



the bushland shire

creating a living environment

SUPPLEMENTARY BUSINESS PAPER

ORDINARY MEETING

**Wednesday, 12 August, 2009
at 6:30 pm**

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35 LEASE OF RETAIL PREMISES - UNDER STRUCTURE, HORNSBY MALL

EXECUTIVE SUMMARY

An application has recently been received to lease the vacant retail premises known as the Under Structure, which is located adjacent to the amphitheatre in the Hunter Street North section of the Hornsby Mall, for use as a health and beauty retail outlet. The proposal is for a term of three years with one option to renew for a further three years.

In line with the provisions of Council's Lease/Licence of Council Land Policy, the maximum length of any lease or licence is generally five years. The Policy does provide, however, that Council may give consideration to granting an additional period of tenure where special circumstances warrant this occurring.

Following an assessment of the proposal by Council officers, it is recommended that Council grant the applicant a three year lease with a three year option, subject to relevant conditions.

PURPOSE/OBJECTIVE

The purpose of this Report is to recommend that Council accept a proposal to lease the Under Structure in the Hornsby Mall for use as a health and beauty retail outlet for a term of three years with a three year option, subject to relevant conditions.

DISCUSSION

In February 2009 advice was received of the intended vacation, at the end of June 2009, by the Internet Café tenant from the Council-owned retail premises known as the Under Structure in the Hornsby Mall. As a consequence of the advice, Council officers appointed three local real estate agents to assist in locating a suitable tenant for the vacated space.

A submission has recently been received from one of the consulting real estate agents on behalf of a potential new tenant requesting a lease of the premises. The potential tenant has requested that their identity remain confidential at this stage as they are currently under an existing lease arrangement with another landlord and do not wish to jeopardise that arrangement should their application to lease the Under Structure be unsuccessful. (N.B. Details in respect of the applicant can be made available to Councillors by contacting the Manager, Administration Services or the Manager, Commercial Property)

The particulars of the lease application are:

- Use of Premises - health and beauty retail operation
- Period of Tenure - three years with one three year option
- Rent Payable - \$36,400 per annum (gross) exclusive of GST
- Rent Free Fitout Period - two months.

- Security Bond – three months rent (i.e. \$9,100)

The consulting real estate agent has indicated that the applicant has successfully operated a health and beauty business over the past three years and is seeking to relocate the business to gain greater street exposure. The agent has confirmed that the applicant possesses the necessary experience and business acumen to ensure the ongoing success of the business, an opinion which has been supported from enquiries with relevant referees.

While the rental offer is slightly less than the rental previously being paid for the premises, the agent is of the opinion that having regard to the present economic climate, and to avoid a potential lengthy vacancy period, the lease proposal should be accepted. The agent also noted that based on a rate per square metre basis, the offer compares favourably with a lease recently finalised in respect of superior retail space in the immediate vicinity.

Taking into consideration the agent's comments, Council officers consider that the granting of a lease of the premises for a term of three years with a three year option is appropriate in the circumstances.

BUDGET

The granting of a lease on the basis outlined in the recommendation below will realise a minimum rental income of \$103,134 during the initial three year lease. Should the three year option of the lease be exercised, Council will receive a minimum additional rental of \$109,200 over the following three years. The rental offer and rent free fitout period requested by the applicant represents an initial reduction in rental of \$9,500 (in year one) compared to the annual rental that the previous tenant was paying. Should the lease proposal not be acceptable to Council, income will continue to be foregone until a suitable tenant is located. It is noted that from the date of vacation of the premises by the previous tenant until the preparation of this Report, Council has foregone approximately \$5,250 in potential income.

POLICY

This Report has consideration to Council's Lease/Licence of Council Land Policy.

CONSULTATION

There has been consultation in the preparation of this report with a representative of Chambers and Frewin First National Real Estate.

TRIPLE BOTTOM LINE SUMMARY

Triple Bottom Line is a framework for improving Council decisions by ensuring accountability and transparency on social, environmental and economic factors. It does this by reporting upon Council's strategic themes. The following Triple Bottom Line considerations apply to this Report:

Contributing to community development through sustainable facilities and services.

The granting of the lease on the basis outlined will assist in the ongoing provision of health and beauty services within the Hornsby Town Centre for the benefit of residents and visitors to the Shire.

Fulfilling our community's vision in planning for the future of the Shire

The granting of the lease on the basis outlined will ensure that short term benefits are realised whilst maintaining the ability to provide for longer term planning. This will ensure the best possible future use of the space for the benefit of residents and visitors to the Shire and will encourage ongoing business operations within the Hornsby Mall.

