



Notified Concession Officer's Report to Decision Maker

Officer's Report to Decision Maker: *Greg Lind, Operations Manager, Te Anau*

Notified Application for a Lease for staff accommodation

Applicant: Milford Sound Lodge Limited

Permission Record Number: 53839-ACC

File: PAC-00-12-07-11

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 be notified; and make a decision in principle whether it should be granted or declined.

1.0 Summary of proposal

Background:

Milford Sound Lodge have been operating guest accommodation in Milford Sound under a S50 National Parks Act Authorisation since 1989. A new authorisation was issued in 2013, expiring in 2043. The existing lease area authorised by S50 is approximately 4 hectares, which includes guest accommodation, campsites for tents and campervans, associated facilities and amenities, utilities infrastructure (water, sewage, electricity) and access for vehicles and pedestrians. It also includes some staff accommodation - consisting of both permanent and temporary structures.

Policy 9(b) of the General Policy for National Parks states that accommodation and related facilities in national parks, other than public accommodation provided by the Department, will require the authorisation of the minister, except for accommodation for the staff of a concessionaire, which will require a concession.

While the guest accommodation and camping facilities can be authorised under Section 50 of the National Parks Act, the proposed staff accommodation can only be granted under part 3B of the Conservation Act. In this case, due to the need for exclusive use, a lease is the appropriate type of concession.

Information about the Applicant:

Milford Sound Lodge was incorporated in 1999, and has 3 company directors: Timothy Michael McConachie, Amanda Maree Simper and David George Skeggs.

The company and its directors are well known to the Department and have the necessary experience and skills to undertake the activity currently authorised and the upgrades and changes requested in this application.

The company and its directors have no known criminal convictions and have no compliance issues recorded against them.

Type of concession sought: Notified Lease

Term sought: The Applicant has asked for a lease to run concurrently with the existing S50 National Park Authorisation they have for the area - expiring on 30th June 2043.

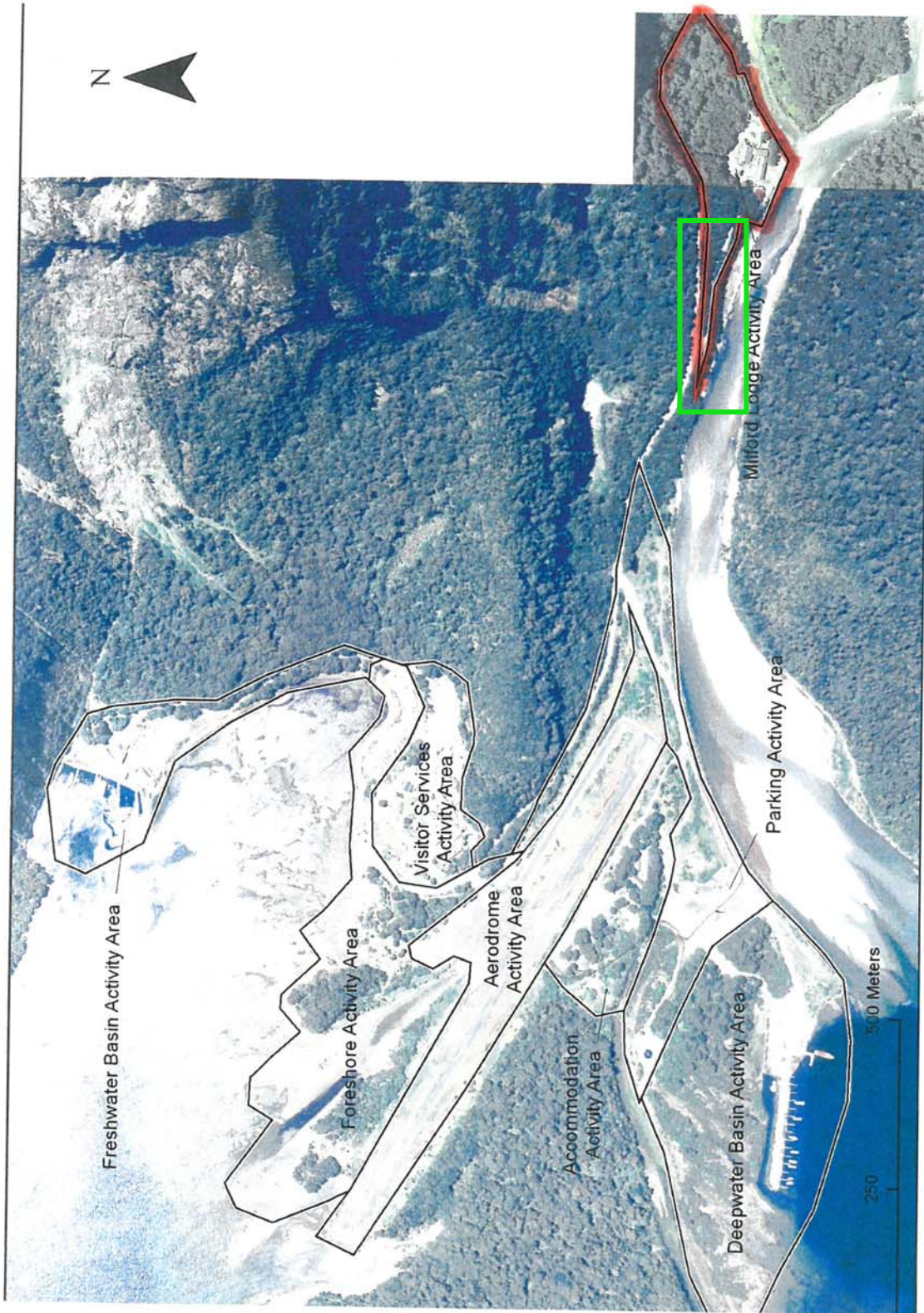
Description of the proposed activity:

