess waste and rubbish from the Land and Improvements to the satisfaction of the Grantor;
2. Take any steps necessary to control any pest, insect or rodent infestation occurring in or emanating from the Improvements or Land and if required by the Grantor engage a pest exterminator approved by the Grantor;
3. Maintain land and improvements in a neat and tidy condition to the satisfaction of the Grantor and make necessary provisions for the disposal of rubbish and effluent and any other refuse to the satisfaction of the Grantor;
4. Clear and keep the Land clear from all noxious plants and comply strictly with the provisions of the Biosecurity Act 1993 and in addition keep the Land clear of rubbish;
5. Comply with all requirements of the Ministry of Health or any local authority exercising such powers regarding sanitation and comply with all local authority by-laws and fire safety requirements;
6. Clear and keep the Land clear of all plants not native to the Park unless the Lessee obtains the written consent of the Grantor to permit specified species of plants on defined areas of the Land;
7. Not without prior written consent of the Grantor do or permit or suffer to be done any of the following acts:
  - a. Cut, trim, destroy or mutilate any native trees, plants, bushes or other indigenous vegetation on the Land or in the Park.
  - b. Plant any trees, shrubs or plants of any description or bring any trees, shrubs or plants of any description onto the Land or into the Park.
  - c. Keep or permit to be kept any dogs, cats, birds or other animals upon the Land or Improvements.
  - d. Harm or kill birds, lizards or indigenous wildlife on the Land or in the Park.
8. Take adequate and appropriate measures to advise its guests of the activities which are prohibited in the Park.
9. In addition, the Lessee shall use its best endeavours to ensure that all promotional materials and information provided to guests promotes the awareness of the Park and the need to protect the Park. The Lessee shall use its best endeavours to encourage guests to behave in a responsible and appropriate manner in the Park.

The majority of the above conditions will be included as recommended special conditions in the new lease. Conditions 3 – 5 are now covered by Schedule 2 standard conditions in the lease document and do not need to be repeated as special conditions. The remaining conditions will be included but with updated wording.

The Hotel building is a Category I Historic Building. The original recommendation for heritage status in 1996 stated the "Chateau Tongariro is recognised as a place of special and outstanding historical and



cultural heritage significance and value. The Chateau, designed in an American Colonial Revival style, stands out as the largest and most architecturally impressive building in the Whakapapa area, and has a national iconographic significance as one of New Zealand's best-known tourist resort hotels."

The Fergusson Cottage Complex is a Category 2 Historic Place. Its significance is listed as "The cottage, its bath house/laundry, and the Love Shack, are part of a precinct of 1920s-early 1930s buildings on the western side of the Bruce Road at Whakapapa Village. These buildings provided simple accommodation and facilities for ordinary people, and form a strong contrast with the Chateau, a contemporary building (1929) serving a similar function for a more sophisticated clientele. Their close association in time and function is accentuated with the similar exterior paint treatments, and they provide a tangible link with the early development of Whakapapa Village and ski fields on the mountain."

A number of outbuildings and associated buildings covered by the lease area also have known heritage values. The Department commissioned a report on these heritage structures in 2005 which recommended that all existing buildings should be utilised and in good condition. The proposed activity is to continue using the hotel for its original purpose and will continue using the ancillary buildings covered by the original lease. The standard and special conditions of the lease will ensure all buildings are maintained in a tidy manner and no alterations take place without the approval of the Grantor. It is considered the heritage status of the buildings will not be impacted by granting the lease.

#### Effects on cultural values + methods to manage and/or special conditions required

The lease area is situated in the Tongariro National Park, which is subject to a Treaty of Waitangi claim - negotiations for which are likely to begin within the next year. Although a long-term lease for the Park being granted so close to Treaty negotiations could be seen to pose potential problems in that it effectively reduces Iwi's upcoming right to make decisions for the Park, Ngāti Hikairo have a strong relationship with the Applicant and support this activity being continued. Any potential cultural issues that arise could likely be resolved easily and amicably between the Applicant and Iwi, with or without the Department's assistance.

The District Office noted that sometimes the Applicant may want to do things which are outside of the limitations of the current lease i.e. selling Maori art from the gift shop. Such things may be agreed tacitly or otherwise between the Department and the Application.

#### Effects on existing and future users + methods to manage and/or special conditions required

Effects on existing and future users are, if anything, positive. The Chateau provides a luxury level of accommodation that is not available elsewhere in the Park. The continuation of this activity ensures that the history of the Park is kept alive, cultural values of the Park are upheld,

#### Cumulative effects of adding this activity to current activity on site + methods to manage and/or special conditions required

The new lease will be for the continuation of the existing activity – it will not be expanded upon. It is noted that the establishment of the Whakapapa Village has modified the environment, however, accommodation and services allow for people to enjoy the Park in a new way. The development of the hotel was initiated by the Government. The existing Management Plan sets out how the potentially conflicting values of conservation and development are to be managed, and are discussed further on in this report.

The existing effects are known and managed well. The current lease is quite 'hands on' from an operational point of view in that the building is in National Park and the whole community and the Department work together on community services. This will continue to be the case as many of the special conditions from the current lease will be brought forward to the new lease.

Any potential adverse effects on the natural values of the area under application can be reasonably and practicably avoided, remedied or mitigated. This application is for the lease of an existing accommodation facility where the on-going effects are minimal and well known. Public access and enjoyment will not be unduly compromised by this application as it is an existing activity. It is located within the Whakapapa Village amenities area which is specifically set aside for accommodation and services such as this one.

Easement – The easement is for the continuation of an existing activity over an unofficial formed road and no new effects are expected.

