

9. ANTIGUA BOATSHEDS – PUNTING OPERATION



General Manager responsible:	General Manager, City Environment Group, DDI 941-8608
Officer responsible:	Transport and Greenspace Manager
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PURPOSE OF REPORT

1. To obtain Council approval as head lessor to a variation of the sublease to the punting operation based at Antigua Boatsheds.

EXECUTIVE SUMMARY

2. MJ and SJ Jones, the proprietors of the Antigua Boatsheds hold a lease of the riverbank reserve site for a term including renewals that runs to 31 March 2036. This lease is for the business of hiring boats, canoes and punts to the public and the operation of a café.
3. Antigua Boatsheds own the buildings and operate the café/restaurant while the business of operating punts from the boatshed is subleased to the company, Punting on the Avon Limited, the current and final 3 year term expiring 30 November 2012. The sublease comprises one bay of the building together with common areas including decking for launching punts and passengers.
4. The lessee has sought approval as required by the terms of the head lease to vary the sublease to allow the sub tenancy to be extended by three years. The current and final term presently expires 30 November 2012 and the parties wish to then have the option of a further renewal term to finally expire 30 November 2015 at which time the sub tenancy would be up for renegotiation. The first term of the head lease will expire 31 March 2016. The lessee believes this extension will be beneficial to the Antigua Boatsheds and Punting on the Avon Limited allowing for continued growth of both companies and time to invest further in this tourist destination.
5. There is no reason from the Council's perspective not to approve this application.

FINANCIAL IMPLICATIONS

6. Nil.

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

7. Not applicable.

LEGAL CONSIDERATIONS

8. The consent of the Council to dealings in respect to leases or subleases where the Council is the land owner and the land is held as reserve under the Reserves Act 1977 is not delegated to staff. The matter is being reported direct to the Council (commercial lease considerations within CBD of the Hagley ward). The lease terms and conditions set out that the Council cannot unreasonably withhold consent provided Council's interest as head lessor is not prejudiced.

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

9. Yes, as above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

10. Not applicable.

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

11. Yes, the continued operation of a very popular tourist attraction while also supporting the ongoing financial sustainability of an iconic heritage building.

ALIGNMENT WITH STRATEGIES

12. Not applicable.

Do the recommendations align with the Council's strategies?

13. Not applicable.

CONSULTATION FULFILMENT

14. Not Required.

STAFF RECOMMENDATION

It is recommended that the Council consent as head lessor to a variation of the deed of sublease between MJ and SJ Jones (Antigua Boatsheds) and Punting on the Avon Limited to provide for a further right of renewal of three years so that the sub tenancy finally expires 30 November 2015.