

6. REDWOOD PARK - APPLICATION TO GRANT THE REDWOOD TENNIS CLUB A NEW LEASE

General Manager responsible:	General Manager City Environment
Officer responsible:	Greenspace Manager
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PURPOSE OF REPORT

1. The purpose of this report is to seek the Board's approval to an application by the Redwood Tennis Club ("the Club") for the renewal of its lease before the lease is due to expire. The reason that the Club is making such an application is because it is about to embark on a tennis court upgrading programme, which will require the raising of approximately \$100,000. The present lease expires on 31 December 2014, in approximately 8 years time, with no rights of renewal. A lease for a longer term provides certainty to potential benefactors, grantees and mortgagees that the money they grant towards the court upgrading project is for the longer term benefit of the community's recreational needs.

EXECUTIVE SUMMARY

2. The Club has made application for a new lease, because a lease for a longer term will provide more certainty to potential benefactors, grantees and mortgagees that the money they provide towards the court upgrading project will be for the longer term benefit of the community's recreational needs, than is available in the balance term (eight years approximately) of the present lease.
3. The Club has a growing membership in the junior section of the Club, having 38 juniors in 2001/02, which has increased to 68 juniors currently. The Club's total membership currently numbers 104, made up of 68 juniors, 32 seniors, and 2 life/social members. The Club employs a part-time professional coach to assist with the development of all players, especially players in the junior section. A number of players from the former Belfast Tennis Club have joined the Club after it went into liquidation.
4. Officers are recommending that the Council grant a new lease to the Club for their present area for three terms of eleven years each.

FINANCIAL AND LEGAL CONSIDERATIONS

5. The Club will be required to surrender its present lease, before being issued with a new lease.
6. The longer lease term will also assist the Club to raise some of the money necessary through borrowing, the longer lease period enabling the Club to pay back a larger loan over the longer term.
7. A new unregistered lease is able to be granted (in accordance with Section 54 (1) (c) of the Reserves Act) for a maximum period of up to 33 years. Officers are recommending that the lease be broken into three eleven year periods. After the first and second period, it is recommended that a further right of renewal be incorporated into the lease document, that is subject to the Club being a viable entity, and in accordance with the requirements of the First Schedule of the Reserves Act 1977:

"That further similar terms may be granted if the lessor is satisfied that the terms and conditions of the lease have been compiled with, and that there is sufficient need for the sports, games, or other recreational activity specified in the lease, and that in the public interest some other sport, games or recreational activity should not have priority."

8. The Club has \$10,000 in hand for the court upgrading. The Club will be making applications for some grant/low interest loan monies from the Council to assist to finance the court upgrading.
9. Redwood Park is a classified recreation reserve vested in the Council, the part on which the Club is situated having the legal title of Rural Section 41272, containing an area of 5.2830 hectares in certificate of title 244/204.

10. The Board has delegated authority from Council (8 November 2001) to make the decision on behalf of Council of whether or not to grant a further lease to the Club over the existing lease area. This decision can be made by a sub-committee of Council in terms of the Reserves Act 1977 requirements.
11. Public advertising of the Council's decision to grant a further lease period to the Club over its existing lease area will be required however, approval by the Minister of Conservation to the further lease term will not be required.

STAFF RECOMMENDATIONS

It is recommended that the Board resolve to grant Redwood Tennis Club's application to grant a further lease over its present lease area in Redwood Park, as shown on the attached plan, which is approximately 3520 square metres in area, the part which is leased being part of Rural Section 41272 of 5.2830 hectares contained in certificate of title 244/204 vested in the Council as a classified recreation reserve, pursuant to Section 54 (1) (c) of the Reserves Act 1977 for a period of up to 33 years, subject to the following conditions:-

- (i) Public notification.
- (ii) The Redwood Tennis Club surrenders its present lease dated 26 June 1996 over its present site.
- (iii) That the lease period be broken into three 11 year periods, with a right of renewal at the end of the first two periods, subject to the Redwood Tennis Club still being a viable entity, and having a history of paying all dues owed by it to the Council, the Council is satisfied that the terms and conditions of the lease have been complied with, that there is sufficient need for the sports, games, or other recreational activity specified in the lease, and that in the public interest some other sport, game or recreational activity should not have priority.
- (iv) The lease terms and conditions being negotiated by the Corporate Services Manager in consultation with the Parks and Waterways Policy and Leasing Administrator.
- (v) The leased area is to be maintained in a safe and tidy condition at all times by the applicant, or principal contractor.
- (vi) All costs associated with the preparation and issue of the lease, site development and subsequent maintenance of the facilities is to be the responsibility of the Redwood Tennis Club.
- (vii) The Redwood Tennis Club is to liaise with the Greenspace Unit's representative (Greenspace Contract Manager, based at the Fendalton Service Centre) to ascertain site requirements prior to the letting of any tenders for the construction of the new court facilities.
- (viii) The applicant is to pay a \$2,000 bond to Council (via the Greenspace Contract Manager based at the Fendalton Service Centre) before any construction work commences on the site. The bond, less any expenses incurred by the Council, will be refunded to the payee upon completion of the development to a standard acceptable to the Greenspace Manager.
- (ix) If thought necessary, as part of the court upgrading work, a root barrier is to be installed along the treed lease boundary of the leased area to prevent tree roots growing under the upgraded courts, at Redwood Tennis Club's expense.
- (x) If at any time in the future tree roots grow from the park into the court area and cause damage to the Club's infrastructure, it will be the responsibility of the Redwood Tennis Club to undertake any necessary repairs at their cost.

CHAIRPERSON'S RECOMMENDATION

That the staff recommendations be adopted.

BACKGROUND

12. The Club is upgrading its asphalt courts by placing a flexi-pave surface over the top of the existing surface. This work will include undertaking repairs to the existing surface where necessary.

OPTIONS

13. There are only two options:
 - (a) To resolve not to grant a new lease, which would put the Club in the invidious position of having to raise the money required to upgrade the courts for possibly only an eight year timeframe, if a new lease was not granted at the end of the present term.
 - (b) To resolve to grant a new lease, for up to 33 years, enabling the Club to be in the position of raising the money required to upgrade the courts against the security of knowing that, subject to the Club meeting the renewal criteria, it will be on the site for 33 years, which will give potential benefactors, grantees and mortgagees comfort that the money they put forward towards the court upgrading project will be for the long term benefit of the community.