### Monitoring Conditions

Much of the activity is visible as the Whakapapa District Office is adjacent to the Chateau lease area, and is known because of the Department's relationship with the Chateau. Formal monitoring will be undertaken bi-annually to check for compliance with the lease provisions, Tongariro National Park Management Plan and Whakapapa Village Site and Landscape Plan. Monitoring will be charged at the standard cost recovery rates, currently \$115.00 + GST per hour, as and when required. As an indication this is not expected to take any longer than four hours per year.

### **Purpose for which the land is held:**

The land in question is within the Tongariro National Park. The land is specifically within the amenities area, Whakapapa Village. The land is also within the Tongariro National Park World Heritage Area. Each of these statuses will be considered below.

### National Park

The purpose of national parks is set out in section 4 of the National Parks Act as follows:

Section 4(1) states "It is hereby declared that the provisions of this Act shall have effect for the purpose of preserving in perpetuity as national parks, for their intrinsic worth and for the benefit, use, and enjoyment of the public, areas of New Zealand that contain scenery of such distinctive quality, ecological systems, or natural features so beautiful, unique, or scientifically important that their preservation is in the national interest."

Section 4(2) continues:

It is hereby further declared that, having regard to the general purposes specified in subsection (1), national parks shall be so administered and maintained under the provisions of this Act that—

- (a) they shall be preserved as far as possible in their natural state;
- (b) except where the Authority otherwise determines, the native plants and animals of the parks shall as far as possible be preserved and the introduced plants and animals shall as far as possible be exterminated;
- (c) sites and objects of archaeological and historical interest shall as far as possible be preserved;
- (d) their value as soil, water, and forest conservation areas shall be maintained;
- (e) subject to the provisions of this Act and to the imposition of such conditions and restrictions as may be necessary for the preservation of the native plants and animals or for the welfare in general of the parks, the public shall have freedom of entry and access to the parks, so that they may receive in full measure the inspiration, enjoyment, recreation, and other benefits that may be derived from mountains, forests, sounds, seacoasts, lakes, rivers, and other natural features.

### Amenity Areas are defined as follows in the Conservation Act 1987:

Section 23A: Amenity Areas

- Every amenity area shall so be managed –
  - (a) that its indigenous natural resources and its historic resources are protected; and
  - (b) subject to paragraph (a), to contribute to and facilitate people's appreciation of its indigenous natural resources and its historic resources; and
  - (c) subject to paragraphs (a) and (b), to foster the recreational attributes of the area.

The Area in question has been gazetted as an amenities area as per the terms of the National Parks Act 1980. It is "an area of substantial development within Tongariro National Park" (page 243, Tongariro National Park Management Plan).

### Tongariro National Park World Heritage Area

The area under application is also within the Tongariro National Park World Heritage Area. This World Heritage Area is one of the world's approximately 400 special natural and cultural sites, as recognised by UNESCO (the United Nations Educational, Scientific and Cultural Organization). The Tongariro National Park was nominated for both natural and cultural World Heritage status and was inscribed on the heritage list that year for its natural values. It was inscribed for cultural World Heritage status in 1993 and is one of only 29 sites in the world with dual World Heritage Status.

Although World Heritage status does not affect the underlying protected status for which the land is held under New Zealand law; it places an obligation on the host nation to 'take appropriate legal, scientific, technical, administrative and financial measures necessary for the identification, protection,

conservation, preservation and rehabilitation of this heritage'.<sup>1</sup> This requires interpretation of the relevant law (National Parks Act 1980) to maintain the values described in the Statement of Outstanding Universal Value of the Tongariro National Park World Heritage Area.

Summary of purpose for which the land is held

The Chateau Tongariro is placed within the amenity area in Whakapapa Village which is an area set aside for services such as accommodation. There are three accommodation services in the village – the Chateau, the Skotel and the Holiday Park. Each of these provides for a different level of service with the Chateau being luxury, the Skotel being mid-range and the Holiday Park being basic. Therefore, the Chateau provides a level of accommodation which is unavailable elsewhere in the Park.

This report shows that the application is for the renewal of an existing lease and the natural and historic resources of the land will be maintained. The hotel facilitates public access into the park and fosters the recreational attributes of the area. It is considered that the proposed activity is not contrary to the purpose for which the land is held.

**Consistency with Relevant Management Strategies and Plans:**

Section 50(4) of the National Parks Act states that the Department can grant leases or licences if, before granting, regard is had to the provisions of the management plan that is in force for the Park. The Tongariro National Park Management Plan is the primary document against which decisions are made in relation to the park but it cannot be used in isolation from other planning instruments which affect the park. The National Parks Act 1980, the General Policy for National Parks 2005, and the Tongariro/Taupo Conservation Management Strategy all guide the decision-making processes. These will be considered below.

General Policy for National Parks 2005

Section 9 of the General Policy discusses 'Accommodation and related facilities' in national parks, more specifically covered by policies 9(a), 9(b), 9(e) and 9(f). Although these policies reference concessions they are also applicable to the lease application under the National Parks Act.

Policy	Policy description
9(a)	Accommodation and related facilities in national parks may be allowed for public use, including accommodation provided by recreation clubs with open membership, and educational services that relate to national parks, consistent with outcomes planned for places.
9(b)	Accommodation and related facilities in national parks, other than public accommodation provided by the Department, will require the authorisation of the Minister of Conservation, except for accommodation for the staff of a concessionaire, which will require a concession.
9(e)	All accommodation and related facilities, including replacements, additions and extensions and signage, in national parks should (unless otherwise provided for in an existing lease): i) be consistent with the outcomes planned for places; ii) minimise adverse effects on national park values and on the existing benefit, use and enjoyment of the public, including public access; iii) avoid proliferation of the built environment; iv) complement existing accommodation and related facilities; v) be located, designed, constructed and maintained to: a) preserve a sense of naturalness; b) where possible, be close to other buildings; c) meet all legal requirements and standards; d) minimise risks from natural hazards; and e) avoid adverse effects on natural surface and underground waters and all water bodies; vi) be of such a scale, design and colour as to harmonise with the landscape and seascape; vii) provide for disabled people in places to the extent required by law; and viii) be available for use by the public.
9(f)	The Department and all concessionaires should monitor the effects of the use of accommodation and related facilities on national park values and on the benefit and enjoyment of the public, including public access, to inform future management decisions.

