

Proposed Whangamata community facility

TO	Whangamata Community Board
FROM	Angela Jane - Governance and Strategy Group Manager
DATE	17 October 2017
SUBJECT	Proposed Whangamata community facility

1 Purpose of report

2 Background

About 101 Lindsay Road

Since September 2013, Smart Environmental Limited has held a lease of part of the land at 101 Lindsay Road (encompassing their premises and some yard space) which is set to expire on 31 August 2020 (started with a one year term with six rights of renewal of 1 year each). On 25 August 2017, the Community Board recommended the approval of the latest right of renewal for Smart Environmental Limited.

The other current users of the property are the Whangamata Lions (have a garage on site) and Veolia (utilise a half round barn on site). Both these informal tenancies are not recorded in the Council lease schedule. Previous users have included the local BMX club and Whangamata Metal & Landscaping.

Historical background

In 1963 the Whangamata County Town Committee recommended to Council to purchase more suitable land for a milk cooler depot site. The Land was originally part of a larger lot owned by Madeline Williamson and transferred to Council on 12 November 1964. Council undertook a subdivision in 1983 creating Lot 6 DPS 35364, the Land. The Land is land held in fee-simple by the Council.

Recent Community Board resolutions

At its 14 April 2016 meeting, the Whangamata Community Board endorsed a long term lease between the Thames Coromandel District Council and the Whangamata Community Marae Incorporated so that a purpose built community facility could be constructed at 101 Lindsay Road, Whangamata. The following was resolved:

Board Member Thompson took no part in this item

Resolved

That the Whangamata Community Board:

- 1. Received the report.*
- 2. Endorsed the request by the Whangamata Community Marae committee for a long term lease (35 years) for 101 Lindsay Road, Whangamata acknowledging the intention of the committee to purchase the land within ten years as a currently preferred option subject to further investigation into suitability to use the land for that purpose and further engagement with the Marae Committee.*

Moved/Seconded By: *Bartley/Wells*

As per the resolution above, further investigations were completed and a 'Future use of Council owned industrial land - Whangamata' report was presented to the Board to enable them to make a recommendation on the future use of 101 Lindsay Road. Attached to the

report was a highest and best use valuation report provided by an impartial contractor. The report determined that the proposed marae would not be the most effective use of 101 Lindsay Road.

As a result the following resolution was passed by the Community Board at its 7 July 2016 meeting:

Resolved

That the Whangamata Community Board:

1. *Received the report*
2. *Advised the Whangamata Community Marae Committee that 101 Lindsay Road, in its current state, is not suitable as a location for a community marae but that it is willing to offer other suitable site that may be located.*
3. *Instructed that area manager engage with the Whangamata Community Marae Committee to locate suitable sites.*
4. *Recommended that Council (via its Property Strategy), considers options for commercial development or disposal of 101 Lindsay Road be investigated as soon as possible.*

Moved/Seconded By: Walker/Kerr

On 28 February 2017 the following notice of motion from Councillor Walker was supported by the Community Board which subsequently rescinded the July 2016 resolution.

Council financial support to date

In February 2016, the Whangamata Community Marae Committee received support from Council to engage external contractor Giblin Group Ltd to determine if there was a need for a community marae in Whangamata. The total cost for the completed *Whangamata Community Marae Strategist Assessment February 2016* document was \$8,490 and it was paid for in full by Whangamata Community Board's halls activity. No budget had been allowed in the Annual Plan therefore the expenditure was funded from the Community Board's net surplus that year (their Retained Earnings Reserve).

Interest in the community facility concept

The next steps identified from the Giblin Group assessment were:

1. *"Undertake further investigation into the construction of a community marae, through a business case or feasibility study;*
2. *Investigate options for a sustainable operating model of facility;*
3. *Hold a workshop with the stakeholders identified in this report and others identified by the committee to further examine the uses, facility development options and design;*
4. *Develop a funding plan for the capital costs of the project; and*
5. *Implement a funding plan."*

Several community groups including Menz Shed, Whangamata Community Services Trust, Arts Collective Whangamata and the Lions Club offered their support for the Community Marae Committee's vision. Subsequent engagement with all interested parties resulted in a modified project concept which incorporated a multi-facility community hub. The revised concept has allowed for the addition of more permanent dwellings for other community organisations to use within the marae complex. The inclusion of other community groups into the original concept did not have an effect on the proposed facility management structure. The Community Marae Committee would maintain overarching management of the complex and this would include event bookings, building maintenance, security, lease and insurance payments.

The Community Marae Committee hosted a public meeting on 13 August 2017 and presented its concept to the wider community. About 100 people attended the public meeting held in the Whangamata Hall. The Committee have advised that funding for construction would come from a Department of Internal Affairs scheme along with other

major grants. At the public meeting the Community Marae Committee gave assurances that no rate funding would be sought for the establishment of the community facility or the ongoing operations.

The Community Marae Committee has completed initial design work of the proposed layout of the facility at 101 Lindsay Road (**Attachment A**).

3 Issue

The Whangamata Community Marae Committee wish to apply for a lease of 101 Lindsay Road. The Community Board under the 2016 Community Board terms of reference, is accountable to the Council for making recommendations to Council on leases, licenses or concessions associated with all Council owned property included within the locally funded activities of the Community Board area, excluding Council administration land and buildings.

The Whangamata Community Board Chairperson requested that a formal report be presented in order for the Community Board to determine support for the proposed community facility and for the facility to utilise 101 Lindsay Road, Whangamata. The Community Board Chairperson requested that the Community Board consider this decision prior to Christmas so that there are no delays when the Community Marae Committee presents its business case to the Council.

4 Discussion

The Lindsay Road property is zoned commercial and is the largest single title site in Whangamata excluding the accumulated land for Bunnings Building Supplies and the New World Supermarket. It is also the longest frontage to Martyn Road of all sites in Whangamata enjoying a significant profile to a busy street. The current rating valuations for the site are:

- Land value - \$1,350,000
- Improvement value - \$140,000
- Capital value - \$1,490,000

More property information was made available to the Community Board through a public excluded report at its meetings on 7 July 2016 and 28 February 2017. These reports can be accessed via Extranet by elected members.

In a recent sale of industrial land on the same road the Council received \$30,000 above the market valuation.

The current lease with Smart Environmental for part of the property will have an effect on future development on this site until 2020.

If the Whangamata Community Marae Committee was to become a tenant on Council land in accordance with Council policy and practice the Committee as a community group, would be entitled to pay \$350 per annum in rent.

Alternative sites for the community facility have been considered by the Community Board. Mayfair Reserve was offered as a possible alternative site by staff but due to the intense residential housing in the area the Community Board considered it would not gain community support.

An assessment against the District Plan rules of the Lindsay Road site is expected to be included in the business case.

5 Suggested resolution(s)

That the Whangamata Community Board :

1. Receives the report 'Proposed Whangamata Community facility', dated 17 October 2017.
2. Recommends to Council that 101 Lindsay Road, Whangamata be made available to the Community Marae Committee for the purpose of establishing a multi-facility marae community facility that will make provision for the Lions, the Menz Shed and Arts Collective subject to Council's acceptance of the business case to be submitted by the Community Marae Committee; OR
3. Declines to recommend to Council that 101 Lindsay Road Whangamata be made available to the Community Marae Committee.

References-tabled/Agenda attachments

Attachment A Community Marae Committee's proposed layout of the community facility