

**23. 9. 98**

**BEACHCOMBER RESTAURANT SUB-COMMITTEE  
10 SEPTEMBER 1998**

**A meeting of the Beachcomber Restaurant Sub-Committee  
was held on Thursday 10 September 1998 at 12.45 pm**

**PRESENT:** Councillor David Cox, Councillor Charles Manning  
and Mr Richard Boulton.

The Sub-Committee reports that:

**PART C - REPORT ON DELEGATED DECISIONS  
TAKEN BY THE COMMITTEE**

**1. ASSIGNMENT OF LEASE –  
BEACHCOMBER RESTAURANT**

RR 6412

**BACKGROUND**

At its meeting on 26 August 1998 the Council reconstituted the Beachcomber Restaurant Sub-Committee and delegated to it the authority to approve the assignment of the lease over the Beachcomber Restaurant.

**APPLICATION**

The Sub-Committee met on 10 September 1998 to consider an application from Ian Robertson, Barristers and Solicitors, acting on behalf of a company to be formed known as Beachcomber Café Limited to take assignment of the lease. The company is a consortium of five investors and is to have a fully paid up capital of \$700,000. The principal shareholders are:

John Egidius van Opzeeland  
Cheryl Anne van Opzeeland  
Antony Paul Steer  
Winston Gerard Antony van der Spec  
Romane Victoria Abell

Each of these shareholders will be directors of the company with the day to day management and overall responsibility for the running of the business resting with the Executive Directors, Winston van der Spec and Romane Abell. This will take the form of a management contract with Beachcomber Café Limited. Each of the directors has agreed to give a personal guarantee to the Council as provided for in the fourth schedule of the lease agreement.

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**1 Cont'd**

The management team will hold the manager's licence for the purposes of compliance with the liquor licensing laws and will also ensure compliance with the relevant statutes and regulations as provided for in clause 25.1 of the lease agreement. The management team will report to the Board of Directors on a monthly basis and consult with the board on matters of strategy and capital expenditure. It is intended to immediately advertise the position of head chef upon confirmation of the contract in order that the successful applicant may be involved in the design of the food preparation areas and menu development.

Credit checks were undertaken on all of the directors involved and no adverse information could be found. The proposal presented to the Sub-Committee clearly showed that the directors were successful business people in their own right who appeared to have the professional expertise and ability to manage the business. Ms Abell has had eight years experience in the hospitality industry in Australia being both a restaurant and food and beverage manager in Sydney and Newcastle respectively.

**REFURBISHMENT**

The refurbishment costs have been estimated at \$250,000 including all work provided for in the lease agreement. Allowance has also been made for additional work to the kitchen and interior and is included in the abovementioned figure. This is in line with the tender received to complete the redevelopment work. The sum includes the cost of the kitchen fitout and modifications to the interior. It is intended to modify the original proposal whereby the deck is to be extended to the street to provide direct access for the public and it is also intended to modify the storage area to provide a breakfast dining area on the eastern side of the building to capture the sunrise. In addition it is intended to provide a clear plastic film removable screen to provide shelter to the deck area during easterly or north westerly wind conditions to protect diners. Apart from those modifications, which will not require a new resource consent, the building is to be completed in accordance with the plans and specifications originally submitted and approved by the Council. It is the company's intention to proceed with the redevelopment immediately the assignment has been approved but given the extent of the work it is not anticipated that the premises will be open for business until mid/late January 1999. In discussions with the applicant they have been asked to consider staging the work to provide for an earlier opening and they intend to consider this possibility in consultation with the builder once the assignment has been approved.

The Sub-Committee unanimously resolved:

1. That in accordance with section 37.2 of the lease, the assignment to Beachcomber Café be approved, subject to the following conditions being complied with:

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1. That the directors of the company provide to the Council an acceptable statement of their financial position indicating their debt to asset ratio.
  2. That the directors jointly and severally be required to enter into a personal guarantee of the lease.
  3. That the assignment be conditional upon the formation of the company with the Council to be furnished with proof of the paid up capital.
  4. That the company immediately undertakes to let the contract for the redevelopment of the facility and that the evidence of the contract being let being furnished within one month from the date of the assignment.
  5. That the redevelopment be completed by 31 January 1999 in accordance with the existing resource consent and the premises opened for business no later than the completion date.
  6. That the minor modifications to be deck, storage area and provision of shelter screens be approved subject to the final design being agreed upon in consultation with Council officers.
  7. That all outstanding rent, rates and insurance owed by the Beachcomber Restaurant Limited be paid in full prior to the lease being assigned.
  8. That any increased costs incurred by the Council as a consequence of the contracts for the strengthening work and redevelopment not proceeding in tandem being paid by the Beachcomber Restaurant Limited prior to the lease being assigned.
  9. That all legal costs associated with the assignment be borne by the Beachcomber Restaurant Limited.
2. That the Council agree to treat all required approvals with urgency.

The meeting concluded at 1.30 pm

**CONSIDERED THIS 23RD DAY OF SEPTEMBER 1998**

**MAYOR**