- To remove temporary structures currently being used for staff accommodation,
- To relocate existing buildings within the S50 Authorisation area to the proposed location for re-assignment as staff accommodation,
- Formalise parking by the re-located structures for staff parking,
- Associated landscaping.

All activity is within the boundary of the current lease area authorised under S50 of the National Parks Act. The current lease area is within the Milford Lodge Activity Area of the Fiordland National Park, as shown on the map below (area outlined in red). The area required for staff accommodation will be authorised by the new lease which will sit inside the current lease boundary of the S50 Authorisation. All other activities within the boundary will remain as authorised by the S50 Authorisation.

The area proposed for staff accommodation is within the green rectangle on the map below.

There is a link to the application form in Section 2.0 which contains site plans and design plans of the site and the new structures that will be placed in the area.



Milford Sound activity areas (from FNP Management Plan 2007)

2.0 Information available for consideration

Information received:

From the Applicant

The application is recorded at:

<https://doccm.doc.govt.nz/wcc/faces/wccdoc?dDocName=DOC-2948157>

Concept plans of the exterior of the building, the interior layout and site plans are included in the application.

From whanau/hapu/iwi

The Te Anau District Office (DO) consulted with Kaitiaki Roopu (KR) regarding this application.

The DO has noted that KR were consulted on the 26 January 2017 and as of the 27 February 2017 no comments had been received. Comments were due back on the 24 February 2017.

From Conservation Board

The DO consulted with the Southland Conservation Board (SCB). Their response is given below and is recorded in the DO comments (link below).

Yes this application meets the consultation triggers for SCB due to the lease term. SCB were consulted on the 27 January 2017 and on the 27 February made the following comments;

“The Southland Conservation Board has considered this proposal. It has no difficulty with the need for or propriety of the proposed development. However, as the Board recently noted in another application for new buildings in the Milford area, it considers that that ongoing consideration needs to be given to developing and maintaining a ‘master development plan’ for Milford to provide a context within which proposals such as this one could be assessed. Space for ‘development’ is limited by the very nature of the place and some form of structure plan or master development plan is needed so that options are not unnecessarily foreclosed by piecemeal incremental development. Milford is a world-class environment. Building in this environment deserves world-class design response (both building and landscaping) in order that the built environment also has a ‘wow’ factor that complements that of the natural environment. In future, it will be looking for a comment on the ‘design response’ within the ‘Assessment of Effects’ for applications of this nature.”

The DO has acknowledged the Board’s comments. Through the 2017 review of the FNPMP and working with the regional/territorial councils, the planning issues for Milford Sound/Piopirotahi are likely to be discussed and worked on. The current application is consistent with the provisions of the current FNPMP 2007 and the DO considers it includes appropriate building design and use for this lease site.

From DOC staff (including Operations, technical and legal comments)

Comment was sought from the DO. Their comments are recorded at;

<https://doccm.doc.govt.nz/wcc/faces/wccdoc?dDocName=DOC-2956437> and are discussed in some detail below.

From legal:

Advice was sought for DOC legal regarding the process for granting a Part 3B lease within an area already granted for a S50 NPA Authorisation. The advice given was that the new lease should contain a clause in it stating that it varies the S50 lease by deleting the staff quarters area. And to ensure the S50 Authorisation and the new lease are linked so that they are looked at together and it is evident that the S50 lease has been reduced by the amount authorised by the concession.

Further legal advice was sought with regard to whether it is possible to charge an activity fee for the new lease given the wording of the authorised activity and the fee structure in the in the S50 NP Authority. This is discussed in the fees section of Section 6 below.

Requested information not received:

It is considered that all necessary information required to consider this application has been received.

3.0 Acknowledgement of complete application (s17S)

Section 17S of the Conservation Act 1987 lists those details which an application must include to allow consideration by the Department. An application is deemed complete once all information required under Section 17S of the Conservation Act 1987 has been received.

Comment:

This application is deemed to be complete, for the purposes of the Act.

4.0 Analysis of proposal (s17T, 17U, 17V, 17W, 17X, 17Y)

Section 17T(2) requires the Minister to decline an application within 20 working days of it being deemed complete, if "...the application does not comply or is inconsistent with the provisions of this Act or any other relevant conservation management strategy or plan..."

Comment:

It is considered that this application does comply with the provisions of the Act and it is therefore not appropriate to decline the application under S17T(2). Consistency with the relevant management plan is discussed below.

Public notification s17T(4):

The application under consideration is for a lease for a staff accommodation building for the existing Milford Sound Lodge, requiring sole occupation of the site. The Applicant has requested a term for this lease to run concurrently with the S50 Authorisation for the Guest Accommodation, which expires on 30th June 2043. A sole occupation lease and a term of more than 10 years trigger the need for public notification as stated in Section 17T(4) of the Act.

