

FINANCE & ADMINISTRATION COMMITTEE 19 MAY 2010	8
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FURTHER TRUSTEE LEASE FOR CAIRNS AND DISTRICT YOUTH AND RECREATION ASSOCIATION INC – PART OF LOT 750 ON CP912877, CAIRNS SHOWGROUNDS, 143-145 MULGRAVE ROAD, PARRAMATTA PARK – DIV. 5

Cheryl Dean : 19/3/3-89 : #2527051

RECOMMENDATION:

That Council offers Cairns and District Youth and Recreation Association Inc (Lessee) a further trustee lease over part of Lot 750 on CP912877 (1.187 ha), Cairns Showgrounds, 143-145 Mulgrave Road, Parramatta Park, subject but not limited to the following terms and conditions:

- for a term of ten (10) years from 1 July 2010;
- rental for the first year of the term to be \$912.50 (including GST) and subject to annual review in accordance with the Brisbane All Groups Consumer (CPI);
- Lessee being responsible for any “Goods and Services Tax (GST)” or other form of consumption tax assessed in respect of rental payments due;
- Lessee being responsible for all rates and charges, including any costs of water usage on the premises;
- Lessee being responsible for all reasonable costs associated with the preparation, execution and registration of the trustee lease;
- a clause indicating that no commercial permanent users are allowed within the facility and all users of the facility are casual users;
- in accordance with Council’s *Tenures Policy for Not For Profit Recreation, Sporting and Community Groups – No.1:02:45*;
- in accordance with the State’s (represented by the Department of Environment and Resource Management) Mandatory Standard Terms Document for Trustee Leasing registered under dealing no 711932933;
- in accordance with the terms and provisions contained Council’s draft Standard Terms Document; and

- 'in-principal' approval being obtained from the Minister for Environment and Resource Management.

Furthermore, Council delegates authority to the Mayor and Chief Executive Officer in accordance with Section 472 of the *Local Government Act 1993* to:

- negotiate, determine and approve any and all matters, including execution, associated with the proposed trustee lease and including future adjustments resulting from policy reviews;
- amend and approve any and all matters, including public consultation (if required), associated with the land management plan; and
- negotiate, determine and approve any and all matters, including execution, associated with any required trustee permit.

INTRODUCTION:

The current trustee lease to the Cairns and District Youth and Recreation Association over part of Lot 750 on CP912877, being part of the Cairns Showgrounds, commenced on 1 July 1997 and expires on 30 June 2010.

BACKGROUND:

Lot 750 on CP912877 is a Reserve for Sports and Show Grounds purposes with an area of 11.43 ha held under trusteeship of the Cairns Regional Council and in conjunction with the adjoining Reserve for Sports and Show Ground purposes described as Lot 768 on NR6238 forms part of the Showgrounds and Barlow Park sporting facility.

Existing Interests in Lot 750 on CP912877

- Trustee Lease to Cairns Agricultural, Pastoral and Mining Association (Cairns Show Association) over an area of 5.592 ha – commencing 11 October 2004 and expiring 10 October 2019
- Trustee Lease to Cairns Combined Schools and Citizens Band Inc. (Cairns Brass Inc) expired on 30 September 2009. Cairns Brass has been issued with three monthly Trustee Permits to ensure continuity of tenure while a further Trustee Lease is being finalised.

COMMENT:

Sport and Recreation

Sport and Recreation is the Asset Owner of the subject land. Sport and Recreation has advised that it has no objection to a further trustee lease being offered for a term of ten (10) years with first year's rent to be \$912.50 (including GST), being rental category S2, subject to a clause to state that no commercial permanent users are allowed within the facility and all users of the facility are casual users.

Property Services

The Reserves have a current Land Management Plan as required under the *Land Act 1994* which will be required to be updated to reflect the further trustee lease to Cairns and District Youth and Recreation Association Inc.

If the further trustee lease is not put in place at the time of expiry of the current trustee lease, a trustee permit for a period of up to 12 months will be put in place in accordance with the requirements of the *Land Act 1994* to ensure security of tenure until the trustee lease is finalised.

CONSIDERATIONS:Corporate and Operational Plans:

This links to Goal 2 'Building Vibrant Communities' of Council's 2009/14 Corporate Plan.

Statutory:

The further trustee lease will be issued in accordance with the requirements of the *Land Act 1994*. Amendments to the *Land Regulations 1995* will come into effect as at 1 July 2010 resulting Council being able to issue Trustee Permits for periods up to 12 months, which will provide greater certainty to lessees and will reduce administrative work for Council.

Policy:

Council's *Tenures Policy for Not for Profit Recreation, Sporting and Community Groups – No. 1:02:45* will apply to the proposed trustee lease.

Financial and Risk:

The Lessee is responsible for reasonable costs associated with the preparation, negotiation and registration of the trustee lease, rates and charges, water usage and maintenance.

Sustainability:

The subject premises is well utilised by the community and Council should ensure that such use continues.

CONSULTATION:

As per the comment section of this report.

OPTIONS:

1. That Council offers Cairns and District Youth and Recreation Association Inc (Lessee) a further trustee lease over part of Lot 750 on CP912877 (1.187 ha), Cairns Showgrounds, 143-145 Mulgrave Road, Parramatta Park, subject but not limited to the following terms and conditions:
 - for a term of ten (10) years from 1 July 2010;
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 - Lessee being responsible for all reasonable costs associated with the preparation, execution and registration of the trustee lease;
 - a clause indicating that no commercial permanent users are allowed within the facility and all users of the facility are casual users;
 - in accordance with Council’s *Tenures Policy for Not For Profit Recreation, Sporting and Community Groups – No.1:02:45*;
 - in accordance with the State’s (represented by the Department of Environment and Resource Management) Mandatory Standard Terms Document for Trustee Leasing registered under dealing no 711932933;
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 - ‘in-principal’ approval being obtained from the Minister for Environment and Resource Management.

Furthermore, Council delegates authority to the Mayor and Chief Executive Officer in accordance with Section 472 of the *Local Government Act 1993* to:

- negotiate, determine and approve any and all matters, including execution, associated with the proposed trustee lease and including future adjustments resulting from policy reviews;
- amend and approve any and all matters, including public consultation (if required), associated with the land management plan; and
- negotiate, determine and approve any and all matters, including execution, associated with any required trustee permit.

2. That Council advises Cairns and District Youth and Recreation Association that upon expiry of the current trustee lease Council will not offer a further trustee lease over part of Lot 750 on CP912877, 143-145 Mulgrave Road, Parramatta Park, and will commence a consultation process to identify other suitable community/cultural organisations who may be interested in the management/use of the premises.

Furthermore, Council delegates authority to the Mayor and Chief Executive Officer in accordance with Section 472 of the *Local Government Act 1993* to call for suitable community/cultural organisations for the management/use of the subject premises, to accept and approve an appropriate tenure or occupancy arrangement.

CONCLUSION:

That Council concurs with the recommendation in this report.

ATTACHMENTS:

Aerial Photo

L. KIRCHNER

A/General Manager Corporate Services