<sup>1</sup> World Heritage Convention 1972

The Chateau Tongariro is a hotel provided for public use which will be granted as a lease under the National Parks Act (assuming the decision to approve). As shown by this report it is consistent with the purposes of the National Parks Act and the Tongariro National Park Management Plan, it is consistent with the planned outcomes of the place and is of a scale to fit with the landscape. The Department will undertake regular monitoring of the lease as a condition of the lease.

Section 10.3 covers Utilities and roading and recognises that new roads are generally inconsistent with the preservation of national parks in a natural state. The need for ongoing maintenance and potential upgrading of existing roading infrastructure is recognised.

It is considered that the proposed lease and easement are consistent with the General Policy for National Parks 2005.

#### Tongariro/Taupo Conservation Management Strategy 2002

The Tongariro/Taupo Conservation Management Strategy (CMS) is a statutory document which provides management guidelines for the lands within the former Tongariro/Taupo Conservancy. As before, the CMS guides concessions but is relevant to consider for this application under the National Parks Act.

The objective is to foster visitor enjoyment of land managed by the department through authorising commercial recreation and tourism activities which are compatible with the natural and historic values of any area and which do not reduce the enjoyment of these values by other visitors.

Section 3.8.1 deals with recreational concessions, stating that the management plan for TNP includes concessions policies which reflect the impact of existing recreation concessions (including accommodation such as hotels and club lodges) and the need to protect the special values of the area. These will be considered in the following section. Apart from existing facilities for commercial use within the conservancy, it is not considered appropriate to grant concessions for development of new buildings and structures.

The Chateau provides for enjoyment of the Park by providing a high level of accommodation and recreational facilities that are not available elsewhere to visitors. The Hotel building is a Category I Historic Building, established in 1925, so its continuation keeps the historic values of the Park. The Chateau is iconic, it adds to the special values of the area and contributes greatly to the experience of visitors to the Park. As it is an existing facility it is not inappropriate to grant a new lease for it.

It is considered that the application is consistent with the Tongariro/Taupo Conservation Management Strategy.

#### Tongariro National Park Management Plan 2006-2016

##### Tongariro National Park - General

Tongariro National Park (“the Park”) is one of 14 National Parks in New Zealand. Of these, “Tongariro is the most visited in the country, providing a variety of visitor experiences for hundreds of thousands of people each year” (page 7). It is also noted that “park visitor growth is expected to continue in the future” (page 11). There are eleven principles (set out at pages 39-44 of the Plan) which have been developed to reflect the core principles of the Park and are to be used as benchmarks, against which activities and uses will be measured. Of these, the most relevant principles to this application are:

- a) Principle 1: To protect Tongariro National Park in its natural state in perpetuity.
- b) Principle 5: To give effect to the principles of the Treaty of Waitangi.
- c) Principle 10: To minimise infrastructure to that essential to provide for visitors benefit, use and enjoyment of the Park.

These are discussed in turn as follows.

- a) The protection of the Park is paramount (Principle 1) and must be balanced with community aspirations, even though this may occasionally cause conflict. In this instance, this principle of protection led to the introduction of the amenities area, which allows for the amenity area of the park to be developed at the exclusion of other areas. The Chateau is within the amenities area and has been designed and managed with reference to the Landscape Plan for the village. The Applicant is not looking to go beyond the scope of the current activity.

- b) Giving effect to the Principles of the Treaty of Waitangi (Principle 5). The relationship with Iwi is historically and currently positive but is also one of ongoing development, as seen through the consultation undertaken to date. The cultural effects of the activity and significance of the areas to iwi are discussed in section 6.
- c) To minimise infrastructure to that essential for visitors use and enjoyment of the park (Principle 10). This links closely to the first principle, and can occasionally be in conflict with the principle of protection as development is not always viewed as protecting the natural features of the Park. It is noted that the “park is to be managed for its natural and cultural values” (page 44). The policy notes that a degree of infrastructure is required to maximise visitor benefit but also that “a point is reached where the park experience is compromised by infrastructure.” (page 44). Infrastructure is limited to the amenity areas and is closely managed. It is to be noted that this application does not expand the current infrastructure associated with the Chateau. If anything, a modern lease would allow for more effective management of the current buildings as the terms and conditions governing such would reflect the Department’s current thinking in this space.

Tongariro National Park has a strong history of recreational use which needs to be considered alongside the primary protection principle for all National Parks. It is stated that “the objective of management is to facilitate public benefit, use and enjoyment of the park, where it is consistent with its preservation.” (page 127). The recreational value of the park is supported by amenity services, where services such as accommodation are undertaken. It is noted that “infrastructure within Tongariro National Park is limited to that which is essential to allow the purposes of the National Parks Act 1980 to be carried out.” In a sense, infrastructure is incongruous with the natural resources and historical and cultural heritage of the park, however infrastructure also supports the recreational purposes of the park, allowing visitors to enjoy the values that are present. As such, while some infrastructure is permitted, it is to be limited to current levels, as per the objectives of the plan. The current application does not seek to expand the infrastructure that is part of the Chateau facility, therefore fits within this objective.