Supporting our diverse economy

The granting of the lease on the basis outlined will assist in maintaining economic development and employment within the Hornsby Town Centre.

Maintaining sound corporate and financial management.

The granting of a lease on the basis outlined will assist in maintaining Council's annual operating budget and asset maintenance programs.

RESPONSIBLE OFFICER

The officers responsible for the preparation of this report are the Manager, Administration Services - Mrs Robyn Abicair and the Manager, Commercial Property - Mr Rod Drummond who can be contacted on 9847 6608 and 9847 6589 respectively, during business hours.

RECOMMENDATION

THAT :

1. The contents of Executive Manager's Report No CC64/09 be received and noted.
2. Council grant the applicant a lease of Council-owned premises known as the Under Structure, Hornsby Mall for a term of three years with one option to renew for a further term of three years, subject to:
 - a) The lessee submitting an appropriate development application and obtaining development consent for the change of use of the premises.
 - b) The rental payable during the first 12 months of tenure being at the rate of \$36,400 per annum (gross) exclusive of GST.
 - c) The rental being subject to annual review during the initial and option lease terms in accordance with the movement in the CPI.
 - d) The lease to commence on the day after the date of any development consent obtained.
 - e) The rental payable during the first 12 months of the option term being assessed to a market rental.
 - f) The lessee obtaining a construction certificate following the submission of an appropriate application for any proposed alteration works to the premises.
 - g) The lessee being entitled to a two month rent free period from the commencement date of the lease to enable an internal fitout of the premises to occur.
 - h) The lessee using the premises as a retail health and beauty business.

- i) The lessee lodging a property security bond in the amount of \$9,100.
- j) The lessee being responsible for all costs incurred in respect of the internal fitout, painting and decoration of the premises during the term of the lease.
- k) The lessee maintaining a public liability insurance policy throughout the term of the lease (minimum indemnity amount \$20,000,000), which notes Council's interests.
- l) The lessee being responsible for the payment of all operating costs including, but not limited to, telephone line rental and calls, electricity, gas, trade waste, etc.
- m) The lessee being responsible to carry out all internal repairs and maintenance (excluding structural repairs) required at the premises during the term of the lease.
- n) The lessee being responsible to insure all plate glass to full market value.
- o) The lease being in accordance with the requirements of the Retail Leases Act 1994.

ROD DRUMMOND
Manager - Commercial Property
Corporate and Community Division

ROBYN ABICAIR
Manager - Administration Services
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GARY BENSLEY
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Attachments:

There are no attachments for this report.

File Reference: f2004/06465
Document Number: D01210712

**34 HEADEN PARK HALL, SINCLAIR AVENUE, THORNLEIGH - PROPOSED
LEASE TO HORNSBY WOODWORKING MEN'S SHED INC**

EXECUTIVE SUMMARY

Since 2003, the Hornsby Woodworking Men's Shed Inc (or HMWS - formerly known as the Hills Triton User Group) has occupied the former Scout Hall, situated on community land at Headen Park in Sinclair Avenue, Thornleigh, under a licence agreement with Council at an initial rental of \$520 per annum, adjusted annually in accordance with the CPI. The HWMS has shared the use of the Hall with the Becroft Cherrybrook Junior Rugby Club Inc (BCJRC). The BCJRC has their own separate licence agreement with Council. In December 2008, Council considered Development Application No 542/2008 and gave development consent for an extension to the former Scout Hall to "better accommodate the existing use of that facility by the Hornsby Woodworking Men's Shed".

The HMWS have submitted an application to Council seeking a long term lease to secure their ongoing occupation of the existing Hall and the proposed extension to the Hall. The application has been assessed by Council officers in line with the provisions of Council's Code for the Lease/Licence of Council Land and Buildings to Community Groups (see attachment).

The officers' assessment determined that the HWMS should be offered a lease in line with the "Community Partnership" category provisions of the Code. Advice of the results of the assessment was provided to HWMS who submitted a follow up submission arguing that the "Nominal" category of the Code was more appropriate to their circumstances. Council officers have undertaken a further assessment of all the information provided by HWMS and have concluded that the "Community Partnership" category is appropriate. It is noted that the rental associated with the "Community Partnership" category is assessed on 25% of market rental exclusive of GST (\$5,238 per annum) whereas the rental associated with the "Nominal" category would be \$280 per annum exclusive of GST.

