

QLDC Council
24 August 2016

Report for Agenda Item: 5

Department: Property and Infrastructure

New Lease – Wanaka Junior Football Club

Purpose

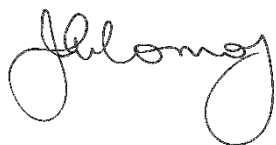
The purpose of this report is to consider an application for a new lease over Section 96 Blk XIV Lower Wanaka SD, known as Kelly's Flat Reserve, for the purpose of constructing a storage facility building.

Recommendation

That Council:

1. **Note** the contents of this report;
2. **Grant** a lease over Recreation Reserve being Section 93 Blk XIV Lower Wanaka SD in favour of the Wanaka Junior Football Club for the purpose of constructing a storage facility, subject to the following terms and conditions:
 - a. The lease to be for a period of 10 years with two further renewals of 10 years by agreement of both parties.
 - b. Council may terminate the lease at any time by giving 2 years' notice in writing (but not in the first two years) if the land is required for a core infrastructure project.
 - c. Any sub-lease to be subject to Council approval.
 - d. The rent be \$1.00, if demanded, in accordance with the Community Facility Funding Policy.
 - e. Rent reviews five-yearly or consequential to any change to the community pricing policy
 - f. The licensee to maintain a minimum of \$2,000,000 public liability insurance.
 - g. At the expiration of the lease remove improvements and make good or ownership of the Community Building and all other structures on the land will revert to Council.
3. **Agree** to the exercise of the Minister's prior consent (under delegation from the Minister of Conservation) to the granting of a lease to the Wanaka Junior Football Club over part of Section 93 Blk XIV Lower Wanaka SD.
4. **Delegate** signing authority to the General Manager, Property and Infrastructure.

Prepared by:



Joanne Conroy
APL Property Limited

25/07/2016

Reviewed and Authorised by:



Aaron Burt
Planner: Parks & Reserves

5/08/2016

Background

- 1 The Wanaka Junior Football Club (the Club) organises and offers football training and competition to local junior players aged 5 to 17 years of age. The club represents the wider Upper Clutha region with junior players from Hawea, Luggate, Albert Town and Wanaka all participating together. It is a non- profit organisation and run entirely by volunteers.
- 2 Junior football has become very popular in Wanaka. In the past two years, club participation has increased by 65%. As a result, additional football equipment has been purchased to accommodate extra players at training and competition days.
- 3 The Club currently uses Kelly's Flat reserve for junior football training, and to host regional games against other junior clubs from around Central Otago. However, the reserve lacks sufficient storage facilities for equipment, and proper changing rooms for children, particularly girls.
- 4 Kelly's Flat Reserve is legally described as Section 93 Blk XIV Lower Wanaka SD, classified as Recreation Reserve. There are currently no other leases or leases held over this reserve.
- 5 The Wanaka Community Board resolved that this application be publicly notified in June 2016 as follows:

On the motion of Mr McRobie and Mr O'Connor it was resolved that the Wanaka Community Board:

Approve notification of the intention to grant a lease over Recreation Reserve being Section 93 Blk XIV Lower Wanaka SD in favour of the Wanaka Junior Football Club for the purpose of constructing a storage facility, subject to the following terms and conditions:

- a. The lease to be for a period of 10 years with a further renewal of 5 years at Council's sole discretion.
- b. Council may terminate the lease at any time by giving 12 months' notice in writing.
- c. Any sub-lease to be subject to Council approval.

- d. The rent be \$1.00, if demanded, in accordance with the Community Facility Funding Policy.**
- e. The licensee to maintain a minimum of \$2,000,000 public liability insurance.**
- f. At the expiration of the lease remove improvements and make good or ownership of the Community Building, and all other structures on the land will revert to Council.**

- 6 This resolution was passed prior to the adoption of the policy for community lease and licence terms. It should therefore be noted that a renewal period of 10 years (as opposed to 5 years) and a termination ability of two years (as opposed to 12 months) is now recommended by this report.
- 7 The notification period closed on 22 July 2016 with no submissions received (and no enquiries received for the details of the proposed lease). A hearing was therefore not required.