#### Whakapapa Village (‘the Village’)

The introduction to this section notes that “Whakapapa Village is an area of substantial development with Tongariro National Park.” (page 243). It also noted that the Village “is a focal point for visitors, receiving almost 300,000 each year.” (page 245). The Village has been gazetted as an amenities area. These are areas that are “set aside to provide for the development and operation of recreational and public amenities and related services at a scale and intensity which is generally not appropriate elsewhere in the park.” (page 123). The objective of these areas is that “the effects of large-scale development and intense use within Tongariro National Park should be confined to existing amenities areas which provide appropriate management to avoid or mitigate impacts.” (page 123).

The Objectives for the Village are set out on page 245 as follows:

- a) To provide for the essential needs of the park visitors at Whakapapa Village;
- b) To maintain the character and scale of Whakapapa Village in the context of the values of Tongariro National Park; and
- c) To ensure tangata whenua have the opportunity for input into the development and management of Whakapapa Village.

The Chateau is in the Whakapapa Village amenities area which contains the three accommodation facilities the park - the Chateau Tongariro, the Skotel and the Whakapapa Holiday Park. These provide for three different categories of clientele, from higher end tourists, to more basic family accommodation. The Chateau acts as the top tier, providing high end accommodation which cannot be found elsewhere in the park. It is therefore essential to the needs of park visitors as, without it, there would be no luxury accommodation available. The Chateau also encompasses the history of the Park – being a Category I Historic Building and being one of the original buildings in the Park with its services contributing to the establishment of the skiing fraternity - therefore the Chateau’s continuation will maintain the character and scale of the Village in the context of the values of the Park; lastly the Chateau provides employment opportunities to tangata whenua, and the Applicant has a strong, positive relationship with Iwi – therefore it is ensured that tangata whenua will have the opportunity for input into the development and management of the Village via collaboration with the Applicant and the continuation of the Chateau.

#### Section 6.5.4 Visitor Accommodation

Two objectives within the plan are used to manage accommodation within the park and state as follows:

- a) To retain the present range of visitor accommodation at Whakapapa Village.

- b) To ensure that there is no increase in the scale of visitor accommodation in the Whakapapa Village.

This application does not seek to add to the current accommodation that is currently present in the village, nor does it increase the scale of what is there. The application is to continue with the existing level of accommodation which allows the present range to be retained.

The plan also limits the development of services and facilities to those which are essential for the safety and welfare of visitors to the park. This position has been developed from the General Policy for National Parks 2005. The accommodation needs of visitors are essential for safety and welfare as it provides shelter for the potentially harsh conditions, as well as providing users with a base from which they can enjoy the park and its facilities.

As noted above, the Chateau helps provide a balanced service to park users. The Chateau is an accepted part of the village and the Park. The effects of the Chateau on the village are closely monitored and responsibly managed.

#### Whakapapa Village Site and Landscape Plan

As noted earlier, the Tongariro National Park Management Plan requires a site and landscape plan for the Village. Specific guidance in regard to the site and landscape planning of the Village is found in section 6.5.1 of the Plan, which notes, amongst other things, “that fundamental to allowing the village to be developed within the park is the need to minimise its visual impact.” (page 254). More specifically, the objectives set out in this section (page 254) are as follows:

- a) To manage Whakapapa Village in a way which ensures a cohesive designed environment to provide for the essential needs of the Tongariro National Park visitors and the community.
- b) To ensure that the character of the Whakapapa Village is consistent with the surrounding landscape.
- c) To ensure that The Whakapapa Village Site and Landscape Plan is focused on the needs of the park visitors, while consistent with objectives a) and b) above.

The Chateau is a part of the Whakapapa Village landscape and has been for some time now. There are no plans to substantially change what is already in place, or to increase the scale of the facilities. The Chateau currently operates within the terms of the site and landscape plan. The Applicant currently plays a role in ensuring that the village is appropriately managed and resourced.

#### The role of Visitor Accommodation in a dual World Heritage Area

As discussed in the ‘purpose for which the land is held’ section of this report (section 5), Tongariro National Park is one of only 29 sites in the world with dual World Heritage status. This status does mean that activities undertaken within the Park can be subjected to a higher level of scrutiny than that same activity undertaken on other pieces of public conservation land.

#### Whakapapa Village Site and Landscape Plan 2007

As noted above, this plan is required under the Tongariro National Park Management Plan. The plan aims to simplify the management of the village by providing a concise set of standards to manage the aesthetic values and character of the Village in keeping with the surrounding natural landscape of the Tongariro National Park.

The landscape values of the Whakapapa Village are extremely high and is within a dual World Heritage Area. Apart from the Chateau the village is of small scale character and is dominated by nature. The plan sets out various standards which all structures in the village must adhere to.

Section 7.0 covers buildings and prevents any new permanent buildings to be built, other than for replacement. Redevelopment of buildings must be in keeping with the existing detail and character and must fit with the colour scheme which is set out in 7.3.

Section 8.0 sets out the Landscaping requirements of the village. Policy 1 states only plants indigenous to the area will be used in any planting and policy 2 states they will be eco-sourced. Policy 6 restricts vegetation pruning and may only be done with approval from the Department.

It is considered that the proposed activity is consistent with the Whakapapa Village Site and Landscape Plan 2007. No new structures are anticipated and the existing structures/landscaping are consistent with the plan.

#### Conclusion of Consistency with relevant management strategies and plans

Based on the information above, the Application is not inconsistent with the General Policy for National Parks 2005, the Tongariro/Taupo Conservation Management Strategy 2002, Tongariro National Park Management Plan 2006, and the Whakapapa Village Site and Landscape Plan 2007.

#### **Any other relevant information:**

The lease and easement documents will be registered with Land Information New Zealand. The Applicant has arranged the survey plans to enable this and will register the documents once approved.

### **5.0 Relevant information about the applicant**

#### **Convictions on any charge related to the activity applied for or on any conservation related issue:**

There are no convictions to be considered.

#### **Past compliance with lease conditions:**

The Applicant has been compliant with past lease conditions.