Although officers recognise the valuable contribution provided to the community by the HWMS, the officers are required to assess the application and make a recommendation to Council in accordance with the Code. Any decision outside of the parameters of the Code can only be made by Council after they have considered the officer's recommendations and any other relevant issues.

Having regard to the officers' assessment of HWMS's application, this Report recommends the granting of a ten year lease agreement to the HWMS in accordance with the "Community Partnership" category of the Code.

PURPOSE/OBJECTIVE

The purpose of this Report is to provide Council with details of the assessment of an application from the HWMS to be granted a long term lease of the former Scout Hall at Headen Park, Thornleigh; and to recommend that Council enter into a ten year lease agreement with HWMS in terms of the "Community Partnership" category of the Code.

DISCUSSION

Background

Following a public invitation which sought expressions of interest from interested parties to occupy the former Scout Hall on community land at Headen Park (in Sinclair Avenue, Thornleigh), Council, at the 12 March 2003 Ordinary Meeting (see Report No CC11/03), resolved to enter into separate licence agreements with three community groups for shared use of the Hall. Those groups were the Hills Triton User Group Inc (now known as the HWMS), the Beecroft Cherrybrook Rugby Union Football Club Inc and the BCJRC.

It was agreed that the HWMS would undertake woodworking activities on certain days, with the two sporting clubs using the space for club activities predominately during the winter sporting season. Under the conditions of the proposed licences, the three groups would each be required to pay a licence fee of \$520 per annum, exclusive of GST.

Following the withdrawal of the Beecroft Cherrybrook Rugby Union Football Club from the arrangement, licence agreements were subsequently formalised with the other two community groups and they operated until mid-2008. Since mid-2008, both groups have remained in occupation on a monthly holding over basis. HWMS is currently paying a licence fee of \$578.46 per annum (exclusive of GST) and BCJRC is currently paying a licence fee of \$572.50 per annum (exclusive of GST). Having regard to difficulties associated with apportioning outgoing costs equitably to each of the groups, there was also an agreement that outgoings associated with the use of the Hall, such as water, electricity, etc would be met by Council.

In September 2007, the executive committee of HWMS made a presentation to a number of Councillors and Council staff seeking support to extend the Hall to accommodate increasing demand and membership. At the 12 December 2007 Ordinary Meeting (see Report No CC120/07), Council considered a proposal to add an extension to the Hall. Within the Report, it was indicated that with 25% of the people living in Hornsby Shire being over the age of 55 years, and the Australian Bureau of Statistics indicating an increase in the aging demographics of the Shire, Council had a distinct role to play in supporting the changing demographics of the Shire and partnerships with groups that address the important recreational, health and social opportunities for older people. Following its consideration of the Report, Council resolved to support a joint funding application to the NSW Department of Sport and Recreation and agreed in principle to provide funding to extend the Hall by an additional 72 square metres (12m x 6m extension) to accommodate the activities of the HWMS.

At the 12 March 2008 Ordinary Meeting, Council considered Report No CC14/08 which provided updated costing estimates in respect of the proposed extension to the Hall as well as providing details concerning the progress made in preparation of the funding application to the NSW Department of Sport and Recreation. Council resolved that a Development Application for the extension to the Hall be prepared, and endorsed the finalisation of a joint funding application between HWMS and Council to the NSW Department of Sport and Recreation.

At the 12 December 2008 Planning Meeting, Council approved Development Application No 542/2008 for alterations and additions to the existing Hall to accommodate the use of that facility by the HWMS. The proposed extension encompasses the creation of an additional floor area on the south eastern corner of the existing building for use by HWMS, and the

creation of a new storage area directly underneath this extension for shared use between the HWMS and the BCJRC.

HWMS's Request for a Lease

In July 2008, HWMS submitted an application requesting a lease of the Hall (including the proposed extension) for a period of 10 years in line with the provisions of Council's Code for the Lease/Licence of Council Land and Buildings to Community Groups. A copy of the application is available on file.

The Code, which was adopted by Council in May 2007, provides a framework for the equitable, efficient and effective lease/licence of Council's property assets to community groups. The Code assists Council officers to assess community group applications for the use of Council land and buildings in a transparent manner, based on agreed eligibility criteria, and to formulate appropriate lease/licence terms and conditions for consideration by Council.

