## **Reconsideration Decision Memo**

**DATE:** 11 April 2025

TO: Samantha March, Operations Manager Coastal Otago

**CC:** Christine Butler, Permissions Manager

FROM: Nicci Mardle, Team Lead Permissions Christchurch; Max Clark, Permissions Advisor

**SUBJECT:** Reconsideration of Decision for the Aramoana Houses

## Summary

1. The purpose of this memo is to provide you with information so that you can make the Decision of the reconsideration of 38964-ACC, 50789-OTH, 38965-ACC, 50790-OTH, 38967-ACC, 50791-OTH, 38966-ACC, and 50792-OTH ("the Aramoana reconsideration application" or "the Reconsideration").

#### Decision

- 2. As the decision-maker you are asked to consider;
  - a. Whether the claims submitted in the Reconsideration are agreed with; and
  - b. If so, what (if any) material consequence this may have on the term, clauses, and conditions granted in 2022.
- 3. <u>Legal delegations for the Conservation Act 1987</u> state that "The original decision-maker must carry out the reconsideration unless there is good reason (such as conflict of interest or bias) for another decision maker at the same level to carry out the reconsideration."
- 4. Please complete the Decisions and Points to Note within the memo.

# **Reconsideration process**

- 5. The Conservation Act 1987 provides a concession applicant with the opportunity to request a reconsideration of the decision on their concession application pursuant to section 17ZJ. Rather than being re-assessment of the whole application, this process reconsiders the concession decision in light of the new information provided by the applicant.
- 6. The Applicant should outline the reasons why they are seeking a reconsideration and may put forward supporting information or new suggestions for managing effects. New information cannot significantly change the application.

7. The reconsideration process is comprised of two decisions. The first decision is whether to accept the reconsideration application and carry out the reconsideration; and the second and final decision is whether to change the original decision.

Note th	at s17ZJ requires 2 decisions. In this context they are:	
1.	To decide whether to carry out the reconsideration (the first decision, already made).	Noted (please highlight)
2.	To decide whether to change the disputed conditions of the concession (the second decision)	Noted (please highlight)
Note that this memo relates to the <u>second decision</u> only.  Noted		
Recognise the significance and impact of the concession decision in 2022 on the Applicants.		Yes [please highlight]

### Context - Pre 2015

- 8. The four Aramoana dwellings ("the houses") are situated on the Aramoana Conservation Area, established in 1996. The three houses earliest were purpose-built in 1912, when the Otago Harbour pilot vessel service shifted across the harbour entrance from Taiaroa Head to Aramoana Spit.
- Three of the four houses and their surrounding area (leases 38964-ACC, 38965-ACC, 38967-ACC; "the Pilot houses") have <u>Category 2 historic heritage status</u> under the Heritage New Zealand Pouhere Taonga Act 2014.
- 10. The fourth house, known as "the Surveyors Cottage" (lease 38966-ACC), does not hold this status.
- 11. The substantive discussion in this memo pertains to the three Pilot houses. Discussion about the Surveyors Cottage has been separated out. See paragraphs 36 to 42 regarding the Surveyors Cottage / Joseph Vessels' House.
- 12. The houses were sold into private ownership and from 1923 were granted leases on a year-by-year basis and determinable at will by the Otago Harbour Board pursuant to the Otago Harbour Board Leasing Act 1885.
- 13. The Aramoana Conservation Area was previously owned by the Otago Harbour Board. Later, ownership of the Land was transferred to the Dunedin City Council post local government reform in 1989.

- 14. The Department of Conservation (DOC) subsequently purchased the Land from Dunedin City Council in 1993 for a nominal sum. Most of the purchased Land was gazetted as Ecological Area in 1998 (Aramoana Ecological Area).
- 15. The houses and surrounding area were excluded. These are instead held as Stewardship Land (Aramoana Conservation Area).
- 16. On 6 June 1990, the Minister of Conservation at the time (following various correspondence) confirmed that proposed transfer of ownership to DOC would not affect existing rights under leases.

