

Closure of Chateau Tongariro

Summary of issue

- On 31 January 2023, KAH New Zealand announced they are closing the Chateau Tongariro, a category 1 listed building operated as a hotel in Whakapapa Village under a lease from DOC. At the termination of the lease, the buildings will be yielded to DOC.

Key facts and context

- The Chateau Tongariro is a category 1 heritage listed building and grounds at the entrance to Whakapapa Village in Tongariro National Park. It was first opened as a hotel in 1929.
- The Chateau Tongariro has been operated as a hotel and resort by KAH New Zealand Limited since 1991. KAH New Zealand currently own the hotel buildings and lease the land from us.
- KAH New Zealand's lease expired in 2020. Since 2020, they have been operating under a rolling 30-day lease as we negotiated the terms and conditions for a new lease.
- On 31 January 2023, KAH New Zealand announced they are closing the Chateau Tongariro on 5 February 2023 and terminating their lease with us due to significant seismic strengthening works required to bring the buildings up to standard. They also noted the uncertainty in the region as a result of Ruapehu Alpine Lifts Limited entering voluntary administration in 2022.
- At the termination of the lease, the buildings and improvements on the grounds will be yielded to DOC. We are not yet aware of the extent or cost of the works required to bring the buildings up to an acceptable seismic standard.
- We are currently working with KAH New Zealand to determine a transition plan. Operational matters to consider once KAH New Zealand vacates the site include security, health and safety, and how to manage the building while a longer-term plan for the site is developed.
- We informed iwi with an interest in the area that KAH New Zealand would be closing the Chateau Tongariro prior to the announcement. We will continue to work with iwi on this matter.
- We expect local government will seek Crown support to allow the Chateau Tongariro to continue operating.
- The future of the Chateau Tongariro will be impacted by the outcome of Ruapehu Alpine Lifts Limited's voluntary administration. If a new operator is found for the ski fields, this provides greater certainty about the customer base for the accommodation providers in Whakapapa.

Next steps and options

- We are working with KAH New Zealand on a transition plan as they terminate the lease.
- We will consider future options for the site, including working with other agencies where appropriate. We will be considering heritage values and structural issues as we review options.