An assessment of the lease application received from HWMS was undertaken in line with the criteria set out in the Code. The assessment by Council officers determined that HWMS should be offered a lease of the Hall and proposed Hall extension in line with the "Community Partnership" category of the Code. Officers considered that if Council was supportive of granting HWMS a lease of the Hall and Hall extension, the following Heads of Lease arrangements should be applied:

1. **Period of lease** – 10 years
2. **Use of Property** – Men's Shed, as per submission
3. **Rental as per Code** – \$5,238 per annum exclusive of GST
4. **Rental Review** – Annual CPI adjustments with a market review at the end of five years
5. **Statutory Outgoings** – Payment of any Council and water/sewerage rates assessed
6. **Operating Costs** – 100% of electricity, gas, telephone, water usage, etc
7. **Insurance** – Public liability insurance, indemnity \$20 million
8. **Legal fees** – 50% of lease preparation costs
9. **Maintenance as per Code** – Responsible for repairs and maintenance of the premises as shown in the Maintenance Responsibilities Schedule
10. **Conditions of Consent** - Comply with the conditions of consent from Development Consent No DA/542/2008.
11. **Hours of operation for wood working activities** - restricted to 9.00am to 4.00pm Monday to Friday and no more than two occasions each calendar month on a weekend or public holiday between the hours of 10.00 am and 3.00 pm.
12. **Security** – security of the premises during the lease term.

(In respect of the Statutory Outgoings and Operating Costs, it is noted that no Council rates are levied on the property and the costs associated with the provision of electricity, gas and water to the property are approximately \$840 per annum, based on expenditure in 2008/09)

Advice of the above draft Heads of Lease arrangement was advised to HWMS who have subsequently provided a further submission (a copy of which will be provided to Councillors under separate cover) which objects to and comments on the assessment undertaken by Council officers. The main issue raised in the submission is a claim by the HWMS that they are eligible for a lease determined in accordance with the “Nominal” category of the Code. It is noted that if the “Nominal” category was determined as being applicable, the rental according to the Code would be reduced to a figure of \$280 per annum (exclusive of GST).

The following are the six objection points raised by the HWMS in respect of the Council officers’ assessment of their original submission. Below each point is a comment from officers to assist Council in its consideration of this matter.

Objection Point 1: *It has been unfairly assessed as being in the rent subsidy category of Community Partnership instead of our current category that is equivalent to the Nominal Category*

Officer Comments

In accordance with the provisions of the Code, to be entitled to a “Nominal” category lease, a community group is required to meet the following relevant eligibility criteria:

- a) Satisfy the eligibility criteria under section F of the Code
- b) Provide a high level of community benefit (i.e. provide services to at least four target groups identified in Council’s Social Plan)
- c) Provide optimal multiple use opportunities (i.e. fully utilised or nature of use precludes multiple use opportunities)
- d) Responsible for all capital and full maintenance of the property
- e) Has limited revenue raising and grant funding ability net of cost of service (i.e. no access to grants or fund raising opportunities)
- f) May be in need of Council’s assistance to become established

Satisfy the eligibility criteria under section F of the Code

The officers’ assessment of the initial application and subsequent submission confirms that the HWMS meets this criteria.

Provide a high level of community benefit (i.e. provide services to at least four target groups identified in Council’s Social Plan)

The officers’ assessment of the initial application and subsequent submission confirms that the HWMS meets this criteria.

Provide optimal multiple use opportunities (i.e. fully utilised or nature of use precludes multiple use opportunities)

The officers’ assessment of the initial application and subsequent submission confirms that the HWMS meets this criteria.

Responsible for all capital and full maintenance of the property

The officers’ assessment of the initial application and subsequent submission is that the HWMS does not meet this criteria. In this regard, it should be noted that the Scout Association relinquished ownership of the Hall to Council in 2001. As mentioned

above, Council is proposing to fund the capital cost of the building extension (estimated to be approximately \$130,000 in 2009/10) with assistance from funds provided through a grant from the NSW Department of Sport and Recreation. This will be supplemented, where possible, by in-kind assistance provided by members of HWMS. Since taking occupation of the Hall in 2003, the HWMS has undertaken repairs and maintenance to the Hall and undertaken some minor capital improvements. The group has indicated within their application that they are prepared to commit to similar obligations but that they would not be responsible for vandalism repairs, repairs associated with asbestos, termite damage and dry rot. As a consequence, responsibility for the ongoing structural repair and maintenance of the building would remain with Council. Given the significant capital investment by Council, and its responsibility for ongoing maintenance costs, as well as the commitment of the HMWS to undertake only minor repairs, it is clear that the application by the group does not satisfy this criteria. (It should be noted that this criteria point will generally only be met by a group when they construct a building on Council land at their own cost and are subsequently responsible for all minor and structural maintenance of the building)

Has limited revenue raising and grant funding ability net of cost of service (i.e. no access to grants or fund raising opportunities)

The officers' assessment of the initial application and subsequent submission confirms that the HWMS meets this criteria. HWMS do have limited revenue raising and grant funding ability. They have, in partnership with Council, been successful in seeking funding from the NSW Department of Sport and Recreation to undertake the extension to the Hall at Headen Park.