#### **Credit check result:**

The Applicant is an existing Lease Holder, no credit check is required. All invoices have been paid in a timely manner.

### **6.0 Section 4 of the Conservation Act and the Treaty of Waitangi**

Section 4 of the Conservation Act states “this Act shall so be interpreted and administered as to give effect to the principles of the Treaty of Waitangi”. Section 4 applies to the Conservation Act and the Acts listed in its First Schedule. The National Parks Act 1980 is listed in the First Schedule therefore the processing of this application should assess how the proposed activity fits against the principles of the Treaty of Waitangi. The Department has set out the following key principles to apply generally to its work and to this application.

#### Partnership - mutual good faith and reasonableness

The Crown and Māori must act towards each other reasonably and in good faith. These mutual duties of reasonableness and good faith describe the nature of the relationship between the Crown and Māori. They are the core of what has been described as the Treaty partnership. This principle is about how the Crown should behave to Māori and Māori to the Crown.

#### Informed decision-making

Both the Crown and Māori need to be well informed of the other’s interests and views. When exercising the right to govern, Crown decision makers need to be fully informed. For Māori, full information needs to be provided in order to contribute to the decision-making process. This is connected closely to the principles of good faith and active protection. Consultation is a means to achieve informed decision-making.

#### Active protection

The Crown must actively protect Māori interests retained under the Treaty as part of the promises made in the Treaty for the right to govern. This includes the promise to protect tino rangatiratanga and taonga. Active protection requires informed decision-making and judgement as to what is reasonable in the circumstances.

#### Redress and reconciliation

The Treaty relationship should include processes to address differences of view between the Crown and Māori. The Crown must preserve capacity to provide redress for proven grievances from not upholding the promises made in the Treaty. Māori and the Crown should demonstrate reconciliation as grievances are addressed.

#### Consultation undertaken by the Applicant

The Applicant has undertaken consultation with all relevant whanau/hapū/iwi groups. Ngāti Tūwharetoa (and specifically Te Runanganui o Ngāti Hikairo ki Tongariro) hold mana whenua of the rohe which the Chateau is situated but some other iwi groups have also been consulted as they also have an interest in the area.

The Applicant emailed the following whanau/hapū/iwi via email Ngāti Rangī, Uenuku and Ngāti Haua but received no response from any of these groups.

The Applicant first contacted Te Runanganui o Ngāti Hikairo ki Tongariro (Ngāti Hikairo) on in March 2017 to discuss the lease renewal. They subsequently met with Ngāti Hikairo and a letter of response was received on 30 April 2017. This letter stated Ngāti Hikairo agree in principle to the Kah Corporation application for a new lease and look forward to future discussions. Refer to letter saved to [DOC-3153270](#).

They acknowledge the role the Chateau Tongariro has played in the past nine decades to the skiing fraternity and other recent summer activities. They state the Chateau Tongariro has become an iconic venue at a national and international level which has Category 1 status from the Historic Places Trust. Ngāti Hikairo acknowledge the contribution of the Applicant to the 2004 upgrade of the sewage system and the upcoming wastewater treatment plant upgrade. The employment opportunities have benefited Ngāti Hikairo in the past and they hope this will be further progressed in the future. They state that as mana whenua they will investigate how to prevent Chateau Tongariro management and staff from any possible challenges from neighbouring iwi.

#### Consultation undertaken by the Department

The District Office confirmed by email on 3 May 2017 that the land is only within the rohe of Ngāti Hikairo. Even though the Applicant provided evidence of consultation with Ngāti Hikairo, the Department has also contacted Ngāti Hikairo to request any further feedback they may have.

Ngāti Hikairo responded on 3 May 2017 and stated they are supportive of the principle of the lease renewal but requested a copy of the lease as they would like to know the full extent of the area/s involved, what buildings the lease covers and if there are any “public areas” within the lease area. This information was provided (all financial information was redacted) on 9 May 2017. No further response has been received.

#### Analysis of the above:

Each Treaty partner needs to act respectfully towards the other. The decision maker needs to understand the iwi view and the reasons for it. The Department has endeavoured to engage with all the iwi identified as having an interest in this matter. This has included the sharing of information, and providing an opportunity for feedback into the process. Consultation has been carried out as described above.

The Department has endeavoured to understand the position of iwi in relation to this application. The Department acknowledges the views of Ngāti Hikairo who are supportive of the new lease in principle.

The Waitangi Tribunal’s report into its Enquiry into Tongariro National Park was published on 12 November 2013 and can be found at the following link <https://waitangitribunal.govt.nz/news/tongariro-national-park-claims-2/>. The tribunal found the original gifting of the mountains – te kāhui maunga was an offer of partnership not an English-style gift. The Tribunal concluded that the Crown had failed to honour either the Treaty partnership or the partnership offered by Te HeuHeu. Ngāti Tūwharetoa and the Crown initialled a Deed of Settlement on 15 December 2016 for areas outside Tongariro National Park and the final signing is due to be completed in the near future. The negotiations for the Tongariro National Park are forecast to begin within the next 12 months.

The upcoming negotiations for Tongariro National Park is noted. Other sources of information are also relevant, such as the Tongariro National Park Management Plan (see section 5). The Department notified the iwi of the application, there has been an extended period of consultation undertaken (which is summarised above). The Department is well informed of the views of iwi.

It is considered that granting of the proposed lease is not inconsistent with section 4 of the Conservation Act 1987.



## 7.0 Proposed operating conditions

### **Lease Activity:**

Lease for the operation and maintenance of The Chateau, Tourist Resort Hotel and surrounding land, in Whakapapa Village.

Easement for a Right of Way to access parts of the lease area, specifically:

- Lots 2 and 3 DP 69560
- Lot 5 DP69562

### **Term:**

Recommended term of 30 years.

