

**Concession Application Form 3b
Private/commercial facility/structures**

A. Description of Activity

Please describe the proposed activity in detail - where the site is located, what you intend to use the building for, whether you intend to make any changes to the infrastructure.

Please include the name and status of the public conservation land, the size of the area you are applying for and why this area has been chosen.

If necessary, attach further information including a map, a detailed site plan and drawings of proposal and label (Attachment D1-D2)

Background

This Application for a Lease pursuant to the provisions of the Conservation Act 1987 (and subsequent amendments) pertains to an area of land in the Moerangi Valley of Whirinaki Te Pua-a-Tane Conservation Park.

The proposed Lease Site was identified in 2000 as being appropriate for the purposes of hosting tourism accommodation facilities at a point two thirds of the way around the Moerangi Traverse dual-purpose track, which was being advocated for development at that time.

The Applicant Company has had use of the Moerangi site in its business planning since 2000 as the second and final stage of facilities required to create a sustainable guided walks business in Whirinaki Te Pua-a-Tane Conservation Park and meet market demand for quality multi-day walking tour experiences in the North Island, as identified by Tourism New Zealand and the wider tourism industry internationally.

The development of the Moerangi Traverse dual-purpose track had its genesis in the year 2000, although the Principal of the Applicant Company had previously held discussions with senior Department of Conservation area office management staff regarding the desirability of constructing a length of new track to link the Okahu Valley with the Moerangi Valley and then on to the west, culminating in the Whirinaki Valley.

In early 2004, at the request of DOC area office staff, the Principal of the Applicant Company provided a submission to support an application to DOC head office for funds from the capital works budget to permit the development of the Moerangi Traverse dual-purpose track [Extract Attachment C1].

This submission was based upon:-

- The business case for the creation of a three-day, two-night guided walk operation involving both the Applicant Company's existing Okahu Valley tourism accommodation site [Robert Collins Camp, established September-October

1989] and a new site adjacent to Moerangi Hut which had previously been identified and inspected by DOC officers [January 2001]

- Support from the wider tourism industry, including overseas tour companies and New Zealand-based inbound tour operators for a tour programme of three days, with the ability to be able to operate a regular schedule of departures which avoided the restrictions imposed by use of helicopters for the fly-in, walk-out tours operated at that time
- The desirability of being able to generate sustained returns to the Crown to justify the significant level of capital input required from DOC for the Moerangi Traverse tracking development project
- The need to avoid serious injury or loss of life among members of the public which the Applicant Company's track guides and camp management had experienced in previous seasons as a result of recreational users of Whirinaki Conservation Park being trapped at Moerangi Hut due to the absence of an all-weather track across and downstream of that public facility.

Upon success of the 2004 funding application by the DOC area office, the concept of a three-day, two-night guided walk utilising the existing tourism site in the Okahu Valley and the new site identified in the Moerangi valley, some one kilometre to the south of the public hut, was fully cemented in the Applicant Company's business plan.

Department of Conservation area office and Rotorua conservancy officers were fully briefed and engaged throughout this period [2000 to 2004] and in addition to the Moerangi Traverse track management programme planning, in which the Principal of the Applicant Company played a role, the following extracts are material:

- i) Briefing conducted on 8 May 2000 with Fiona Hennessey, programme manager community relations DOC Murupara area office, and Chris Clarke, conservancy officer Rotorua: Extract 09 May 2000: *"Firstly thank you for attending the meeting yesterday. Both Chris and I felt it was a useful exercise and gave us a good insight to your future plans and directions for the business. I have to admit that I was unaware that you were providing the only overnight walk in the North Island, an advantage to hold onto and capitalise on. The Department would like to see your operation succeed and promote what we know is the best rainforest in the country."*
- ii) Field visit to proposed Moerangi Lease site in January 2001 with Fiona Hennessey, programme manager community relations DOC Murupara area office, and Chris Clarke, conservancy officer Rotorua: Extract 12 February 2001: *"Chris and I appreciated the visit to your potential camp-site above Moerangi Hut and agree that it the logical site for your purposes."*

A summary of the multiple interactions between the Principal of the Applicant Company and Department of Conservation officers between 2000 and 2016 is attached to this application: (Attachment C2)

It is intended that the Moerangi Lease sit alongside that issued by the Department of Conservation On 22 December 2016 for the Applicant Company's long-established tourism site in the nearby Okahu Valley.

