



Notice of Reserve Trust Manager Meeting

Notice is hereby given that a Reserve Trust Manager Meeting will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina on **Thursday 19 December 2013 commencing at 12 noon.**

Business

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

A handwritten signature in black ink, appearing to read 'Paul Hickey', with a long horizontal line underneath.

Paul Hickey
General Manager

Table of Contents

1.	Apologies.....	1
2.	Declarations of Interest.....	1
3.	Deputations	1
4.	Committee Reports.....	2
	4.1 Coastline Recreational Walk	2
	4.2 Ballina Surf Club - Head Lease Rental	4

1. Apologies
 2. Declarations of Interest
 3. Deputations
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1. Apologies

2. Declarations of Interest

3. Deputations

4.1 Coastline Recreational Walk

4. Committee Reports

4.1 Coastline Recreational Walk

Delivery Program Asset Management

Objective To request the Trust's approval to accept a grant offer.

Background

Council, as the Manager for the Ballina Coastal Reserve Trust, has been advised that an application under the 2013 -14 Public Reserves Management Fund (PRMFP) for funding has been successful for an amount of \$100,000.

To accept the grant a resolution of the Trust is required within three months of the date of the letter of offer from the Deputy Premier. The purpose of this report is to invite the Trust to make the required resolution.

Key Issues

- Grant acceptance
- Grant benefit

Information

The grant application sought assistance with the construction of the coastal recreational pathway for the crown reserve components of the section of the route from Angels Beach to Sharpes Beach.

Council has submitted environmental planning documentation for approval to construct these works. The assessment of this application is currently being undertaken by Council's Development and Environmental Health Group.

As per the information set out in the business paper for the Council's meeting to be held 19 December 2013, once planning approval is obtained and the detail design is complete, it is proposed for Council to consider priorities for the staged development of this project.

If this section of the path is not an immediate priority for the Council, then the Trust can elect later to return the funds. However, if the Council is already of the opinion that it is highly unlikely to prioritise this section early in the program then it should decline the grant now.

Further to this, it is noted a condition of the grant is that the Trust undertakes to meet the balance of funds required to complete the project.

The grant application identifies this section of the path is estimated to cost \$1,050,000.

4.1 Coastline Recreational Walk

Should the Trust endorse the recommendation to accept the grant, when further information is available that confirms the scope of works for this first stage, it would be appropriate to advise the Crown Lands Office of our intentions.

As the Council's contribution will exceed the Crown's for any selected stage, it would be reasonable to expect the Crown Lands Office to accept a request to amend this condition and reduce the commitment required by Council at this time. There are a number of reasons why this section of path can be considered a high priority.

The primary benefit of this section of path is that it enables the extension of the existing shared path network to the popular coastal destinations of Flat Rock and Sharpes beaches.

However, it is also acknowledged other sections of the project also have legitimate claims for priority and hence it is considered important for the Council to assess these as part of a single process.

Legal / Resource / Financial Implications

The purpose of this report is to seek endorsement to accept a grant which will assist in the delivery of a project that has been included in Council's strategic planning for a long period of time. The information above discusses the grant conditions and how they may relate to the funding of the overall project.

Consultation

No consultation has been undertaken in the preparation of this report. However, the route selection process was the subject of extensive community consultation and the project has been publically exhibited again as part of the development assessment process.

Options

1. Decline the grant
2. Accept the grant

As discussed above, it is preferred to accept the grant for the reason that lapses in three months if there is no response from the Trust. If, after the confirmation of a staging plan for the whole project, it was determined that the Council is unable to commit to the works that are subject to the grant during this financial year, then it is an option for the Trust to return the funds at that point in time.

RECOMMENDATION

The the Ballina Shire Council, acting as the Reserve Trust Manager for the Ballina Coastal Reserve, resolves to accept the grant of \$100,000 offered by the Deputy Premier under the Crown Lands Funding Program for the purposes of the construction of the coastal recreational path.