Under clause 2.03(a) of the current lease document the Lessee has the right to be offered a new lease for one further term of thirty (30) years. A term of 30 years is consistent with what was granted previously. Under section 50 of the National Parks Act 1980, no term length is specified. It is therefore considered that the proposed term length of 30 years is appropriate and recommended for this lease.

The easement is also recommended for 30 years to align with the lease length. Easements can be granted for a term of up to 30 years and is therefore considered appropriate for this application.

### **Fees:**

#### Activity Fee:

The Department sought to have an independent valuation of the market value for the proposed lease from 2020. However, valuation standards do not allow for valuing forward in time as it is not possible to predict what market conditions will be like. One possibility is to review current market conditions and estimate what a market rent would be if a new lease was struck 'today'; however, this would be under the terms and conditions of the existing lease.

It is considered instead for the recommended fee to be set at the current fee level of 9(2)(i) of land value with a condition requiring a full valuation to be undertaken within the first 12 months of the new lease.

#### Management Fee:

Management fees are an annual fee and are charged to cover the Department's time in managing the lease. The Management fee covers the following components:

- Basic rate (managing invoices and general follow up from the Lease Holder as required) - 9(2)(i)
- Rates recovery - 9(2)(i)
- Activity returns and fee calculation (collecting and calculating) - 9(2)(i)
- Rent review (covers three yearly rent reviews) - 9(2)(i)

Management Fees have not been charged historically and the previous lease did not include a management fee. The management fee in this instance is recommended to be set at \$250.00 and includes the basic rate and rent review sections.

It is recommended the management fee be set at 9(2)(i) plus GST per annum.

#### Monitoring Fee:

The District Office is not aware of any monitoring undertaken in recent years. They propose monitoring should be undertaken when external works are undertaken and of the interior every two – three years.

The standard monitoring condition will be included in the lease which provides for cost recovery of any monitoring undertaken (see Schedule 3, special condition 8). The current rate for time spent monitoring is \$115.00 plus GST, and will be charged as required.

**Summary of special conditions as listed in effects assessment above:**

## **SCHEDULE 3**

### **SPECIAL CONDITIONS**

## **1. LEASE ACTIVITY**

- 1.1 The Lease Activity specifically provides for:
- a. The provision of accommodation for the visitors to the Park together with the activities normally associated with a licensed hotel, included the provision of food and the consumption of liquor on the premises.
  - b. Staff accommodation buildings
  - c. Golf Course (9-hole)
  - d. Tennis courts
  - e. Bowling green
  - f. Swimming pool
  - g. Movie theatre
  - h. Gift shop
  - i. Conference facilities
  - j. Service Station (vehicle repair and petrol) – do they still have this?
- 1.2 No other activity as defined in clause 1.1 may be undertaken, unless prior written consent from the Grantor is obtained.

## **2. CALCULATION OF ACTIVITY FEE**

- 2.1 The Lease Holder will provide to the Grantor annually, within 2 months of the request being made by the Grantor, a set of accounts accurately reflecting the financial position of the Kah Corporation and associated businesses allowed under this Lease.
- 2.2 Within 12 months of the commencement of this lease, the Lease Holder agrees to a valuation being undertaken on the land to assess the annual activity fee. The outcome of this valuation will set the Annual Activity Fee from 1 May 2021 until the next rent review date.

## **3. COMMUNITY SERVICES CONTRIBUTION**

- 3.1 The applicable management plan relating to the national park allows the Grantor to recover a community services contribution from parties conducting an activity within the national park under concession or Lease. Where any community service, benefit, or facility has been provided by the Minister or the Director-General within the National Park for the benefit of the Lease Holder either occupying any part of the National Park or undertaking any activity within the National Park under this Lease:
- a. the Minister may, in accordance with this condition, assess the amount of contribution to be paid to the Minister by the Lease Holder towards the cost of providing and maintaining that service, benefit, or facility,
  - b. the contribution assessed under paragraph (a) in respect of the capital cost of providing any such service, benefit, or facility shall be apportioned by the Minister amongst parties including the Lease Holder in such manner as he or she thinks fit and shall be paid in a manner as the Minister may determine, and the Minister may also apportion amongst parties including the Lease Holder in an annual contribution to meet the cost of maintaining any such service, benefit, or facility,
  - c. any amount apportioned by the Minister to be paid by the Lease Holder shall be due and payable to and recoverable by the Minister on the expiration of 3 months after demand made by the Minister or Director-General.

## **4. VEGETATION**

- 4.1 Prior to undertaking any landscaping work, the Lease Holder is to prepare and submit to the Grantor a landscaping plan for the Land. The Grantor may require any such amendments to the plan, or withhold such consent at its sole discretion.
- 4.2 The Lease Holder must clear and keep the Land clear of all plants not native to the Park unless the Lessee obtains the written consent of the Grantor to permit specified species of plants on defined areas of the Land;

- 4.3 The Lease Holder must ensure they do not:
- a. Cut, trim, destroy or mutilate any native trees, plants, bushes or other indigenous vegetation on the Land or in the Park.
  - b. Plant any trees, shrubs or plants of any description or bring any trees, shrubs or plants of any description onto the Land or into the Park without the approval of the Grantor.

## **5. OTHER DUTIES**

- 5.1 The Lease Holder must undertake a daily rubbish collection around the Lease Area. Any waste collected must be disposed of in an approved facility outside public conservation land.
- 5.2 The Lease Holder must not keep or permit to be kept any dogs, cats or other animals on the Land.
- 5.3 The Lease Holder must ensure they do not harm or kill birds, lizards or indigenous wildlife on the Land or in the Park.
- 5.4 Take any steps necessary to control any pest, insect or rodent infestation occurring in or emanating from the Improvements or Land and if required by the Grantor engage a pest exterminator approved by the Grantor.
- 5.5 Take adequate and appropriate measures to advise its guests of the activities which are prohibited in the Park.
- 5.6 In addition, the Lessee shall use its best endeavours to ensure that all promotional materials and information provided to guests promotes the awareness of the Park and the need to protect the Park. The Lessee shall use its best endeavours to encourage guests to behave in a responsible and appropriate manner in the Park.