It is expected that this application would be of local or regional interest only, in which case the Act allows for notification to be limited to local or regional papers. For this application, the intention notice will be sent to the Southland Times and placed on the DOC web site.

Analysis of Effects s17U(1) and (2):

The Applicant and the DO have both provided comprehensive environmental impact assessments. The potential effects included in these are discussed below:

Biodiversity (flora, fauna & freshwater)

The Applicant previously commissioned 'Wildlands Consultants Ltd' to complete an Ecological assessment of the site for the proposed works starting in 2013. A copy of the 'Ecological Assessment of the proposed 2013 redevelopment, at Milford Sound Lodge, Cleddau Valley, Fiordland' prepared by Kelvin Lloyd of Wildlands Consultants Ltd has previously been provided. The report is detailed and outlines the ecological values onsite and how the Applicant intends to mitigate any potential adverse effects that may occur from the any redevelopment works. It is not envisaged that much has changed regarding the ecological values on site since this report was first written.

The following is a summary of the details outlined in that report;

MSL site sits on an alluvial terrace alongside the Cleddau River. The site is lowland, being less than 20m above sea level. The site has been heavily disturbed and cleared of vegetation in the past (1960's) and is in some places highly modified. Further clearance of mature vegetation occurred through the Department lead 'Cleddau River Flood Protection Project' (CRFPP) in 2011. There are some sections of this site that comprise remnant forest and scattered regenerated silver beech trees with native understory. Young beech tree saplings border the building sites and along the access roads from SH94.

There are two main forest types present onsite; Silver beech/horopito- *Coprosma rotunfolia* forest and Silver beech/broadleaf-lancewood-weeping mapou forest. Another vegetation class is listed in the report however this is sited at the western end of the site closer to Milford Sound and on the upper terrace which is at a higher elevation than the MSL site, this site has been affected considerably by the CRFPP works in 2011. No nationally threatened or at risk vascular plant species were found present onsite.

The report indicated that the site provides only minor habitat value for native birds due to its limited extent and provision of food sources. Some bird species that occasionally frequent the site are classified as nationally threatened species; South Island Kaka and Fiordland tokoeka.

Previous reports for this site (and indicated in this report) state that the site occurs on relatively fertile terraces that are scarce in Fiordland, however are extensive in the lower Cleddau Valley.

Effects on Aquatic Ecosystems

All work is to be completed on the upper terrace of the site. Any site runoff, including from the reticulated storm-water collection system, now ponds in the downstream area of Glow Worm creek and is generally lost to infiltration into the underlying gravel. Runoff in the proposed development area is not anticipated to migrate to the Cleddau River but will remain in the adjacent forested areas of the site where it is lost to infiltration.

Clearance of regrowth forest is required under the footprint of the Staff Accommodation Wings and the Staff Amenities buildings which are away from water courses and no significant effects on aquatic ecosystems are anticipated. No significant ground disturbance other than piling is required for the Staff Cabins, which will be located on the existing entrance road surface.

As a safeguard, wherever potential for sediment discharge is identified appropriate storm water and sediment control measures will be used including silt fences and cut off drains to prevent sediment from reaching watercourses.

Comment:

The DO has not highlighted any concerns with effects on aquatic ecosystems. If the Applicant carries out the work in the way described, the effects on watercourses are likely to be less than minor, and require no further special conditions.

Vegetation Clearance

Construction will be concentrated on and adjacent to areas that are presently disturbed – roadways – with limited forest clearance required for the Staff Bedroom Wings and Staff Amenities Building.

The forest disturbance required for the bed-room wings and amenities building avoids larger trees, but will require clearance of shrubs and understory species under the building footprints, however this is not envisaged to be significant or have any significant adverse effects on the environment generally. The Applicant has worked to minimise disturbance to native vegetation as much as practicable, by designing and locating the facilities on sites that have previously been cleared or alternatively designing and locating facilities where minimal vegetation is to be cleared. And working to avoid larger tree clearance altogether.

The Applicant is aware of the procedures regarding vegetation clearance and as there is a possibility of threatened species (bats) on site, the Applicant will be required to adhere to the standard operating

procedures the Department holds for tree clearance, such as surveying the site and identifying any trees over 600mm diameter at breast height and having these trees checked by suitably qualified staff prior to felling. The Applicant has shown compliance in the past, however the DO recommend a special condition be included in this authorisation to reflect the above matter.

Comment:

Special conditions regarding the removal of vegetation and the need for checking large trees for bat roosts before felling have been included in Section 6 below.

Noise

During the construction phase of the redevelopment there will be some noise associated with this activity. It is not anticipated that noise will have a significant impact on visitors, as the site is already used as an accommodation business which has associated noise already occurring. Visitors will be informed of works on site and so will be expecting some noise. However, the Applicant will be required to adhere to the noise provisions outlined in any resource consents or Fiordland National Park Management Plan 2007 (FNPMP) – during the construction phase and afterwards.

