
REPORT 5
(1215/12/IM)

**PROPOSED NEW LEASE BETWEEN WELLINGTON
CITY COUNCIL AND WELLINGTON NORTH
BADMINTON ASSOCIATION AT TAYLOR PARK, TAWA**

1. Recommendations

It is recommended that the Tawa Community Board:

1. *Receive the information.*
2. *Endorse the recommendations contained in the report to be considered by a of the Regulatory Processes Committee on Wednesday 14 October 2009.*

Attached is the report which the meeting of the Regulatory Processes Committee will be considering at its meeting on Wednesday 14 October 2009.

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GRANTING OF GROUND LEASE TO WELLINGTON NORTH BADMINTON ASSOCIATION INCORPORATED

1. Purpose of Report

To recommend the Committee approves a new ground lease to Wellington North Badminton Association Incorporated at Taylor Park, Tawa.

2. Executive Summary

Wellington North Badminton Association Incorporated was established and incorporated in 1976.

The Club built its badminton pavilion in 2000 located at Taylor Park and Play Area, in Tawa. A new lease for the pavilion was granted by the Built and Natural Environment Committee in 2002. For various reasons the lease was not finalised, and the Club has now requested a new lease term.

The area of Taylor Park occupied by the Club is subject to the Reserves Act 1977, as stipulated on the certificate of title.

3. Recommendations

Officers recommended that the Committee:

1. *Receive the information.*
2. *Approve, subject to the terms and conditions noted in recommendations 3 and 4, the granting of a new ground lease to North Wellington Badminton Association Incorporated in accordance with the Reserves Act 1977.*
3. *Note that the terms of the lease are:*

Location:	<i>Taylor Park and Play Area, Tawa</i>
Term:	<i>10 years, with one renewal of 10 years</i>
Annual Rental:	<i>\$697 + GST</i>

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4. *Note that any approval to grant the lease is conditional on:*
- (i) Appropriate consultation with iwi.*
 - (ii) The lease being publicly notified in accordance with section 119 and 120 of the Reserves Act 1977.*
 - (iii) There being no sustained objections resulting from the abovementioned consultation or notification.*
 - (iv) Wellington North Badminton Association Incorporated pays for the legal and advertising costs associated with preparing the lease.*
 - (v) Approval from the Minister of Conservation in accordance with the Reserves Act 1977.*

4. Background

The Council leases land and buildings to a wide range of groups undertaking various activities. Leases are important to provide certainty for the Council and groups in regard to their property obligations and to provide a framework for asset management.

The ground lease is for land situated on Taylor Park which is accessed via Tawa Street. The pavilion is marked in red on the aerial photograph in Appendix 1.

The Club has not held a prior lease with the Council, although a new lease was approved by the Built and Natural Environment Committee (the Committee) in 2002. The lease was not finalised and officers approached the Club in early 2009 and lease negotiations began for a fresh lease. Given the term approved by the Committee had only 3 years left to run, the Club requested a new lease be approved.

4.1 The Site

The structures are situated on land designated Open Space B. It is intended that the land be classified Recreation Reserve under the Northern Reserves Management Plan in the future, however it is subject to the Reserves Act 1977 (the Reserve Act) as stipulated on the certificate of title.

4.2 The Lessee and its Building

The Club was originally established in the 1960s as an amalgamation of the Ngaio, Khandallah and Johnsonville badminton clubs. The Club now hosts players from Tawa, Tawa RSA, Porirua and Titahi Bay badminton clubs.

The badminton pavilion was completed in 2000. Over the following years it has been added to and upgraded as funds permitted. The Club proudly boast its debt-free facility which was built with funds obtained through grants, fundraising, and voluntary labour. The pavilion is in good condition and well-maintained; the Club has just installed a computerised booking and security system.

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The Club use the building extensively year-round, and other users such as martial arts groups and dance groups share the facility.

5. Considerations when assessing a new lease

5.1 Leases Policy

The assessment has been made under the Council's Leases Policy. Applications for new leases are assessed against the following criteria. Notes on the assessment criteria are set out in Appendix One of the Leases Policy.

Criteria

Appendix One of the Leases Policy explains that assessment of strategic fit should consider the Council's most up-to-date strategic statements and relevant strategies. The following are particularly relevant to this application:

- Social and Recreation Strategy; and
- the Northern Reserves Management Plan.

