
REPORT 2
(1215/52/IM)

MARANUI SURF CLUB BUILDING AND LYALL BAY BEACH BUILDINGS - THE FUTURE OF THE FOUR LYALL BAY BEACH BUILDINGS

1. Purpose of Report

A recent fire at the Maranui Surf Lifesaving Club premises on Lyall Bay beach caused extensive damage to the Council owned building. In these situations it is appropriate to assess the sustainability and strategic fit of the building and its use within the local and wider community before a decision is made about the future of the building. This paper documents that assessment and proposes a way forward.

The future of the Maranui Surf Lifesaving Club premises cannot be looked at in isolation from the other three buildings along Lyall Bay beach. All four buildings contribute to and support surf lifesaving and community recreation activity on the beach. Therefore the scope of this assessment also includes the proposed new Lyall Bay Surf Lifesaving Club's building, and the other two buildings on the beach (referred to as the Lyall Bay number two and three buildings). See Appendix A for a map of Lyall Bay beach and its buildings.

The paper also examines the separate but related issues of property ownership and restoration options which have emerged while undertaking this assessment.

2. Executive Summary

Following the fire in the Maranui Surf Lifesaving Club building on Lyall Bay beach, it is appropriate that Wellington City Council considers options reassessing the use of its property, ensuring the benefit to Wellington's ratepayers is maximised. Four scenarios were examined as part of this assessment which considered strategic fit, surf lifesaving sustainability, optimal use of resources, suitability of buildings for surf lifesaving, impact of sea-level rise and demonstrated need and support from the community.

This paper is proposing the Council proceeds with scenario two which would involve:

- Contributing to the restoration of the Maranui Surf Lifesaving Club building;
- supporting plans for a replacement Lyall Bay Surf Lifesaving Club building and including new public toilets in the building;
- working towards removing the Lyall Bay number two building;
- retaining the Lyall Bay number three building.

This paper is also proposing the Council transfers ownership of the Maranui building to the Maranui Surf Lifesaving Club, to restore and administer the building. The transfer would be subject to conditions being met about maintenance, divestment and on-going use of the building.

The transfer of ownership of the Maranui Club building from Council to the Maranui Surf Lifesaving Club would still involve the Council funding some costs towards reinstatement of the building through the Self Insurance Reserve Fund.

3. Recommendations

Officers recommend that the Strategy & Policy Committee:

- 1. Receive the information.*

Recommend to Council that it:

- 2. Agree to transfer the ownership of the Maranui Surf Lifesaving Club building (currently owned by Council) to the Maranui Surf Lifesaving Club or, with the approval of the Chief Executive, its nominee (such as a charitable trust set up by the Maranui Surf Lifesaving Club).*
- 3. Agree that the transfer under recommendation 2 is subject to the following conditions:*
 - (a) the Maranui Surf Lifesaving Club (or nominee) is responsible for the reinstatement of the building including for obtaining (and meeting the costs of) all regulatory consents;*
 - (b) the building must be restored to a compliant and operating standard within 18 months of the building transfer date;*
 - (c) the \$350,000 (excl GST) contributed for the purpose of building restoration is the Council's full and final contribution to the reinstatement of the building and includes any costs incurred by the Maranui Surf Lifesaving Club (or nominee) for earthquake strengthening and accessibility;*
 - (d) the Maranui Surf Lifesaving Club (or nominee) cannot sell or otherwise transfer the building to any party other than the Council;*
 - (e) the Maranui Surf Lifesaving Club will continue to be based within the building and offer surf lifesaving services for the benefit of Wellington City;*
 - (f) the Maranui Surf Lifesaving Club (or nominee) is responsible for all building maintenance and asset management;*

- (g) the Maranui Surf Lifesaving Club and Council mutually agree that the current premises lease dated 21 October 2008 will terminate;*
 - (h) a ground lease is granted to the Maranui Surf Lifesaving Club (or nominee) for the area of the building footprint on terms and conditions satisfactory to the Council;*
 - (i) the Council and the Maranui Surf Lifesaving Club will meet their respective legal costs.*
- 3. Agree to delegate the negotiation and documentation of the terms and conditions of the transfer in accordance with the conditions in recommendations 2 and 3 to the Chief Executive.*
 - 4. Note that the decision to grant a ground lease to the Maranui Surf Lifesaving Club for the area of the building footprint will be considered and determined by the Regulatory Processes Committee.*
 - 5. Note that the Chief Executive Officer will exercise his delegation to fund \$350,000 (excl GST) from the Self Insurance Fund towards the reinstatement of the Maranui Surf Lifesaving Club to be used in accordance with the terms and conditions in recommendation 3.*
 - 6. Agree that, subject to the completion of a new Lyall Bay Surf Lifesaving Club being built which incorporates new public toilets, the Council-owned Lyall Bay number two building be removed.*