## **6. MONITORING**

- 6.1 If the Grantor determines that the conditions of this Document or the effects of Lease Activity should be monitored, the Lease Holder shall meet: either the full costs of any monitoring programme that is implemented; or, if the Grantor determines that the costs should be apportioned among several concessionaires or lease holders who use the same locations, part of the costs of the monitoring programme. These costs will include the Department's standard charge-out rates for staff time and the mileage rates for vehicle use associated with the monitoring programme.

## **7.0 Applicant's comments on draft report**

To be included once received.

## **8.0 Summary and Conclusions**

Application:

The application is for a lease under section 50 of the National Parks Act 1980 and easement under Part 3B of the Conservation Act 1987.

Kah Corporation NZ Ltd ('the Applicant') holds a current 30-year lease for the Chateau Tongariro (TT-002-ACC) which is due to expire in April 2020. Clause 2.03 provides for the Lessee's First Option to Accept Offer of New Lease of one further term of 30 years if certain conditions are met. These conditions include paying on time and complying with the existing lease.

The new lease is to be at market rates, terms and conditions stipulated by the Department. Once offered, the Applicant has 60 days to accept or reject the offer. If the offer is not accepted by the Applicant the offer expires and a new application may be received.

The Easements must be granted under Part 3B of the Conservation Act 1987 and a full analysis of this has been included in this report. A separate easement document will be created (if approved).

**Effects:**

Any potential adverse effects on the natural values of the area under application can be reasonably and practicably avoided, remedied or mitigated. This application is for an easement and lease of an existing accommodation facility where the on-going effects are minimal and well known. Public access and enjoyment will not be unduly compromised by this application as it is an existing activity. It is located within the Whakapapa Village amenities area which is specifically set aside for accommodation and services such as this one.

**Purpose for which the land is held:**

The Chateau Tongariro is placed within the amenity area in Whakapapa Village which is an area set aside for services such as accommodation. This report shows that the application is for the renewal of an existing lease and the natural and historic resources of the land will be maintained. The hotel facilitates public access into the park and fosters the recreational attributes of the area. It is considered that the proposed activity is not contrary to the purpose for which the land is held.

**Relevant Management Strategies and Plans:**

Based on the information above, the Application is not inconsistent with the General Policy for National Parks 2005, the Tongariro/Taupo Conservation Management Strategy 2002, Tongariro National Park Management Plan 2006, and the Whakapapa Village Site and Landscape Plan 2007.

**Iwi consultation:**

The Applicant first contacted Te Runanganui o Ngāti Hikairo ki Tongariro (Ngāti Hikairo) on in March 2017 to discuss the lease renewal. They subsequently met with Ngāti Hikairo and a letter of response was received on 30 April 2017. This letter stated Ngāti Hikairo agree in principle to the Kah Corporation application for a new lease and look forward to future discussions. Refer to letter saved to [DOC-3153270](#).

**Conclusion:**

Based on the information above it is recommended to approve the renewal of the lease and easement.

**9.0 Recommendations to decision maker**

Pursuant to the delegation dated 9<sup>th</sup> September 2015, it is recommended that the Operations Manager, Turangi District:

- 1. Deem this application to be complete in terms of the National Parks Act 1980; and**
- 2. Agree that is not considered appropriate to give public notice of the intention to grant the lease and easement; and**
- 3. Approve the granting of an Authority/Lease to Kah Corporation NZ Ltd. subject to the standard National Parks Lease contract; and the special conditions identified in this report; and**
- 4. Approve the granting of an Easement to Kah Corporation NZ Ltd. Subject to the standard easement contract; and the special conditions identified in this report.**

Samantha Whittington  
Permissions Advisor  
Date:

Lynette Trewavas  
Permissions Advisor  
Date:

**Recommendation:**

- 1 Agree / Disagree
- 2 Agree / Disagree

3 Approved / Declined

4 Approved / Declined

Signed: \_\_\_\_\_  
David Lumley  
Operations Manager, Turangi District

Date:

If the recommendation is declined please discuss here why this is so:

---

**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 15 August 2018 10:08 am  
**To:** Karl Beckert  
**Cc:** Allan Munn; Andrew Baucke; 9(2)(a)  
**Subject:** FW: Considering DOC's position on chateau lease

Morning Karl

Do we have any update on this please. I am getting pressure from my Board to resolve or at least have an outcome to consider regarding this issue. I have advised the owners and the Board of their obligations under our current lease should they pursue their option to close the Hotel post 2020.

Kind regards

Kathy Guy

---

**From:** Kathy Guy  
**Sent:** Tuesday, 7 August 2018 12:33 p.m.  
**To:** Karl Beckert <kbeckert@doc.govt.nz>  
**Cc:** Allan Munn <amunn@doc.govt.nz>; Andrew Baucke <abaucke@doc.govt.nz>; 9(2)(a)  
[REDACTED] s 9(2)(a)  
**Subject:** RE: Considering DOC's position on chateau lease

Afternoon Karl

I have just spoken with the owners and the Board have indicated strongly their desire to not put forward a % of GOR even at 9(2)(b) as there is no way they can commit to the upgrade of the Chateau and still have the issues of the lease fee and potential AMP costs over them.

We are now engaging a legal team with the view to what options we have moving forward if any, post 2020. They only option that they may accept will be a fixed fee similar to what we are currently paying.