FNPMP section 5.3.9.1 Milford Sound / Piopiotahi implementation 13 states the following:

The noise produced in the following Activity Areas should not exceed the stated rating levels at any place within the boundary of the zone:

a) Deepwater Basin, Milford Lodge, Accommodation, Visitor Services, Parking, Foreshore and Freshwater Basin Activity Areas:

- i) 8.30am to 6.00pm Leq – 50 dB(A)
- ii) All other times L10 – 40 dB(A)
 Lmax – 70 dB(A)

Comment:

This has been addressed in the section on compliance with the relevant management plan. These levels have been included as a special condition of the lease.

Dust

The Applicant states that they will as best as practicable minimise any potential adverse effects from dust that may be generated from machinery by wetting down works areas.

It is not anticipated that there will be major adverse effects relating to dust. The Applicant will comply with relevant dust emission regulations.

Management of Contaminants, Hazardous Substances and Waste

The application includes mitigation methods for control of hazardous materials and contaminants but does not supply an emergency response plan. The application also states that all rubbish created from this project will be removed from site in consultation with the Department. The DO is comfortable that the Applicant has experience in managing construction projects at this site from past building developments, and this consultation will not be required. The only requirement is that a condition be included setting out that all unused materials and waste be removed from the national park in a timely fashion.

Comment:

The usual set of special conditions with regard to waste management and contaminants for this type of construction in Milford Sound have been included in Section 6 below.

Effects on Amenity Values

The Applicant has stated that as part of the ongoing site upgrade they wish to:

1. Relocate an existing guest amenities building and existing guest accommodation wing and refurbish these for staff use.
2. Relocate four existing cabins and re-task these for summer staff use.
3. Formalise staff car parking to service these buildings – on existing hard stand areas.
4. Remove existing temporarily consented staff accommodation buildings.
5. Associated landscaping.

Comment:

The site is already being used for the activity. The relocation of buildings within the current use area will not impact on amenity values of the area to any greater extent than the current lodge and its infrastructure.

Visual

The Applicant has in the past proven to the Department their ability to construct and install buildings that fit in with this landscape. The Applicant is to use materials that are non-reflective and have a natural finished look. The style of the buildings will be a general replication of the public accommodation previously constructed and approved for this site. The design, style and finish of these buildings is appropriate for this accommodation site and that they do not adversely detract from the natural setting of this area. As the purpose of this site is for providing visitor accommodation, it is anticipated on arrival at this site to see infrastructure. The beech trees present between the buildings and SH94 assist in screening the accommodation facilities from the road so that it is not too prominent.

During the construction period, there will be some effects on the visual amenity of the site, this is whilst trenching for services occurs. It is not anticipated that these effects will be more than minor as they are short in duration.

The Applicant states that the proposed re-development is largely a reorganization of buildings on the site to provide a better standard of staff accommodation and to provide those staff with privacy from guests. The buildings will be sited on and beside the existing Western Access Road which to date has formed the main access road to SH94. However, a new more direct access road is presently being completed which makes the Western Access Road surface available for staff use.

Comment:

The building will need to comply with the Fiordland National Park Management Plan 2007, as set out below. These polices are designed to mitigate the visual impact of buildings. The concept plans included in the application would indicate that the proposed buildings are generally in accordance with the plan, and therefore no further special conditions will be necessary.

Site Control Measures (noxious weeds, site boundary & traffic management)

The Applicant has stated that they will ensure that all equipment is cleaned before entering the National Park, to reduce the risk of unintended introduction of noxious species. MSL has committed to a 12-month maintenance period to eradicate any weed species that become established onsite. These will be included conditions of this lease and should be considered as an ongoing responsibility of the lease holder.

The Applicant states they will prepare a traffic management plan in accordance with Land Transport Agency's Code of Practice for Temporary Traffic Management outlining ways in which the Applicant intends to mitigate any potential adverse effects regarding flow of traffic and congestion on the Milford Road SH94.

Site boundaries for construction will be clearly defined on site by MSL staff and in consultation with the Department. The Applicant has stated that no vegetation will be removed or disturbed beyond the areas of the construction zone and that appropriate health and safety signage will be provided onsite. The Applicant will be required and will adhere to the relevant health and safety regulations relevant to public entry.

Historic and Cultural (iwi concerns)

In the past, a historic garage was present on site. This has been removed from the site and there are no longer any known sites of cultural significance within the lease of MSL. The Applicant has stated that they will comply with all relevant legislation and protocols if any cultural artefacts are located onsite during construction. The Department is satisfied that the Applicant will adhere to this.

Purpose for which the land is held s17U(3):

The proposed activity and location are not contrary to the purpose for which the land is held.

Consistency with Relevant Management Strategies and Plans s17W:

The proposed lease area falls within the Fiordland National Park, administered under the National Parks Act 1980 and the Conservation Act 1987.

The relevant Conservation Management Strategy (CMS) is the Southland Murikihu CMS 2016.

The Fiordland National Park forms part of the Fiordland Te Rua-o-te-moko Place, section 2.2 of the Southland CMS. Policy 2.2.2 of this section states that the Fiordland National Park will be managed in accordance with its national park management plan, including the visitor management and aircraft provisions.

Fiordland National Park Management Plan 2007 (FNPMP)

Section 5.3.9.1 (Milford Sound/Piopiotahi) of the FNPMP states that the current infrastructure of Milford Sound is a reflection of its long history of tourism, which began in the late 19th Century. The plan recognises that there is a challenge in ensuring continued growth while ensuring that the area remains a world-class visitor experience within a National Park setting.

