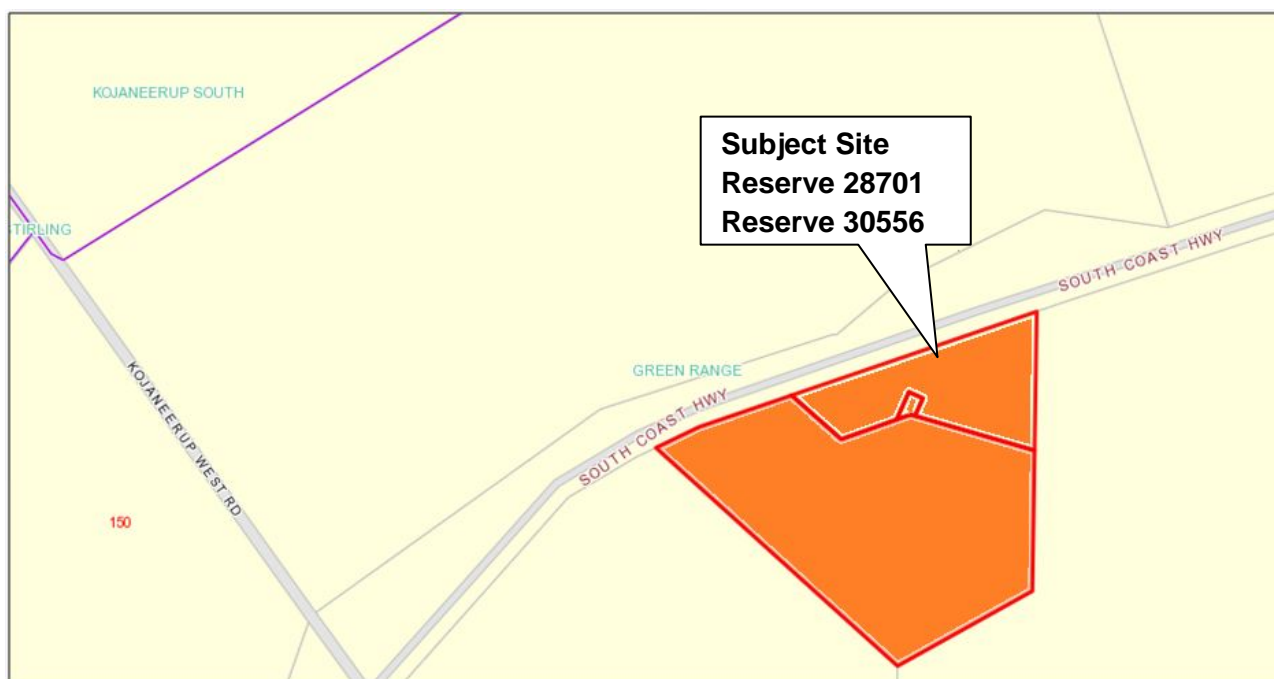


4.6: NEW LEASE – GREEN RANGE COUNTRY CLUB INC. – CROWN RESERVES 28701 AND 30556 GREEN RANGE

| | |
|----------------------------|--|
| Land Description | : Crown Reserve 28701 and being Plantagenet Location 7025 on Plan 26585 and Plantagenet Location 6464 on Plan 208300 Green Range : Crown Reserve 30556 and being Plantagenet Location 7149 on Plan 174512 Green Range |
| Proponent | : Green Range Country Club Inc. |
| Owner | : Crown |
| Attachment(s) | : Aerial Photograph |
| Responsible Officer | : Executive Director Corporate Services (G Adams) |
| Maps and Diagrams: | |



IN BRIEF

- Council is requested to consider a new lease for the Green Range Country Club Inc. over the area it currently occupies on Crown Reserves 28701 and 30556, Green Range.
- Lease term being 21 years for the purpose of conducting a community country club, caretaker cottage and associated activities.

ITEM 4.6: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council APPROVE the request from the Green Range Country Club Inc. for a new lease over Crown Reserve 28701 being Plantagenet Locations 7025 and 6464, and Crown Reserve 30556 being Plantagenet Location 7149, Green Range subject to:

- 1. Lease term being 21 years commencing 15 January 2013.**
- 2. Lease rental being a peppercorn rate of \$10.00 plus GST per annum.**
- 3. Lease area being approximately 211.45 hectares.**
- 4. Lease purpose of conducting a community country club, caretaker cottage and associated activities.**
- 5. Section 18 of the *Land Administration Act 1997*, the Minister for Land's consent is obtained.**
- 6. All costs associated with the development, maintenance and operations of the lease area to be payable by the proponent.**
- 7. All legal costs associated with the preparation, execution and completion of the Deed of Lease to be payable by the proponent.**
- 8. Lease being consistent with Council Policy – Property Management – Leases and Licences.**

