

SOUTH WAIRARAPA DISTRICT COUNCIL

20 FEBRUARY 2013

AGENDA ITEM C1

SANDY BAY LEASE

Purpose of Report

To present to Council an offer for the lease of Sandy Bay.

Recommendations

Officers recommend that the Council:

1. *Receive the information.*
2. *Consider whether to accept or reject the lease offer.*

1. Executive Summary

At the Council meeting of 20 September 2012 it was resolved:

COUNCIL RESOLVED (DC2012/169):

To approve the Mayor and Chief Executive to enter into negotiation with Doug Harris and Sarah Murphy to investigate options, including purchase to formalise public access to Sandy Bay with a proposal to be put to Council in due course.

Negotiations have taken place with the attached draft lease offer being the result.

The author declares an interest on this matter.

2. Discussion

2.1 Background

Sandy Bay is a boat launching area on the east coast, and is deemed the only safe (this is a relative term) launching area on that stretch of the coast.

As can be seen from the correspondence, there has been ongoing discussion on access to this area for many years.

Appendix 1 presents the correspondence, including the draft lease offer.
Appendix 2 provides the location of Sandy Bay.

3. Purpose of Local Government

The Local Government Act 2002 Amendment Act 2012 narrowed the purpose of Local Government.

The focus is now on **“local infrastructure”**; **“local public services”**; **“local regulation”**.

A separate report to this meeting provides some commentary on these changes and the matters that need to now be considered when making decisions.

This lease falls within the new purpose of local government as the activity meets the definitions of “local infrastructure” and “local public services” as defined in the amendment Act:

Local infrastructure is defined as either “network infrastructure” or “community infrastructure”:

Community infrastructure is further defined ***as land or development assets on land, owned or controlled by a territorial authority to provide public amenities (including land to be used for these purposes).***

Local public services is defined as ***“a public service involved the provision or supply a need that is open to, or shared by all”***

4. Appendix

Appendix 1 – Draft Lease Offer and Correspondence

Appendix 2 – Location of Sandy Bay

Contact Officer: Paul Crimp, Group Manager Corporate Support

Appendix 1 – Draft Lease Offer and Correspondence

The Mayor. Adrienne Staples

Her Worship the Mayor Adrienne.Staples@swdc.govt.nz

RE: Sandy Bay lease

February 7, 2013

Dear Adrienne,

Further to previous discussions regarding Sandy Bay, we have decided that if the Council is still interested in retaining public use of Sandy bay, then we would rather Lease than sell.

While the Council may have little history of such arrangements it has worked with private landowners for a very long time so this could be seen as a formalisation and improvement in the sustainability of those arrangements. The proposed lease fee is very minimal, represents a less than 1% call on the Reserves funds and is an insignificant call on the total current operating costs of \$15.5 million.

The Trust is still considering its options but feel that a lease arrangement presents a win/win where the Trust retains ownership, and gains a financial return, and where the Council gains long-term certainty of access for the public for minimal cost.

As you are probably aware, we have approached the Pukemanu Boating and Fishing Club and have received the response that they are either unable or unwilling to lease on their own because of a lack of resources.

We suggest some conditions as a starting point.

We ask that Council consider this seriously and considers this as soon as it is able as the property is on the market and that, and the Council response could have a bearing on where to go to from here.

The current situation with regard to Sandy Bay will not stay the same. We hope that Council will take this as an opportunity to enter into a lasting mutually beneficial arrangement with the Trust so as to ensure public access as well as land owner satisfaction.

Kind regards.