Officers recommend that the Strategy & Policy Committee:

- 7. Agree that, subject to the Lyall Bay Surf Lifesaving Club gaining capital funding and regulatory consents, officers continue to work with the Lyall Bay Surf Lifesaving Club regarding its proposal to build a new surf club building and to incorporate new public toilets into the building.*
- 8. Note that if public toilets are incorporated into the new Lyall Bay Surf Lifesaving Club building there will be a capital cost to the Council of approximately \$250,000 - \$300,000 and this will be included in a New Initiative presented by the Lyall Bay Surf Lifesaving Club as part of the draft 2010/11 Annual Plan.*

4. Background

On Saturday 1 August 2009 a fire in the Maranui Club building on Lyall Bay beach caused extensive structural and smoke damage to the inside of the building, the club's fit-outs and possessions and to two of the external walls. The insurance assessor's report has identified that the building damage can be repaired at an estimated cost of up to \$750,000. The club and café accept responsibility for the cost of re-instating their fit-outs and replacing their

possessions. Both the club and the café have their own insurance to cover these costs. The Maranui Club is keen to reinstate the club building and café as soon as possible.

Under the current lease with the Maranui Club, the Council insured the building, however in the case of total or partial destruction of the building, where the building is untenable, the Council has the option of cancelling the lease. Therefore in these situations it is appropriate that the Council considers all of the options available, reassessing the use of its property and ensuring the benefit to Wellington's ratepayers is maximised.

The Local Government Act 2002 obliges all local authorities to make financially prudent decisions that make the best use of public money and resources. In this case the Council is the land and property owner, regulator (resource and building consents) and community leader. These roles are complex and all need to play a part in making a decision about the future of the Lyall Bay beach buildings.

4.1 The Maranui Surf Lifesaving Club building

The Maranui Surf Lifesaving Club (referred to as the Maranui Club in this report) building was built in 1930, with later additions in 1956 and 1964. In 2007 the Council listed the building as a heritage building in the District Plan in recognition of both its architectural value and its historic and social values. This means any plans to either change the outside of or remove the building would require a notified resource consent. The building has always been owned by the Council and leased to the Maranui Club. The club is the second oldest surf lifesaving organisation in New Zealand.

The Maranui Club has a premises lease with the Council. The current lease was approved by the Regulatory Processes Committee in May 2008. The term of the lease is ten years with one renewal of another ten years. Their annual rental is \$8,000 together with a current annual maintenance fee of \$2,393 and an annual compliance fee of \$1,593 (a total of \$11,986 plus GST per year). The rent on this property was \$10.50 plus GST per year under the previous lease which commenced in 1971. The forecasted maintenance costs for this building over the next ten years is \$110,000. \$118,000 has been spent on the building over the last five years by the Council.

Since 2005 the Maranui Club has subleased part of the building on a commercial basis to a café business which has resource consent to operate on that site. The Maranui Club uses the income generated to fund surf lifesaving services offered by the club and to pay rent and maintenance costs to the Council.

4.2 Lyall Bay Surf Lifesaving Club and Lyall Bay Number Two buildings

The Lyall Bay Surf and Lifesaving Club (referred to as the Lyall Bay Club in this report) is the oldest surf club in New Zealand. The Club's main clubhouse was built in 1958. The Lyall Bay Club owns the building and leases the land from the Council. The club also leases the top floor of the adjacent building that contains

public toilets and changing facilities on the ground level– for the purpose of this assessment, this building will be called Lyall Bay number two building.

The Lyall Bay Club currently has a resource consent application lodged with the Council for a proposed \$1.8 million re-build. If successful, it will no longer need to lease the top floor of the Lyall Bay number two building from the Council. The Lyall Bay Club sought \$500,000 from the Council during the 2009/10 Long Term Council Community Plan process to contribute towards this new building, but was declined.

The current lease for the Lyall Bay Club building (ground lease) and the Lyall Bay number two building is currently issued on a month to month basis. The current rent is \$124 per annum plus GST with no maintenance or compliance fees.

In 2003 the Council spent \$100,000 upgrading the public toilets in the Lyall Bay number two building. These facilities will need to be upgraded again in 2015 at a cost of about \$150,000. The building is expected to require \$120,000 worth of maintenance over the next ten years.

