

ORDINARY MEETING**5 JUNE 2024****1****TENURE ARRANGEMENTS FOR COMMUNITY ORGANISATIONS**

55/2/3 | #7408353

RECOMMENDATION:**That Council:**

1. **Applies exceptions in accordance with section 236(2) of the *Local Government Regulation 2012* for the disposal (via lease) of valuable non-current assets other than by tender or auction pursuant to section 236(1)(b)(ii) being for the purpose of issuing tenure arrangements to community organisations over land described as:**
 - Lot 304 on NR2543, 1-15 Meller Street, Barron/Freshwater;
 - Lot 2 on SP330218, L2 Trinity Beach Road, Trinity Beach;
 - Lot 1 on RP737188, 61-79 Windarra Street, Woree;
 - Lot 636 o NR6622, 81-97 Windarra Street, Woree
 - Lot 197 on RP748699, 24 Leisure Park Road, Smithfield;
 - Lot 557 on SP101790, 40-42 MacNamara Street, Manunda;
 - Lot 2 on SP277156, 80 Cheviot Street, Smithfield;
 - Lot 496 on C198327, 13-17 Quarry Street, Aeroglen;
 - Lot 17 on SP155099, Esplanade, Cairns City; and
 - Lot 191 on NR6528, 85-93 Oleander Street, Holloways Beach; and
2. **Delegates authority to the Chief Executive Officer under section 257 of the *Local Government Act 2009* to negotiate and finalise any and all matters in connection with the lease arrangements.**

INTERESTED PARTIES:

1. Freshwater and District Horse and Pony Club Inc.
2. Marlin Coast Meals on Wheels Inc.
3. Saints Hockey Club Inc.
4. Scouts Association of Australia Queensland Branch Inc. – Smithfield Branch.
5. St Johns Holding Ltd.
6. Cairns and District Child Care Development Association Inc.
7. Cairns Emergency Services Cadet Unit.
8. Cairns Pirates Touch Football Association Inc.
9. Esplanade Police Beat - Department of Housing and Public Works - The State of Queensland.
10. DogzCairns Inc.

Note: Attachment 1 provides further details for committee members or point of contact. The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.

EXECUTIVE SUMMARY:

This report has been prepared to seek exceptions for the land (as noted within Attachment 1) in accordance with section 236 of the *Local Government Regulation 2012* (the LGR) to enable leases to be issued to community organisations without the need for tender or auction and at below market value.

The exception allows leases to be issued under delegation for the Council controlled land as specified in this report. Through the application of an exception, Council officers can commence discussions with community organisations related to each site noted in Attachment 1 to determine if a lease is renewed or offered to a different community group. Following this, and in accordance with the processes outlined in the 'Tenure Arrangements and Disposal of Council Property General Policy', a successful party may be awarded a new lease.

As there are a number of leases due to expire over the next 13 months, this report seeks to consolidate this process and deliver a more efficient lease evaluation and renewal process, allowing Council officers to commence discussions with community organisations in a more proactive manner.

BACKGROUND:

The specified land and associated facilities noted within this report are currently leased to community organisations, apart from one site which is proposed to include an extension of an existing leased area and one site where a community organisation proposes to construct a new shed over an area of land that is not currently covered by a lease arrangement.

It is anticipated that the majority of the community organisations who hold a current lease arrangement will make an application to renew their current tenure arrangements. Community organisations that have a current lease over the land will be given preference to renew and be invited to make an application for lease renewal.

COMMENT:

A review of Council's current leases with community organisations has identified:

- 9 x leases are due to expire before 30 June 2025:
 - Contained within the above is 1 x lessee with an arrangement over 2 sites (1 reserve parcel and 1 freehold parcel, therefore 2 leases are required);
- 1 x lease is not due to expire until 31/12/2025, however the existing lessee, being Cairns Pirates Touch Football Association Inc., has requested to extend their leased area to include adjoining toilet amenities. Extending a leased area cannot be done as an amendment to an existing lease arrangement and requires the current lease to be surrendered and a new lease entered into; and

- 1 x new not for profit club being DogzCairns Inc. has received a grant to construct a shed for storage purposes and requested an area of land near where they train for easy access during their sessions. DogzCairns Inc was incorporated in 2011 to conduct canine obedience training for dog owners on Cairns' northern beaches and have been affiliated with the Canine Control Council (Qld) since 2015.