## Concession Applications - 2015-2022

- 17. Richard Allen (co-owner of site 2, and the legal representative of the house owners) agreed to meet with DOC in 2014. The owners applied for concessions in 2015.
- 18. At a meeting held on 12 March 2014, Dave Johnstone (Manager Permission/SLM) confirmed at the time that no DOC fees would be charged to process concession applications for 4 dwellings at the Spit. At the meeting were Dave Johnstone, Kelvin Brown (Permissions Advisor), Richard Allen, and Richard Allen's son.
- 19. DOC fully waived the processing fees of \$ in 2019 and \$ in 2022 for these applications.
- 20. The applications were processed under the Conservation Act prior to amendments by the 2017 Resource Legislation Amendment Act.
- 21. Following pre-2017 amendment process, the Aramoana applications were assessed by DOC and the <u>First Determination report</u> (also known as a "Decision in Principle report") was notified. Submissions were then received, a hearing held on 31 May 2022 and the <u>Hearing Recommendation Report</u> was approved on 29 July 2022.
- 22. A final decision report was approved on 21 October 2022.
- 23. In 2022, DOC held the position that there was no lawful right to occupy the sites that was held prior to 1987.
- 24. With that context, we proceeded with the application process and applied the relevant provisions of the Otago Conservation Management Strategy 2016 ("the Otago CMS"), in particular applying Policies that relate to the Aramoana Pilot Houses.
- 25. In accordance with policies 3.11.2 and 3.11.4 in the Otago CMS, three of the house owners, with Pilot Houses that held heritage status were granted concessions (leases and easements) for a term of 14 years (expiry 31 August 2036).

- 26. The fourth house, which does not have heritage status, was granted a term of ten years, with a further right of renewal on 1 September 2032, and a final expiry of 21 August 2036.
- 27. As of October 2022, DOC approved a total of eight concessions for the Applicants, in the form of a lease/license and easement for each of the houses. None of the Applicants have returned signed copies of the concessions that were provided at this time.

## Request for reconsideration - 2023

- 28. Instead, a reconsideration of that decision was sought on behalf of the Concessionaires on 27 February 2023. This was submitted by Richard Allen, of RA Law (Barrister and Solicitors). Mr Allen also co-owns site 2.
- 29. After some discussion, the reconsideration was re-submitted on 20 April 2023, due to the original letter stating that it was "without prejudice" (IE, to remain confidential only between the Applicants and the Department).
- 30. In May 2023, the decision-maker (Operations Manager Coastal Otago; at the time, Annie Wallace) decided to carry out a reconsideration of the Decision.
- 31. This Memo is to assist that reconsideration.

## Agreed points for reconsideration

- 32. In response to the concession offer, the Aramoana house owners have sought a reconsideration of the decision.
- 33. After significant negotiation, the applicants have requested that DOC reconsider three aspects of the granted concessions:
  - the term granted,
  - · the assignment clauses, and
  - the termination clauses.
- 34. The house owners have also requested a full fee waiver for processing fees for the Reconsideration process. This Decision sits with Phillippa Fox, Director Regulatory Authorisations, due to the value of the waiver (estimated processing cost of plus GST across the four house owners).
- 35. This has been recommended due to the Applicants providing evidence in 2022 that a lawful right to occupy the Land existed prior to 1987, and that DOC did not consider this in our initial decision.

Note that the recommendation has been made to fully waive processing	Yes [please highlight]
fees for the Reconsideration process, pending a decision by Phillippa	
Fox, Director Regulatory Authorisations.	

## Surveyors Cottage / Joseph Vessels' House

36. Joseph Vessels has been granted concessions on differing terms and conditions to the Pilot houses. The Surveyors Cottage does not hold the same heritage status as the Pilot houses.

#### 37. Specifically:

- a. Term: Mr Vessels concession has been granted for a 10-year term, with a further right of renewal on 1 September 2032 and a final expiry of 21 August 2036.
- b. Sunset Clause: The inclusion of the "Sunset Clause" which, upon his death, would trigger the cancellation of the concession and require his estate to remove any structures from the land.
- 38. Given the ecological significance of the Aramoana Ecological Area and impact of climate change on sea levels, it is appropriate that the concession is cancelled and the Surveyors Cottage is removed, following the death of Mr Vessels or the expiry of his concession.
- 39. The "sunset clause" included in Mr Vessels' lease states that:

This Concession will be terminated on the death of the Concessionaire (unless the building becomes uninhabitable in the meantime, in which case it would be cancelled) at that stage whereupon the Concessionaire or his estate will be required, at its cost, to remove any structures (dwelling, water tank tower and outdoor toilet), reinstate the Land to the satisfaction of the Grantor and vacate the land.

