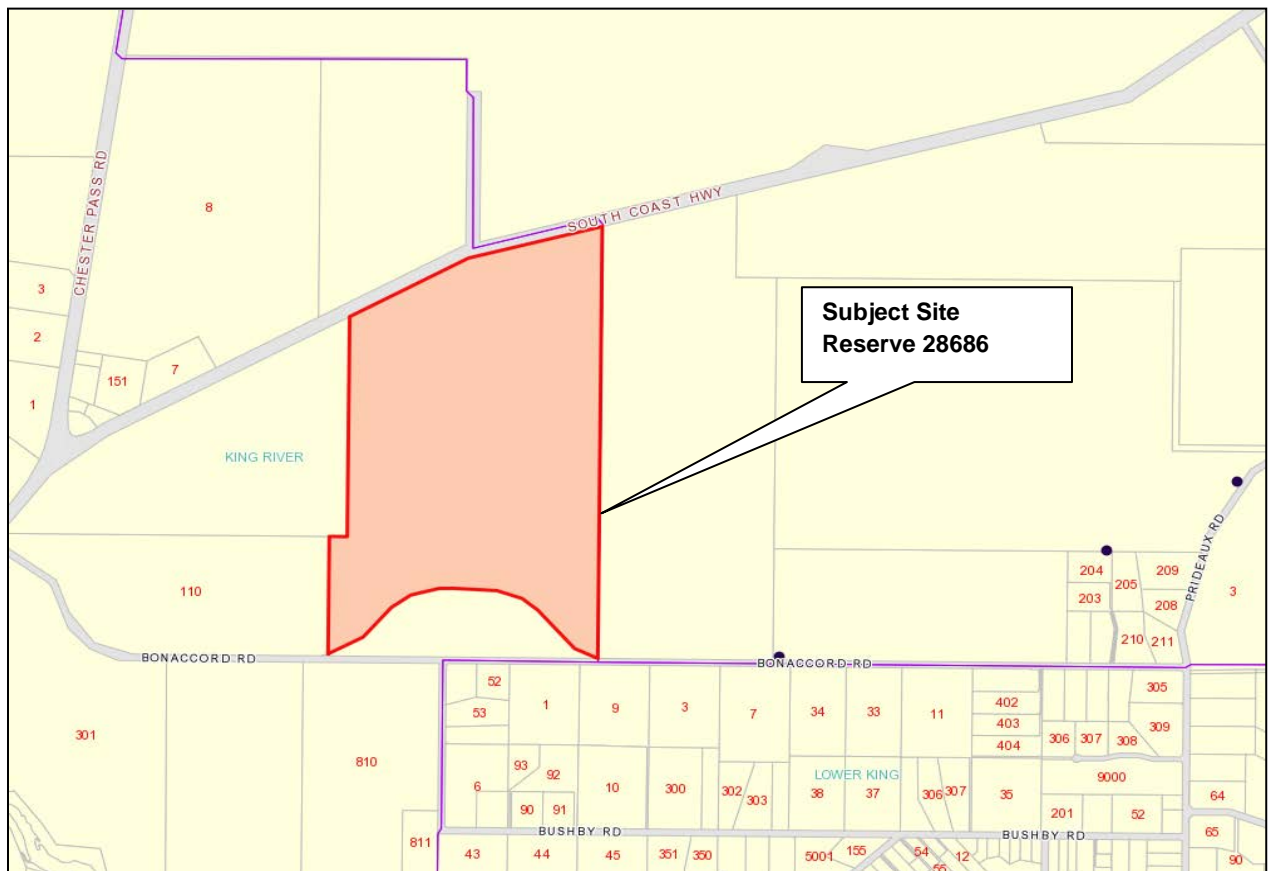


4.5: NEW LEASE – RIVERVIEW COUNTRY CLUB INC. – CROWN RESERVE 28686 KING RIVER

Land Description	: Crown Reserve 28686 and being Lot 7076 on Plan 81104 King River
Proponent	: Riverview 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 Riverview Country Club Inc. over the area it currently occupies on Crown Reserve 28686, King River.
- Lease term being 21 years for the purpose of conducting a community country club and associated activities.

