

Mayor and Councillors  
**COUNCIL**

12 DECEMBER 2013

Meeting Status: **Public**

Purpose of Report: For Decision

## **GRANTING OF A NEW LEASE FOR KAPITI COAST MUSEUM AT ELIZABETH STREET WAIKANAЕ**

### **PURPOSE OF REPORT**

- 1 This report is to seek landowner approval from Council to enter into a new Lease Agreement with the Kapiti Coast Museum Incorporated, for the Council-owned building at 9 Elizabeth Street Waikanae.

### **SIGNIFICANCE OF DECISION**

- 2 This report does not trigger the Council's significance policy.

### **BACKGROUND**

- 3 This Council-owned building, located at 9 Elizabeth Street Waikanae is on land described as Part Section 4 Parata Township, and was built in 1910. The building was previously a Post Office, and is constructed of light timber frame, corrugated iron roof and timber board exterior cladding. Kāpiti Coast District Council purchased the property in 1983, and leased it to Kapiti Coast Museum Incorporated in 1984, for a period of ten years. A new lease was established in 1994 for a ten year term, plus a ten year right of renewal which was exercised in 2004.
- 4 Kapiti Coast Museum Incorporated has written to Council's Property Asset Manager, indicating they wish to seek a new lease of ten years for the building under the same terms and conditions as the current lease, which expires 31 December 2013.
- 5 The Kapiti Coast Museum gave a presentation to Council at the meeting of 21 May 2013. The Museum was formed in 1984, and is run by a Management Committee and volunteers. Their museum displays are varied, but often include specific emphasis on local history and telecommunications (telephones and radios). There is also a functional Radio Shack for amateur radio enthusiasts.
- 6 The target audiences for the museum are; the general public; membership groups e.g. Probus Clubs; schools, both locally and regionally; local scout and cub organisations; and radio club groups.
- 7 Kapiti Coast Museum Incorporated has a good relationship with both Te Papa, and local iwi. In 2012 they won the Wellington Airport Regional Community Award for Arts and Culture for the Kapiti region.

Kapiti Coast Museum Building lease

- 8 A very good working relationship exists between the Kapiti Coast Museum Incorporated and Council staff. In terms of responsibilities derived from the lease agreement, Council has completed the following work in the last few years:
- Smoke/fire alarm system (Council contribution)
 

|         |         |
|---------|---------|
| 2005/06 | \$1,000 |
|---------|---------|
  - Exterior Painting
 

|         |         |
|---------|---------|
| 2008/09 | \$9,360 |
|---------|---------|
- 9 Any new lease would be based on the same terms and conditions as the existing lease. The lessee, Kapiti Coast Museum Incorporated, would assume responsibilities for the interior of the building, and Council as lessor would be responsible for the exterior.
- 10 It should be noted there is a Council playground on the northern part of the land the Kapiti Coast Museum is situated on. There are also additional structures on this land which are the responsibility of the lessee Kapiti Coast Museum Incorporated. The new lease document will clearly outline responsibilities regarding the buildings and land for all parties.

**CONSIDERATIONS****Issues**

- 11 The main issue to be resolved is that of whether to grant a new lease. Over the course of the next ten years, there are a small number of items listed in the Asset Management Plan for the building and land. It is also planned during the next five years to assess this building from an earthquake-prone buildings policy perspective.

Earthquake-prone policy implications

- 12 As a result of the Christchurch earthquakes, Central Government is currently reviewing how earthquake-prone buildings will be assessed and managed.
- 13 During the term of this lease, it is anticipated that Council will need to undertake a structural assessment of this building, and will need to make decisions regarding the building once it has the results of that assessment. Should approval be granted to proceed with a new lease with the Kapiti Coast Museum, an additional clause would need to be included in the lease document which states that the lessee acknowledges that Council may wish or be required to undertake earthquake strengthening works during the term of this lease. This clause would be drafted to allow that Council to terminate the lease with six months written notice.
- 14 These additional clauses are a safeguard for Council to allow for a worst-case scenario. Namely, that should the costs of bringing this building up to an acceptable percentage of code under the earthquake-prone buildings policy be significant, that Council still has a number of options open to it in considering the building's future.

Asset Management Plan for the Waikanae Museum building

- 15 In the Asset Management Plan for this building, the following items have been identified during the next ten years:

- Exterior Painting \$15,000 2014/15
- Earthquake investigations \$1,500 2014/15
- Fencing \$5,000 2018/19
- Exterior Painting \$15,000 2022/23

16 Kapiti Coast Museum Incorporated, has been a long standing tenant at this site, has a good working relationship with Council staff, and has met their obligations under the existing lease. It is considered there is no reason not to grant a new ten year lease for the rental of this building.

## Financial Considerations

- 17 The Asset Management Plan for the Waikanae Museum building has identified a number of items in the next ten years. These are listed in the Considerations section of this report.
- 18 If approval for a new lease is given, annual rent reviews would be inserted into the lease document based on consumer price index (CPI) movements over the period. The rental proposed for the new lease is based on a CPI increase on the rental in the current lease.

## Legal Considerations

- 19 Should approval to grant a new lease be approved, a new lease document would need to be drawn up by Council's Solicitors.

## Delegation

- 20 Council has the delegation to consider this matter.

