

## 6.2 General Reports

### 6.2.1 Officer Sports Club - Lease

**File Reference:** 35-35-123  
**Responsible GM:** Tom McQualter  
**Author:** Jeanette Blackwood

#### Recommendation(s)

That Council:

1. Enters an agreement for lease and a lease of part of the reserve at 20 Starling Road Officer with the Officer Sports Club on the following terms:
  - Term 9 years
  - Rental \$104 pa
  - Rental increase Annual by 3%
  - Maintenance Responsibility shared in accordance with Council Maintenance Policy
  - Special conditions Tenant to construct Premises subject to Council approval, and
2. Advise the objectors to the proposal to lease that the conditions included in the proposed lease and the management of the reserve by a Council appointed Committee will ensure that their concerns are appropriately addressed.

#### Attachments

Nil

#### Executive Summary

Following the public notice of the proposal to lease part of 20 Starling Road Officer in accordance with Section 190 of the Local Government Act 1989 and no submission were received, Council can now consider entering into an agreement to lease and lease with the Officer Sport Club.

#### Background

The Officer Sport Club Incorporated (OSC) was recently established from members of the section 86 Officer Recreation Reserve Committee, in order to extend the current eastern pavilion to create community space for use by both reserve users and the general community. The OSC have raised funds to carry out the building extension from various government sources, including Council and community groups.

It is proposed that Council will enter into an Agreement for Lease (AFL), which will establish the roles of the party in the construction, the basis of the funding and the right to occupy the site whilst works are occurring. It is proposed that the OSC will contract manager the works and Council will be part of the project construction control group that will oversee the project.

Council at its meeting held on 18 May 2020 resolved that:

1. Council commences the statutory procedures under Sections 190 and 223 of the Local Government Act 1989 (the Act) by giving public notice in the local paper and on

- Councils web site advising of the proposal to lease a part of the reserve at 20 Starling Road Officer to the Officer Sports Club Incorporated.
2. In the event of submissions being received, a committee comprising the Ranges Ward Councillors be appointed and the Chief Executive Officer be authorised to set the day, time and means for the hearing of such submissions.
  - 3.
  4. Following the hearing of submissions, or if no submissions are received, Council further consider the proposal to lease part of the reserve at 20 Starling Road Officer to the Office Sport Club Incorporated

The requisite public notice appeared in the Pakenham Gazette on 3 June 2020 and one submission was received.

### **Policy Implications**

The leasing of this property is in accordance with Council's Leasing Policy however the period of the lease is in excess of that generally provided in the Leasing Policy (5 years), however section 4.3.4 of the Policy allows for longer lease terms as provided:

*'...Council will consider a longer term Lease in circumstances where the Tenant has substantially invested in the Council Facility or there will be community benefits derived by a longer Lease term'*

### **Relevance to Council Plan**

Nil.

### **Climate Emergency Consideration**

There are no climate emergency considerations regarding this proposed lease.

### **Consultation/Communication**

Consultation has been undertaken with all relevant parties and public notice has been given of the proposal to lease the land on 3 June 2020 with the submission period closing on 1 July 2020 and one objection has been received.

The key concerns raised in this objection are:

- Noise concerns from Functions operating until 2am
- Mowing lawns at 2am
- Additional noise mitigation measures, including acoustic barriers are required
- The alfresco area should be sound proofed and not to be used after 8pm
- Venue management required
- Concerns around disturbing the peace and quiet of the neighbourhood
- Would like the operating hours restricted to 10pm Monday-Thursday, 11pm Friday - Saturday and public holidays and 10pm on Sundays.

In response to these concerns the following details are provided;

- The Lease proposed will provide important facility usage terms and conditions relating to types of use, hours of use, conditions around the overall management of the building. The draft Lease includes the requirement of the venue to be locked and vacated before 1am.
- The Lease will also define permitted and excluded activities within the building to ensure the use of the building is consistent with the purpose of community and

recreation facilities. An example of excluded activities includes birthday parties for anyone turning 16 or 31 or any age in between, bucks or hens functions or any similar celebrations, and the operation of a nightclub or discotheque. Music is not permitted to be put through external building speakers. A breach of these conditions could result in formal action from Council.

- The Reserve is managed by the Section 86 Committee of Management, who is a delegated volunteer committee of Council who are responsible for managing the operation and maintenance of the reserve.
- The Officer Sports Club will be required to enter into a Liquor License that will reflect to terms and conditions of the lease, once the construction is completed.
- The proposed development will also be required to meet state liquor licencing legislation, once a liquor licence is out in place. The liquor licence will be required to reflect the type of use and hours of operation as per the lease.
- The building design and materials are considerate of the need to ensure the operation of the facility does not unreasonably impact on surrounding properties. Some specific measures have been taken in the design and materials of the building, including:
  - The main entrance and exit to the building will have double airlock doors.
  - The proposed addition is located on the far side of the existing Club rooms increasing the distance from the neighbouring residence.
  - The use of a trussed roof provides a void within the roof space which will assist in the acoustic properties of the building.
  - Double glazing will be used to all proposed glazed windows & doors.
  - The required R value of insulation will be installed to the walls and ceilings as determined in the Section J report for the proposed addition, this will provide substantial acoustic performance over the existing club rooms/buildings already located on the subject site.
  - Most of the walls will be built using a Masonry/block veneer wall which uses a dense masonry block on the external skin aiding again in the acoustic properties of the building.

It is considered that the above will satisfactorily address the concerns raised in the objection received

### **Financial and Resource Implications**

The Club have been successful in receiving grants from the Federal and State Government for this project and the Council has also budgeted an amount of \$400,000 agreed to fund the development of the facility that they require and the Club will be responsible for all ongoing maintenance and replacements of the Premises. A peppercorn rental is proposed and there is no expected contribution required by Council.

### **Conclusion**

As the statutory procedures involved in Section 190 and 223 of the Local Government Act 1989 have been completed in regard to the proposal to lease the land to the Officer Sports Club.

It is considered that the conditions attaching to the Planning Permit for this project will adequately address the concerns raised by the objectors and therefore it is appropriate to proceed with the agreement for lease to allow the construction of the building and then a lease for the occupation of the Premises.