

## 8. CRACROFT COMMUNITY CENTRE – NEW LEASE OF THE OLD STONE HOUSE

<b>General Manager responsible:</b>	General Manager Community Services, DDI 941-8534
<b>Officer responsible:</b>	Catherine Mc Donald, Acting Community Support Unit Manager
<b>Author:</b>	David Rowland, Property Consultant

### PURPOSE OF REPORT

1. To seek the recommendation of the Spreydon/Heathcote Board in obtaining the Council's approval to grant a new lease to the Cracroft Community Centre Inc of the Old Stone House in Shalamar Drive, Cashmere, under the terms and conditions as resolved by the Council in December 2000 but with amendments to the terms and commencement date.

### EXECUTIVE SUMMARY

2. The lease of the Old Stone House granted to the Cracroft Community Centre Inc expired on 20 August 1999. The Cracroft Community Centre had a right of renewal for a further 21 year term, and since that time extensive discussions and negotiations over a renewal for a new term have continued.
3. A staff report was submitted to the Spreydon/Heathcote Board in October 2000 (**attached**) which detailed the history of the property and negotiations on a new lease. Negotiations stalled over the years due to members of the committee changing and or departing from the group.
4. Negotiations have now concluded and the principles outlined in the 2000 report have been agreed. However, the term has been altered to commence from 1 March 2006 for a term of 10 years, with one 10 year right of renewal and finally expiring on 27 February 2026.

### FINANCIAL AND LEGAL CONSIDERATIONS

5. The new lease is in alignment with Council general leasing policies affecting leases of this nature, and reflects a more focused approach in the relationship relative to the expired leased issued back in August 1978.
6. The Council is responsible for exterior maintenance and the upkeep of the surrounding grounds and reserve. However, the net profits of the committee's activities by managing the Community Centre on the Councils behalf is contributed to the interior maintenance and upgrading as may be necessary.
7. One of the main contentious issues that has been debated apart from the yearly term of the lease was the provision that gives the Council, on renewal, the right to consider in its sole discretion that the present tenant is the best tenant or operator available and that some other tenant should not be offered the opportunity to tenant the premises. This condition, however, is standard in all Council leases as it gives the Council the opportunity to consider the greater community benefits that may be relevant at that time.

### STAFF RECOMMENDATION

It is recommended that the Board recommends to the Council that it delegate authority to the Corporate Support Manager to finalise the lease with the Cracroft Community Centre Inc of the Old Stone House located in Shalamar Drive, Cashmere, under the terms and conditions generally resolved by the Council in November 2000 modifying the terms and conditions as needed and amending the commencement date to a term of 10 years from 1 March 2006 with a right of renewal for 10 years expiring on 27 February 2026.

### CHAIRPERSON'S RECOMMENDATION

For discussion.