- 40. It is recommended that the terms and conditions remain as those approved in 2022 (lease/license and easement: <u>38966-ACC</u> and <u>50792-OTH</u>).
- 41. Following such a recommendation would mean that the lease concession renewal date (1 September 2032), final expiry date (31 August 2036), and final easement concession expiry date (31 August 2036) will remain the same. The "sunset clause" would also remain.
- 42. The terms and conditions of the remaining sites/Concessions are being considered separately to Mr Vessels', due to their heritage status.

For site 4 (Surveyor's Cottage):	
Agree that the terms and conditions remain as those approved in 2022	Agree / <del>Disagree</del>
(lease and easement: <u>38966-ACC</u> and <u>50792-OTH</u> ).	

## The Term – 7(2) of the Conservation Amendment Act / Lawful Occupation

43. At the time of notification of the Notified Officers Report<sup>1</sup>, it was the Department's view that:

The applicant has not produced information to indicate that occupation of the land was authorised by contract or legislation prior to 1987. Consequently, section 7(2) of the Conservation Amendment Act  $1996^2$  is not applicable.

- 44. During 2021 and 2022, the Applicant's responded to the Department's position and supplied the Department with a copy of the 1946 Otago Harbour Board tenancy, a copy of the 1973 Otago Harbour Board tenancy, and a copy of the 1984 confirmation that the original conditions of the tenancies would be retained following rezoning by the then-Council.
- 45. In July 2022, this prompted the Hearing Chair to recommend that:

The Applicant's comments should be considered to the extend if there has been any error (or element of doubt) in applying section 7(2) of the Conservation Amendment Act 1996, to confirm the Applicant's contention that the occupation is lawful i.e. authorised rather than unauthorised. This should be explored further, especially in light of the Applicant's contention that exceptional circumstances exist to warrant consideration of a Term up to 60 years pursuant to section 17Z(1) and 17Z(3)(a) of the Conservation Act 1987; as discussed under issue 2 (Term) in this Report.

46. The Notified Final Report (signed 21 October 2022) records the Hearing Report recommendation to undertake further consideration, but recommends this is not undertaken:

<sup>&</sup>lt;sup>1</sup> Notification closed 29 May 2018.

<sup>&</sup>lt;sup>2</sup> Conservation Amendment Act 1996:

Section 7(2) "Where any person lawfully occupied any conservation area at the commencement of this Act in accordance with any right lawfully granted on or before 1 April 1987 under any Act or any contract made on or before 1 April 1987 then, notwithstanding sections 17U and 17W of the principal Act, as inserted by subsection (1) of this section, the Minister may grant a concession to that occupant for the area lawfully occupied by the occupant, but the extent of the activities authorised by any such concession shall be no greater than was lawfully exercised by the occupant."

Section 7(3): "Where any concession is granted under subsection (2) of this section to the occupant, any prior right given to the occupant to occupy the land shall be void and of no effect."

Section 7(4): The provisions of section 17T(4) and (5) of the Principal Act (as so inserted) shall not apply to any concession granted under subsection (2) of this section."

As stated by the Dunedin City Council (DCC), no lease agreements were made available when the land came to the DCC from the Otago Harbour Board. As a result, the agreement issued by the Dunedin City Council to Patrick Joseph Farry and Suzanne Gaye Farry, with an execution date of 12 July 1990 is the only agreement held by the Department to consider how to apply section 7(2) of the Conservation Amendment Act 1996.

In summary, it is recommended that no further investigation be carried out under section 7(2) of the Conservation Amendment Act 1996. When applying the Amendment Act to the scenario above, based on any agreements held by the Department at the time, it was considered that there was no right lawfully granted on or before 1 April 1987.