This application for a lease within the Milford Lodge Activity Area.

The relevant policies from Section 5.3.9.1 are:

5. Every Applicant who is developing a facility or a structure or extending and upgrading an existing facility or structure should be required to provide an assessment of the natural hazard risks and outline how they intend to address such risks. In particular, Applicants will need to demonstrate that they have discussed and satisfactorily resolved any issues on this matter with the Southland District Council and Southland Regional Council which hold information on the natural hazard risks at Milford Sound / Piopiotahi.

Comment:

Since the plan became operative in 2007, the Department has undertaken major flood protection works on the Cleddau River in Milford Sound, providing protection for the aerodrome, staff accommodation and commercial installations on the river delta. That said, the buildings will require building consent from the local authority, which will require it to be built to accepted standards for a building in this situation as the area is at risk of flooding from the Cleddau. Clause 13 of the standard terms and conditions in Schedule 2 of the lease document state that the Department is not liable to damage from natural events, and that the Applicant occupies the site at their own risk.

6. Reticulated and communal services such as roads, water, power and sewerage are likely to be provided by either the proposed new infrastructure organisation (refer Implementation 1 of this section) or concessionaires. All infrastructural services will meet all applicable New Zealand standards and be subject to easements and/or concessions from the Department of Conservation. Services should be provided to all resident concessionaire facilities, community and visitor facilities at Milford Sound / Piopiotahi and be designed to cater for the level of use that the developed area of Milford Sound / Piopiotahi will cater for in the life of this plan; or longer term.

7. Providers of these services will be able to seek reasonable commercial return from the beneficiaries of these services for capital investment where applicable and the ongoing costs of the provision of these services.

8. All concessionaires at Milford Sound / Piopiotahi will be required, at their expense, to connect to and utilise the reticulated services, and will pay reasonable contributions to the capital cost and user charges to the service providers

Comment:

These three policies are covered by special conditions common to all Milford Sound leases. These are listed in section 6 below as conditions 1 to 10.

12. In considering concession applications for Milford Sound / Piopiotahi, in addition to other statutory requirements, consideration should in particular have regard to the following:

- a) Whether the proposal can be carried on outside of Milford Sound / Piopiotahi and Fiordland National Park;*
- b) The potential for adverse affects on other visitor experiences at Milford Sound / Piopiotahi;*
- c) Whether the proposed activity detracts from Milford Sound / Piopiotahi's unique natural and cultural values or distracts visitors from enjoying the place;*
- d) Whether the proposal leads to additional vehicle movements and parking requirements not provided for by this management plan;*
- e) Whether the Applicant is well-enough equipped (expertise, finance etc) to carry through and complete the proposal; and*
- f) Whether the Applicant is willing to pay their share of infrastructure costs (refer to Implementation 1).*

Comment:

The staff accommodation is necessary for the operation of the lodge in Milford Sound - it is not reasonable to expect the Applicant to provide accommodation outside the park when they have guests staying in the lodge and camping areas 24 hours a day.

All the proposed activity will be within the area already utilised by the Applicant, there is not likely to be any further effect on visitor experience or on the natural and cultural values than is already occurring at the site. The Applicant has been running the lodge at this site since 1989. The DO is comfortable that they have both the experience, skills and financial ability to undertake the applied for activity.

It is considered that the application is consistent with the above policy.

13. The noise produced in the following Activity Areas should not exceed the stated rating levels at any place within the boundary of the zone:

a) Deepwater Basin, Milford Lodge, Accommodation, Visitor Services, Parking, Foreshore and Freshwater Basin Activity Areas:

i) 8.30am to 6.00pm Leq – 50 dB(A)

ii) All other times L10 – 40 dB(A)

Lmax – 70 dB(A)

b) Aerodrome Activity Area:

i) As per requirements of section 5.5 Aircraft Access.

Comment:

A special condition listing those noise levels acceptable in the Milford Lodge Activity Area will be included in Schedule 3 of the lease, as listed in Section 6 below.

14. The following criteria should be applied to any new building or structure or the extension or upgrade of buildings or structures located at Milford Sound / Piopiotahi:

a) General

i) Locate buildings and accessories, such as aerials, satellite dishes, water tanks and other similar developments on already modified sites or disturbed sites rather than sites with high natural/ecological values; and

ii) Location, design, bulk, height, form, materials, colour and reflectivity, should all be chosen to minimise visual impact.

b) Siting and Design

i) Avoid buildings and accessories on ridgelines/ hill tops, especially skylines where the structure is silhouetted against the sky;

ii) Avoid buildings and accessories on steep faces where earthworks become highly visible;

iii) Ensure there is a backdrop of landform and/ or tall vegetation for buildings and accessories when seen from obvious viewing points, rather than these buildings and accessories protruding onto the skyline;

iv) In general, site buildings and accessories where there is a change in the landform, e.g. at the interface of mountain slope and delta and where the building is in harmony with the land contours;

v) Avoid siting buildings and accessories where they visually dominate or detract from the experience of Milford Sound / Piopiotahi e.g. from SH94 the entrance road to Milford Sound / Piopiotahi or from the fiord and harbour areas;

vi) Buildings and accessories should relate to their specific site and environs both in terms of scale, height, bulk and design; and