Comment

- 8 The Club proposes to construct a storage facility on Kelly's Flat Reserve which would encompass an area to store equipment, changing rooms, storage of first aid and equipment and a sink, which would be used for clean up after fundraising food stalls. The building would primary be used for the club, but would be available for other groups that also use the grounds for special events and or other sport ground related purposes.
- 9 The structure would be small in size – 8.8m x 3.6m, with a floor area of approximately 32m². The structure would be constructed in the same style and with similar materials and colours as the existing toilet block at Kelly's Flat. It would be built on piles, so that it could potentially be moved in the future, if required.
- 10 The Club intends to fund this project primarily through fundraising efforts.
- 11 In accordance with the recently adopted policy for community lease and licence terms, and further to the alternate conditions previously endorsed by the WCB, we now recommend the lease be for a period of 10 years with two renewals of 10 further years each (by agreement), and rent reviews every five years or if the community pricing policy is reviewed. We further recommend that a clause be inserted into the lease to enable Council to terminate the lease should it require use of the land for core infrastructure purposes. In this circumstance, we recommend 24 months as sufficient notice for such termination (but not in the first two years of the lease).
- 12 This report recommends the following terms for a lease;

Term	10 years
Rent	Pursuant to Community Pricing Policy
Reviews	Five-yearly or consequential to any change in the community pricing policy.
Renewals	Two of 10 years each by agreement of both parties
Use	Community storage facility

Assignment/Sublease	At Council's sole approval/discretion
Liability Insurance	\$2 million
Expiry Conditions	Remove improvements and make good or improvements revert to Council ownership at the election of Council.
Termination Clause	Council may give 24 months' notice of termination if the land is required for a core infrastructure project.

Options

13 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

14 Option 1 To grant a lease to the Wanaka Junior Football Club over Section 93 Blk XIV Lower Wanaka SD subject to the terms recommended above.

Advantages:

15 The club can proceed with constructing a storage facility which will enable the club access to sufficient storage and changing amenities.

16 Other community groups may benefit from additional facilities provided on the reserve.

17 The terms comply with the new community lease policy.

Disadvantages:

18 An area of reserve may not be used for alternative purposes.

19 Option 2 To grant a lease to the Wanaka Junior Football Club over Section 93 Blk XIV Lower Wanaka SD under alternative terms and conditions.

Advantages:

20 Similar to Option 1 however Council may choose to vary the terms and conditions as recommended.

21 Terms could reflect those approved by the WCB.

Disadvantages:

22 Similar to Option 1.

23 Will not comply with the new community lease terms policy.

24 Option 3 To decline a lease to the Wanaka Junior Football Club over Section 93 Blk XIV Lower Wanaka SD.

Advantages:

25 The reserve will be available for alternative purposes.

Disadvantages:

- 26 The club will be required to find an alternative location for their storage.
- 27 The community may lose the benefit of a storage facility for the football club.
- 28 This report recommends **Option 1** for addressing the matter as it will help meet the current and future needs of the Wanaka Junior Football club for local community facilities.

Significance and Engagement

- 29 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement policy as while it does not involve a Council strategic asset, is of medium importance to the Queenstown Lakes District, is not inconsistent with policy and strategy and does not impact on Council's capability and capacity, however it may be of significant interest to the general Wanaka community.

Risk

- 30 This matter relates to operation risk OR011A Decision Making. The risk is classed as moderate.

Financial Implications

- 31 There are no financial implications anticipated. The cost of granting a lease would be borne by the applicant and the fee would be subject to the Community Facility Funding Policy.

Council Policies, Strategies and Bylaws

- 32 The following Council policies, strategies and bylaws were considered:

- Significance & Engagement Policy 2014 – this matter is considered to be of medium significance.
- 10-Year Plan/Annual Plan – this matter is not included in the plan.

Local Government Act 2002 Purpose Provisions

- 33 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing the community an opportunity to comment with respect to the leasing of a reserve;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and

- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

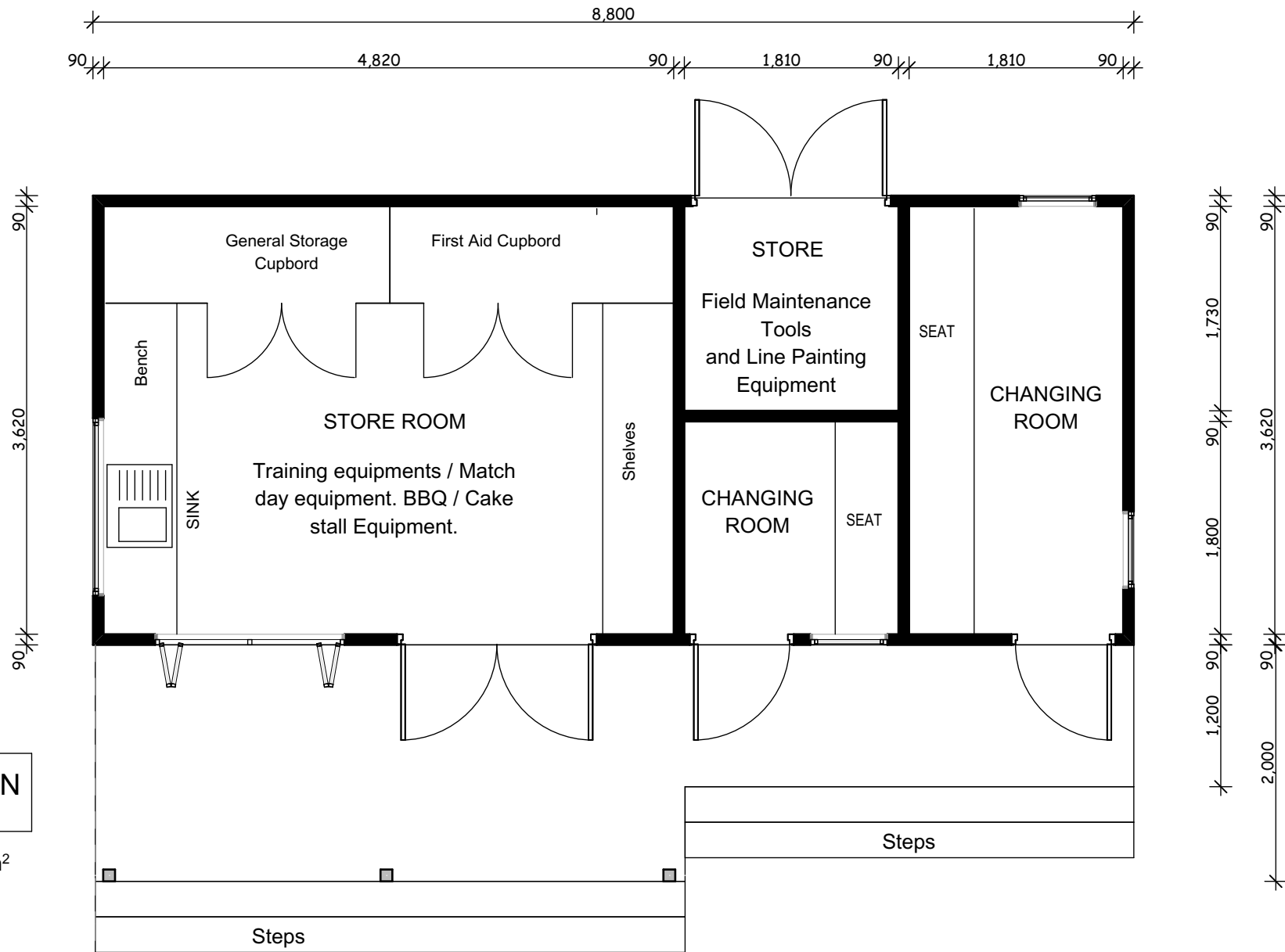
Consultation: Community Views and Preferences

34 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes District community.