47. The Department's view that no lawful right had been granted may have also stemmed from consideration of the Aramoana houses in the 2016 Otago Conservation Management Strategy, where our view at that time was:

This determination by the Department led to the houses being included in Table 3.11.1 in the Otago Conservation Management Strategy 2016 as unauthorised private accommodation and related facilities; as not being authorised under the concession regime.

#### 48. And that:

The Otago CMS does not stipulate how long private use ought to be allowed to continue before public use of the buildings occurs or the structures are removed. However, it can be inferred from Policy 3.11.4(b) that exclusive private occupation will cease no later than 20 years after the CMS became operational. In other words, there is a long-stop date of 2036 such that public use should be phased in or the buildings removed by that date.

- 49. Following a review of the copies of the leases previously held, the Department acknowledges that the Applicants did indeed hold the legal right to occupy the dwellings as of the Conservation Act coming into effect in 1987, with their existing tenancies made under the Otago Harbour Board Leasing Act 1885.
- 50. It is noted that the Otago Harbour Board Leasing Act leases were provided to the Department on a <u>flashdrive provided by Richard Allen</u> (within a folder titled "Leases"). This was received by the Department by 13 July 2022 at the latest, before a final decision was made on the applications.
- 51. It is noted that the Otago Conservation Management Strategy table of existing Leased accommodation on public land incorrectly omits the houses. This omission influenced the term of the concessions granted, in that the term expiry aligned with the CMS requirements in policy 3.11.4 (August 2036).
- 52. Should the decision maker accept that lawful right to occupy had in fact been granted prior to 1987, consideration should be given to how this impacts the grant of the term.

53. It is also noted that the Department's current stance is that Renewal clauses should not be included in concessions. Instead, terms should be considered on the best evidence available at the time of a Decision. When a term concludes, then the activity should be re-assessed under the relevant statutory considerations and local context at that time.

## The Term – 17Z of the Conservation Act / Exceptional Circumstances

- 54. In 2014, the Applicants applied for a term of 60 years with a further right of renewal of 60 years. The Applicants stated that exceptional circumstances had been met on the basis that the houses had been in private ownership for over 70 years and that their existence pre-dates the Department of Conservation and Conservation Act 1987.
- 55. In their 2023 reconsideration request, the Applicants stated that exceptional circumstances were justified as:
  - a. The landowner at the time (Otago Harbour Board) was dissolved and new leases could not be granted by them.
  - b. 92 years of lawful occupation.
  - c. The historic status of the houses.
  - d. The low impact on the surrounding ecological area
  - e. Confirmation from previous Ministers of Conservation that lease conditions will be honoured.
  - f. Conditions ensuring permanent tenure imposed on DOC by the Planning authority of the time (Silver Peaks Council).
  - g. The investment in protection and planting improvements by the Applicants.
  - h. Wider support reflected in the notification process.
- 56. As noted in the Notified Officer's report, there are two statutory constraints which directly impact on the grant of the term. The first is section 17Z of the Conservation Act 1987 and the second is the Ngāi Tahu Claims Settlement Act 1998.
- 57. <u>Section 17Z</u> of the Conservation Act allows the decision maker to grant a lease or licence for a term of up to 30 years, or not exceeding 60 years where there are exceptional circumstances.
- 58. The Department's understanding of exceptional circumstances has changed over time. The Department's current position, based on Supreme Court findings, is that exceptional circumstances are 'unusual' or 'an exception to the rule'.
- 59. The Department considers that there are exceptional circumstances which could justify a term greater than 30 years for the Pilot houses.
- 60. This allows the Decision maker to consider the granting of a term greater than 30 years. However, this does not mean that the Decision maker must grant a term greater than 30 years.

## The Term - Ngāi Tahu Settlement Act

- 61. Under the Ngāi Tahu Settlement Act 1998 ("the NTSCA"), to "dispose of relevant land" includes the granting of a lease of relevant land if the term of the lease (including rights of renewal or extensions, whether in the lease or granted separately) is, or could be, for 50 years or longer.
- 62. Under <u>s56 of the NTSCA</u>, a lease term of 50 years or longer would trigger the requirement to give notice to Te Rūnanga o Ngāi Tahu, beyond the <u>Section 4</u> engagement requirement to give effect to the principles of the Treaty Of Waitangi.