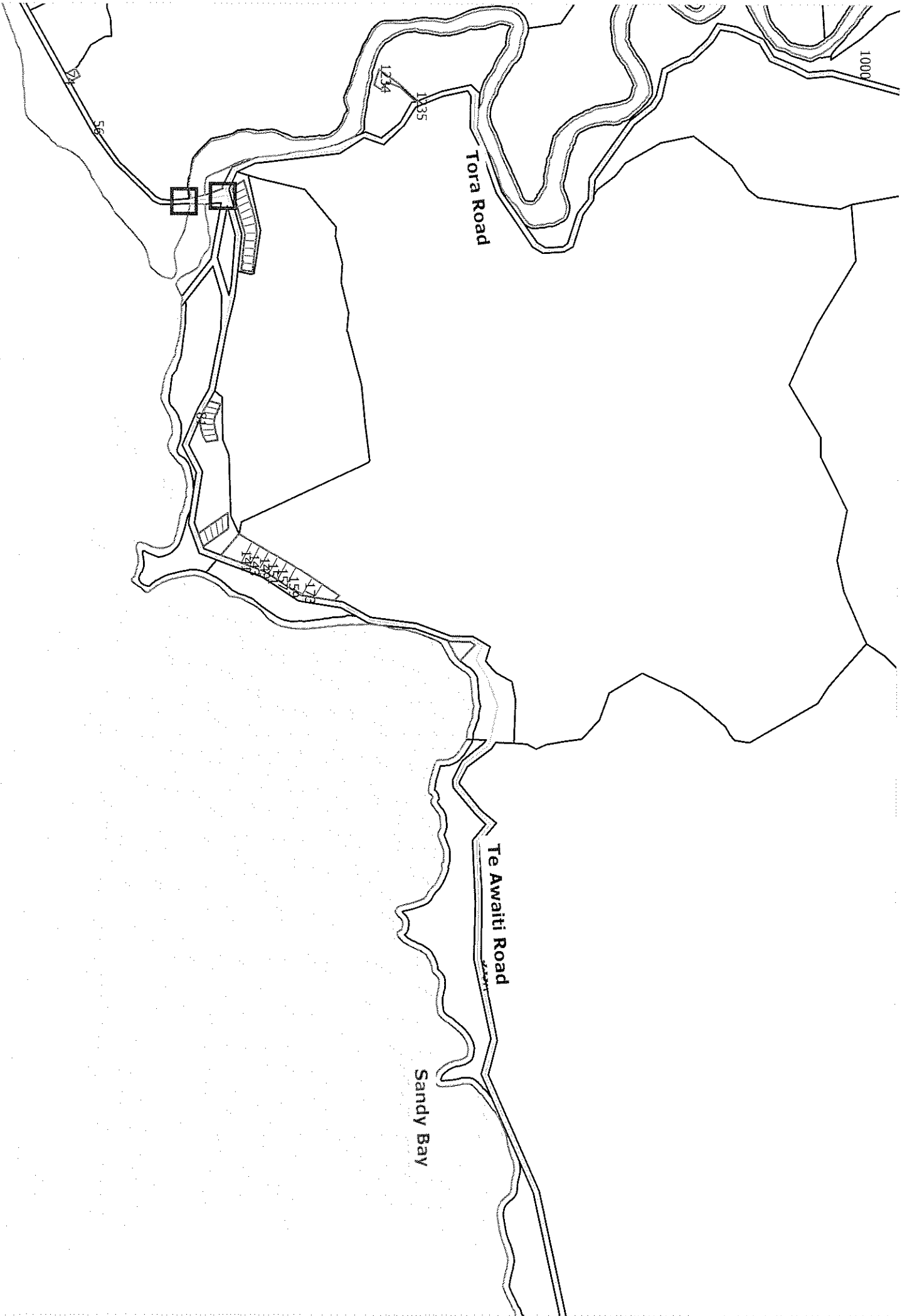
Sara Murphy. Doug Harris
Hiwi Trust

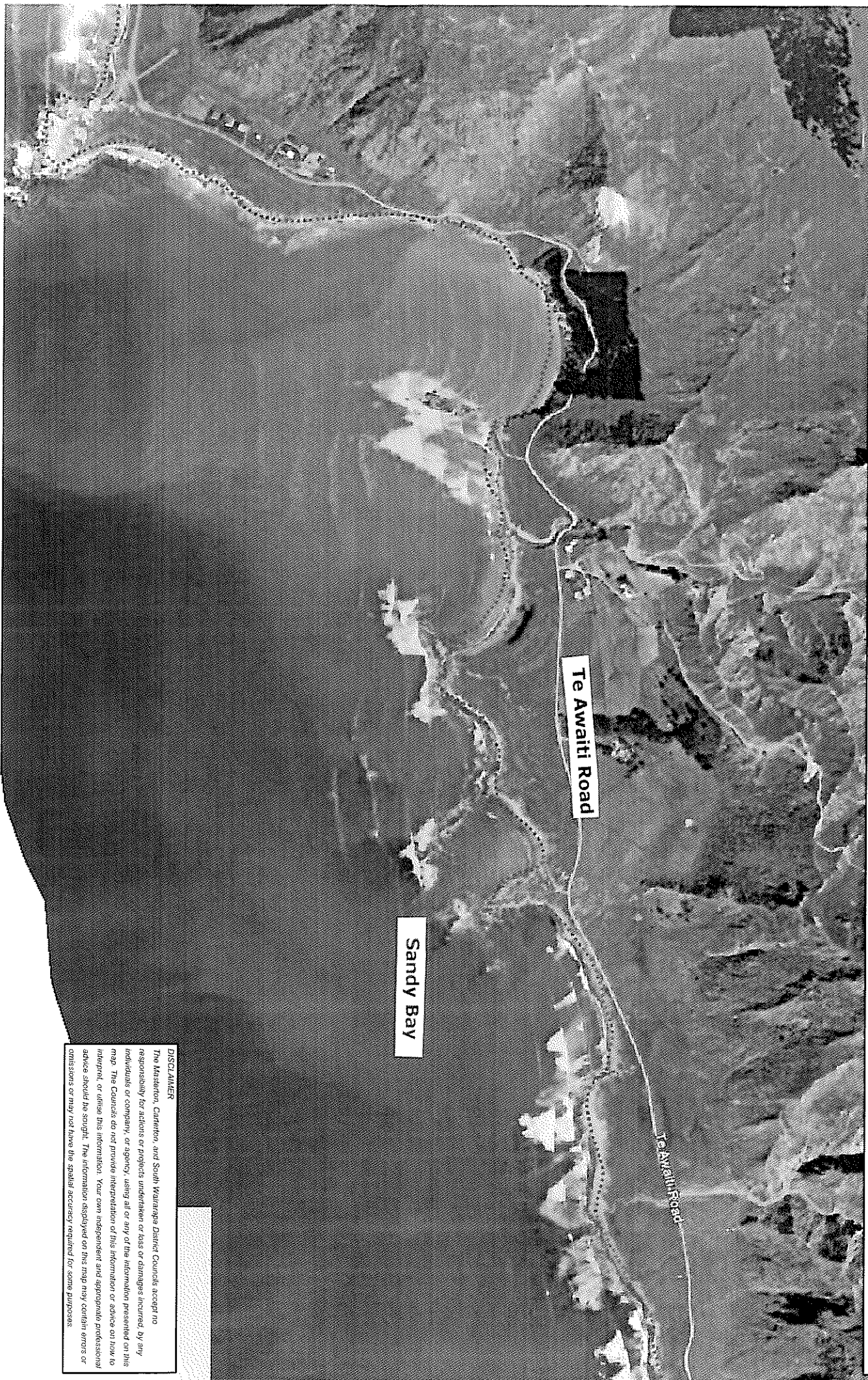
Lease Conditions: Sandy Bay, Hiwi Trust (HT) & SWDC

1. That HT retains ownership and has the right to allow one commercial fisher use of the facility
2. That HT maintains existing fencing and retains the right to graze stock
3. That SWDC improves and maintains the driveway access; manages rubbish; and generally includes SB within the Rangers management regime
4. That SWDC does not sublease; nor allow camping nor allow any commercial operation without the consent of HT.
5. That the lease be set at a 5 year period with right of renewal for 2 further 5 year periods.
6. Fee to be \$8,750 plus gst, reviewed by negotiation every 5 years and be minimally linked to the CPI.
7. That, if a renewal fee is not able to be agreed upon between the parties, then a mediator shall be appointed by the parties and that the mediation costs associated with settling that annual fee, shall be shared equally between the parties.

8. That, as part of the condition of public use, all surrounding property shall be treated as private property with all the respect and care that that entails.

Appendix 2 – Location of Sandy Bay





Scale - 1 : 10000



Sandy Bay

Te Awaiti Road

Te Awaiti Road

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