Location of Site

The location of the proposed Lease site is shown in the detail on the general locality map (Attachment D1) and on the image "Moerangi Tourism Development Site" (Attachment D2). This includes GPS co-ordinates for the site.

The boundaries of the proposed Lease site are also defined on the image at "Moerangi Tourism Development Site" (Attachment D2)

The Lease site is located 700 metres south of Moerangi Hut in an area that is currently untracked. It encompasses a long thin terrace on the true right of the Moerangi Stream measuring about 1100 square metres and is about five metres above the river bed. Based on vegetation growth the proposed Lease site is not subject to flooding. The site is isolated, appears to have little or no public use and is not currently connected to the Moerangi Traverse track. In this latter regard this site is ideally suited to use for tourism accommodation purposes as its location avoids any potential conflict of interest with use of the Moerangi Hut to the north.

Proposed Structures and Facilities

The placement of structures is detailed on the aerial image (Attachment D2). The intention is to utilise permanent Sleeping Huts /wharemoa and a Dining/recreation and staff quarter facility/wharekai.

The schedule of proposed structures is as follows:-

- i) Client Accommodation (shown as C1 to C10 on the aerial image at Attachment D2): Ten Sleeping Huts on steel framed platforms measuring six metres by 3.65 metres, 800 mm off the ground. These are the same footprints as those at the Okahu valley site [Robert Collins Camp]
- ii) Kitchen/dining/recreational hall (to be located within the area marked as "K" on the site plan at Attachment D2): One permanent structure measuring 14 metres by 6 metres, 800 mm off the ground (Attachment D2).
- iii) Design plans have been produced for the Sleeping Huts and the Kitchen/dining/recreation structure. These are contained in Attachment D3.

Visual Appearance

Little visual impact is anticipated as a result of the activity on this Lease site. The site itself is separated from the Moerangi river valley by a steep bank and is largely screened by thick vegetation on its western boundary. As previously described, Sleeping Huts and the Kitchen/dining/recreation hall will be set among existing vegetation as recorded in the Ecological Impact Assessment attached to this application.

Colours which will blend in with the natural vegetation of the site will be utilised for the 11 structures, with a focus on cream/brown/green tones. An example of how the structures will be sited among existing vegetation is recorded at Attachment D5).

In summary, the Applicant has opted to design structures that are appropriate to the area in which it operates its guided walks business, rather than taking the approach adopted for all the tourism accommodation lodges consented and operating on the iconic multi-day walking operations in the South Island, in Fiordland, Nelson and Marlborough which are all in, or adjacent to National Parks. This approach has been taken to avoid the need for wholesale clearance of vegetation and the development of a significant footprint for a single, substantial lodge facility and is being proposed as a means of matching the accommodation planned for the Moerangi valley site with the key elements of the Applicant Company's tour products, all of which have had, since inception of this multi-day walks business in 1993, a strong Maori cultural component. The design of the structures also provides a distinct and unique point of difference between the current multi-day guided offering in the South Island, which consists of mountain and coastal locations, and that proposed at Whirinaki, a world-renowned temperate rainforest. This is a point noted by Tourism New Zealand in providing support for a North Island tourism operation of this kind [Euan Purdie 2001].

