



GRANTING OF A PREMISES LEASE TO INNERMOST GARDENS INCORPORATED OVER TOWN BELT LAND AT 141 ELIZABETH STREET, MT VICTORIA

1. Purpose of report

To recommend the Committee approves the granting of a premises lease to Innermost Gardens Incorporated over the building situated on Town Belt land known as 141 Elizabeth Street, Mt Victoria (outlined in red on Appendix 1).

2. Executive summary

Innermost Gardens Incorporated has held a licence over part of the vacant Council owned land at 141 Elizabeth Street, Mt Victoria since 2006 (area outlined in blue on Appendix 1). The land has been used to create a vegetable garden and orchard which is made available to the public in Wellington.

The building at 141 Elizabeth Street, Mt Victoria has been made available to various groups within the community and has been managed by the Council since late 2007.

This report recommends the Committee grants a premises lease over the building to Innermost Gardens Incorporated for a five year term.

The land is managed as Recreation Reserve and forms part of the Town Belt. Therefore the provisions of the Town Belt Deed, the Town Belt Management Plan and the Reserves Act 1977 apply.

3. Recommendations

Officers recommend that the Regulatory Processes Committee:

1. *Receive the information.*
2. *Agree subject to the terms and conditions noted below, the granting of a premises lease to Innermost Gardens Incorporated in accordance with the Reserves Act 1977.*
3. *Note that the terms of the lease are as follows:*
 - Location: Part of the land known as 141 Elizabeth Street, Mt Victoria (outlined in red on Appendix 1).*
 - Term: Five years*
 - Annual Rental: \$297.60 per annum plus GST*
 - Maintenance Fee: The maintenance fee will be applied as stipulated in the Leases Policy for Community and Recreation Groups.*

4. *Note that any approval to grant the lease is conditional on:*
- (i) appropriate consultation with Iwi, Friends of the Town Belt, Action for the Environment and Mt Victoria Residents Association being completed;*
 - (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; and*
 - (iv) the legal and advertising costs associated with preparing the lease is met by the Lessee.*
5. *Agree that Council officers will finalise and negotiate the lease details.*

4. Background

The Council owned building situated on land at 141 Elizabeth Street, Mt Victoria is a one storey building which was constructed in 1930 and contains a kitchen, female and male toilets and a locker area.

The building was originally utilised by the Mt Victoria Women's Bowling Club and was taken over by the Bandoliers Marching Association until they relinquished the lease in 2005.

In 2006 officers sought expressions of interest to lease the building in accordance with the Leases Policy for Community and Recreation Groups (Leases Policy). Although three groups applied to lease the building at this time, only one group was a suitable fit with the Council's strategies and policies relevant to recreation groups and the status of the land being Town Belt. This group subsequently withdrew their application.

In early 2007, Innermost Gardens Incorporated (Innermost Gardens) approached the Council with a view to lease the building. A report recommending a lease be granted to Innermost Gardens was presented to Committee on 12 September 2007. At this time it was decided that the building would be made available to recreational groups within the Community and would be managed by Council in the short term.

On 12 March 2013, Council officers sought expressions of interest from the public to lease the building. One application from Innermost Gardens was received.

Innermost Gardens has held a licence over the adjoining area of land since 2006 and approval to grant a new licence over this land for a term of five years was granted by the Regulatory Processes Committee on 17 April 2013. The land has been used to create a vegetable garden and orchard which is made available to the public in central Wellington.

Innermost Gardens would like to lease the building so that they as well as the wider community can create more community events around leisure gardening, nature connection and 'green' recreation.

If a lease is granted, Innermost Gardens aim to increase the recreational use of the building and would like to create a well functioning recreational facility for Mt Victoria and surrounding suburbs.

Under Council's management, the building is being used by Innermost Gardens, Innermost Art, Chalkle, a men's group, Wellington Board Games Association, and a Plunket PIN (parents in neighbourhood) group. The building is also used as a vegetable delivery spot for the local Community Supported Agriculture. These groups use the building once a week or fortnight for 2 – 4 hours at a time. In addition, the building is used on a more infrequent basis by groups such as 350 Climate Change and Generation Zero.

If a lease is granted, Innermost Gardens will act as caretakers of the building and will encourage both new and existing groups to utilise the building. This will form a condition in the lease.

The land on which the building is situated forms part of the Town Belt and a premises lease would be granted under section 54(1)(b) of the Reserves Act 1977 (Reserves Act) and in accordance with the Town Belt Deed and the Town Belt Management Plan.