#### The Term - Coastal Inundation

- 63. The Decision Maker may consider the sustainability of the sites when considering the concession terms. The houses are located on a coastal spit, and will likely experience the impacts of coastal erosion, and predicted sea level rise, over the term of the concession.
- 64. The impacts of coastal erosion, ecological sensitivity of the surrounding environment, and sea level rise were considered in the 2022 concession decision, as follows:

As demonstrated at the Hearing, there was conflicting evidence produced by objector Forest and Bird and the Applicant on the gradual effect of climate change and sea level rise risk at this location, coupled with unpredictable adverse weather events.

Paul Smale, on behalf of Forest and Bird, referred to atmospheric warming and sea level rise and referred to Google earth model of elevation for the dwellings, estimating the elevation of the housing sites to be 14 cm above sea level.

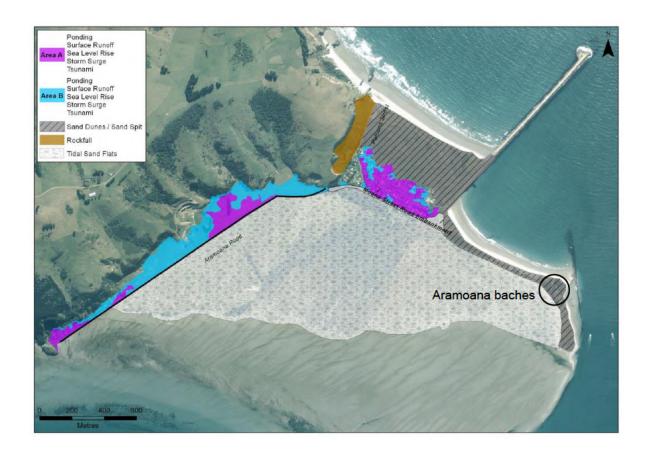
He stated that the volume of water is increasing and there is vertical land movement (subsidence) of 0.63mm/per year. He said that the amplitude of the tidal rise will be perturbed over time, increasing the risk to the dwellings, and this coupled with the increase in King Tides (there has been a doubling of these in recent years) will create an ongoing Coastal Hazard. The Sea Level rise is a non-linear trend, and therefore is unpredictable.

Mr Allen, on behalf of the Applicants, said that the sea is rising at the rate of 1.48mm or 1.75mm/year. After 60 years, this will amount to 105 mm, but the houses are 1.4 m above sea level so, theoretically, this rise is negligible.

65. A <u>2019 DOC Report</u> assessing the potential effects of sea level rise on DOC infrastructure identifies the Aramoana Saltmarch as containing structures that are located in the potential coastal inundation zone (page 19, Figure 9). It also cites the New Zealand Coastal Policy Statement (NZCPS), and that Objection 5 of the NZCPS directs us:

To ensure that coastal hazard risks taking account of climate change, are managed by:

- · locating new development away from areas prone to such risks;
- · considering responses, including managed retreat, for existing development in this situation;
- 66. A <u>2014 Report by the Otago Regional Council</u> identifies coastal hazards at Aramoana (see map below), stating that:
  - [...] overall exposure of the community to natural hazards is much higher than in smaller coastal communities which have a similar low-lying topography and are also underlain by loose, unconsolidated sediments (eg, Harwood, Aramoana).
  - [...] It is noted that the coastal dunes and the Moana Street and Aramoana Road embankments provide some protection against direct inundation from the Pacific Ocean and/or the Otago Harbour during elevated sea level events (Figure 38 [map below]). However, water could enter these communities if these features were eroded or overtopped, or infiltration (piping) occurred during storm surge or tsunami events. Any increase in sea-level will increase the likelihood of the Moana Street / Aramoana Road embankments being overtopped due to elevated sea level events, or the normal range of astronomical tides.



For sites 1, 2, and 3 (the Pilot houses):	
Agree that a 30-year term calculated from when the original concession decision was made in October 2022 is granted.	Agree / <del>Disagree</del>
This would be an increase of 16 years, relative to the 14-year term granted in 2022.	Noted

#### **Termination Clauses**

67. The initial decision document stated that:

The Officer's Report recommended that the existing private accommodation is consented but subject to the proviso that the private occupation of the land must end no later than 31 August 2036.

