
REPORT 2
(1215/53/IM)

GRANTING OF GROUND LEASE TO JOHNSONVILLE CRICKET CLUB INCORPORATED

1. Purpose of Report

To recommend the Committee approves a fresh ground lease to Johnsonville Cricket Club Incorporated at Alex Moore Park, Johnsonville.

2. Executive Summary

Johnsonville Cricket Club Incorporated was established in 1886 and incorporated in 1967; it is one of Wellington's oldest cricket clubs. When the Club approached officers in relation to construction of the new storage shed, lease negotiations began.

The Club has a clubroom, practice nets, and a storage shed, which are located on Alex Moore Park, Moorefield Road, in Johnsonville. The Club built the clubrooms in 1966, replacing its previous building onsite, and the 4 lane practice nets were installed in 2004; a storage shed was also constructed earlier this year on the site to store the club's equipment.

Alex Moore Park is subject to the Reserves Act 1977, as stipulated on the certificate of title.

3. Recommendations

Officers recommended that the Committee:

1. *Receives the information.*
2. *Approves, subject to the terms and conditions noted in recommendations 3 and 4, the granting of a fresh ground lease to Johnsonville Cricket Club Incorporated in accordance with the Reserves Act 1977.*
3. *Notes that the terms of the lease are:*

Location:	<i>Alex Moore Park, Johnsonville</i>
Term:	<i>10 years, with one renewal of 10 years</i>
Annual Rental:	<i>\$197 + GST</i>

4. *Notes 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) Johnsonville Cricket Club 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.

This ground lease is for land situated on Alex Moore Park which spans Moorefield Road, Bannister Avenue, and Gordon Avenue, Johnsonville. The structures are marked in red on the aerial photograph in Appendix 1.

The Club had a prior 21-year lease with the Council from 1988. The Club approached the Council when they wanted to build a storage shed on the land; landowner consent was granted for the construction and lease negotiations began for a fresh lease in early 2009.

4.1 The Site

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

4.2 The Lessee and its Structures

The Club was originally established in 1886 and amalgamated with Newlands Cricket Club in 2004. The Club has been home to many talented players who have gone on to be New Zealand representatives, including Alex Moore who was a lifetime member of the Club, and currently one of its members plays for the Wellington Firebirds.

The clubroom has been used by the Club since it was built in 1967. The building was constructed by the Club using money obtained through grants and fundraising monies. The 4-lane practice nets and storage shed were also built by the Club; all structures are in good condition and maintained by the Club.

The Club uses the building and adjacent sports grounds extensively during the summer, and they are used by various groups during the winter.

5. Considerations when assessing a new lease

5.1 Leases Policy

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

Criteria 1: Strategic Fit

Appendix One to 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.

Social and Recreation Strategy

The Social and Recreation Strategy identifies strong communities as those that:

- Have a robust social infrastructure; that is, there is sound provision of amenities, facilities and key social services; and
- Are cohesive; that is, there is a high level of community participation, strong networks and empowered community groups.

In this context infrastructure can be considered as buildings and organisations and cohesion can be considered as relationships and engagement. Both aspects are interdependent and critical to strong communities.

Northern Reserves Management Plan

The Northern Reserves Management Plan 2008 (NRMP) was approved by the Council after public consultation. While the NRMP has been approved by the Council, it has not yet been approved by the Minister of Conservation (decisions of this nature are delegated to the Department of Conservation [DOC]). This means that the ground lease is subject to approval from DOC.

The NRMP permits leases on open space to groups that are primarily concerned with public recreation or other community purposes. The activity must be open for public participation and groups are encouraged to allow casual play on/in their facilities, or at least, that their membership be open to all members of the public.

Criteria 2: Activity Sustainability

Appendix One of the Leases Policy states that judgement is needed as to how sustainable the group or activity is for both the short and medium term. This has both a membership/usage and a financial component.

5.2 Legislation

The land on Alex Moore Park is held subject to the Act and therefore the lease will be governed by this legislation.

Sections 119 and 120 of the 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 cricket, and related social activities associated. The Club permit other ad-hoc users to use the building especially over the winter period. 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 Johnsonville, Churton Park, and Newlands areas, 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 380.
	Financial Position	The Club's financial position is very strong; membership fees and accumulated funds more than cover the building maintenance and programme development.

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 \$197 excluding GST per annum. This rental includes the footprint of the clubroom and the storage shed. It does not include the net area, this is charged separately through sportsfield charges.

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.

6.4 Multi Use Building Proposal

There are several groups on Alex Moore park and in the immediate vicinity of the park that wish to come together and construct a multiuse building that would meet the needs of all clubs and the community. Such a building has

benefits such as lowering maintenance and compliance costs for all groups as the cost is shared between all users; a new, purpose-built building would be cheaper and easier to maintain; new areas to accommodate casual use would benefit the community and the clubs as revenue could be generated by such use.

If this proposal of a multiuse building is realised, the lease with the Club would be terminated once the new building has been constructed, as per the lease. The Council wishes to rationalise buildings on the site and the Club's building would be removed from the park in favour of the multiuse building.

7. Conclusion

The Johnsonville Cricket Club 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 Mike Oates, Manager, Open Space and Recreation Planning.*

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.

The facilitation, provision and funding of community participation and support contributes to the Council's long term outcomes of a city that is:

- *more liveable*
- *more inclusive*
- *more actively engaged*
- *better connected.*

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

The building is owned by the Club and they are responsible for maintaining the structures and all outgoings. Therefore there is no impact on the LTCCP.

3) Treaty of Waitangi considerations

There are no known considerations.

4) Decision-Making

This is not a significant decision.

5) Consultation

a) General Consultation

Public consultation will be undertaken as required by the Reserves Act 1977, and consultation with the Johnsonville residents Association has been undertaken.

b) Consultation with Maori

Iwi have been consulted.

6) Legal Implications

Council's lawyers have been consulted during the development of this report.

7) Consistency with existing policy

The provision of this lease is consistent with the Leases Policy for Community and Recreation Groups.

APPENDIX 1

Aerial Photograph of Lease Site