Explanation: For example, buildings and accessories of greater height and mass could be absorbed more easily on the Freshwater Basin / Hotel site because of the mountain wall directly behind, as opposed to the Cleddau Residential Area or Deepwater Basin.

vii) Buildings and accessories should not dominate their surroundings nor views. In general, break up the form of buildings and accessories to decrease the apparent mass and assist with merging into the landscape.

c) Colour

i) Avoid colours which would lead to a building appearing highly visible;

ii) Avoid colours which do not derive from nor complement the colours of natural elements of the landscape (such elements include soil, rocks, streams, rivers, vegetation and the sea);

iii) Use of light and/or reflective colours for large areas on buildings and accessories should be avoided; and

iv) Use accent colours in dark tones on smaller areas of buildings and accessories such as window trims and doors and smaller walls;

Explanation

In order to soften the impact of buildings and accessories in this setting, colours at the lighter end of the tonal spectrum should be treated with caution. Any colour that is used for large areas should not be too reflective or too light. The rock and bush setting is very absorbent of light and therefore any significant area of colour that is too light tends to stand out and detract.

Predominant colours should complement the natural elements of the land (such as soil, rocks, vegetation).

Note this does not imply that the only colour possible is dark green or brown. Mid to dark greys, greens and browns may be the most recessive in the Milford Sound / Piopiotahi setting but the emotional response to limiting the colour range to these would be that it would be too drab.

By accenting smaller areas on buildings and accessories with a brighter hue but not necessarily tone can help lighten a building with little visual impact from a distance. The use of colour for accents could include red, navy blue, purple, i.e. dark colours which are recessive from a distance but add visual interest when closer.

d) Materials

i) Avoid highly reflective materials;

ii) Use materials that are natural in character and visually complement the Milford Sound / Piopiotahi landscape; and

iii) Natural wood, hard dense stone and metal to be the predominant materials for buildings and accessories.

e) The Applicant, in their Assessment of Environmental Effects, will need to demonstrate it meets the above criteria; and

f) All applications for facility and structure development should be submitted to an advisory panel of architects and landscape architects who should provide recommendations to the Department of Conservation. This panel composition should be determined by the Department of Conservation.

15. The use of street and exterior lighting should be designed so as to protect the natural night vista.

Comment:

Several of the buildings being used for the staff accommodation are being relocated from other parts of the lodge site – either existing cabins or an existing guest amenities building. These buildings are likely to already be compliant with the above policies.

The plans of the new buildings included in the application are generally in accordance with these provisions of the Management Plan no further special conditions are therefore required, other than to ensure final plans and design are compliant with these policies.

A special condition has been included to ensure that any street lighting that is needed complies with policy 15. This has been listed in Section 6 below.

Accommodation Activity Area section

33. This is the only area where staff accommodation facilities will be provided at Milford Sound/ Piopiotahi (outside of the existing hotel site located in the Visitor Services Activity Area and Milford Lodge). No new areas will be provided.

Comment:

While the intention is for the majority of staff accommodation for concessionaires at Milford Sound to be situated within the Accommodation Activity Area (ie the Cleddau Village), it is recognised that the Milford Lodge has existing staff accommodation facilities, and that these will continue to be provided for.

It is considered that the application not inconsistent with this policy.

Milford Lodge Activity Area

49. Continue to support the existing visitor accommodation options in this Activity Area.

50. This area and the Visitor Services Activity Area are the only areas where visitor accommodation will be provided at Milford Sound / Piopiotahi.

51 The following will apply in this Activity Area:

- a) *The site will ensure a variety of accommodation options including:*
 - (i) *Basic low cost camping;*
 - (ii) *Sites for campervans;*
 - (iii) *Backpacker accommodation; and*
 - (iv) *Motel type accommodation.*
- b) *This site will not be developed into high quality hotel accommodation;*
- c) *Retail facilities will be limited to those that provide necessary goods for clients of the Milford Lodge Activity Area; and*
- d) *A restaurant/café opportunity is considered appropriate in this activity area.*

Comment:

There is no change to the existing activities being offered to visitors at this facility. The application is to consolidate staff accommodation, providing better, permanent facilities for the staff who are required to be at the site during the night to cater for the visitor demand.

It is considered that the application is not inconsistent with these policies.

5.0 Relevant information about the Applicant

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

No known convictions.

Past compliance with concession conditions:

There are no known compliance issues.

Credit check result:

Not required. The Applicant is a current debtor account holder.

6.0 Proposed operating conditions

Concession Activity:

The construction, ownership, maintenance and occupation of buildings and car parking for staff and/or contractors working at Milford Sound Lodge.

Term:

The Applicant has requested a term that runs concurrently to their S50 NPA Authorisation for the guest accommodation to give surety of tenure. The S50 Authorisation expires on 30th June 2043. This would give the lease under consideration in this report a term of 26 years.

The term is consistent with other staff accommodation leases in Milford Sound.

The term is considered appropriate with regard to S17Z(1) of the Conservation Act.

The DO has no concerns with the term of the lease applied for.