What happens on termination or expiry (if a concession is granted)

If concessions are granted the following standard condition will be included in Schedule 2. In the case of site 4 (Joseph Vessels) a sunset clause has been imposed.

- 68. All easements<sup>3</sup> issued to the applicants include the standard concession conditions regarding termination, which reflects the dual purpose of a concession, in that a concession is both a contractual agreement and a grant of statutory rights.
- 69. Likewise, all leases<sup>4</sup> issued to the applicants include the standard concession conditions regarding termination, which reflects the dual purpose of a concession, in that a concession is both a contractual agreement and a grant of statutory rights.

On expiry or termination of this Concession, either as to all or part of the Easement Land, the Concessionaire is not entitled to compensation for any structures or other improvements placed or carried out by the Concessionaire on the Easement Land. The Concessionaire may, with the Grantor's written consent, remove any specified structures and other improvements on the Easement Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Land and other public conservation land affected by the removal in a clean and tidy condition.

The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other improvements on the Easement Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Easement Land and other public conservation land affected by the removal in a clean and tidy condition and replant the Easement Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term. If before the expiry of the Term the Concessionaire makes an application for a further concession in respect of the same Concession Activity on the Easement Land then the Grantor cannot require such removal and reinstatement until such time as that concession application has been determined. If a new concession is granted then removal and reinstatement cannot be required until the expiry or termination of the new concession.

If the Grantor permits the Concessionaire to remain in occupation of the Land after the expiry or earlier termination of the Term, (which permission may be oral or in writing), the occupation is to be on the basis: (a) of a monthly tenancy only, terminable by 1

<sup>&</sup>lt;sup>3</sup> What happens on termination or expiry of the Concession?

<sup>&</sup>lt;sup>4</sup> What happens on termination or expiry of the Concession?

- 70. It is not appropriate to remove such standard clauses from these concessions.
- 71. In certain situations, standard clauses may be disapplied through Schedule 3 conditions.
- 72. The preliminary decision document(s) (DOC-2929674) identifies "[...] the threat the historical buildings face from coastal erosion and inundation. It is possible that over the medium to long-term it will not be practicable to protect the buildings nor allow private occupation of them inside the stewardship area. In those circumstances the scientific values of the ecological area may be enhanced as a result of reduced use of Moana Street (also known as Spit Road) and the land surrounding the cottage/pilot house."
- 73. It is considered that the risk of coastal erosion and inundation at the Aramoana sites make the termination clauses appropriate, in addition to managing the standard risks associated with such leases of public conservation land.

Agree that the standard concession clauses regarding termination	Agree / <del>Disagree</del>
remain in the concessions.	

# **Assignment Clauses**

74. In response to Schedule 2, the Applicant's hold the view that:

"The lease should have assignability of their leases as protected by the Property Law Act sections 224. In other words, the leases/concessionaire cannot assign or transfer without landlord/DOC consent BUT such consent shall not be unreasonably withheld provided the assignee/s agrees to abide by the terms of the concession/lease and is a reputable and solvent tenant/concessionaire."

75. In the case of the houses, the concession affords the concessionaire the right to lease the public conservation land for the footprint of the houses. This is not a tenancy/landlord arrangement. Using such language incorrectly conflates implied lease provisions under the Property Law Act 2007 with the

month's notice by either party; and (b) at the Concession Fee then payable; and (c) otherwise on the same terms and conditions, as they would apply to a monthly tenancy, as expressed or implied in this Concession.

On expiry or termination of this Concession, either as to all or part of the Land, the Concessionaire is not entitled to compensation for any structures or other improvements placed or carried out by the Concessionaire on the Land. The Concessionaire may, with the Grantor's written consent, remove any specified structures and other improvements on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land and other public conservation land affected by the removal in a clean and tidy condition. The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other improvements on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land and other public conservation land affected by the removal in a clean and tidy condition and replant the Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term. If before the expiry of the Term the Concessionaire makes an application for a further concession in respect of the same Concession Activity on the Land then the Grantor can not require such removal and reinstatement until such time as that concession application has been determined. If a new concession is granted then removal and reinstatement can not be required until the expiry or termination of the new concession.

