

<p>Officer responsible Leisure Manager</p>	<p>Author Property Services Officer, Lewis Burn</p>
<p>Corporate Plan Output: Stadia</p>	

The purpose of this report is to obtain the Council’s approval to the issue of a lease for the establishment and operation of a cafeteria at the Pioneer Leisure Centre which was opened in April 1999. The reason this report is presented as a supplementary is because confirmation that all the terms of the lease were acceptable to the lessee’s solicitor was received following the closing of the main agenda. It is also desirable that this report go through for approval this month so that the notification procedure required by the Reserves Act can get underway and if a lease is finally granted fitout of the premises can start as soon as possible.

INTRODUCTION

As part of the swimming pool project that has been developed adjacent to the Pioneer Sports Stadium on Lyttelton Street, requests for proposals were called in June 1998 for the establishment and operation of a cafeteria within the new pool complex. The Council called for interest in leasing an area in the foyer to Pioneer Pool.

The only interest received in response to this request was from Mr Nicholas Peter Bray and Susan Dean Ward who currently operate the Museum Café. Negotiations have been conducted with this partnership by the Manager of Pioneer Pool and this has culminated in an agreement for the lease of the premises in accordance with the terms and conditions envisaged in the initial request for proposals. The café is to be sited beside the new wave pool adjacent the main foyer to the complex – refer attached plan. The leased premises are to take in an area of approximately 64.79m² which equates to about 697 square feet. Included in this area is the non exclusive tables and chairs space in the foyer which takes in about 30m².

RESERVE

The new Pioneer Pool is sited mostly on land held by the Council for public recreation purposes with part of the complex including car parking being on the adjacent Council freehold. The lease area is entirely within the existing reserve boundary. The granting of a lease will need to be in accordance with the provisions of the Reserves Act 1977, which requires public notification, and the consent of the Minister of Conservation.

PROPOSED LEASE

The principal terms and conditions of the agreement negotiated with Mr Bray and Mrs Ward by the Leisure Centre Manager, Mr Whitehead, are detailed in the public excluded section of this report.

CONCLUSION

The lease negotiated on the terms and conditions proposed is subject to Council approval and will form the basis for a café to operate from the new pool complex. The operation of vending machines by the tenant will also give flexibility to the provision of food services during the opening times of the complex. The tenants are committed to establishing this business and are already known to the Council, having been awarded the cafeteria lease in the Museum. There has been no other interest expressed in taking up this lease and it is considered appropriate that the applicants be awarded the lease without going through a public tender process again. The provision of a cafeteria within the new complex will complement the services provided at the leisure centre. The negotiated rental is market based and compares favourably with similar facilities in other Council buildings.

Recommendation: That pursuant to section 54(1)(d) of the Reserves Act 1977 the Council grant Nicholas Peter Bray and Susan Dean Ward a lease for a total term of six years of some 64.79m² in the foyer area of the new Pioneer Pool Complex for the purposes of establishing and operating a cafeteria subject to:

1. The public notification of the intended lease and no sustainable objections being received.
2. The consent of the Minister of Conservation.
3. The lease being granted on the terms and conditions as outlined in the public excluded section of this report.
4. The costs of preparing the lease being met by the lessee.

Chairman's Recommendation: That the above recommendation be adopted.