Attachment 2 provides further details including the tenure arrangements (either via new or renewed arrangements), site details, not for profit organisation details, tenure commencement and expiry dates and permitted uses for the sites.

The applications for new leases will be assessed in conjunction with the relevant asset manager and, if supported, a new tenure arrangement will be issued under delegation.

OPTIONS:

Option 1: (Recommended)

That Council:

1. Applies exceptions in accordance with section 236(2) of the *Local Government Regulation 2012* for the disposal (via lease) of valuable non-current assets other than by tender or auction pursuant to section 236(1)(b)(ii) being for the purpose of issuing tenure arrangements to community organisations over land described as:
 - Lot 304 on NR2543, 1-15 Meller Street, Barron/Freshwater;
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 - Lot 1 on RP737188, 61-79 Windarra Street, Woree;
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 - Lot 197 on RP748699, 24 Leisure Park Road, Smithfield;
 - Lot 557 on SP101790, 40-42 MacNamara Street, Manunda;
 - Lot 2 on SP277156, 80 Cheviot Street, Smithfield;
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 - Lot 17 on SP155099, Esplanade, Cairns City; and
 - Lot 191 on NR6528, 85-93 Oleander Street, Holloways Beach; and
2. Delegates authority to the Chief Executive Officer under section 257 of the *Local Government Act 2009* to negotiate and finalise any and all matters in connection with the lease arrangements.

Option 2:

That Council does not apply exceptions under Section 236(2) of the *Local Government Regulation 2012* for these sites and manages each tenure arrangement individually.

CONSIDERATIONS:

Council Finance and the Local Economy:

Section 236 of the LGR allows local government to dispose of land (or an interest in the land) to a community organisation for less than market value. As such, costs associated with lease arrangements will be applied in accordance with Councils adopted Fees and Charges for not for profit organisations.

These organisations are also generally eligible for a concession for rates, water and sewerage charges in accordance with the Rates Based Financial Assistance Policy for Not for Profit Recreation, Sporting and Community Groups. Charges for all other services remain the responsibility of the lessees/permittees.

The asset manager for each site noted within Attachment 1 will absorb any reasonable costs associated with the preparation and registration of the tenure arrangements.

Community and Cultural Heritage:

The provision of land and facilities for community organisations provides numerous opportunities for people to participate in activities and programs that improve the overall health and well-being of the community.

Corporate and Operational Plans:

This report aligns with Council's Corporate Plan 2021 – 2026 focus areas relating to:

1. Focus 4 – community and culture; by fostering a vibrant and healthy community where everyone feels they belong and providing spaces and programs for the wellbeing of the community;
2. Focus 3 – design for liveability; by creating a safe, sustainable and connected place the supports a quality life and enhancing community wellbeing, safety and natural disaster resilience; and
3. Focus 5 – focused council; by ensuring decision making is collaborative, transparent and accountable.

Statutory:

Section 236 of the LGR allows Council to apply an exception to dispose of a valuable non-current asset without the need to tender or auction. This section also allows Council to issue leases to community organisations for less than market value which would not apply in the absence of an exception.

Both the Chief Executive Officer and Executive Manager Licensing and Compliance have delegated authority under this provision where an exception has been applied through Council resolution.

The lease will be prepared in accordance with the requirements of the *Land Title Act 1994*.

Policy:

All tenure arrangements are processed under delegation and in accordance with Council's 'Tenure Arrangements and Disposal of Council Property General Policy', in particular part 1 of the associated Administrative Instruction which provides for use by not for profit community groups.

CONSULTATION:

Discussions have occurred with relevant asset managers to seek preliminary direction on lease arrangements for the identified land noted in Attachment 1.

Officers will consult with the proposed lessees and other relevant stakeholders during the assessment process and progress the recommendations from the relevant asset managers for each site.

ATTACHMENTS:

Attachment 1 – Committee member and/or point of contact.

Attachment 2 – Existing and new lessees, land and tenure arrangement details.



Nathan Mills
A/Executive Manager – Licensing and Compliance



Amy Patterson
A/Director – Planning, Growth and Sustainability

Attachment 1 – Committee member and/or point of contact.