4.3 Lyall Bay Number Three building

The New Zealand Affordable Arts Trust (NZAAT) leases the Lyall Bay number three building off the Council. The lease is for a period of three years from 2007 with a single two year right of renewal. The current rent is \$67 per annum plus GST and there is no annual maintenance fee. Since the fire the NZAAT has vacated the building and has subleased it to the Maranui Club for an initial period of 6 months to February 2010.

Over the past five years, the Council has spent \$130,000 upgrading this building. The maintenance cost for the next 10 years is expected to be approximately \$40,000.

4.4 Previous assessments of the Lyall Bay beach buildings

There have been numerous discussions in the past about the future of the four buildings on the beach. Key issues identified include:

- suitability of the buildings for surf lifesaving requirements – the current clubhouses are not fit for purpose;
- predicted sea level rise, an issue for all four buildings;
- increasing maintenance costs; and
- ongoing viability of two competing surf clubs operating out of different buildings.

In February 2003, a paper to the Built & Natural Environment Committee examined some of these issues and recommended that the four buildings remain and new options be pursued for their use. The buildings at this stage were requiring a high level of maintenance and utilisation of several of the buildings was low. Maintenance has since been undertaken on the three buildings owned by the Council.

Following the 2003 paper, the two surf lifesaving clubs approached the Council with a proposal to demolish all four buildings and construct a new purpose built facility. The Maranui Club later informed Council they no longer wanted to follow through with this option and instead proceeded with an internal upgrade to their leased building and established a members' café.

5. The Assessment

5.1 Assessment scenarios

Four scenarios were considered as part of this assessment. These were:

- Scenario one: retain all four buildings on the beach (status quo). The Maranui Club building would be restored.
- Scenario two: restore the Maranui club building; remove the Lyall Bay Number Two Building; retain Lyall Bay Number Three Building; Support the Lyall Bay Club's proposal (subject to the club obtaining funding) to rebuild a new premises that would incorporate new public toilets.
- Scenario three: restore the Maranui club building; remove the Lyall Bay Number Two Building and Lyall Bay Number Three Building. Support the Lyall Bay Club's proposal (subject to the club obtaining funding) to rebuild a new premises that would incorporate new public toilets.
- Scenario four: remove all four current buildings and construct one purpose built facility to serve all requirements for the beach.

The following assessment criteria have been used:

- Strategic fit;
- Surf lifesaving sustainability;
- Best use of resources;
- Suitability of buildings for surf lifesaving;
- Impact of sea level rise;
- Demonstrated need and support from the community.

5.2 Engagement

As part of this assessment a number of meetings have been held with key stakeholders and the Council has received feedback on the proposals. The outcomes of this engagement are outlined below.

Maranui Surf Lifesaving Club

The Maranui Club is keen for the building to be restored to its previous form and use as soon as possible. The club is concerned it will lose members if it is without a clubhouse for too long, albeit that it is currently operating out of Lyall

Bay number three building. The club believes that the Council has an obligation under its lease to rebuild the facility.

The Maranui Club opposes any scenario for the future of Lyall Bay beach that would involve the building being demolished or having to move to another building or sharing a facility with the Lyall Bay Club.

The Maranui Club has informed the Council that it is keen to takeover the ownership of the building. The club would oversee the restoration of the building and all on-going maintenance. The club is only interested in this approach if:

- The restoration takes approximately the same amount of time as if the Council retained ownership;
- They receive a contribution of \$350,000 towards the restoration from the Council;
- An appropriate ground lease arrangement is set up between the Council and the Maranui Club.

The issue of property ownership is separate to the assessment of the future of the buildings along Lyall Bay beach. It is considered in this report in section 8.

Lyall Bay Surf and Lifesaving Club

The Lyall Bay Club has extensive plans to redesign and rebuild its building at a cost of \$1.8 million. The new building design has taken predicted sea level rise into consideration being 200-300mm higher than the existing building and including a concrete lower floor designed to accommodate when wet. It will provide improved storage space for the equipment and will meet the requirements of surf lifesaving and its associated activities.

If the outcome of this assessment was to provide one purpose built facility on Lyall Bay beach, the Lyall Bay Club would be willing to share this facility with another club provided the facilities were adequate. However, the Lyall Bay Club's preferred option is scenario two.

