

9. **QUEEN ELIZABETH II RECREATION AND SPORTS CENTRE – SUB LEASES/LICENCES TO OCCUPY - CANTERBURY WEST COAST SPORTS TRUST**

General Manager responsible:	General Manager Community Services, DDI 941 8534
Officer responsible:	Northern Area Recreation Manager
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PURPOSE OF REPORT

1. The purpose of this report is to seek the support of the Burwood/ Pegasus Community Board in obtaining the Council's approval to provide a delegated authority to staff to grant landlord's consent to subleases/licences established under the current head lease between the Council and the Canterbury West Coast Sports Trust (CWCST) of the Queen Elizabeth II Sports House.

EXECUTIVE SUMMARY

2. The Council currently leases the premises which is located at 193 Travis Road known as Queen Elizabeth II Sports House, as shown in the **attached** plan, to CWCST with a final expiry of 31 January 2016.
3. CWCST is seeking the support and permission of the Council to pursue and enter into future sub lease/licence arrangements with like minded sporting organisations bringing them together under one roof which will bring benefits to the sporting and recreational communities in Christchurch. (refer **attachment 2**)
4. The lease requires landlord's permission to sublet/licence any part of the premises. There is no delegation from the Council to provide such approvals. This report seeks to obtain a general delegation so that any such requests in the future can be processed in a timely and efficient manner thereby meeting the commercial and market needs of the tenant.

FINANCIAL IMPLICATIONS

5. There will be no change in revenue or expenditure for the Council.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

6. Yes, under Recreation and Leisure, page 104, volume 1 of the LTCCP.

LEGAL CONSIDERATIONS

7. The Community Board does not have the delegated authority to authorise the granting of the proposed sub leases/licences; that decision needs to be made by the full Council. The Community Board may make recommendations to the Council.
8. The Council's Legal Services Unit has reviewed the lease and the delegations to the Corporate Support Unit Manager which permit the Corporate Support Unit Manager to enter into lease agreements for terms not exceeding five years and \$50,000 per annum rent. As the head lease exceeds the five year term, permission is required from the Council to enter into any sub lease arrangements.

Have you considered the legal implications of the issue under consideration?

9. The lease requires that permission from the landlord must be obtained prior to entering into any sub lease/licence arrangements.
10. CWCST's solicitors have produced a generic Deed of Sub Licence/Lease to Occupy which will be used as the agreement to sub lease office space at the Queen Elizabeth II Sports House.
11. The Council's Legal Services Unit will review the proposed Deed of Sub Licence/Lease to ensure that it meets Council requirements.

12. The head lessor's consent will be required with each Deed of Sub Licence/Lease to Occupy entered into. Under the lease, the head lessor's consent shall be given so long as certain conditions are met, namely the proposed sub tenant is solvent, suitable, experienced etc. It generally transpires that there is little discretion in granting these approvals.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

13. Yes, under Recreation and Leisure page 104 volume 1 of the LTCCP – activity 7.0 Recreation and Sports Services.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

14. Yes, provision of a high level of expertise and support to ensure successful sports bidding and hosting of events both on a national and international level. The Council specifically aims to build capacity in sport and recreation in Christchurch at all levels including high performance sport.

ALIGNMENT WITH STRATEGIES

15. Physical Recreation and Sport Strategy 2002 - moving together to provide a city where people participate and enjoy, and have the opportunity to perform and excel in physical recreation and sport, especially goals five and six relating to developing promising talent and organisations working together in a coordinated and aligned manner.

CONSULTATION FULFILMENT

16. Not applicable.

STAFF RECOMMENDATION

It is recommended that the Burwood/Pegasus Community Board recommend to the Council:

- (a) That delegated authority be granted to the Corporate Support and Recreation and Sports Unit Managers to grant head lessor's consent to sub lease/licence agreements between the Canterbury West Coast Sports Trust on the condition that the sub lease/licence is:
 - (i) To an aligned sports organisation.
 - (ii) In accordance with the terms and conditions of the existing head lease between the Christchurch City Council and the Canterbury West Coast Sports Trust which expires on 31 January 2016.