Access and servicing

A new Drop Zone will be required shown as "DZ" on the Site Plan at Attachment D2 will be maintained by the Applicant Company and will be used during the construction phase and for future provisioning of this tourism facility utilising sling loads of stores and equipment, as well as for medical emergencies. The Applicant Company's air services contractors have their own concessions for Whirinaki Te Pua-a-Tane Conservation Park. The current provider is Heli Resources (2012) Limited which holds a Department of Conservation concession (number BP 26896 - Air). Only air services contractors with the appropriate concessions will be permitted to drop construction materials and supplies at the Lease Site.

There is no intention to develop a formal heli-pad on this drop zone as one already exists at the public Moerangi Hut, about 700 metres to the north of the proposed Lease site.

Connecting track

To provide all-weather access to the proposed Lease site, a short section of new walking track is required. This has an overall length of 1200 metres and will be aligned to avoid significant trees. The proposed track has previously been discussed with DOC's former Area Manager who raised no objections. However his stipulation was that it be constructed to a standard consistent with the balance of the 35-kilometre Moerangi Traverse track and this has been costed accordingly. The new section of track would terminate at the proposed Lease site.

This track development component is referred to in detail in the Ecological Impact Assessment/vegetation clearance attached to this application as Attachment E1.

Sewage treatment and disposal

The proposed lease site will require an on-site sewage treatment and disposal system which has been designed by engineering consultancy Key Solutions. A copy of the engineer's report is attached at Attachment E2.

Water for hot showers and kitchen requirements will be provided from a solid fuel burner (Marshall-type boiler) with fuel being sourced from windfall timber in the vicinity of the Lease site, as it is with the existing Okahu valley Lease site. Approval for use of windfall timber has previously been provided by the Department of Conservation [former area manager Murupara].

The Applicant Company undertakes that all necessary resource and/or building consents will be sought and obtained from the Hawke's Bay Regional Council and Wairoa District Council prior to the placement of any structures for this tourism development.

As with best practice and previous management of this site, all inorganic refuse is removed by way of helicopter servicing operations and deposited at authorised Local Body recycling and disposal facilities.

Use of Site

The intention is to have this tourism facility utilise this site for up to up to nine months of the year (ie from September till May annually). This period has been adopted because permanent buildings, well insulated, will provide the opportunity to conduct tours in the Spring and Autumn seasons, consistent with Tourism New Zealand's new policy of promoting both regional dispersal of visitors and expansion of the seasons away from the traditional peak summer when New Zealand is at near capacity for international visitation.

When in use on a seasonal basis, the tourism operation on the Lease Site will accommodate up to 20 clients and two camp management staff and two track guides. This is the forecast maximum size of walking groups utilising the proposed Lease Site at this time, although it is noted that the Applicant Company's Guiding concession (permit) provides for up to 25 clients per day.

It is intended that a warden be engaged to provide security and undertake basic maintenance during the off-season, consistent with the very significant capital expenditure involved in this development. The Applicant intends that wherever possible, this warden will be an experienced hunter whose brief will be to target female deer. It is expected that this will assist significantly in the rejuvenation of the forest in this locality, especially involving the palatable plant species which in the past have suffered from extensive deer browsing. (See Ecological Impact Assessment at Attachment E1).

In addition to the above, the Applicant intends to offer human resources to the predator control programme operated by the Department of Conservation adjacent to both its existing Okahu valley lease site and this proposed Moerangi valley lease site and to incorporate involvement of its clients in such programmes while further promoting, to an international and domestic audience, New Zealand's conservation efforts to protect and enhance its biodiversity.

Vegetation Removal

The proposed lease area will require the removal of vegetation. This issue is addressed in the Ecological Impact Assessment (Attachment E1)

On-going minor trimming of vegetation will occur as a standard part of camp maintenance and to ensure safe access to and use of the site's facilities.