While the Lyall Bay Club supports the restoration of the Maranui Club building, it believes there is an equity issue. The Lyall Bay Club sought \$500,000 towards its new building from the Council and was declined. The club feels that if the Council is using public funds to support the Maranui Club building restoration, as a surf lifesaving club and commercial business, then assistance should also be given to the Lyall Bay Club to build a new facility. The Lyall Bay Club does not think the Maranui Club building is big enough to function as a modern surf lifesaving facility, particularly as a large portion of it is used as a café.

The Lyall Bay Club supports the removal of the Lyall Bay number two building and is willing to include public toilets into its new building if Council funding is provided for the toilets. The club supports retaining the Lyall Bay number three building.

New Zealand Affordable Arts Trust

The New Zealand Affordable Arts Trust is keen that both the Maranui Club and Lyall Bay number three buildings are retained because of their unique character and historic value. It also believes the predictions of sea level rise are inaccurate and that this won't be an issue for Lyall Bay beach.

Surf Lifesaving New Zealand

Surf Lifesaving New Zealand, the national association for surf lifesaving, is currently carrying out a needs based assessment of the Wellington area to determine what level of surf life-saving is required. The association is aware that many clubs across the country and in Wellington are increasingly struggling to survive. Its approach will be one of matching the services provided to need and consolidating resources where necessary. Lyall Bay is a low risk area in terms of drowning. The association believes there only needs to be one surf lifesaving facility on Lyall Bay beach but recognises the unique history and contribution to surf lifesaving that these two clubs have made.

Public meeting

A public meeting was held on 22 October 2009 which was attended by over 300 people. The following feedback was received at the meeting:

- There was resounding support for the continuation of the Maranui building as a surf lifesaving facility, a café and a heritage building;
- The majority of supporters were not interested in considering the bigger picture of all buildings on the beach and were only interested in the reinstatement of the Maranui Club building. They proposed a new scenario (scenario five) to reinstate the Maranui building now and address the issues with the other buildings at a later time;
- Some members of the public are concerned that the Council is using public money to support a commercial business which is competing with other businesses in the local community;
- There was concern about the suitability of the buildings along Lyall Bay beach for surf lifesaving and the impact of the buildings on the dunes along Lyall Bay beach;
- Some people at the public meeting were also keen to support the listing of the Lyall Bay number three building as an historic building. However there was also a lot of support at the meeting for scenario three which only includes retaining two surf lifesaving clubs on the beach;
- Some people expressed a desire that any future proposals take into account disability access to the buildings.

ePetition

An ePetition 'Support the restoration of Maranui Surf Life Saving Club's iconic building' was initiated by Chris Mark on 19 October 2009 and closed on 2

November 2009. The ePetition will be presented to Council prior to consideration of this paper.

The purpose of the petition is to request that the Council restore the building that formerly housed the Maranui Surf Life Saving Club in Lyall Bay, Wellington. The petition was run in parallel to a paper petition that was organised privately.

The ePetition was open to all members of the public with internet access to the Council's website. It received 2,706 signatures.

This ePetition is a reflection of the huge public support for the continuation of the Maranui Club as a surf lifesaving facility and café.

There was however two inaccuracies in the details and background information provided along with the ePetition which could be misleading to those signing it. These were that the Council was proposing to demolish all of the buildings along the beach and construct one new building and that the Maranui Club has owned the building in the past. The ePetition organiser chose not to address these inaccuracies when they were pointed out and it is difficult to ascertain the impact of the accuracy of the number of signatures arising from this information.

Other community feedback

The Council has received 96 letters and emails from members of the public in relation to the proposals for Lyall Bay beach. 88 of those (93%) were in favour of rebuilding the Maranui building to its previous form. The main reasons given were the character of the heritage building and the contribution the Maranui Club make to surf lifesaving. Some of those in favour of rebuilding the Maranui Club building also felt the Council should be financially supporting the Lyall Bay Club rebuild and some felt the café inside the Maranui building should pay market rent directly to the Council.

Seven of the letters and emails received (7%) were from members of the public against the rebuilding of the Maranui Club building. The main reasons were because it is not fit for purpose for surf lifesaving, there was a lack of disability and push chair access, and the future impact of sea level rise. A number of people were concerned about the Council using public money to support a commercial activity and were very keen any decision about the future is solely based on community needs. A number of people felt that there should be no buildings on Lyall Bay and that it should be left in a more natural state with improved dune management.

5.3 Strategic fit

The Long Term Council Community Plan - Surf lifesaving fits within the Council's aims of building strong, safe and healthy communities and for people of all ages, abilities and circumstances to have access to sport and recreation to enhance their health and well-being. Any proposals for the future of Lyall Bay beach must take account of the Council's ambition of caring for the city's

beaches in a way that balances protecting the environment with opportunities for enjoyment.

