

# **Transfer of ownership of existing toilet block and new ground lease - Onemana Surf Life Saving Club Inc.**

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<b>TO</b>	Whangamata Community Board
<b>FROM</b>	Jan McNeil - Property Officer
<b>DATE</b>	28 March 2018
<b>SUBJECT</b>	<b>Transfer of ownership of existing toilet block and new ground lease - Onemana Surf Life Saving Club Inc.</b>

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## **1 Purpose of Report**

To consider recommending to Council to approve the transfer of the existing toilet block, for the consideration of \$1 + GST (if demanded), and to approve a ground lease between the Council and the Onemana Surf Life Saving Club Inc. (Club) over part of Council's recreation reserve, comprised in computer freehold register 745695, located at 125 Oratia Place, Onemana.

## **2 Background**

As outlined in (**Attachment A**), the Club commenced in 1989, progressing to beach patrol in the 1990/91 season, which was based in a caravan, situated at the end of the existing Council toilet block.

The Onemana Beach Rescue Service Incorporated was incorporated under the Incorporated Society Act 1908 on the 20 December 1995 and changed its name to Onemana Beach Rescue Community Service Incorporated on 2 September 2004 and subsequently changes its name to the Club on the 4 October 2010.

A public notice was given on 28 February 1995 for an amendment to the Onemana Reserve Management Plan "to allow Onemana Beach Rescue to build a surf club facility attached to and on the same level as the existing public toilet block".

Building consent issued 9 September 1998 for additions to the Club's surf club facility "for garaging for surf rescue boat and apparatus, sick bay and shower ablutions, a meeting and recreation area attached to the existing Council toilet block".

No evidence can be found that there has been a lease providing the Club the legal right of exclusive possession to the land, on which they have built their clubhouse.

The 2014 approved Reserve Management Plan for the Onemana Reserve contemplates a lease and states the Club "have investigated extending the existing building but this is limited by the historic site. They have also proposed to occupy the whole building, including the toilet block".

## **3 Issue**

The current building, in the clubs opinion, is not fit for purpose. The club has requested Council's approval to upgrade the existing building incorporating and transferring the ownership of Council's existing toilet block to the Club, with Council covering the cost of

upgrading the toilet to a unisex toilet and continuing to cover the maintenance costs of the unisex toilet only.

Recommendation to Council to approve the transfer of the existing toilet block, and a new ground lease, to provide the Club the legal right of exclusive possession over the land they are occupying and upgrading their building on is required.

## 4 Discussion

### Compliance with legislative requirements

The land, being Lot 351 DPS 23147, comprised in computer freehold register 745695 is held by Council as Recreation Reserve, subject to the Reserves Act 1977 (Act).

The part of the land that is proposed to be leased to the Club is outlined in black, on the plan appended to **(Attachment C)**. The area has been occupied, in some capacity, by the Club since the late 1980's, early 1990's. The Club however has never had any security of tenure over the Council land, on which the Club's improvements have been constructed on.

Section 54 (1)(d) of the Act provides Council the authority to lease all or any part of the reserve, providing the lease is in conformity with and contemplated by the approved Reserve Management Plan. The 2014 approved Reserve Management Plan for the Onemana Reserve contemplates a lease and states the Club "have investigated extending the existing building but this is limited by the historic site. They have also proposed to occupy the whole building, including the toilet block". In addition, it is proposed in the Long Term Plan that Council will construct a new unisex toilet block in the vicinity of the northern (lower) carpark, and includes a budget of \$154k in the 2018/19 financial year.

All necessary resource and building consents, in accordance with the Resource Management Act 1991 and Building Act 2004, together with Council agreements with respect to the transfer of the existing toilet block, and the upgrade of the public unisex toilet upgrade (see the proposed plans in **Attachment B**), which includes ongoing maintenance, will need to be granted and agreed with the Club concurrently.

Given that the upgrade is contemplated in the Reserve Management Plan, and the Act provides for a long term lease, the following terms are suggested, which will form part of the lease, with appropriate termination and additional clauses in accordance with the Act.

<b>Term:</b>	33 years
<b>Commencement Date:</b>	1 July 2018
<b>Final Expiry Date:</b>	30 June 2051
<b>Annual Rent:</b>	\$100.00 plus GST
<b>Rent Review Dates:</b>	Every three years

Given the above, the following resolution is suggested;

## 5 Suggested Resolution(s)

That the Whangamata Community Board:

1. Receives the 'Transfer of ownership of existing toilet block and new ground lease - Onemana Surf Life Saving Club Inc.', report dated 28 March 2018..
2. Recommends to Council to approve the transfer of the existing toilet block, for the consideration of \$1 + GST (if demanded) to the Onemana Surf Life Saving Club Inc.
3. Recommends to Council to delegate authority to the Chief Executive to execute all necessary documents to effect the transfer of the property to Onemana Surf Life Saving Club Inc.
4. Recommends to Council to approve a ground lease between the Council and the Onemana Surf Life Saving Club Inc. over part of Council recreation reserve, comprised in computer freehold register 745695, located at 125 Oratia Place, Onemana.
 

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<b>Rent Review Dates:</b>	Every three years
5. Recommends to Council to delegate authority to the Chief Executive to approve a lease between the Onemana Surf Life Saving Club Inc. and Council for the ongoing operation and maintenance of the public unisex toilet.

### References-Tabled/Agenda Attachments

- Attachment A** *Club's Proposal*  
**Attachment B** *Plans*  
**Attachment C** *Lease Area*

**Attachment A**

**Attachment A - Club's Proposal**

**Attachment B - Plans**

**Attachment C - Lease Area**