Fees:

Detail removed for public notification

Summary of special conditions as listed in effects assessment above:

Grantor's Provision of Community Service, Benefit or Facility

1. The amount to be paid by the Concessionaire to the Grantor in respect of the capital cost of providing any service, benefit or facility in terms of section 17ZH of the Conservation Act 1987 shall be apportioned by the Grantor as the Grantor thinks fit among those Concessionaires who benefit from such service benefit or facility. Such contribution shall be paid in one amount or over a period of years as the Grantor may determine.
2. In addition to the contribution in 1 above, an annual contribution may also be required from the Concessionaires for costs of maintaining any such service, benefit or facility such

contribution to be apportioned as the Grantor thinks fit among those Concessionaires who benefit from such a service, benefit or facility.

3. The amounts determined in 1 and 2 above shall be due and payable to and recoverable by the Grantor on the expiration of 3 months after the service of the demand made on the Concessionaire by the Grantor. If such amounts are not paid by the due date, then interest shall be payable in terms of clause 5 of Schedule 2.
4. If the amounts above are not paid in full by the due date, the Concessionaire shall be deemed to have committed a breach of the Concession.

Concessionaire's provision of structure or facility or carrying out the products of an activity

5. The amount to be paid to the Concessionaire by other Concessionaires in respect of the reasonable cost of the Concessionaire providing any structure, facility or the carrying out or products of an activity shall be agreed by the Grantor and the Concessionaire and then apportioned by the Grantor as the Grantor thinks fit among those Concessionaires who benefit from the same. Such contribution shall be paid to the Concessionaire in one amount or over a period of years as the Grantor may determine in consultation with the Concessionaire.
6. In addition to the contribution in 5 above, an annual contribution may also be required from the other Concessionaire(s) for costs (if any) of maintaining any such structure or facility. Such contribution is to be agreed by the Grantor and the Concessionaire and then apportioned as the Grantor thinks fit among those other Concessionaires who benefit from such structure or facility.
7. The Grantor shall include in the concession document of the other concessionaire's conditions requiring such payment to be made to the Concessionaire. The Grantor does not give any warranty such payment will be made by those other concessionaires. The Grantor shall not be liable to the Concessionaire in respect of any non-payment by those other concessionaires.

Other Concessionaire(s) Provision of structure, facility or the carrying out or products of an activity

8. The amount to be paid by the Concessionaire to other concessionaire(s) in respect of the reasonable cost of the other concessionaire(s) providing any structure, facility or the carrying out or products of an activity shall be agreed by the Grantor and the other concessionaire(s) and then apportioned by the Grantor as the Grantor thinks fit among those concessionaires who benefit from the such service benefit or facility. Such contribution shall be paid by the Concessionaire in one amount or over a period of years as the Grantor may determine in consultation with the other concessionaire(s).
9. In addition to the contribution above, an annual contribution shall also be required from the Concessionaire for costs (if any) of maintaining any such structure or facility. Such contribution is to be agreed by the Grantor and the other concessionaire(s) and then apportioned as the Grantor thinks fit among those other concessionaires who benefit from such service benefit or facility.
10. If the amounts above are not paid in full by the due date, the Concessionaire shall be deemed to have committed a breach of the Concession.

Noise

11. The noise produced in the Milford Lodge Activity Area should not exceed the stated rating levels at any place within the boundary of the zone:
 - i). 8.30am to 6.00pm: Leq – 50 dB(A)

- ii). All other times: L10 – 40 dB(A)

 Lmax – 70 dB(A)

Vegetation Removal

12. Vegetation removal will be kept to the absolute minimum required for the redevelopment. The Concessionaire will be required to have a suitably competent person as approved by the Grantor to check for threatened species before disturbing potential habitat areas. If any threatened species are found or disturbed during any stages of the construction works, works are to cease immediately and the Te Anau District Office is to be notified.
13. The Concessionaire must have trees greater than 60cm diameter at breast height (DBH) checked by Grantor for bats prior to felling. Costs associated with this are to be met by the Applicant. (A flow chart of Bat Assessment protocol can be provided to the Concessionaire to the Grantor).

During construction

14. This approval is for the current building(s) as described in the application, any changes and/or extensions to the building(s) the Applicant must seek and obtain the further necessary approvals from the Grantor at the Concessionaire's cost.
15. The Concessionaire is required to adhere to Fiordland National Park Management Plan 2007 s5.3.9.1 Milford Sound/Piopiotahi Implementation 14 & 15 (pg 162 - 164) regarding construction or redevelopment of buildings.
16. The Concessionaire is required to seek & obtain all applicable consents from consenting authorities prior to any works being undertaken.
17. No long-term storage facilities are to be located / installed onto the site unless approved by the Grantor.
18. The Grantor is to be advised when the different stages of works are to commence. The Department may carry out fortnightly inspections of the site when necessary to ensure compliance. The Concessionaire is liable for all associated costs.

Suggested Concession Monitoring Fee:

\$115 .00 plus GST monitoring fee per hour.

