

17. ASSIGNMENT OF AIRSPACE LEASE, NEW ZEALAND POLICE – HEREFORD STREET

| | |
|--|--|
| Officer responsible City Streets Manager | Author Property Services Officer, Lewis Burn RO-010-11 |
| Corporate Plan Output: Activities on Streets 9.5.7 | |

The purpose of this report is to obtain the approval of the Council as lessor to the assignment of the Deed of Lease between the Crown (New Zealand Police) and the Christchurch City Council in respect to the airspace above Hereford Street into which protrudes the landing and a canopy of the Christchurch Central Police Station.

BACKGROUND

As part of a significant commercial transaction between the Crown and Ngai Tahu (being part of a claim settlement) the title to the Christchurch Central Police Station is being acquired by Ngai Tahu, more specifically Ngai Tahu Estates No.2 Limited. As part of this arrangement the New Zealand Police will take back a long term lease of the building so that in practical terms the New Zealand Police will continue to occupy the premises under a lease-back and will generally be responsible to ensure that the terms and conditions of the airspace lease are observed.

The solicitors for New Zealand Police have made application for the Council's consent to the assignment of the airspace lease as it is appropriate that Ngai Tahu, the new landlord of the building, holds all rights to the premises.

The airspace lease which has a final expiry date of 31 March 2073 provides that the New Zealand Police will not assign the lease without the prior written consent of the Council which consent shall not be unreasonably withheld. The authority to consent to the assignment is not delegated to Council staff and is therefore placed before the Council for consideration. There is no reason to withhold consent to this assignment as in essence the situation with respect to the Christchurch City Police Station will not change apart from a new landlord. The transaction between New Zealand Police and the Crown has, it is understood, been settled on 30 June 2000 and it remains for the Council's official consent to the assignment of the airspace lease to conclude this transaction. The Deed of Assignment which has been presented for seal of the Council covenants Ngai Tahu Estates No.2 Limited to accept liability of the terms and conditions of the lease.

Recommendation: That the Council as lessor consent to the assignment of the airspace lease dated 24 February 1993 from the Crown (New Zealand Police) to Ngai Tahu Estates No.2 Limited.