May be in need of Council's assistance to become established

As the HWMS is already established, officers consider that this criteria does not apply.

The Council officers assessment is that, as HWMS do not meet all of the above criteria, they are not eligible to be placed in the "Nominal" category defined in the Code.

Objection Point 2: *Rental of the amount proposed for this community beneficial Shed (comprising retired members 82% of which 59% are on full or part pensions) means it would be bankrupt within 18 months. That is unacceptable and not in the interest of Council's Community Service Strategy.*

Officer Comments

Whilst the proposed rental represents a substantial increase from the amount that HWMS has previously been paying, the rental has been determined in accordance with the eligibility criteria and rental categories contained within the Code. As outlined above, the Code was established to provide a framework for the equitable assessment by Council officers of existing and future community user groups to lease or licence Council owned land and buildings, prior to consideration of that assessment by the Council.

Objection Point 3: *The definition of Rent Subsidy on page 7 states "it will be based on the extent to which the group meets the criteria indicated in Table 1. The assessment was made without discussion with the Men's Shed.*

Officer Comments

Council officers undertook the assessment based on the information provided by the HWMS in their written application dated 1 July 2008 and their further submission dated 15 July 2009. It should also be noted that Council officers have held a number of meetings with the executive committee of the HMWS prior to the lodgement of their submission, and after the assessment was made.

Objection Point 4: *No consideration has been given to the beneficial effects of the Shed on the community generally and in particular to assisting men's health, for which it has received two Awards from the NSW Government.*

Officer Comments

Council officers have undertaken the assessment based on the information provided by the HWMS in their written application dated 1 July 2008 and subsequent submission, having regard to the key eligibility criteria contained within the Code under the headings of Community Group, Community Benefit and Facility Management. Comments are also provided in this Report about the valuable contribution made to the community by the HWMS.

Objection Point 5: *While we expected that an increase in the area available to the Men's Shed would result in an increased rental, we did not expect an increase from \$663 per annum to \$7,800 per annum or 11 times what we currently pay*

Officer Comments

The initial licence fee payable by this group was determined by Council in 2003 following a call for expressions of interest for occupiers to use the vacant Headen Park Hall. At that time, the Code had not been developed and the licence fee amount was resolved by Council to be \$520 per annum. Since the introduction of the Code in 2007, Council officers have assessed all applications for the lease/licence of council owned land and buildings by community groups in accordance with the provision of the Code. The proposed rental has been determined by Council officers in accordance with the eligibility criteria and rental categories contained within the Code. The rental has been calculated having regard to a market rental valuation obtained from Council's consulting real estate valuer.

Objection Point 6: *The charge per annum proposed would make the Hornsby Men's Shed the highest charged Men's Shed in NSW*

The purpose of the Code is "to provide Council with a framework for the equitable, efficient and effective lease/licence of its land and building assets to community groups whilst ensuring that financial allocations to community groups reflect Council's commitment to its community development role and to encourage creative, relevant, community driven initiatives within the Shire". As previously mentioned, the assessed rental has been determined by Council officers in accordance with the eligibility criteria and rental categories contained with the Code. Decisions made by other councils are the subject of their own policies and codes.

Although officers recognise the valuable contribution provided to the community by the HWMS, the officers are required to assess the application and make a recommendation to Council in accordance with the Code. Any decision outside of the parameters of the Code can

only be made by Council after they have considered the officer's recommendations and any other issues considered relevant.

Having regard to their assessment, Council officers recommend that any future lease of the Hall and Hall extension be in line with the "Community Partnership" category provisions of the Code. Officers also consider it appropriate that, in order to protect Council's interests during the construction of the Hall extension, it would be prudent for Council to require the HWMS to enter into an Agreement to Lease prior to Council incurring any expenditure in respect of the construction work.

Legislative Considerations

In line with the provisions of Section 47 of the Local Government Act, any proposal to lease community land is required to be publicly notified for a period of not less than 28 days and Council must consider all submissions received prior to the granting of any lease. In addition, should a submission objecting to a proposed lease for term greater than five years be received, Council must not grant the lease without first obtaining the consent of the Minister administering the Local Government Act. In accordance with these requirements, the leasing proposal will need to be advertised and a further report submitted to Council should any submissions be received.

