
REPORT 2

**NEW LEASE UNDER RESERVES ACT 1977 (EXISTING
TENANT): NORTHLAND WELLINGTON REGION FREE
KINDERGARTEN**

1. Purpose of report

To recommend the Committee approves a new lease of approximately 237m² to Northland Wellington Region Free Kindergarten.

2. Executive summary

This report recommends the Northland Wellington Region Free Kindergarten (WRFK) is granted a new lease consistent with the *Early Childhood Centres Policy*.

Northland WRFK's play area currently occupies part of the land at 56 Albemarle Road, Northland, Wellington and they are holding over on a month-to-month basis (under an expired ground lease). The land is not classified under the Reserves Act 1977 but is treated in a manner consistent with the Act.

The Northland WRFK's building does not sit on Council land and the area they occupy is relatively small. For this reason Officers recommend that the annual rent charged differs from what is required under the *Early Childhood Centres Policy*.

Instead Officers recommend that their rent is determined as per the *Leases Policy for Community and Recreation Groups*. Under this agreement they would pay \$379.20 + GST per annum as opposed to 1% of Ministry of Education payments (excluding equity grants) and income received by the centre that constitutes payment for childcare services (including fees, donations and subsidies from Work and Income New Zealand).

3. Recommendations

Officers recommend that the Community, Sport and Recreation Committee members:

1. *Receive the information.*
2. *Agree to grant a new lease of part of Lot 83, DP 2226 CT D1/609 under the Reserves Act 1977 (subject to the usual terms and conditions noted below).*

3. *Note that the terms of the lease are proposed to be consistent with the Council's "Early Childhood Centres Policy" with the exception of rent determination.*
4. *Note that any approval to grant the lease is conditional on:*
 - (a) *appropriate Iwi consultation*
 - (b) *public notification under s119 and s120 Reserves Act 1977*
 - (c) *no sustained objections resulting from the above consultation and notification; and*
 - (d) *legal and advertising costs being met by the lessee.*

4. Discussion

A map showing the leased area and location is attached as appendix 1. The Land is legally described as *part* of Lot 83, DP 2226 on CT D1/609.

The group has been in occupation of the site since 1974 and are currently holding over under an existing lease that expired in 1975. They satisfy the assessment criteria under section 4.1 of the *Early Childhood Centres Policy*.

The proposed new lease terms and conditions are to be consistent with the *Early Childhood Centres Policy* (with exception of the rent) and are outlined below:

1. Lease Type: *Ground Lease*
2. Lease Term: *10 + 10 years*
3. Final expiry date: *30 June 2034*
4. Activity: *Childhood Education*
5. Rent: *\$379.20pa + GST*

5. Conclusion

Officers recommend that the Community, Sport and Recreation Committee approve the lease to Northland Wellington Region Free Kindergarten.

Contact Officer: Grace Clapperton-Rees (Property Advisor) and Amber Bill (Open Space Parks Manager)

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

The proposed leases/licences will be consistent with the objectives of the “Leases Policy for Community and Recreation Groups” which are:

-ensure maximum community benefit is derived from Council-owned land and buildings;

-strengthen participation and engagement in community and recreational activities; and

-ensure leases are managed fairly, processes are transparent and Council officers have the flexibility to respond to community needs.

2) LTP/Annual Plan reference and long term financial impact

The proposed leases/licences will have no substantial long-term financial impact

3) Treaty of Waitangi considerations

There are no Treaty of Waitangi considerations

4) Decision-making

This is not a significant decision

5) Consultation

a) General consultation

Public consultation will be undertaken as required under the Reserves Act 1977

b) Consultation with Maori

Iwi will be consulted

6) Legal implications

The Leases/Licences will be subject to the provisions of the Reserves Act 1977 and the Town Belt Management Plan (where applicable)

7) Consistency with existing policy

The proposed leases/licences will be consistent with the “Leases Policy for Community and Recreation Groups”.

APPENDIX 1