B. Alternative sites considered

No alternative site for this activity has been considered for the following reasons:-

- i) There are no other sites in the Moerangi Valley which have been identified as being appropriate or suitable for tourism accommodation purposes. This site has been selected for its location at the two thirds point of the dual-purpose Moerangi Traverse track and because there is little, or no, public use of the river valley involved
- ii) While not located on the recently-completed 35- kilometre Moerangi dual-purpose track the site is within easy walking distance of such and has been included in the Applicant Company's strategic development planning since the new track was contemplated in 2001
- iii) The site required for the activity of multi-day guided walks could not be located outside the Whirinaki Te Pua-a-Tane Conservation Park due to the track network required for the activity being in that location, the outstanding natural features of this region and the extensive international marketing of this conservation park by the Principal of the Applicant Company since 1993
- iv) There are no potential adverse effects which could be significantly lessened by utilising another site on other public or private land, and to the contrary, the effects would be significantly increased due to the need for vegetation clearance in another location
- v) The commercial tourism business developed by the Principal of the Applicant Company could not be transferred to other land as the entire brand, visitor offering and intellectual property developed over the last 25 years is centred on Whirinaki as a world-renowned temperate rainforest. This business of multi-day guided walks is not transferrable to another area, given its history.

C. Larger area

*Is the size of the area you are applying for **larger** than the structure/facility?*

Yes. Due to the nature of the development there are a number of structures involved and their placement has been carefully considered in relation to both the footprints required for each of the structures and the vegetation that exists on this site.

It is also desirable that sufficient area be provided to permit additional facilities to be established, should market demand exist, to provide the required level of accommodation to service the maximum number of clients provided for in the Guiding Concession (limited to 25 per day).

If **yes**, please detail the size differences and answer the following three questions:-

- i) *Is this necessary for safety or security reasons:* Yes.
- ii) *Is this necessary as an integral part of the activity:* Yes
- iii) *Is this essential to carrying out the activity:* Yes

If the answer to any of the above is yes, please provide details and attach supporting evidence if necessary and label as Attachment 3b:C

A larger area than the actual structures is required for the following reasons:-

- i) The tourism offering to domestic and international visitors has as its essence the provision of tranquility and quiet enjoyment

Do you believe you need exclusive possession of the public conservation land on which your structure/building is located, ie no-one else can use the land during your use of it? Yes.

If yes, please answer the following 3 questions:-

- i) *Is exclusive possession necessary to protect public safety? Yes*
- ii) *Is exclusive possession necessary to protect physical security of the activity? Yes*
- iii) *Is exclusive possession necessary for the competent operation of the activity? Yes*

If the answer to any of the above is yes, please provide details and attach supporting evidence if necessary.

As with the previous response, exclusive use is necessary for the safe and competent operation of providing overnight accommodation for the Applicant Company's clients (domestic and international) but the Operator has been a long history of making its facilities available during the winter off-season at no cost to Department of Conservation staff (track maintenance crews and endangered species monitoring teams).

E. Technical Specifications (for telecommunications sites only)

Not relevant to this application.

F: Term

Please detail the length of the term sought and why?

The term sought pursuant to this Lease application is Thirty (30) Years. This term is defined as being available by Section 17Q of the Conservation Act 1987 where infrastructure is involved, as it is in this instance.

Tenure of this term is necessary due to:-

- (i) The intention of the Department of Conservation to bring consistency to Leases across New Zealand, including the Lease granted to the Applicant in December 2016 for use of the Okahu valley site
- (ii) The capital expenditure required (for this stage of the development that is assessed at \$400,000.)
- (iii) The long-term nature of tourism as a key economic driver of the New Zealand economy
- (iv) The need to enter into long-term contracts for the supply of guiding services and the appropriate level and quality of accommodation with overseas tour wholesalers and New Zealand-domiciled in-bound tour operators who market such multi-day experiences internationally and domestically

- (v) The significant expenditure of the Principals of the Applicant Company over the 29 years since 1989, totalling in excess of \$650,000. Such expenditure has related to the original site and infrastructure development, creation of what is now a well-recognised tourism brand globally and marketing of Whirinaki Conservation Park internationally as a high-value visitor destination
- (vi) Anticipated expenditure on further development of facilities by the Applicant Company to utilise the Department of Conservation's dual-use Moerangi track, such capital cost currently estimated at almost \$1 million.