35 The Council has publicly notified an intention to grant a lease with no responses received.

Attachments

A Wanaka Football Club - Site and Building Plans



FLOOR PLAN
SCALE 1:50

FLOOR AREA: 32m²

PROPOSED CONCEPT: NOT FOR CONSTRUCTION

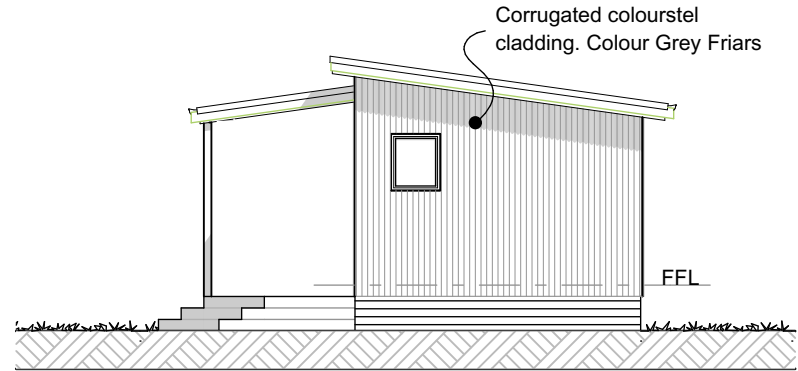
MCV DESIGN LTD PO Box 133 Wanaka 03 4431706 027 2070157	WANAKA FOOTBALL CLUB STORAGE SHEDS, KELLYS FLAT	FLOOR PLAN	DRAWN: RICH V	DRAWING NO A4 01
			DATE: JAN 2016	
			SCALE: AS SHOWN @ A4	

Check all dimensions on site. Do not scale off plans, if in doubt ask.



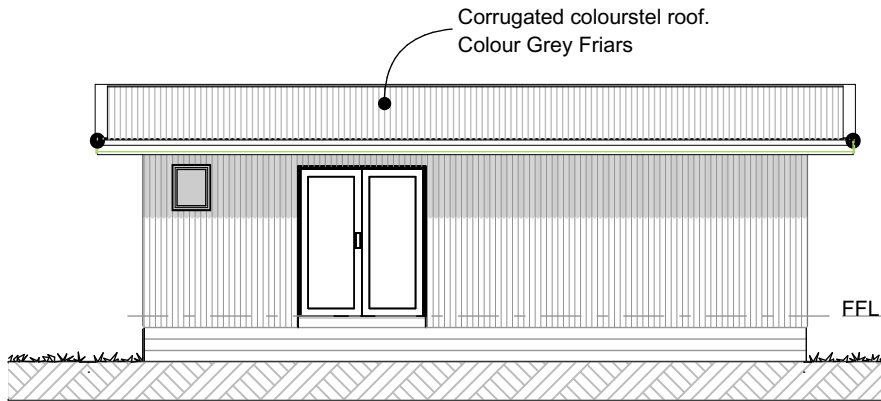
EAST ELEVATION

SCALE : 1:100



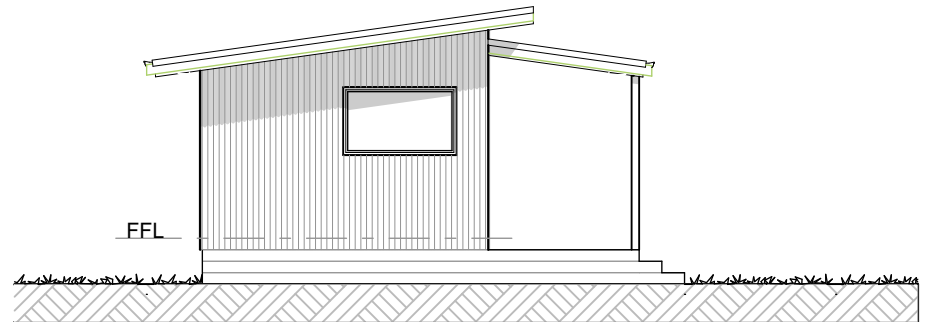
NORTH ELEVATION

SCALE : 1:100



WEST ELEVATION

SCALE : 1:100



SOUTH ELEVATION

SCALE : 1:100

PROPOSED CONCEPT: NOT FOR CONSTRUCTION

MCV DESIGN LTD
PO Box 133 Wanaka
03 4431706 027 2070157

WANAKA FOOTBALL CLUB
STORAGE SHEDS, KELLYS FLAT

ELEVATIONS

DRAWN: RICH V
DATE: JAN 2016
SCALE: AS SHOWN @ A4

DRAWING NO
A4 02

Check all dimensions on site. Do not scale off plans, if in doubt ask.

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PROPOSED CONCEPT: NOT FOR CONSTRUCTION

MCV DESIGN LTD
 PO Box 133 Wanaka
 03 4431706 027 2070157

WANAKA FOOTBALL CLUB
 STORAGE SHEDS, KELLYS FLAT

SITE OPTIONS

DRAWN: RICH V
 DATE: JAN 2016
 SCALE: AS SHOWN @ A4

DRAWING NO
A4 03

Check all dimensions on site. Do not scale off plans, if in doubt ask.

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