\$0.72c (car) or \$1.06c (4WD) per kilometre/travel costs plus GST

19. A traffic management plan must be prepared in accordance with Land Transport Agency's Code of Practice for Temporary Traffic Management outlining ways in which the Concessionaire intends to mitigate any potential adverse effects regarding traffic flow and congestion the Milford Road SH94.
20. Site boundaries for construction will be clearly defined on site in consultation with the Department prior to the commencement of construction.
21. No vegetation will be removed or disturbed beyond the areas of the construction zone.
22. All practical steps are taken to avoid creating sediment discharge into the Cleddau River. Other concessionaires are to be advised when work is taking place that may cause sediment discharge to give them an opportunity to minimise any impacts on their business.
23. Temporary bunds are to be established where appropriate to mitigate any run-off from works into waterways.

24. Trenches for installation of underground services are to be filled as soon as practical and those areas not to be chip sealed or gravelled are to be reinstated with native vegetation.
25. The Concessionaire will ensure that appropriate health and safety signage will be provided onsite and that Health and Safety regulations relevant to public entry are adhered to.
26. The Concessionaire is to comply with relevant dust emission regulations to mitigate the effects of dust from construction works.

Waste Rubbish and Hazardous Materials

27. The lease area must be kept to an acceptable clean and tidy state always. During the works rubbish and debris must be contained wholly within the lease area. At the completion of the works, all plant, equipment, chemicals, fencing, signage, debris, rubbish and any other material brought on-site will be removed from the Fiordland National Park. All rubbish will be dumped in an approved Southland District Council site.
28. On completion of the redevelopment works the site will be cleaned to a level that is to the satisfaction of the Grantor and at the Concessionaire's cost.
29. Oil/fuel spill contingency and emergency procedure plans must be in place and site personnel conversant and trained in the handling of hazardous materials.
30. All vehicles, machinery and hazardous materials on site will be stored in a secure manner. Any hazardous materials will be enclosed in a secure facility. Storage of vehicles, machinery and hazardous materials on site must be approved by the Grantor.

Biosecurity

31. The Concessionaire must comply and ensure its clients comply with the MAF Biosecurity New Zealand, Check, Clean, Dry cleaning methods to prevent the spread of Didymo (*Didymosphenia geminata*) and other freshwater pests when moving between waterways. MAF Biosecurity New Zealand, Check, Clean, Dry cleaning methods can be found at - <http://www.biosecurity.govt.nz/didymo>. The Concessionaire must regularly check this website and update their precautions accordingly.
32. All equipment must be cleaned of seeds, weeds and soils before entering Fiordland National Park. The Concessionaire shall not introduce and shall use best endeavours to ensure no employees introduce any exotic flora and fauna into the land. Grantor prior to being brought into Fiordland National Park.
33. No foreign plant or vegetative material, soil or rock is to be brought into Fiordland National Park without prior approval from the Grantor.

Landscaping

34. A Landscaping Plan is to be submitted to the Grantor prior to construction starting. The plan must include details on plant species, numbers of plants, locations of plantings, landscaping maintenance provisions i.e. weed control, trimming / pruning etc. The plan is to be implemented within 6 months of its approval by the Grantor.
35. Surplus trenching material may be used for landscaping, and may not be left in a manner which is unsightly. No excavated material may be disposed of outside the lease area without gaining specific approval in advance.

Street lighting

36. Any street lighting required in the staff accommodation area must be designed and installed so as to protect the natural light vista of Milford Sound. Final designs should be agreed with the Grantor before installation occurs.

Monitoring

37. The Applicant is required to submit photographs of the completed works to the Grantor.

7.0 Applicant's comments on draft Officer's Report

The Applicant was sent the draft report for comment on 27th March 2017. They replied on 30th March with the following comments:

Thank you for providing a copy of the DOC's report relating to our notified concession application to reconfigure our staff accommodation and for allowing us to comment.

We have reviewed the report and would like to make the following comments:

1. Section 1.0 – page 3 (map)

We have no objection to the area as discussed and broadly shown in the map, but note that the eastern boundary needs to be accurately defined and lie to the east of the proposed staff accommodation buildings.

2. Section 6.0 Proposed Operating Conditions – page 15

Detail removed for public notification

We accept the conditions as presented.

Comment:

It is suggested that the activity is described on the lease as being entirely within the boundary area of the existing NP Authority and is approximately 1700m², subject to final survey.

Detail removed for public notification

8.0 Summary and Conclusions

The application is not contrary to legislation and is consistent with the relevant statutory plan. Adverse effects can be avoided, remedied or mitigated by the special conditions listed above.

Detail removed for public notification

9.0 Recommendations to decision maker

Pursuant to the delegation dated 8th/9th September 2015, it is recommended that the Te Anau Operations Manager:

- 1. Deem this application to be complete in terms of s17S of the Conservation Act 1987; and**
- 2. Agree that if this application is approved in principle then the intention to grant the concession will be publicly notified; and**

3. **Approve in principle the granting of a Notified Lease concession to Milford Sound Lodge Limited subject to the standard concession contract and the special conditions identified in this report.**
4. **Having regard to s49(1) of the Conservation Act 1987, be satisfied that any intent to grant the concession would be of local or regional interest only, in which case the publication of the public notice on this matter be limited notice in the Southland Times and on the DOC website**



Anna Morley

Permissions Advisor

Date: 4th April 2017

Recommendations:

1. Agree
2. Agree
3. Approved
4. Agree **I suggest we add the ODT into the public advertising**

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



Signed:

Greg Lind, Operations Manager, Te Anau

Date: 4/4/17