The District Plan – The Maranui Club building is listed as a heritage building in the District Plan. The building is valued for historic, social and architectural reasons. The District Plan requires that a resource consent is needed if any changes are to be made to the outside of the building.

The Leases Policy for Community and Recreation Groups – To achieve the outcomes within the Long Term Council Community Plan 2009-19 the Council values the contribution of other providers of services in the community. One of the ways the Council supports these providers is by providing leases of land and/or buildings to community groups at significantly below market rent to support and facilitate community networks, recreation opportunities and community facilities. In return, the groups that lease Council property provide services that are valued by Wellington's residents and meet a need in the community.

Throughout the life of a lease, the Council monitors the use of its properties to ensure the residents of Wellington are getting the maximum benefit out of the resource. Also, when leases expire and there is a request for a new lease, the Council reassesses the use and ensures the group meet the assessment criteria of strategic fit, sustainability, optimal use of resources, environmental impact and need.

The South Coast Management Plan - The primary objective of the South Coast Management Plan (SCMP) is to protect and enhance the coastal character of Wellington's South Coast. The role of the plan is to guide day to day management and decision making in order to establish the desired mix of values and uses for reserve land. The Plan supports the continued presence of all the buildings along Lyall Bay beach provided they facilitate public recreation.

The SCMP plan states (on page 50) the following:

“Where buildings are being used for recreation/community uses, the Council's intention will be that the maximum community benefit is gained from their use.”

5.4 Surf lifesaving sustainability

While there are two surf lifesaving clubs on Lyall Bay beach, both clubs have relatively strong membership levels, particularly Lyall Bay Club (see appendix B). In 2008/09 the Maranui Club had 177 members and patrol output of 656 hours. The Lyall Bay Club had 282 members and patrol output of 1327 hours. Both clubs run 'nippers' programmes for about 100 children each. This indicates there is currently enough demand for two clubs.

Throughout the years, both clubs have experienced periods of growth and decline. In recent years the Maranui Club's membership numbers diminished to around 20. The club responded by subleasing part of its building to a café which not only increased income coming into the club but has been credited

with raising awareness of the club and consequently increasing membership numbers. Maranui is now a financially viable club.

5.5 Best use of resources

Lyall Bay has two surf lifesaving clubs operating within a very short distance from each other. Running two separate clubs is not the best use of resources when considering ongoing maintenance costs. The Maranui Club broke away from the Lyall Bay Club as long ago as 1911 due to a dispute and has remained separate ever since. At that time the Council contributed funds to building the replacement Maranui Club building and made it clear that it wanted the two clubs to amalgamate, but this has never happened.

Surf Lifesaving New Zealand is concerned that public money is not used to support any one club, but should focus on sustaining service provision to the community by preventing drowning and injury.

Each club now patrols different beaches in Wellington (the Lyall Bay Club patrols Lyall Bay and the Maranui Club predominantly patrols Oriental Bay). Neither club supports any option which would involve the clubs amalgamating. While the Lyall Bay Club's new proposed building could be designed to cater for the Maranui Club's requirements, the Maranui club has advised the Council that the existing building is sufficient to meet their current and future needs.

5.6 Suitability of buildings for surf lifesaving

Surf lifesaving has changed significantly since both the Maranui and Lyall Bay Club buildings were constructed. Modern surf lifesaving requires a lot more space for equipment and new technology. The Lyall Bay Club is planning to construct a new building in recognition that their building no longer meets their needs. The Lyall Bay Club currently stores a lot of their equipment at street level, meaning it cannot be accessed quickly and is damaged while being transferred to the beach. Also, the current patrol and first aid room does not meet international standards for surf lifesaving. The Maranui Club has stated that its building meets its current and future needs.

5.7 Impact of sea level rise

One of the biggest issues for Lyall Bay beach in the future is the impact of predicted climate change. Appendix C shows the predicted sea level rise after 50 years. All of the buildings along Lyall Bay beach will be affected by this predicted change in sea level. Realistically the existing buildings may only have a life span of up to fifty years. Now is probably the last chance to invest significant resources into these buildings and still get a worthwhile amount of use and return on the investment before the impact of climate change will be too great and the presence of these buildings will no longer be viable on the beach.

At some point the Council will need an exit strategy for all of the buildings on the beach when it is no longer feasible to sustain them. There is a long history of damage along this beach which is expected to continue and increase in frequency. See Appendix D for photos of previous storm damage along this

section of coast. The most future proof building will be the proposed new Lyall Bay Surf Club building because it will be subject to newer and stricter regulations and will be constructed accordingly.

