

Mayor and Councillors
COUNCIL

15 DECEMBER 2016

Meeting Status: **Public**

Purpose of Report: For Decision

**LEASE FOR COUNCIL OWNED ROAD RESERVE ADJOINING
SOUTHWARDS MUSEUM TRUST**

PURPOSE OF REPORT

- 1 This report seeks approval to enter into a five year lease with the Southwards Museum Trust, on the Council owned local purpose reserve which adjoins their site.

DELEGATION

- 2 Only Council has the authority to consider this matter.

BACKGROUND

- 3 The agreement would be for the local purpose (road) reserve land, which can be accessed from the Southwards museum site and Otaihanga Road. This land is comprised and described in Lot 6 DP 20510 and is specifically shown as the hatched area in Appendix 1. The land is owned and administered by the Kāpiti Coast District Council under Section 61 of the Reserves Act 1977 (the Act).
- 4 The Southwards Museum Trust has occupied this local purpose reserve by Council lease since 1979.
- 5 This area of land was originally set aside as an alternative access for properties 231, 235, 239 and 243 State Highway 1. Council has issued consecutive short-term leases (364 days) since the original thirty three year lease expired in 2013. The rental arrangement has been a peppercorn rental (if demanded) of ten cents per year, since 1980.
- 6 As the land is local purpose reserve, the lease is issued under Section 61(2) of the Act. This section provides that the Public Bodies Leases Act 1969 applies, which requires leases to be sold by public tender or public auction unless the term of the lease does not exceed five years (including any renewals).
- 7 The residential properties adjoining this reserve are not easily subdivided under the current District Plan; therefore the reserve is not required for any Council purposes at this time. It is considered very unlikely that the road reserve adjoining Southwards will be required by Council in the nearby future.

ISSUES AND OPTIONS

Issues

- 8 The area of local purpose reserve specified is not easily used for another purpose or development, and the costs associated with surveying, consulting

and then disposing of the reserve land are unlikely to be financially beneficial to the Council. The rateable land value is \$28,000.

CONSIDERATIONS

Policy considerations

9 There are no policy issues arising from this decision.

Legal considerations

- 9 The Public Bodies Leases Act 1969 does not prohibit a further lease being entered into at the conclusion of the five year term.
- 10 New lease documentation will be drafted and reviewed by the Council's legal advisor before being presented to the Southwards Museum Trust for signing.

Financial considerations

- 11 Southwards have held leases with Council for this reserve for the last thirty five years, and a peppercorn rental has always been in place. This rental amount has historically been offered to the Trust in order to facilitate good relationships and Council has no use for the land. Continuation of previous reserve rental agreements with the Southwards Museum Trust for this land would require Southwards museum to pay a peppercorn rental of ten cents (\$0.10) per annum.
- 12 Council could consider increasing the annual rent to be in accordance with the Reserve Land Rentals for clubs or groups. The annual rental for Clubs with an alcohol licence is currently \$827. Officers consider this would be the appropriate charge should Council wish to increase the annual rent payable by the Trust.

Tāngata Whenua considerations

13 There are no known Tāngata Whenua considerations.

SIGNIFICANCE AND ENGAGEMENT

Degree of significance

14 This matter has a low level of significance under Council policy.

Consultation already undertaken

15 This land is designated as local purpose reserve (road). Given its designation and location; combined with previous use, community consultation is not required. The Paraparaumu-Raumati Community Board Chair has been advised of this proposed lease and has raised no concerns.

Publicity

16 No public notification is required as this lease is for a five year term only.

RECOMMENDATIONS

17 That the Kāpiti Coast District Council enters into a lease for five years, commencing 01 December 2016 with the Southwards Museum Trust, for the land adjoining, as shown in Appendix 1 to report CS-16-1979 at an annual rent of ten cents (\$0.10) per year

OR

18 That the Kāpiti Coast District Council enters into a lease for five years, commencing 01 December 2016 with the Southwards Museum Trust, for the land adjoining, as shown in Appendix 1 to report CS-16-1979 at an annual rent set by the Council in the Long Term Plan or Annual Plan.

Report prepared by Approved for submission Approved for submission

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ATTACHMENT

Appendix 1: The proposed lease area adjoining the Southwards Museum Trust

Appendix 1: The proposed lease area adjoining the Southwards Museum Trust. As described in Lot 6 DP 20510.



Kāpiti Coast District Council
Southwards Museum Trust Lease for adjoining Road Reserve (Local Purpose)