	Organisation Name	Committee Contact 1	Committee Contact 2	Committee Contact 3
1.	Freshwater and District Horse and Pony Club Inc	Kirstin Malyon - Secretary	Chris Harvey - President	
2.	Marlin Coast Meals on Wheels Inc	Bob Stranger - Coordinator	Joy Baum Joann McClure	Pauline Buxton - President
3.	Saints Hockey Club Inc	Deanne Drummond -Secretary/Vice President	Denis Lynam - President	Peter Swain – Facilities Coordinator
4.	Scouts Association of Australia Queensland Branch Inc – Smithfield	Andy Chesters - Assistant Group Leader	Helen Whittington - Chairman	Larissa Milyard - Secretary
5.	St Johns Holding Limited	Fleet, Procurement, Asset & Property Manager	Manager Administration and Executive Services	
6.	Cairns Emergency Services Cadet Unit	Wayne Coutts	Sharon Pedersen - Acting Support Officer	
7.	Cairns and District Child Care Development Association Inc.	Cheryl McAlister – Director/Manager	Lauren Sande - President	Todd Avery - Vice President
8.	Cairns Pirates Touch Football Association Inc.	Peter Rowe - President	Jane Anderson – Vice President	Graham Telfer - Administrator
9.	Esplanade Police Beat - Department of Housing and Public Works, The State of Queensland	Lease Manager		
10.	DogzCairns Inc.	Sharon Daniels - President	Jana Weston - Secretary	

Attachment 2 – Existing and new lessees, land and tenure arrangement details.

	Proposal	Lot and Plan number	Property Address	Organisation Name	Tenure Commencement Date	Tenure Expiry Date	Type of Agreement	Permitted Use
1.	Renewal Application Process	Lo 304 on NR2543	1 – 15 Meller Street, Barron (Freshwater)	Freshwater and District Horse and Pony Club Inc	1/07/2015	30/06/2025	Trustee Lease	Horse and pony club and ancillary purposes.
2.	Renewal Application Process	Lot 2 on SP330218	2L Trinity Beach Road, Trinity Beach	Marlin Coast Meals on Wheels Inc	1/07/2015	30/06/2025	Freehold Lease	To provide meals and other food related services to eligible members of the public.
3.	Renewal Application Process	Lot 1 on RP737188	61-79 Windarra Street, Woree	Saints Hockey Club Inc	1/01/2005	31/12/2024	Freehold Lease	Playing fields and clubhouse.
4.	Renewal Application Process	Lot 636 on NR6622	81-97 Windarra Street, Woree	Saints Hockey Club Inc	1/01/2005	31/12/2024	Trustee Lease	Clubhouse, playing fields and related sporting activities
5.	Renewal Application Process	Lot 197 on RP748699	24 Leisure Park Road, Smithfield	Scouts Association of Australia Queensland Branch Inc - Smithfield	27/04/2015	26/04/2025	Trustee Lease	Scout purposes.
6.	Renewal Application Process	Lot 557 on SP101790	40-42 MacNamara Street, Manunda	St Johns Holding Limited	23/11/2014	22/11/2024	Trustee Lease	Public hall and administration offices
7.	Renewal Application Process	Lot 557 on SP101790	40-42 MacNamara Street, Manunda	Cairns Emergency Services Cadet Unit	1/07/2005	30/06/2025	Trustee Lease	Office and training facilities.

	Proposal	Lot and Plan number	Property Address	Organisation Name	Tenure Commencement Date	Tenure Expiry Date	Type of Agreement	Permitted Use
8.	Renewal Application Process	Lot 2 on SP277156	80 Cheviot Street, Smithfield	Cairns and District Child Care Development Association Inc.	1/01/2014	31/12/2024	Freehold Lease	Childcare centre.
9.	New Tenure Arrangement Process - Increasing Area (Surrender existing and New Trustee Lease)	Lot 496 on C198327	13-17 Quarry Street, Aeroglen	Cairns Pirates Touch Football Association Inc.	1/01/2016	31/12/2025	Trustee Lease	Sports and recreation grounds, clubhouse and associated ancillary purposes.
10.	Renewal Application Process	Lot 17 on SP155099	Esplanade, Cairns City	Esplanade Police Beat - Department of Housing and Public Works, The State of Queensland	1/07/2016	30/06/2025	Trustee Lease	Police beat shop front and associated administration offices.
11.	New Tenure Arrangement Process	Lot 191 on NR7528	85-93 Oleander Street, Holloways Beach	DogzCairns Inc.	To be determined in line with processes as noted within the report.	To be determined in line with processes as noted within the report.	Freehold lease	For storage purposes.