

# Pauanui Business Association Inc. - Lease Right of Renewal and Rent Review -

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**TO** Tairua-Pauanui Community Board  
**FROM** Jan McNeil - Property Officer  
**DATE** 13 June 2018  
**SUBJECT** Pauanui Business Association Inc. - Lease Right of Renewal and Rent Review -

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## 1 Purpose of report

For recommendation to Council to approve a right of renewal and rent review between the Thames-Coromandel District Council (Council) and the Pauanui Business Association Inc. (Association) for the part of premises located at 21 Centreway, Pauanui.

## 2 Background

The current lease with the Association commenced 1 July 2015 in accordance with the following Board resolution of 21 September 2015:

### ***Resolved***

*That the Tairua-Pauanui Community Board:*

1. *Received the report.*
2. *Asked staff to go back to the three user groups and work through the terms of the leases to establish fair and equitable lease agreements to bring back to the September Community Board meeting.*
3. *Delegated authority to the Board Chair to work with the three user groups and staff in establishing fair and equitable lease agreements to bring back to the September Community Board meeting.*

**Moved/Seconded By:** Wells/Brooke

The Area Manager confirmed the Board was satisfied with the term of the lease as outlined below:

<b>Term:</b>	3 years
<b>Commencement:</b>	1 July 2015
<b>Right of Renewal:</b>	2 terms of 3 years each and 1 term of 1 year
<b>Renewal Dates:</b>	01 July 2018, 01 July 2021 and 01 July 2024
<b>Final Expiry:</b>	30 June 2025
<b>Rental:</b>	\$350 + g.s.t plus outgoings + g.s.t
<b>Rent Review:</b>	On renewal dates

## 3 Issue

The Association has confirmed they wish to exercise their lease right of renewal with rent review due on renewal. Recommendation to Council to approve is needed.

## 4 Discussion

### Right of Renewal

As outlined above, right of renewal of the lease is due. The Association has confirmed they wish to exercise the first right of renewal (**Attachment A**) for a further term of three years, effective from 1 July 2018 to 30 June 2021.

### Rent Review

The current rental paid is \$350.00 plus GST per annum and in accordance with the 'Leases and Licences to Occupy Policy' effective 1 July 2018 Community Groups are category B with an annual rental of \$350.00 per annum plus GST, therefore the annual rent will remain the same.

All the financial commitments under the lease have been met with the revenue from the lease credited to the Halls account for Tairua/Pauanui.

Given the above the following resolution is therefore suggested.

## 5 Suggested resolution(s)

That the Tairua-Pauanui Community Board:

1. Receives the 'Pauanui Association Inc. - Lease Right of Renewal and Rent Review' report, dated 13 June 2018.
2. Recommends to Council to approve the right of renewal of 3 years, effective from 1 July 2018, between the Thames-Coromandel District Council and the Pauanui Business Association Inc. (Association) for the part of premises located at 21 Centreway, Pauanui, at the community rental fee of \$350.00 plus GST per annum.

## References-Tabled/Agenda Attachments

**Attachment A** *Written confirmation of renewal of lease - Pauanui Business Association Inc.*

***Attachment A***

**Attachment A - Written confirmation of renewal of lease - Pauanui Busi...**