5.8 Demonstrated need and support from the community

Wellington City Council recognises the need for surf lifesaving at Wellington's beaches. It is a critical element of the Government's drowning prevention strategy and is essential for the safety of Wellington's residents and visitors. The Maranui and Lyall Bay Clubs provide valuable services patrolling beaches. Both clubs also provide valuable recreation opportunities for Wellingtonians including 'nippers' programmes which not only help keep children safe but also fit and healthy.

There is a high level of support from the community for retaining the Maranui Surf Lifesaving Club building in its current form and use.

6. Proposal

This report is proposing that the Council proceeds with scenario two involving:

- Contributing to the restoration of the Maranui Club building;
- supporting plans for a replacement Lyall Bay Surf Lifesaving Club building and including new public toilets in the building at a cost of \$250,000 to \$300,000 to provide four all gender toilets of which two would be accessible;
- working towards removing the Lyall Bay number two building;
- retaining the Lyall Bay number three building.

The main reasons are:

- The Maranui Surf Lifesaving Club building has heritage status in the District Plan. Listing buildings in this plan is a public process and aims to preserve what is valued by the people of Wellington;
- There is strong public support for the continuation of the Maranui Club building as an active surf lifesaving club and café with the club having occupied the building since it was built in 1930;
- If the Lyall Bay Club's new building is built, the Council will not have to fund the continued maintenance of the Lyall Bay number two building, including the toilet refurbishment in 2015 at a cost of \$150,000;
- While having two surf lifesaving clubs located on Lyall Bay beach is not needed to meet the surf lifesaving requirements at Lyall Bay, both clubs play a role in providing surf lifesaving services at Lyall Bay and other beaches in Wellington City. Both clubs are currently financially sustainable and offer services that are valued by the community.

Sea-level rise will be an issue for all of the buildings along the beach within the next 50 years. At some point all of the buildings may need to be removed when it is no longer feasible to maintain them.

7. Restoration Considerations

If the Maranui Club building is rebuilt, the following matters need to be considered as part of the restoration: heritage status of the building, disability access and seismic strengthening to minimise the impact of earthquakes.

7.1 Heritage

Under the heritage rules in the District Plan, no resource consent will be required if the outside of the Maranui Club building is replaced with like for like materials. That includes features such as the weatherboards and window openings. The inside of the building is not affected by its heritage status, however any restoration will need to be sensitive to its overall character and style.

7.2 Disability access

The Council has received a number of comments from members of the public indicating their desire for improved disability access to this building. Providing disability access within the restored Maranui Club building would require a change to the layout inside the building to install lifts and ramps. This would mean a further loss of space to the club and could potentially degrade the character of the building. The Maranui club has indicated they are reluctant to change the layout of the building to accommodate disability access.

Previously reinstatement of fire damaged buildings was exempt from requiring a building consent however that changed in 2008, therefore building consent will be required to restore the Maranui Club building. No disability access is required if the building is simply being reinstated to its original condition and layout.

In the case of the Maranui Club building, compliance with the building code requirement of providing disability access will depend on whether the construction work is considered to be reinstatement or an alteration to an existing building.

The Lyall Bay Club's proposed new building will be totally accessible to people with disabilities.

7.3 Seismic strengthening

Improving the ability of the building to withstand an earthquake will not impact on its layout or character. A structural engineer has assessed the status of the building and estimated the cost to be between \$60,000 and \$80,000 to comply with the building code if the work is done now as part of the building restoration, however the cost will be in the region of \$300,000 if the work is

done at a later date. Under the current lease this work is the responsibility of the Council and would eventually be a further cost to ratepayers.

8. Property Ownership

The Maranui Club has proposed taking over ownership of the building and would oversee its restoration and on-going maintenance (see section 5.2 above). This would require the cancellation of the existing premises lease and the grant of a new ground lease for the footprint of the building.

This option has merit for the following reasons:

- The Maranui Club is motivated to restore their own building and keep it maintained to a high standard;
- Less financial risk and exposure for the Council now and into the future;
- The Maranui Club can seek different sources of funding other than from the Council;
- The Maranui Club and the Lyall Bay Club would be in a more equitable position.

There are however risks with this option and it would be conditional upon the Maranui Club keeping the building maintained to an acceptable standard and not being able to sell the building on to a third party.