BACKGROUND

1. Crown Reserve 28701 is under a Management Order H635969 issued to the City of Albany with the power to lease, sub-lease or licence for the purpose of "Recreation and Fire Station Site" for a term not exceeding 21 years and subject to the consent of the Minister for Lands.
2. Crown Reserve 28701, an area of approximately 210.45 hectares is located at street address 40521 South Coast Highway Green Range, being approximately 70 kilometres east of the Albany town centre.
3. Crown Reserve 30556 is under Management Order H647355 issued to the City of Albany with the power to lease, sub-lease or licence for the purpose of "Club and Club Premises" for a term not exceeding 21 years and subject to the consent of the Minister for Lands.
4. Crown Reserve 30556, an area of approximately 0.9763 hectares is located within Crown Reserve 28701.
5. The Green Range Country Club Inc. was established in the 1960's, as a community group, providing social and sporting facilities to the community.
6. In January 1972 the former Shire of Albany granted a new lease to the Green Range County Club Inc. for the purpose of "The establishment of club house facilities" upon Reserve 30556 for a term of 20 years.

7. In January 1992 the former Shire of Albany entered into a further new lease with the Green Range Country Club Inc. over Crown Reserve 28701 and over Crown Reserve 30556 for the purpose of “The establishment and maintenance of grounds and facilities suitable for the conduct of a Country Club and associated recreational activities”.
8. The lease for a 21 year term commenced on 15 January 1992 and expired on the 14 January 2013 for a peppercorn rent of \$10.00 per annum.
9. The Green Range Fire Station is situated within Crown Reserve 28701.

DISCUSSION

10. In October 2012 the City wrote to the Club to advise that their current lease was expiring on 14 January 2013, and requesting the Club to provide advice of their intentions with regard to applying for a new lease over Crown Reserves 28701 and 30556.
11. On the 21 December 2012, a formal request was received from the Green Range Country Club Inc. for a new lease over the reserves.
12. The Club continue to occupy the leased area on a holding over basis as a month to month tenant. The conditions of the tenancy preserve the terms and conditions of the lease, except in respect to the term of the lease.
13. The Club has developed the lease area by constructing a club house and storage sheds, and establishing cricket, golf and bowling sporting facilities. Water tanks and yard dams have also been established within the lease area to assist addressing the water shortage issues of the area. This also assists the Green Range Fire Brigade.
14. The Club maintains all of the Club’s buildings and infrastructure upon the leased area of Crown Reserve 28701 and Crown Reserve 30556, at no cost to Council.
15. Since the Club’s inception it has retained a steady membership. The Green Range Country Club Inc. incorporates a Golf Club, Cricket Club and Bowling Club, as affiliated members.
16. The Club currently has approximately 80 full members, in addition to social members with the majority of members from within the surrounding farming communities of Green Range, Wellstead and Manypeaks.
17. The Club is used as a social meeting place for the locals of the area, their families and workforce. This provides a vital social and community service, as the Club benefits the whole of the region. The service and facilities provided to the community are not provided by any other source within the area.
18. Through its strong community base, the Club has successfully maintained its viability through the contributions made by the community members in the form of their time in assisting to build, maintain and run the facilities, along with contributing and supporting the Club’s fundraising events.

19. The Club, through grant funding, fundraising, sponsorship and voluntary work has completed substantial improvements to the property including (but not limited to):
 - Construction of club house facilities.
 - Construction of a caretaker's cottage.
 - Construction of a storeroom and shed.
 - Alterations and upgrade to kitchen facilities.
 - Construction of a veranda.
 - Construction of cricket pitch, bowling green and golf course sporting facilities.
 - Installation of water tanks and yard dams.
 - Installation children's play area and play equipment.
20. Further improvements to the facilities through installing a synthetic surface for the bowling green has been proposed, subject to the new lease being approved and the securing of grant funding.
21. The club house opens in the afternoons Thursday through to Sunday. The Club's 18 hole golf course is open seven days a week, operating on an honour system when required.
22. Taking into account no town facilities are located within Green Range, the Green Range Country Club Inc. facilities are an important asset to the community.
23. The Club is aware that they require City of Albany as Landlord prior consent in writing and all other approvals necessary prior to commencing any improvements, alterations or additions to buildings and infrastructure within the lease area.
24. The proposed new lease will be negotiated in line with Council's Policy – Property Management – Leases and Licences within the category of Community Leases.

GOVERNMENT CONSULTATION

25. Under Section 18 (1) of the *Land Administration Act 1997* the Department of Regional Development and Lands has been consulted. Minister for Land's consent will be sort for the proposed new Deed of Lease on Crown Reserves 28701 and 30556.

PUBLIC CONSULTATION / ENGAGEMENT

26. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased land and buildings. The Act requires the following:
 - a. A local government must give local public notice of the proposed lease inviting submissions from the public, for a period of two weeks;
 - b. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes; and
 - c. A local government can then proceed with the lease.