Look forward to hearing from you.

Kind regards

Kathy

---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Monday, 6 August 2018 9:09 a.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Cc:** Allan Munn <amunn@doc.govt.nz>; Andrew Baucke <abaucke@doc.govt.nz>  
**Subject:** Considering DOC's position on chateau lease

Hi Kathy

Just an update from me on where we're at in the process from DOC's perspective. The department is currently carefully considering the last discussion we had on Kah NZ's proposal for 9(2)(b) and its inability to shift higher than this for the next lease. Given there is still a bit of space between our expectations 9(2)(i) and no wriggle room from your perspective, we are going to consider our position carefully over the next fortnight, and seek some formal guidance from the PPL Director on how we proceed.

Once we've done this I'll be in touch again by email and let you know where we sit.

Cheers  
Karl.

**Karl Beckert**

Permissions Manager – Hamilton

s 9(2)(a)

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Thursday, 23 August 2018 11:40 am  
**To:** Karl Beckert; [REDACTED] s 9(2)(a)  
**Cc:** Phil Brownie; [REDACTED] 9(2)(a)  
**Subject:** RE: Chateau lease negotiations; meeting with Phil Brownie - DOC manager for pricing and economics

Afternoon all  
Happy to meet in Wellington – out the 6<sup>th</sup> & 7<sup>th</sup> September.  
Kind regards  
Kathy Guy

---

**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Thursday, 23 August 2018 7:57 a.m.  
**To:** [REDACTED] s 9(2)(a); Kathy Guy [REDACTED] s 9(2)(a)  
**Cc:** Phil Brownie <pbrownie@doc.govt.nz>  
**Subject:** Re: Chateau lease negotiations; meeting with Phil Brownie - DOC manager for pricing and economics

Hi Kathy, [REDACTED] s 9(2)(a) and Phil

Thanks for the email Rachael.

Happy to meet in Wellington when it suits you Phil and Kathy. First week of September (outside of monday) or second week, suit me.

Let me know what you think.

Cheers  
Karl.

Sent from my Samsung Galaxy smartphone.

----- Original message -----

**From:** [REDACTED] s 9(2)(a)  
**Date:** 22/08/18 16:22 (GMT+12:00)  
**To:** [REDACTED] s 9(2)(a)  
**Cc:** Karl Beckert <kbeckert@doc.govt.nz>, Phil Brownie <pbrownie@doc.govt.nz>  
**Subject:** Chateau lease negotiations; meeting with Phil Brownie - DOC manager for pricing and economics

Sorry all, re-sent with Karl's correct email address.  
Karl, apologies for the incorrect spelling of your name.

[REDACTED] s 9(2)(a)  
Industry Advocate

[REDACTED] s 9(2)(a)



s 9(2)(a)

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**From:** s 9(2)(a)  
**Sent:** Wednesday, 22 August 2018 4:04 PM  
**To:** 'kathy.guy@wairakei.co.nz' s 9(2)(a)  
**Cc:** 'kbeckett@doc.govt.nz' <[kbeckett@doc.govt.nz](mailto:kbeckett@doc.govt.nz)>; 'Phil Brownie' <[pbrownie@doc.govt.nz](mailto:pbrownie@doc.govt.nz)>  
**Subject:** Chateau lease negotiations; meeting with Phil Brownie - DOC manager for pricing and economics

Kia ora Kathy,

I've spoken with Karl Beckett (cc'd into this email alongside Phil Brownie) and he's happy to meet with you and Phil to further the conversation on the Chateau lease fee discussion. Karl will now check with Phil that this will work for him too.

As per our previous discussion Phil is the Manager of the Pricing and Economics group within the Recreation, Tourism and Heritage team. Karl's Planning and Permissions team are the decision maker on the conditions of the lease, however it is Phil's team who give them advice on the financial aspects. I am confident that negotiating directly with Phil and Karl is the most effective next step to take.

Kathy please be aware that Phil is quite booked out with existing work streams at the moment. Assuming he is happy to meet it may well be best for you to travel to Wellington, and perhaps it would be wise to have a phone conversation prior to meeting to ensure he has the information he needs?

I'll leave it to you and Karl to arrange next steps. In the meantime please keep me posted and let me know if there is any other support you need from TIA,

Ngā mihi

s 9(2)(a)

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Wednesday, 12 September 2018 1:15 pm  
**To:** Karl Beckert  
**Cc:** [REDACTED] 9(2)(a)  
**Subject:** RE: Chateau Tongariro

Thanks Karl  
Look forward to hearing from him.  
Regards  
Kathy Guy

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**From:** Karl Beckert <kbeckert@doc.govt.nz>  
**Sent:** Wednesday, 12 September 2018 12:58 p.m.  
**To:** Kathy Guy [REDACTED] s 9(2)(a)  
**Subject:** RE: Chateau Tongariro

Hi Kathy

I heard from Phil and he's going to get in touch with you before the 24<sup>th</sup> Sep. He's waiting on one of his staff to get back from leave who he has assigned this work.

Cheers  
Karl.

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**From:** Kathy Guy [REDACTED] s 9(2)(a)  
**Sent:** Tuesday, 11 September 2018 12:27 p.m.  
**To:** Karl Beckert <[kbeckert@doc.govt.nz](mailto:kbeckert@doc.govt.nz)>  
**Subject:** Chateau Tongariro

Hi Karl  
Have we had any update on possible meeting regarding Chateau?  
Kind regards  
Kathy

Kathy Guy MNZM

General Manager  
Wairakei Resort and Chateau Tongariro  
Private Bag 2006, Taupo

[REDACTED] s 9(2)(a)  
[REDACTED]  
[REDACTED]

[www.wairakei.co.nz](http://www.wairakei.co.nz) and [www.chateau.co.nz](http://www.chateau.co.nz)