8.1 Authority to grant ground lease

In May 2008 the Council resolved to classify Lyall Bay Beach as Recreation Reserve with the area surrounding the four existing buildings to become Local Purpose (Community) Reserve in accordance with the Reserves Act 1977. The classification does not have legal effect until a Gazette notice has been published. To date this notice has not been published as officers are still working with surveyors and solicitors to finalise the surveyed plans for Lyall Bay beach.

Therefore the proposed leased area is still held as fee simple land and accordingly the granting of any lease is subject to the general provisions of the Local Government Act 2002.

The granting of a lease under the Local Government Act 2002 does not require the same processes as the Reserves Act 1977; however the standard provisions of the leases policy for community and recreation groups have been applied in assessing the suitability of the Maranui Club for a lease.

9. Conclusion

The fire at the Maranui Club building has presented an opportunity to examine the future of four of the buildings along Lyall Bay beach. The main considerations are the heritage status of the Maranui Club building, the sustainability of and need for two surf lifesaving facilities on the beach, the

suitability of the current buildings for surf lifesaving, the high maintenance costs of the buildings, the impact of potential sea-level rise and public support for the current buildings and their uses.

This assessment is proposing the Council contribute to restoring the Maranui Surf Lifesaving Club building to its previous form and use, retain the Lyall Bay number three building, consider financially assisting the building of a new Lyall Bay Surf Lifesaving building with public toilets and remove the Lyall Bay number two building. This is primarily because the Maranui Surf Lifesaving Clubhouse is a valued heritage building which has strong public support for the café and surf club activities. The Maranui Club is currently financially viable and is contributing to surf lifesaving and recreation at Lyall Bay beach and other beaches in Wellington.

If the Maranui Club building is rebuilt, the restoration would need to take into account the heritage status of the building and seismic strengthening.

This paper is also proposing that ownership of the Maranui Club building is transferred from the Council to the Maranui Club. By owning their own building, the Club will have a vested interest in ensuring it is maintained and looked after and will be able to seek alternative sources of funding not available to the Council. It will also mean the future burden of maintaining this building will not fall onto Wellington's ratepayers, rather to those who benefit from it.

Contact Officer: *Vikki Muxlow, Acting Manager Parks and Gardens*

Supporting Information

1) Strategic Fit / Strategic Outcome

Surf lifesaving fits within the Council's aims of building strong, safe and healthy communities and for people of all ages, abilities and circumstances to have access to sport and recreation to enhance their health and well-being. Any proposals for the future of Lyall Bay beach must take account of the Council's ambition of caring for the city's beaches in a way that balances protecting the environment with opportunities for enjoyment.

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

Scenario two proposes that the Council contributes capital funding to the new Lyall Bay Surf and Lifesaving Club building for public toilets. This is estimated to be approximately \$250,000 - \$300,000 and will be presented as a New Initiative by the Lyall Bay Surf Lifesaving Club as part of the draft 2010/11 Annual Plan.

If the Council transfers ownership of the Maranui Surf Lifesaving Club building to the club, there will be a contribution of \$350,000 towards reinstating the building. This will be met from the Self Insurance reserve fund.

The building is insured under the Council's insurance policy through Aon New Zealand Limited and the insurance assessor's report has identified that the building damage can be repaired at an estimated cost of up to \$750,000. The Council have the approval to lodge a claim for the repair work and are required to fund the first \$500,000 through our Self Insurance Fund.

3) Treaty of Waitangi considerations

n/a

4) Decision-Making

This is not a significant decision. The report considers four scenarios and reflects the views and preferences of those with an interest in this matter who have been consulted with.

5) Consultation

A variety of methods of community engagement were used during the development of this report, including a public meeting, gathering of community feedback from correspondence, stakeholder meetings and an ePetition.

6) Legal Implications

Legal advice was sort as part of developing the recommendations for this report

7) Consistency with existing policy

This report is consistent with existing policy.

APPENDIX A

Appendix A: Map of Lyall Bay and its buildings



Appendix B: Lyall Bay and Maranui Surf Lifesaving Clubs' membership, patrols and awards

Lyall Bay and Maranui

	2008/2009		2007/2008		2006/2007	
Awards	Lyall Bay	Maranui	Lyall Bay	Maranui	Lyall Bay	Maranui
New Surf Lifeguard Awards gained this season	15	10	26	13	n/a	n/a
Refreshed SLA members	79	22	71	33	53	11
Refreshed IRB drivers	3	0	2	4	7	4

	2008/2009		2007/2008		2006/2007	
Patrol Outputs	Lyall Bay	Maranui	Lyall Bay	Maranui	Lyall Bay	Maranui
Patrol Hours	1327	656	1530	614	1030	119
Rescues	2	0	7	2	36	0
First Aids	7	4	5	3	3	3

