

Chairperson and Committee Members

ENVIRONMENT AND COMMUNITY DEVELOPMENT COMMITTEE

27 MARCH 2014

Meeting Status: **Public**

Purpose of Report: For Decision

**LEASE CONCESSION TO OCCUPY LAND AT ŌTAKI DOMAIN,
WELLINGTON PLAYCENTRE ASSOCIATION, OTAKI
PLAYCENTRE**

PURPOSE OF REPORT

- 1 This report seeks approval to renew the lease concession with the Wellington Playcentre Association on behalf of Otaki Playcentre on land at Ōtaki Domain.

SIGNIFICANCE OF DECISION

- 2 The Council's Significance Policy is not triggered by this report.

BACKGROUND

- 3 The agreement is for part of the land area known as Ōtaki Domain and more particularly shown as the outlined area in Appendix 2 and being part of the land comprised and described in Lot 1 DP 18403.
- 4 The land is owned and managed by Kāpiti Coast District Council under Section 28 of the Reserves Act 1977 (the Act). The Council's role under this section is to provide areas for recreation and sporting activities and the physical welfare and enjoyment of the public, and for the protection of the natural environment. Under the Act the land described is classified Recreation Reserve.
- 5 The Wellington Playcentre Association lease concession to occupy expires on 31 March 2014 after two 10 year terms commencing 1 April 1994 with no further right of renewal.
- 6 The Wellington Playcentre Association has advised the Council they would like to renew the expiring concession for land use at Ōtaki Domain for a further 10 year term commencing 01 April 2014, with two 10 year rights of renewal. The current rental cost is \$189 per annum, with an annual review. This aligns with charges set out in the 2013/14 Annual Plan and the current policy on Reserve Land Rentals shown in Appendix 1.
- 7 The lease term is different to the term in the previous lease agreement in order to try and standardise conditions where appropriate across all new leases.

- 8 The Council may terminate the lease under Clause 14 of the standard lease if applied (Appendix 3), mainly:
- If the rent is in arrears for one (1) month
 - If the Lessee is in default of its obligations under the lease
 - If the Lessor is of the opinion that the Land and/or Building is not being sufficiently used for the purposes specified in the Lease
 - If the Lessee no longer operates in the structure it originally entered into the Lease agreement; being wound up, dissolved, liquidated, ceases to function or has a receiver appointed.

CONSIDERATIONS

Issues

- 9 A “concession” by definition is a permit, lease or licence which allows any activity authorised by the concession document under the provisions of Section 59A of the Reserves Act 1977.
- 10 There are limitations on activities that are permitted on this site subject to the Reserves Act 1977. The activities proposed are consistent with the land classification under that Act which is designated recreation reserve.
- 11 The Wellington Playcentre Association has had concessions to occupy land for use by the Otaki Playcentre at Ōtaki Domain since 1994. The area to be occupied is shown in Appendix 2.
- 12 It is proposed the concession activity will continue to provide a space solely for the purposes associated with the Wellington Playcentre Association.

Financial Considerations

- 13 The lease will include annual rental to be paid at the appropriate rate set annually by the Council in either the Long Term Plan or Annual Plan. Costs associated with preparing a new lease are required to be covered by the Lessee.

Legal Considerations

- 14 New lease documentation will be drafted and will be reviewed by the Council’s legal advisor before being presented to the Wellington Playcentre Association for signing.

Delegation

- 15 The Committee may make a decision under the following delegation in Section B.1. paragraph 7.3 of the Governance Structure:

“Authority to exercise the functions, powers and duties of the Council under the Reserves Act 1977 or any other statute, regulation or bylaw relating to the management and control, maintenance and operation of parks and reserves, except as delegated to Community Boards or officers. This authority encompasses the power to: grant leases for reserve land.”

Consultation

- 16 The Chair of the Community Board has confirmed he is supportive of the lease being renewed.

Policy Implications

- 17 There are no policy issues arising from this decision.

Tāngata Whenua Considerations

- 18 There are no known issues for consideration relating to iwi or the Treaty of Waitangi.

Publicity Considerations

- 19 No public notification is required as this concession is being treated as a reissue of permit under the Reserves Act 1977.

RECOMMENDATIONS

- 20 That the Environment and Community Development Committee authorises the Chief Executive to sign a new Lease agreement with the Wellington Playcentre Association for 10 years with two further 10 year rights of renewal, commencing 01 April 2014 with the Wellington Playcentre Association, for the land at Ōtaki Domain shown in Appendix 2 to report CS-14-1101 at an annual rental set by the Council in the Long Term Plan or Annual Plan.

Report prepared by:

Approved for submission by:

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ATTACHMENTS:

Appendix 1: Reserve Land Rentals

Appendix 2: Plan of land area proposed for concession at Otaki Domain

Appendix 3: Standard Termination Clause

Appendix 1

KĀPITI COAST DISTRICT COUNCIL Reserve Land Rentals	
Reserve Land Type	Charges Effective 1 July 2013 (incl. GST)
Clubs with Liquor Licences	\$776
Clubs without Liquor Licences	\$389
Craft, Hobbies and Other Activities	\$311
Educational (Montessori)	\$311
Educational (Standard)	\$189
Youth and Service	\$189

Appendix 2



Appendix 3

14 Termination

- 14.1 The Lessor may terminate this Lease:
- 14.1.1 if the rent is in arrears for one (1) month; or
 - 14.1.2 if the Lessee is in default of its obligations under the Lease and that default is continued for one (1) month after notice in writing stating the nature of the default has been given; or
 - 14.1.3 if at any time the Lessor is of the opinion that the Land and Building is not being sufficiently used for the purposes specified in clause 4.1 and after making such enquiries as the Lessor thinks fit and giving the Lessee an opportunity of explaining the usage of the Land and Building the Lessor is satisfied that the Land and Building is not being used sufficiently for the purposes specified in clause 4.1; or
 - 14.1.4 if the Lessor has guaranteed the repayment of any advance made to the Lessee and demand is made of the Lessor under such guarantee; or
 - 14.1.5 upon default by the Lessee as outlined in clause 13; or
 - 14.1.6 if the Lessee (being a company or corporation):
 - a) is wound up or goes into voluntary liquidation (other than for the purpose of reconstruction); or
 - b) enters into any composition with or assignment for the benefit of its creditors; or
 - c) ceases to function; or
 - d) is dissolved by Declaration of the Registrar of Incorporated Societies; or
 - e) is the subject of an order made, or an effective resolution passed, for winding up; or
 - f) has a receiver appointed in respect of the whole or part of the activity or property of the Lessee; or
 - 14.1.7 any assignment of the Lessee's property is made for the benefit of creditors; or
 - 14.1.8 the interest of the Lessee in or under this Lease or in the Building are attached or taken in execution or under any legal process.