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**REPORT 4**  
*(1215/53/IM)*

## **GRANTING OF A PREMISES LEASE TO THE WELLINGTON SWORDS CLUB**

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### **1. Purpose of Report**

To recommend the Committee approves a premises lease to the Wellington Swords Club on Town Belt land at 8 Tanera Crescent, Brooklyn as outlined in red on Appendix 1.

### **2. Executive Summary**

The Wellington Bowling Club Incorporated has held a ground lease on Town Belt land at 8 Tanera Crescent, Brooklyn as outlined in blue on Appendix 1, since 1990. The ground lease expired in July 2010. The building outlined in red on Appendix 1 was owned by the Wellington Bowling Club Incorporated.

The Wellington Bowling Club Incorporated was dissolved in July 2011 due to declining membership levels and its inability to remain sustainable. The building owned by Wellington Bowling Club Incorporated was transferred into Council's ownership on dissolution, as required by the terms of the ground lease.

This report recommends the Committee grants a premises lease of the land and building outlined in red on Appendix 1 to the Wellington Swords Club for a three year term, with a two year right of renewal.

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.

### **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 the Wellington Swords Club 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 8 Tanera Crescent, Brooklyn  
Term: 3 years with a right of renewal of 2 years  
Annual Rental: \$400.00 per annum plus GST  
Maintenance Fee: \$4,203.00 per annum plus GST*
4. *Note that any approval to grant the lease is conditional on:  
(i) the Wellington Swords Club being registered as an incorporated society;  
(ii) appropriate consultation with Iwi, Friends of the Town Belt and Action for the Environment being completed;  
(iii) the lease being publicly notified in accordance with section 119 and 120 of the Reserves Act 1977;  
(iv) there being no sustained objections resulting from the abovementioned consultation or notification; and  
(v) 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 land at 8 Tanera Crescent, Brooklyn forms part of the Town Belt. The Wellington Bowling Club Incorporated (Bowling Club) has held a ground lease of the land outlined in blue on Appendix 1 since 1990. The ground lease expired in July 2010.

Council officers (officers) met with the Bowling Club in late 2009 and expressed concern regarding their membership levels and the inability of the Bowling Club to show that it was sustainable. This position was supported in October 2008 in a report by Bowls Wellington on the 'Health of Wellington Bowling Clubs'. The report noted the need for fewer bowling clubs in the City and for clubs to rationalise facilities and amalgamate.

Officers supported the Bowling Club as they tried to increase membership levels. However, by late 2010 it became apparent that the Bowling Club was not sustainable. The Bowling Club was dissolved in July 2011 and the building reverted into Council's ownership on dissolution, as required by the terms of the ground lease.

During the Bowling Club's tenure the building was hired out to six groups on a regular basis. These groups were the Wellington Swords Club (Swords Club), Brooklyn Girl Guides, Feldenkrais, Morris Dancing, Brooklyn Junior Cricket Club (BJCC) and Brooklyn Northern United Junior Football Club (BNUJFC).

Expressions of interest for a premises lease of the area outlined in red on Appendix 1 were sought. Three proposals were received. These were from the Swords Club, Riai Aikido Wellington Incorporated (Aikido Wellington) and a joint proposal from BJCC and BNUJFC.

Officers assessed the groups and their proposals against the criteria of the Leases Policy for Community and Recreation Groups (Leases Policy). It was concluded that the Swords Club would be the best fit. The Swords Club meets the criteria of the Leases Policy and is able to continue making the building available to the five groups who have been using the building under the Bowling Clubs tenure.

The two Bowling Greens will be managed a casual sports field. The Bowling Greens will continue to be made available to BJCC and BNUJFC as well as being made available to other sports groups within the community. The Swords Club have agreed to make the bathroom facilities within the building available to BJCC and BNUJFC while using the grounds.

The residential dwelling on this site will be demolished in the future, in accordance with the Town Belt Management Plan which states “Custodian’s houses shall be retained where a custodial presence is needed for maintenance and surveillance of adjacent Town Belt land. Where the custodial function is not required Council shall remove the houses as the opportunity arises”.

#### **4.1 The Site**

The land is designated Open Space C, and is managed under the Town Belt Management Plan. The land is subject to the Town Belt Deed and the Reserves Act 1977 (Reserves Act).

The area of the land to be leased is approximately 355m<sup>2</sup> and is legally described as Part Lot 1 Deposited Plan 10508 and is contained in Computer Freehold Register WN12/1438.

The building situated on this land was constructed circa 1965 and is a two story building with locker rooms and a committee room on the ground floor. The first floor contains a dancing hall, bar and kitchen area.

#### **4.2 The Lessee**

The Swords Club was first established in Wellington over 60 years ago and is in the process of becoming an incorporated society. The group has approximately 60 members with a majority of them being under the age of 18.

The Swords Club provides tuition to its members who range from beginners to those who go on to compete internationally. Over the years a number of members have represented New Zealand in Australia and the Oceania Championships.

The Swords Club is the only fencing Club within Wellington which provides fencing tuition and training which focuses on both school aged students, young adults and masters/veterans.

The only other fencing club in Wellington is the Victoria University Fencing Club. Being a University Club, they predominantly cater for students who attend Victoria University of Wellington. The Swords Club works closely with the Victoria University Fencing Club to ensure people have the opportunity to take part in fencing.

