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Corporate Plan Output: Customer Services-consents 9.4.8	

INTRODUCTION

This report seeks any comments or recommendations of the Board to the Parks and Recreation Committee on a proposal to have part of the McCormacks Bay recreation reserve classified as a local purpose (community buildings) reserve and a recommendation to the Council to grant a lease to the Mt Pleasant Community Centre under the provisions of section 61 of the Reserves Act 1977.

BACKGROUND

The lease to the Mt Pleasant Community Centre expired on 30 September 1998. The current lease, which was issued pursuant to the provisions of the Public Bodies Leases Act, provides for a renewal in perpetuity under the provisions of that Act. In discussions with the Department of Conservation the Department has advised that the correct procedure to renew the Association's lease is to have the land on which the Community Centre is sited together with the adjacent squash club and the adjoining Mt Pleasant Kindergarten classified as a local purpose reserve. The appropriate classification would be community buildings which allows the occupation of facilities / amenities for community use including public buildings.

EXISTING SITE USE

On the site proposed for classification as local purpose reserve is a multitude of uses including a kindergarten, recreation and community facilities. The Mt Pleasant Community Centre was established on this site back in the 1950's and is a well used facility incorporating a recreational squash club. The community centre building is owned by the Mt Pleasant Community Centre and Ratepayers Association, an incorporated society. The Association carries out from these premises the same functions as a Council owned Community Centre. The squash club is part of the centre but this club provided the total cost of capital of the squash facility. The club members are full members of the Association.

Site Rental

The expired lease to the Association provided for an annual nominal annual rental of \$125. To ascertain the true ground rental for the site an independent valuation was obtained from Simes Valuation which assessed the rental for the area occupied and associated with the community centre use at \$2352 excluding GST. A separate charge for the squash courts and surrounding land servicing the courts has been assessed at \$250 per annum excluding GST recognising the exclusive occupation for a recreational use and charges paid presently by similar recreational groups occupying reserve land. The Council's Community Relations Unit has agreed to subsidise the community rental and will meet the full charge of \$2,352 excluding GST per annum as from 1 July 1999 recognising the community service that is being provided by the Association on behalf of the Council. It is also proposed to charge the recreational rental for the squash courts as from 1 July 1999.

The community centre rental has been assessed on the understanding that those areas currently undeveloped will not attract a rental charge while they remain undeveloped. Should any Council approved development proceed on these areas that would restrict public use, a rental would be set separately for the area to be developed having regard to the land use. The attached lease plan shows parcel, "A" which is the land, associated with the Community Centre and parcel "B" being the squash court area. Parcels "A" and "B" make up some 2840m² of the total existing lease area of 3845m². The balance 1005m² comprises the common grass areas.

NEW LEASE

It is intended that the new lease will show the full rental to be charged for both the Community Centre area and squash court area. The new lease which is to issue in terms of section 61 of the Reserves Act will be for a maximum term of 20 years less one day. It should be noted that the expired lease provides for a perpetual right of renewal but this cannot be granted to the Association under a new lease without subdivision approval and a separate title issuing to the lease area.

CLASSIFICATION

The land on which the Community Centre and adjacent kindergarten are sited is part of Reserve 4324 held by the Council in title as a recreation reserve in terms of the former Reserves and Domains Act 1953.. This reserve has not been formally classified under the Reserves Act 1977. In order that classification as a local purpose reserve may be gazetted a formal resolution of the Council is required. It is proposed that the boundary to separate the local purpose reserve and the balance McCormacks Bay recreation reserve be the existing eastern lease boundary. This would mean an area of approximately 6162 m² would be classified local purpose (community buildings) reserve with the balance of the McCormacks Bay reserve (20.0935 ha) being retained for recreation purposes as presently held.(see S plan 3137 attached) It is not intended at this time to have the balance reserve formally classified as a recreation reserve as there is no legal need for this and further expensive survey costs can be avoided. The local purpose reserve classification would take in all the land currently used for Community facilities on the reserve.

Public notification of the local purpose classification will be required. On gazettal of the classification the Council would then be empowered without further consent or notification to grant a new lease under the provisions of section 61 of the Reserves Act 1977. The Association has advised that they are in agreement with these proposals and

would accept a new lease under section 61 in substitution for their existing expired lease which was granted under the provisions of the Public Bodies Lease Act 1969.

Resolution

That pursuant to Section 16 of the Reserves Act 1977 the Christchurch City Council hereby resolves to classify as local purpose (community buildings) reserve as defined in Section 23 of the said Act, all that land described in the schedule.

Schedule

Part Reserve 4324 comprising approximately 6162 m2 subject to survey shown as Section 1 on S plan 3137 being part of the land contained in Certificate of title 4B/1500, Canterbury Registry.

The recommendations to the Parks and Recreation Committee follow:

- (1) That the Council adopt the above resolution.
- (2) That subject to (1) the Mt Pleasant Community Centre and Ratepayers Association Incorporated be granted a lease pursuant to section 61 of the Reserves Act 1977 over that area comprising approximately 3845m² for a maximum term of 20 years less one day at an annual rental of \$2602 excluding GST subject to:
 - (a) The surrender of the Association's existing deed of lease dated 22 December 1977.
 - (b) \$2,352 excluding GST per annum being met by the Council's Community Relations Unit budget as from 1 July 1999.
 - (c) The Council meeting costs of notification, survey and gazettal of the local purpose reserve classification.
 - (d) The costs of documenting the new lease being met by the Mt Pleasant Community Centre Association.

Chairman's

Recommendation: That the Board receive the information and advise the Parks and Recreation Committee of its support for the proposed lease.