27. Section 30 of the *Local Government (Functions & General) Regulations 1996* defines the dispositions to which the advertising requirements of Section 3.58 of the Act do not apply. Section 30 (2) (b) (i & ii) states that Section 3.58 of the Act is exempt if:
- (b) *The land is disposed of to a body, whether incorporated or not –*
- (i) *the object of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
- (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*
28. The Green Range Country Club Inc. is an incorporated, not for profit, recreational and sporting group, therefore exempt from the advertising requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

29. Section 18 (1) of the *Land Administration Act 1997* states that a person must not, without the prior approval in writing of the Minister assign, sell, transfer or otherwise deal with interests on Crown land.
30. As this is Crown land, under Management Order H635969 for the purpose of "Recreation and Fire Station Site" and Management Order H647355 for the purpose of "Club and Club Premises" issued to the City of Albany with the power to lease, Minister for Land's consent will be required.
31. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property, including leased land and buildings.
32. Under the City's Town Planning Scheme Number 3, the subject land is zoned "Parks and Recreation, Rural, Private Clubs and Institutions". The proposed use of "activities associated with a community country club with caretaker cottage" is considered appropriate under the current Scheme.
33. The Western Australian Planning Commission (WAPC) consent is not required as this is Crown land.

STRATEGIC IMPLICATIONS

34. This item relates to the following elements of the City of Albany Strategic Plan (2011-2021):

Key Focus Area

- *Organisational Performance.*
- *Lifestyle and Environment.*

Community Priority

- *Policy and Procedures.*
- *A built environment for active lifestyles.*

Proposed Strategies

- *Develop clear processes and policies and ensure consistent, transparent application across the organisation.*
- *Incorporate into future plans, infrastructure in parks that encourages activity for all ages and abilities.*

POLICY IMPLICATIONS

35. Council adopted a revised Property Management – Leases and Licences Policy in September 2012.
36. This Policy aims to ensure that all requests for leases/licences, for whatever purpose, will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
37. The Policy section relevant to this category of Community lease – requires the following:
- Rent for Community groups leasing land for community purposes will be a peppercorn rent of \$10.00 plus GST per annum.
 - Lessee must be an incorporated body, not for profit with a copy of their Articles of Association/Constitution being provided.
 - Lease to be for a term not greater than 21 years.
 - Sub-lease agreements must be approved by the Landlord.
 - Lessee must have appropriate insurance pertaining to their particular activities, as a minimum.
 - Lessee will be responsible for all maintenance of the leased property at the Lessee's costs.
38. The recommendation is consistent with Council Policy – Property Management – Leases and Licences.

RISK IDENTIFICATION & MITIGATION

39. The risk identification and categorisation relies on the City's Risk Management Framework.

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|--|-------------------|--------------------|----------------------|--|
| <i>Council does not approve a new lease – reputational loss to the City</i> | <i>Unlikely</i> | <i>Moderate</i> | <i>Medium</i> | <i>Seek to negotiate terms to Council satisfaction. Collaborate closely with the Green Range Country Club to ensure mutually agreeable outcomes.</i> |
| <i>Council does not approve a new lease – loss of premises for the Club, they would need to seek new grounds</i> | <i>Unlikely</i> | <i>Moderate</i> | <i>Medium</i> | <i>Collaborate closely with Green Range Country Club to ensure mutually agreeable outcomes.</i> |

FINANCIAL IMPLICATIONS

40. The new lease rental will be a peppercorn rent of \$10.00 plus GST per annum.
41. The new lease rental will be directed to COA 190430 Income – Other Leases.

LEGAL IMPLICATIONS

42. The proposed new Deed of Lease will be prepared by the City's lawyers.

ALTERNATE OPTIONS

43. Council may:
- a. Refuse the Club's request for a new lease over the area it currently occupies, or
 - b. Approve the request.
44. Should Council refuse the request, the Green Range Country Club Inc. would be required to vacate the property, remediate the site and find an alternate location should they wish to continue to provide community country club facilities.
45. Council could then invite expressions of interest to lease Crown Reserve 28701 for the designated purpose of "Rural, Recreation and Fire Station Site", and to lease Crown Reserve 30556 for the designated purpose of "Club and Club Premises".

SUMMARY CONCLUSION

46. The Green Range Country Club Inc. is seeking a new lease over an area they have occupied since the 1960's on Crown Reserves 28701 and 30556.
47. The Green Range Country Club Inc. has previously completed substantial improvements to the property and met all obligations of their previous lease.

| | |
|-----------------------------------|---|
| Consulted References | <ul style="list-style-type: none"> • Council Policy – Property Management – Leases and Licences • <i>Local Government Act 1995</i> • <i>Local Government (Functions and General) Regulations 1996</i> • <i>Land Administration Act 1997</i> |
| File Number (Name of Ward) | PRO239, A65539 (Kalgan Ward) |
| Previous Reference | No previous references |



Green Range Country Club Lease area