Attachment(s)

Nil

4.2 Ballina Surf Club - Head Lease Rental

4.2 Ballina Surf Club - Head Lease Rental

Delivery Program Commercial Services

Objective To obtain Reserve Trust approval for the rental payable by Ballina Shire Council for the Head Lease over the Ballina Surf Club Precinct

Background

Ballina Surf Club was completed in June this year. The building houses the Ballina Lighthouse and Lismore Surf Lifesaving Club ("BLLSLC") and a kiosk on the ground floor, whilst on the first floor are the Ballina Shire Community facilities/meeting rooms on the first floor and a café.

A report was presented to the Reserve Trust meeting held on 24 June 2013, recommending that the Ballina Coastal Reserve approve a head lease to Ballina Shire Council. The resolution from that meeting was:

"That Ballina Shire Council, as Reserve Trust Manager for the Ballina Coastal Reserve Trust, approves a 20 year lease to Ballina Shire Council for the premises referred to as the Ballina Lighthouse and Lismore Surf Lifesaving Club, with a minimum statutory rent."

Following on from that meeting Council staff have been negotiating the terms and conditions of the Head Lease with the Department of Trade and Investment, Crown Lands Division.

Key Issues

- Lease rental and rebate to be offered to Ballina Shire Council.

Information

Ballina Surf Club was completed in June this year with the BLLSLC taking up occupation in October. Council has also negotiated lease agreements with a private operator for the café and kiosk. The kiosk has been operational since late October whilst the café is expected to open in late December. The community facilities/meeting rooms have also been in use since October.

As the primary use of the building is that of community purposes, the resolution noted above approved a twenty year ground lease with at a minimum statutory rent.

Negotiations with Crown Lands Division regarding terms and conditions of the Head Lease have been ongoing and the Crown has now requested a formal resolution from the Reserve Trust for the amount of rental to be noted in the Head Lease.

It is noted that Council has contributed over \$4 million to the Ballina Surf Club project, whilst the Federal Government contributed \$2.3 million. Council staff estimate the cost of maintaining the building to be in the order of \$100,000 p.a., subject to be a formal maintenance program being finalized and costed.

4.2 Ballina Surf Club - Head Lease Rental

Given the significant ongoing cost to Council of maintaining and managing the building it is proposed that a rebate of the market rent assessed for the Surf Club Site for a period of six years will be agreed to by the Crown. This will assist Council in accumulating funds to manage and maintain the building. At the expiration of the six year period the rebate will be adjusted based upon rentals paid for commercial areas of the building such as the café.

The commercial rental is based upon 5.00% of the land value assessed by the Valuer General. In this instance the commercial rental has been calculated to be \$10,000 p.a. + GST based upon the Valuer General's indicative valuation estimate of \$200,000.

For the first six years of the Head Lease Council will only pay the minimum statutory rental of approximately \$444. As noted above, this rental will be adjusted accordingly at the end of the six year period.

Legal / Resource / Financial Implications

Legal

The terms and conditions of the Head Lease have been agreed to in principle with the Crown.

Financial

The rental for the first six years of the Head Lease will be the minimum statutory rent for Crown properties. In this instance \$444 p.a. for the first year.

Consultation

Council staff have been consulting with Department of Trade and Investment Crown Lands regarding tenure arrangements.

Options

1. Council as Reserve Trust Manager of the Ballina Coastal Reserve agree to a market rent rebate for six years at a rental of \$444 pa. This is the preferred option as it allows Council to accumulate funds to manage and maintain the Ballina Surf Club building and surrounding precinct.
2. Council as Reserve Trust Manager of the Ballina Coastal Reserve can resolve not to apply the market rent rebate and request Council to pay full market rent. This option is not recommended as it doesn't allow Council to accumulate the funds required to manage and maintain the Ballina Surf Club building and surrounding precinct.

RECOMMENDATION

That the Ballina Shire Council, acting as the Reserve Trust Manager for the Ballina Coastal Reserve, approves a market rent rebate as per the contents of this report, for a period of six years, for the area occupied by the Ballina Surf Club.

Attachment(s)

Nil