- grant of Concession Leases under the Conservation Act 1987. Part 3B of the Conservation Act has specific provisions which apply to subleasing, assignment, transfer etc. of concessions.
- 76. Schedule 2 contains a standard concession clause regarding assignment<sup>5</sup>, which reflects the dual purpose of a concession, in that a concession is both a contractual agreement and a grant of statutory rights.
- 77. Delegated decision-makers have an obligation to ensure they are not unreasonable in decision making on behalf of the Minister. Any consent to an application for an assignment of the houses' concessions will not be unreasonably withheld.
- 78. Therefore, it is recommended that the Schedule 2 clauses regarding reassignment remains unchanged.

Agree that the standard concession clause regarding assignment remain	Agree / <del>Disagree</del>
in the concessions.	

#### <sup>5</sup>When can the Concession be assigned?

The Concessionaire must not transfer, sublease, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Concession or any part of it (which includes the Concessionaire entering into a contract or any other arrangement whatsoever whereby the Concession Activity would be carried out by a person (called the Assignee) other than the Concessionaire) without the prior written consent of the Grantor.

The Grantor may in the Grantor's discretion under clause 7.1:

<sup>(</sup>a) decline any application for consent; or

<sup>(</sup>b) grant consent subject to such conditions as the Grantor thinks fit.

Sections 17S to 17ZC of the Conservation Act 1987 apply to applications for consent under this clause unless the Grantor, in the Grantor's discretion, decides otherwise.

If the Grantor gives consent under this clause then the Concessionaire remains liable to observe and perform the terms and conditions of this Concession throughout the Term and is to procure from the Assignee a covenant to be bound by the terms and conditions of this Concession.

The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.

If the Concessionaire is not a publicly listed company any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire is to be deemed to be an assignment and requires the consent of the Grantor.

# **Next Steps**

79. Following your Decisions as above, this memo will inform the specific next steps to be taken.

79. Following your Decisions as above, this memo will inform the specific next steps	s to be taken.
Note that the Otago Conservation Management Strategy table 3.11.1 of existing	Yes [please
leased accommodation on public land incorrectly states no exception applied.	highlight]
Note that the Applicants had the legal right to occupy the dwellings as of the	Yes [please
Conservation Act coming into effect in 1987, under their existing year-to-year	highlight]
leases with the Otago Harbour Board.	
Recognise the significance and impact of the initial concession decision, and the	Yes [please
Reconsideration process, on the Applicants.	highlight]
Agree that <u>a formal letter of apology</u> will be issued to the applicants, along with	Agree /
the results of this Reconsideration.	Disagree
Confirm that your decisions as noted through this document will inform any	Yes [please
variations to the relevant Concession documents (as in Appendix 1.), and that	highlight]
these updated documents will be provided to the Applicants for their signatures	
and acceptance.	
Agree that the webpage regarding the public notification and initial decision for	Agree /
these applications/concessions is updated to reflect the result of the	Disagree
Reconsideration, including the publishing of an appropriate copy of this memo.	
Signature and date:	L
Oi-mark	
Signed:	
Datad: 14 April 2025	
Dated: 14 April 2025	
Samentha March, Operations Manager Coastal Manager	
Samantha Marsh, Operations Manager Coastal Manager	

# Appendix 1.

Recommended changes to be made as per the Reconsideration:

Site / Concessionaire	Concessions	Recommended Changes
Site 1 Elizabeth Anne DAWE	38964-ACC	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
	<u>50789-OTH</u>	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
Site 2 Vincent Paul GEORGE,	38965-ACC	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
Diane Margaret GEORGE, Liane Josephine FARRY, Richard Vivian Marsh ALLEN, GSM TRUSTEES LIMITED	<u>50790-OTH</u>	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
Site 3 Madeleine Jill CHILD &	38967-ACC	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
Phillip Matthew JARVIS	<u>50791-OTH</u>	Amend the term to 30 years (expiry date of 31 August 2052, rather than 31 August 2036).
Site 4	38966-ACC	None
Joseph VESSELS	<u>50792-OTH</u>	None