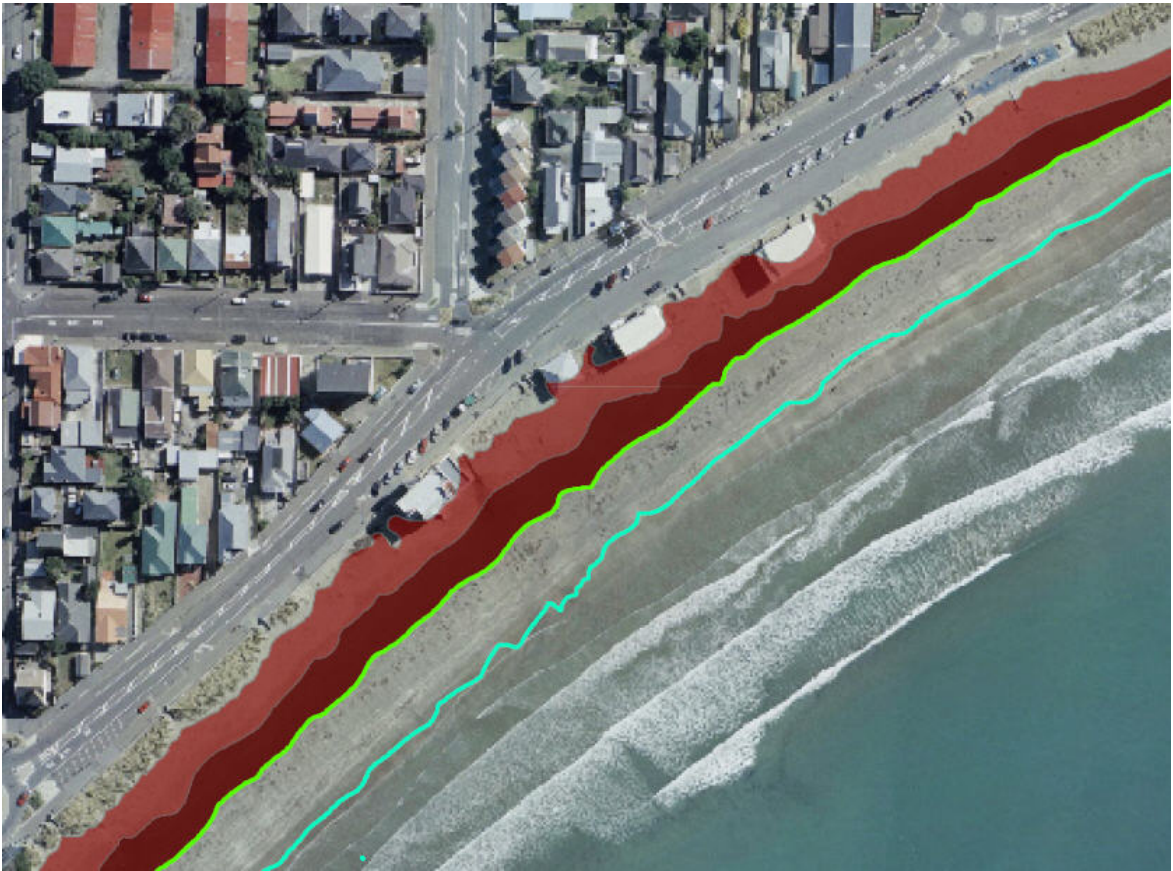
	2008/2009		2007/2008		2006/2007	
Membership	Lyall Bay	Maranui	Lyall Bay	Maranui	Lyall Bay	Maranui
Refreshed members	79	22	71	33	53	11
Other adult members	73	43	82	105	68	32
Junior members (U14)	130	112	122	100	103	27
Total members	282	177	275	238	224	70

Notes:

1. Duplicate members have been removed.
2. Stats relate to members, so members who are refreshed, but patrol for (and were qualified by) another club still count to totals even if their membership with these clubs is secondary.
3. Data on awards and memberships have been taken from the M4 reports from the close of the season in question.
4. Some degree of error will occur in categorising the members, because some records lack DOBs.

APPENDIX C

Appendix C: Predicted sea level rise over 50 years at Lyall Bay



Area in darker brown is 0.5m sea level rise

Area in lighter brown tone is the 0.5m storm surge (or 1m rise)

Source: Wellington City Council

APPENDIX D

Appendix D: Photos of damage caused by storms along Lyall Bay