The leased area is 186m² and is legally described as Part Lot 1, Deposited Plan 33290 and is contained in Computer Freehold Register WN10A/1025.

5. Considerations when assessing a new lease

5.1 Leases Policy for Community and Recreation Groups

An application for a lease is made under the Council's Leases Policy and is subject to assessment under its criteria.

Appendix one of the Leases Policy requires officers to assess new lease applications against the following criteria:

- strategic fit;
- activity sustainability;
- financial sustainability;
- optimal use of resources;
- environmental impact;
- a demonstrated need from the community; and
- the need for a lease.

An assessment of Innermost Gardens and how it fits within these criteria is outlined in section 6.

The granting of a lease to Innermost Gardens is consistent with the provisions of the Council's Leases Policy.

5.2 Legislation

The land is held subject to the Town Belt Deed and Basin Reserve Deed of 1873 (Deed) and managed in accordance with the Reserves Act.

The Wellington Town Belt was vested in the Council by the Deed which remains the governing authority by which the Council controls the Town Belt. The Deed provided for the Town Belt land to be kept forever 'as a public recreation ground for the inhabitants of the city of Wellington'.

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

6. Discussion

6.1 Assessment

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

Criteria		Assessment
Strategic Fit	Social & Recreation Strategy	Innermost Gardens' activities are consistent with other permitted activities on Town Belt land and satisfy the criteria of recreational use.
Activity Sustainability	Membership	Innermost Gardens has a mailing list of 250 people and 12 committed members.
	Financial Position	Innermost Gardens' financial position is satisfactory.
Use of Resources	Land Utilisation	Innermost Gardens intends on ensuring that the building is utilised between 30 – 40 hours a week by a combination of the Group itself, existing users and the wider community.
Environmental Impact	Location	The activity does not have the potential to adversely affect open space values.
Demonstrated Need & Support from the Community	People	Innermost Gardens has been interested in leasing the building since 2007 and has been a regular user of the building since it has been managed by the Council. The building is currently used by a

		number of groups within the community on a regular basis and Innermost Gardens is committed to providing the community with a suitable facility to support various recreational users in the community.
Need for a Lease	Capability	A lease is appropriate as Innermost Gardens will have exclusive use of the land as outlined in red on Appendix 1.

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 at \$297.60 per annum plus GST.

As Innermost Gardens is subject to a premises lease, they will also be required to pay an annual maintenance fee as set out in the Leases Policy.

6.3 Lease Tenure

The Town Belt Management Plan allows for leases on Town Belt land for a term of up to ten years. Officers propose granting an initial term of five years to ensure that optimal use and community benefit is derived from Innermost Gardens having a lease over the building. In order to ensure optimal use of the building, officers will review the arrangement after 12 months.

7. Conclusion

Innermost Gardens has demonstrated that it is a good fit with the Council's strategic direction and existing policies. The Group's proposed utilisation levels of the land are satisfactory and their financial position will enable the Group to fulfil its lease obligations.

Council officers recommend that the Regulatory Processes Committee approves the granting of a premises lease to Innermost Gardens for a five year term.

Contact Officers: *Hanita Shantilal, Senior Property Advisor, Property Services, Jacqui Murray, Assets & Projects Manager, Parks, Sport & Recreation & Myfanwy Emeny, Manager, Community, Engagement & Reserves, Park, Sport & Recreation.*

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

The Leases Policy for Community and Recreation Groups supports Council's role as a facilitator of recreation partnerships and provider of recreation services. The recreational activities that will be provided by Innermost Gardens Incorporated will contribute to the outcome of 'offering a diverse range of quality recreation and leisure activities' (see outcome 7.1 Recreation Opportunities).

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

There is no financial impact.

3) Treaty of Waitangi considerations

No Treaty implications have been identified.

4) Decision-making

This is not considered a significant decision.

5) Consultation

a) General consultation

Public consultation will be undertaken in accordance with the Reserves Act 1977. Friends of the Town Belt, Action for the Environment and Mt Victoria Residents Association will also be consulted.

b) Consultation with Maori

Iwi will be consulted.

6) Legal implications

The lease will be subject to the provisions of the Reserves Act 1977.

7) Consistency with existing policy

The provisions of the lease are consistent with the Leases Policy for Community and Recreation Groups.



141 ELIZABETH STREET
MT VICTORIA