5.2 Legislation

The land at Taylor Park is held subject to the Reserves Act and therefore the lease will be governed by this legislation.

Sections 119 and 120 of the Reserves Act set out the requirement for public consultation. The granting of this ground lease is subject to there being no sustained objections from any party.

6. Discussion

6.1 Assessment

The proposed lease for the Club has been assessed according to the criteria set out in the Leases Policy. Please see a summary of this assessment below:

Criteria		Assessment
1. Strategic Fit	Social and Recreation Strategy	The Club's activities focus on badminton and the Club permits a range of other ad-hoc uses such as martial arts, dance, and school groups. These activities are consistent with the Social and Recreation Strategy which aims to build strong, safe and healthy communities for a better quality of life. The Club's members span the whole northern suburbs area, demonstrating a need for this code and type of building within the community.
	Northern Reserves Management Plan	This lease is consistent with the requirements of the Northern Reserves Management Plan.
2. Activity Sustainability	Membership	The Club has a membership of 585.
	Financial Position	The Club's financial position is very strong; membership fees and accumulated funds more than cover the building maintenance and programme development.

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3. Use of Resources	Building Utilisation	The Club uses the pavilion for badminton approximately 70 hours per week, depending on member demand. This is managed by the Club's computerised booking system. The pavilion hosts regional and international tournaments when required. Other rooms in the pavilion are used by other groups for approximately 15 hours per week.
4. Environmental Impact	Location	The building is a large pavilion on open space land, designed and painted to be sympathetic with its surroundings. The land upon which the pavilion sits adjoins the railway line and is not particularly visible from the city. The adjoining park and dog exercise area is accessible to the public via a shared driveway to the car park in front of the pavilion.
5. Demonstrated Need and Support from the Community	People	The Club draws its members from a wide area such as Linden, Porirua, Pukerua and Titahi Bays, Johnsonville, Newlands, Ngaio, Churton Park, Grenada, and other northern suburbs. The large membership base and geographical spread demonstrates a need within the community for such a resource.
6. Need for a Lease	Capability	It is recognised that such recreational activities could not occur in an environment that provides for charging a market rental for land and/or buildings. A lease is appropriate as this provides for the Club's and the Council's obligations in relation to property maintenance and certainty.

6.2 Lease Rental

The lease rental has been assessed in accordance with the rental framework outlined in the Leases Policy. The annual rent has been assessed as \$697 excluding GST per annum.

6.3 Lease Tenure

The standard lease tenure or term set out in the Leases Policy is ten years plus one further term of ten years. Officers consider that the standard term is suitable for this lease.

7. Conclusion

The Wellington North Badminton Association Incorporated has demonstrated a good fit with the Council's strategic direction and existing policies, a community need for its services and activities, and viability in terms of membership numbers and financial sustainability. Therefore a standard lease is considered appropriate for this group.

Contact Officer: *Heather Cotton, Property Advisor and Amber Bill, Manager, Community Engagement and Reserves.*

Supporting Information
<p>1) Strategic Fit / Strategic Outcome <i>The provision of this lease is consistent with the Council's Social and Recreation Strategy which aims to build strong, safe and healthy communities.</i> <i>The facilitation, provision and funding of community participation and support contributes to the Council's long term outcomes of a city that is:</i></p> <ul style="list-style-type: none"> ▪ <i>more liveable</i> ▪ <i>more inclusive</i> ▪ <i>more actively engaged</i> ▪ <i>better connected.</i>
<p>2) LTCCP/Annual Plan reference and long term financial impact <i>The building is owned by the Club and they are responsible for maintaining the building and all outgoings. Therefore there is no impact on the LTCCP.</i></p>
<p>3) Treaty of Waitangi considerations <i>There are no known considerations.</i></p>
<p>4) Decision-Making <i>This is not a significant decision.</i></p>
<p>5) Consultation a) General Consultation <i>Public consultation will be undertaken as required by the Reserves Act 1977, and consultation with the Tawa Residents Association and Community Board.</i></p> <p>b) Consultation with Maori <i>Iwi will be consulted.</i></p>
<p>6) Legal Implications <i>Council's lawyers have been consulted during the development of this report.</i></p>
<p>7) Consistency with existing policy <i>The provision of this lease is consistent with the Leases Policy for Community and Recreation Groups.</i></p>

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Aerial Photograph of Lease Site