## Consultation

- 21 Kapiti Coast Museum Trust presented their proposal for a new lease to Kāpiti Coast District Council at the meeting of 21 May 2013.

## Policy Implications

- 22 There are no policy implications to be considered.

## Tāngata Whenua Considerations

- 23 Although there is currently a Treaty Claim lodged over the Parata Township block, Iwi have indicated that there are no issues with Council proceeding with this ten year lease on this land at 9 Elizabeth Street, Waikanae.

## Publicity Considerations

- 24 There are no publicity implications to be considered.

## RECOMMENDATIONS

- 25 That the Council authorise the Chief Executive to enter into a new lease with Kapiti Coast Museum Incorporated for ten years from 1 January 2014 at a rental rate of \$544.00 including GST per annum, for the Kapiti Museum at 9 Elizabeth Street Waikanae outlined in Appendix 2 to report CS-13-961.

**Report prepared by:**

**Approved for submission by:**

Sean Hester  
**PROPERTY ASSET PLANNER**

Tamsin Evans  
**GROUP MANAGER COMMUNITY SERVICES**

## ATTACHMENTS:

- Appendix 1 Photo of Waikanae Museum building  
Appendix 2 Aerial plan of Waikanae Museum building

Appendix 1

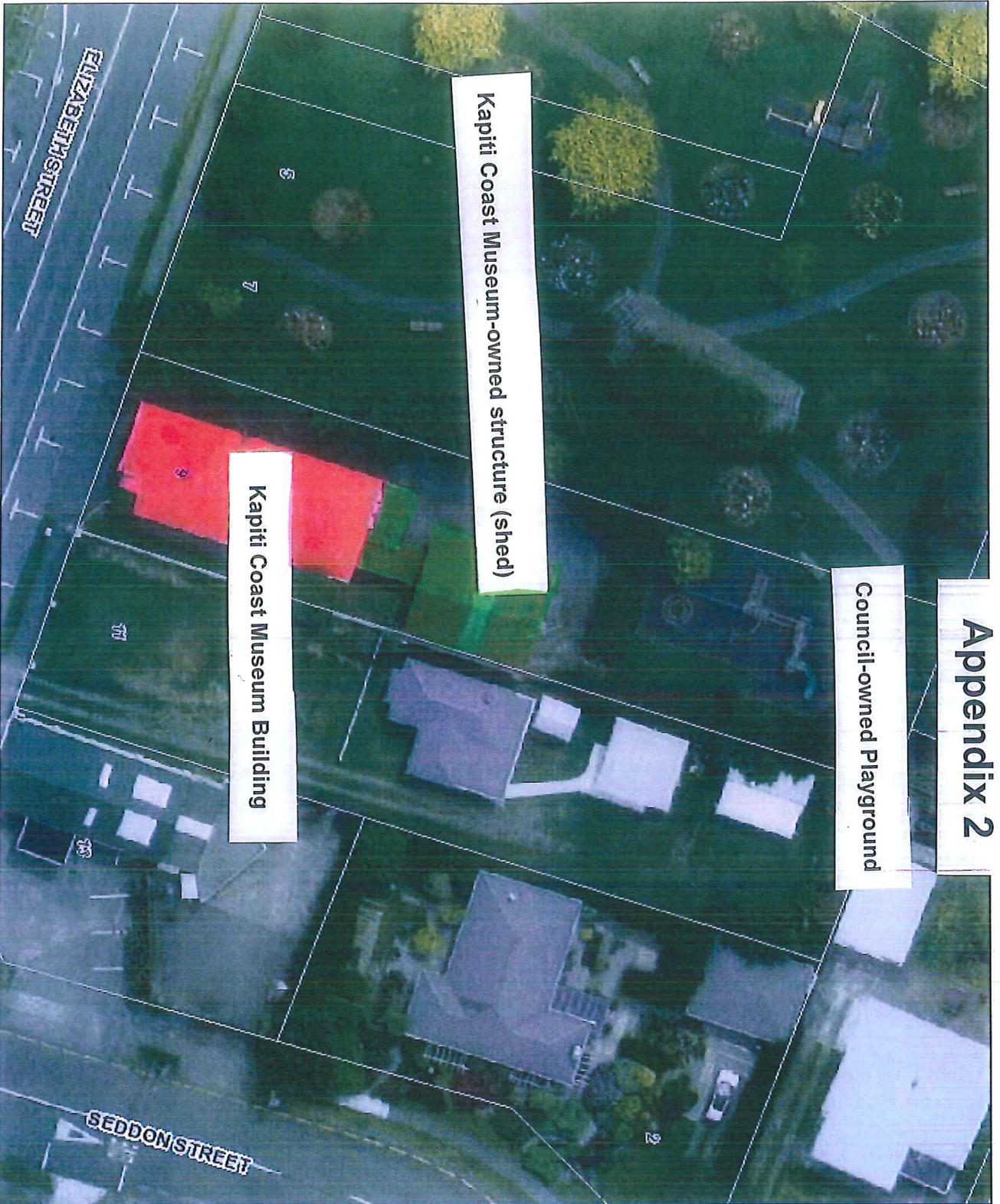


# Appendix 2

Council-owned Playground

Kapiti Coast Museum-owned structure (shed)

Kapiti Coast Museum Building



## Legend

Parcel

SCALE 1: 445 @A4  
Date Printed: 04-September-2013



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