G: Environmental Impact Assessment

This section is one of the most important factors that will determine the Department's decision on the application. Please answer in detail.

A comprehensive Ecological Impact Assessment, produced by Nicholas Singers of Nicholas Singers Ecological Solutions Ltd addresses these issues and is attached (Attachment E1)

Location on public conservation land

Site known as Moerangi Valley Lease site, Whirinaki Te Pua-a-Tane Conservation Park, identified as the proposed 1100 square metre lease site in the site plan (Attachment D2)

Special feature or value

None – except that the site has ecological, scenic, cultural and natural values consistent with its location with Whirinaki Te Pua-a-Tane Conservation Park.

Potential effects of your activity on the feature or value (positive or adverse)

This site has long been identified by the Department of Conservation as being logical for tourism accommodation purposes [Fiona Hennessey letter 12 February 2001] in this locality. The footprints to be utilised for the structures required for client, camp management, kitchen/dining and recreation hall structures are small in area and number and do not require the very significant clearance of vegetation of those, predominantly located in National Parks, in the South Island. Their placement, as defined on the Site Map (Attachment D2) has been designed to fit around vegetation, hence few significant adverse environmental impacts are foreseen in the long term as a result of any initial construction activity.

Positive impacts of the activity include:-

- (i) Educating visitors to the special features, environmental and recreational aspects of this world-renowned temperate rainforest during overnight stays
- (ii) Providing quality accommodation designed to blend with the natural surroundings of the site, to a standard required by the international tourism marketplace
- (iii) Providing facilities for use by Department of Conservation personnel
- (iv) Having on-site staff and volunteers assist the conservation effort in this region, including pest control and other programmes

- (v) Providing safety for members of the general public by way of staffed shelter and facilities (including hot showers) and assisting in times of emergency
- (vi) Providing another compelling reason for visitation to Whirinaki Te Pua-a-Tane Conservation Park by way of facilities not available in public huts managed by the Department of Conservation

Column 4: Methods to remedy, mitigate or avoid any adverse effects identified

- i) Site layout and proposed buildings/structures have been specifically designed to minimise adverse effects on ecological and landscape characteristics of the location
- ii) All structure platforms will be prefabricated and flown to the site by helicopter. Site works (ie installation of piles) will be undertaken by qualified building contractors working under the supervision of a project manager (a former Local Body building inspector)
- iii) Construction staff will be fully briefed on environment protection imperatives
- iv) Maintenance (camp management) staff will be fully briefed on environmental protection imperatives
- v) Human waste (ie sewage sludge) will be held in tanks and pumped into drums and removed from the site as required. This is usually done in the tourism off-season
- vi) All inorganic refuse will be removed from the site as per past practice
- vii) Fuel and other chemical compounds, such as those used for cleaning, will be stored in a defined area away from the client zone and secured appropriately
- viii) A staff handbook defines use chemicals and mechanisms for protecting flora and fauna from same

Other

Is there any further information you wish to supply in support of your application? No

List of Attachments

- A1: Proof of Legal Status
- B1: Testimonials for Applicant Company and support for 3-day walk development
- B2: Log of consultation with Ngati Whare iwi and supporting documents
- C1: Extract from 2004 Submission for Moerangi dual-purpose track funding
- C2: Log of consultation/discussion with DOC officers relating to Moerangi site
- D1: General locality map
- D2: Location map/boundaries of Lease site and placement of structures and Drop Zone
- D3: Design plans and visuals of wharekai/dining and kitchen and wharemoe/sleeping hut structures
- D4: Illustration of placement of structure among vegetation
- E1: Ecological Impact Assessment
- E2: Water and Wastewater engineering report