

## 15. KERERU SPORTS & CULTURAL CLUB (INC) – LEASE

<b>General Manager responsible:</b>	General Manager City Environment, DDI 941-8656
<b>Officer responsible:</b>	Transport & Greenspace Manager
<b>Author:</b>	Bill Binns, Property Consultant

### PURPOSE OF REPORT

1. The purpose of this report is to seek the Spreydon/Heathcote Community Board's recommendation to Council to grant a new lease to the Kereru Sports & Cultural Club (Inc) to lease Coronation Hall at Spreydon Domain, Domain Terrace.

### EXECUTIVE SUMMARY

2. The lease to the Kereru Sports & Cultural Club expired 31 December 2005. Since this date the Club has been occupying the premises on a month to month basis.
3. Agreement has been reached with the Club for a lease to commence 1 October 2006 for an initial term of three years with two rights of renewal for terms of three years each in the form of the Council's generic lease. The lease's final expiry date is 30 September 2015 if all renewals are exercised and will take in the existing building and carpark.

### FINANCIAL AND LEGAL CONSIDERATIONS

4. The Community Board does not have delegated authority to authorise the granting of the proposed new lease such a decision needs to be made by the full Council. The Board does however have recommendation powers to the Council.
5. The land involved is held by Council under the Reserves Act 1977 so the notification procedures and consent process under the Reserves Act will apply.
6. The annual rental for this lease will be set in accordance with Council's existing leasing criteria.

### BACKGROUND ON KERERU SPORTS & CULTURAL CLUB (INC) – LEASE

7. In 1996 Council received an application from the Kereru Sports & Cultural Club to establish their club at Coronation Hall.
8. The Spreydon/Heathcote Community Board supported this application which was approved by Council in December 1996 for a term of nine years.
9. This lease expired on 31 December 2005 and since this time the Club has been occupying the premises on a month to month basis.
10. The Club is administered by an Executive Body and Board of Trustees, plus a sub-committee which administers softball, netball, school children (within the last 18 months Beckenham Softball has joined the Club) and a Maori Cultural group. Accounts are audited annually.
11. The Club has affiliations with Canterbury & New Zealand Netball Unions, Canterbury & New Zealand Softball Associations, the Watoha Maori Council, South Island Maori Netball Tournament Association and Nga Tai E Rua Cultural Group.
12. Since taking over the lease in 1996 the Kereru Sports & Cultural Club have maintained the hall to a high standard.
13. The Club wishes to enter into a new lease with the Council on the same terms and conditions as set out in the old lease obligations.
14. In June 2003 the Kereru Sports & Cultural Club was granted a Liquor Licence under the Sale of Liquor Act 1989 to expire on 31 December 2005. Therefore the Club will have to re-apply to have the licence renewed in terms of its lease.

## **OPTIONS**

15. Not enter into a new lease with Kereru Sports & Cultural Club Inc) and lease to another party to demolish the building.
16. Enter into a new lease with the existing tenant. – the Kereru Sports & Cultural Club Inc.

## **PREFERRED OPTION**

17. To enter into a new lease with the Kereru Sports & Cultural Club who have maintained the building and are fulfilling an important community service.
18. There is no alternative demand for the use of the building.

## **STAFF RECOMMENDATIONS**

It is recommended that the Council agrees to approving a lease to the Kereru Sports & Cultural Club pursuant to Section 54(i)(b) of the Reserves Act 1977 for a term not exceeding nine years at a rental of \$5,000 plus GST per annum, subject to the following conditions:

- (a) The proposal being publicly notified and no objections have been received.
- (b) The consent of the Minister of Conservation has been obtained.
- (c) Kereru Sports & Cultural Club (Inc) meeting all the Council's costs in preparing and issuing the lease.
- (d) The lessee covenants to make the hall available for use by the Buffalo Lodge on the same terms as was mutually agreed by the parties in the former lease.

## **CHAIRPERSON'S RECOMMENDATION**

That the staff recommendation be supported.