The building at 8 Tanera Crescent, Brooklyn is an ideal venue for the Swords Club to operate from. The sprung floor is an important feature as it helps in preventing injury, which long training on concrete floors can create. The upper story also has a reasonably high ceiling, which is important as at times a clearance of three metres is required for the taller members when undertaking overhead actions.

The Swords Club have expressed an interest in increasing the usage of the building during the day when current usage is at a minimal. The Swords Club believe that greater use by the wider community is seen as a particular area for growth.

## **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 that the assessment of a new lease or licence is considered against the following criteria:

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

An assessment of the Swords Club and how it fits within these criteria is outlined in section 6.

The granting of a lease to the Swords Club is consistent with the provisions of the Council's Social and Recreation Strategy.

### **5.2 *Legislation***

The land is held subject to the Town Belt Deed and managed in accordance with the Reserves Act.

The Wellington Town Belt was vested in the Council by the Town Belt and Basin Reserve Deed of 1873 (Deed). The Deed 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'.

## 6. Discussion

### 6.1 Assessment

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

<b>Criteria</b>		<b>Assessment</b>
<b>Strategic Fit</b>	<b>Social &amp; Recreation Strategy</b>	While the Town Belt Management Plan indicates a preference towards outdoor informal recreational activity, the Swords Club's activities are consistent with other activities on Town Belt land and satisfy the criteria of recreational use. The Swords Club has also been a regular user of the building for approximately 4 years.
<b>Activity Sustainability</b>	<b>Membership</b>	The Swords Club has been in existence for over 60 years and currently has approximately 60 members.
	<b>Financial Position</b>	The Swords Club is in a good financial position and has the funds to fulfil their financial lease obligations.
<b>Use of Resources</b>	<b>Land Utilisation</b>	The building will be used by the Swords Club for a minimum of 15 - 20 hours a week. The building will also be hired out to five recreational groups who regularly use the building for approximately 20 hours a week combined.
<b>Environmental Impact</b>	<b>Location</b>	The activity does not have the potential to adversely affect open space values.
<b>Demonstrated Need &amp; Support from the Community</b>	<b>People</b>	The Swords Club is the only fencing Club within Wellington City which provides fencing tuition and training which focuses on both school aged students, young adults and masters/veterans.  The only other fencing club in Wellington is the Victoria University Fencing Club who predominantly caters for students attending Victoria University of Wellington.
<b>Need for a Lease</b>	<b>Capability</b>	A lease is appropriate as the Swords Club will have exclusive use of the land as outlined in red on Appendix One.

### 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 \$400.00 per annum plus GST. As this is a premises lease, the lessee will also be charged a yearly maintenance fee of \$4,203.00 per annum plus GST. The maintenance fee will be used by Council to maintain the exterior of the building.

### **6.3 Lease Tenure**

The Town Belt Management Plan allows for leases on Town Belt land for a term of up to 10 years. Officers propose granting a shorter term, as the Swords Club proposal is to work with the other groups to achieve optional use and community benefit. Officers want to have a level of comfort that this will be achieved before considering a longer term lease.

It is recommended that a lease for an initial term of three years with a two year right of renewal be granted.

## **7. Conclusion**

The Wellington Swords Club has demonstrated that they are a good fit with the Council's strategic direction and existing policies, as well as showing that there is a community need for its activities. The financial position of the Swords Club shows it is in a sustainable position.

Council officers recommend that the Regulatory Processes Committee approve the granting of a premises lease to the Wellington Swords Club.

Contact Officers: *Paul Andrews, Manager, Parks & Gardens and Hanita Shantilal, Senior Property Advisor, Property Management.*

## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*The Provision of this lease is consistent with the Council's Social and Recreation Strategy which aims to build strong, safe and healthy communities by supporting agencies which contribute to the resident's health, safety and community strength.*

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

*This building will be included in the Open Space Asset Management Plan. Exterior maintenance will be undertaken in the 2011/12 year. Any further building maintenance will be budgeted over the next 10 years as part of the facilities maintenance contract.*

### **3) Treaty of Waitangi considerations**

*No Treaty implications have been identified.*

### **4) Decision-Making**

*This is not considered a significant decision in terms of the Council's Significance Policy.*

### **5) Consultation**

#### **a) General Consultation**

*Public consultation will be undertaken as required by the Reserves Act 1977.*

#### **b) Consultation with Maori**

*Iwi will be consulted.*

### **6) Legal Implications**

*The lease will be subject to the provisions of the Reserves Act 1977. Legal advice will be sought in the preparation of the lease.*

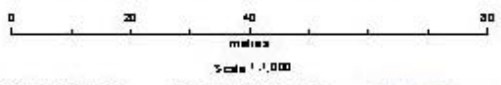
### **7) Consistency with existing policy**

*The provisions of the premises lease are consistent with the Leases Policy for Community and Recreation groups and the Town Belt Management Plan.*

# Appendix 1



**8 Tanera Crescent, Brooklyn**



Property boundaries, 2006 Council, total area, 120 000, 2006 & 2007 from aerial from Land Information NZ. Crown Copyright reserved. Property boundaries accurate to 1:1000 scale. Can also source from Statistics NZ. Possibility of error from P.O.S. 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100.

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