ITEM 4.5: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council APPROVE the request from the Riverview Country Club Inc. for a new lease over Crown Reserve 28686 being Plantagenet Location 7076, King River subject to:

- 1. Lease term being 21 years commencing 1 March 2013.**
- 2. Lease rental being a peppercorn rate of \$10.00 plus GST per annum.**
- 3. Lease area being approximately 78.80 hectares.**
- 4. Lease purpose of conducting a community country club 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 28686 is under a Management Order H656298 issued to the City of Albany with the power to lease, sub-lease or licence for the purpose of "Recreation" for a term not exceeding 21 years and subject to the consent of the Minister for Lands.
2. Crown Reserve 28686, an area of approximately 78.8 hectares is located at street address 46349 South Coast Highway King River, being approximately 17 kilometres east of the Albany town centre.
3. The Riverview Country Club originally operated from the former Beau Vista Golf Club, Bon Accord Road Lower King.
4. In July 1966 the Club approached the former Shire of Albany for suitable land available to suit their needs, for lease.
5. In December 1966 the former Shire of Albany approved for the development of a 21 year lease for the Riverview Country Club.
6. In May 1969 building plans were submitted by the Club to construct a club house upon their current lease area on Reserve 28686. The club house was completed early 1970, with an amenities room added in July 1970, and club house extensions approved in August 1973 and in May 1981 respectively.
7. In March 1992 the former Shire of Albany entered into a new lease with the Riverview Country Club Inc. over Crown Reserve 28686 for the purpose of "The establishment and maintenance of grounds and club house suitable for the conduct of a Golf Club".

8. The lease term of 21 years commenced 1 March 1992 and expires on 28 February 2013 for a peppercorn rent of \$10.00 per annum.

DISCUSSION

9. In November 2012 the City wrote to the Club to advise that their current lease was expiring on the 28 February 2013, and requesting the Club to provide advice of their intentions with regard to applying for a new lease over Crown Reserve 28686.
10. On the 11 December 2012, a formal request was received from the Riverview Country Club Inc. for a new lease over the reserve.
11. 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.
12. Since the Club has occupied land within Reserve 28686, they have developed the lease area by constructing and maintaining a club house and golf course facilities through their own fundraising efforts.
13. The Club maintains all of the buildings and infrastructure upon the leased area of Crown Reserve 28686, at no cost to Council.
14. Since the Club's inception it has gained a steady membership, providing an alternative venue for golfing enthusiasts within the Albany region. The Club currently has approximately 108 full members, 6 junior members and a number of social members.
15. The golf course is open 7 days a week. Casual players are invited to utilise the golf course, and an honour system is in place when the club house is unattended. The club hosts "Ladies" day each Wednesday, "Scroungers" each Friday and "Men's" day each Sunday.
16. In addition to golfing facilities, the Club provides dart facilities, hosting regular dart competitions.
17. Through its supportive member base, the Club has successfully maintained its viability through contributions made by the club 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.

18. The Club, through fundraising and voluntary work has completed substantial improvements to the property including (but not limited to):
 - Construction of club house facilities.
 - Construction of an amenities room.
 - Construction of office and storeroom.
 - Construction of a golf course.
 - Installation of water tank and dams.
19. The Club is aware that they require City of Albany as Landlord prior consent in writing and all other necessary approvals prior to commencing any improvements, alterations or additions to buildings and infrastructure within the lease area.
20. 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

21. 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 Reserve 28686.

PUBLIC CONSULTATION / ENGAGEMENT

22. 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.
23. 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;*
24. The Riverview 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

25. 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.
26. As this is Crown land, under Management Order H656298 for the purpose of "Recreation" issued to the City of Albany with the power to lease, Minister for Land's consent will be required.
27. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property, including leased land and buildings.
28. Under the City's Town Planning Scheme Number 3, the subject land is zoned "Private Clubs and Institutions". The proposed use of "activities associated with a community country club" is considered appropriate under the current Scheme.
29. The Western Australian Planning Commission (WAPC) consent is not required as this is Crown land.

STRATEGIC IMPLICATIONS

30. 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

31. Council adopted a revised Property Management – Leases and Licences Policy in September 2012.
32. 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.

33. 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, and
 - Lessee will be responsible for all maintenance of the leased property at the Lessee's costs.
34. The recommendation is consistent with Council Policy – Property Management – Leases and Licences.

RISK IDENTIFICATION & MITIGATION

35. 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 Riverview 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 Riverview Country Club to ensure mutually agreeable outcomes.</i>

FINANCIAL IMPLICATIONS

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

LEGAL IMPLICATIONS

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

ALTERNATE OPTIONS

39. Council may:
- a. Refuse the Club's request for a new lease over area it currently occupies, or
 - b. Approve the request.
40. Should Council refuse the request, the Riverview 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.
41. Council could then invite expressions of interest to lease Crown Reserve 28686 for the designated purpose of "Recreation".

SUMMARY CONCLUSION

42. The Riverview Country Club Inc. is seeking a new lease over an area they have occupied since the late 1960's on Crown Reserve 28686.
43. The Riverview Country Club Inc. has previously completed substantial improvements to the property and met the 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)	PRO142, A64799 (Kalgan Ward)
Previous Reference	No previous references



Riverview Country Club Lease area