Continued Occupation of Hall by BCJRC

Following discussions with both the BCJRC and HWMS concerning their space requirements at the Hall, there has been an in principle agreement that BCJRC will relinquish the rooms they presently occupy in the existing Hall in return for obtaining storage space under the proposed Hall extension. As a consequence, Council officers consider that it would be prudent to defer formalisation of this arrangement until such time as an agreement to lease has been executed with HWMS.

BUDGET

The granting of a lease of the Headen Park Hall to the HWMS on the basis recommended by Council officers will realise an additional minimum rental income to Council of approximately \$4,600 per annum. The charging of such a rental would also result in a modest reduction in the level of foregone rental provided to community groups across the Shire.

POLICY

This Report has been prepared having consideration to the Code for the Lease/Licence of Council Land and Buildings to Community Groups.

CONSULTATION

There has been consultation with representatives of the HWMS, BCJRC and officers of Council's Community Services Branch in the preparation of this Report.

TRIPLE BOTTOM LINE SUMMARY

Triple Bottom Line is a framework for improving Council decisions by ensuring accountability and transparency on social, environmental and economic factors. It does this by reporting upon Council's strategic themes. The following Triple Bottom Line considerations apply to this Report:

Working with our community

The extension to the Hall involves a close working relationship between Council and members of HWMS. The proposed lease will be publicly advertised for a period of 28 days and a further report provided for Council's consideration should any submissions be received.

Contributing to community development through sustainable facilities and services.

The granting of a lease to the HWMS in line with the officers' recommendation will provide an ongoing woodworking facility for the Over 55 targeted group of residents of Hornsby Shire and an enhanced provision of services.

Fulfilling our community's vision in planning for the future of the Shire

The granting of a lease to the HWMS will promote the wellbeing of the Shire's growing aging population as outlined in the Strategic Plan for Older People 2005-2010, by providing opportunities for the diverse range of people in the community to access a woodworking facility and gain social interaction benefits.

Supporting our diverse economy.

The granting of a lease to the HWMS has no negative impacts on the Shire's economy. In fact, while Men's Sheds play a significant and practical role in addressing men's health and social issues, many projects may act as a catalyst in stimulating the community's economic activities.

Maintaining sound corporate and financial management.

The granting of a lease to the HWMS will provide a modest financial return to Council to assist in the long term protection of this community asset and potentially will provide a long term cost saving due to addressing the health and well being of the forecast increase in the aging population.

Other Sustainability Considerations

The existence of the HWMS ultimately promotes greater social cohesion.

RESPONSIBLE OFFICER

The officers responsible for the preparation of this Report are Mrs Robyn Abicair - Manager Administration Services Branch; Mrs Leonie Cooke - Property Officer; and Mr Rod Drummond - Manager, Commercial Property who may be contacted on 9847-6608, 9847-6725 and 9847-6589 respectively.

RECOMMENDATION

THAT:

1. The contents of Executive Manager's Report No CC61/09 be received and noted.
2. Council enter into an Agreement to Lease with the Hornsby Woodworking Men's Shed Inc in respect of a ten year lease over the existing Hall and Hall extension at Headen Park, Thornleigh subject to :
 - a) The proposed lease to Hornsby Woodworking Men's Shed Inc being publicly advertised (costs to be borne by the Men's Shed) and submissions invited within a period of not less than 28 days.

- b) A further report being provided to Council, and the Minister for Local Government as appropriate, should submissions be received objecting to the lease proposal.
3. Subject to the outcome of recommendations 2a and 2b, Council proceed with the Hall extension and delegate the General Manager authority to enter into a lease with Hornsby Woodworking Men's Shed Inc for a ten year term in accordance with Sections 46 of the Local Government Act 1993 (Lease/Licence of Community Land) on the following basis:
- a) Rental for the initial 12 months of tenure to be \$5,238 per annum (excluding GST), in respect of the extended Hall and 50% of the under storage area of the Hall.
 - b) Rental to be subject to annual review in accordance with the movement in the Consumer Price Index, with a market review by Council's Valuer at the end of year five.
 - c) The lessee to be responsible for the payment of all costs associated with services provided to the property including but not limited to electricity, gas and water usage.
 - d) The lessee to be responsible for the payment of 50% of any Council rates and water and sewerage rates assessed in respect of the Hall on an area occupied basis.
 - e) The lessee to maintain throughout the term of the lease a public liability insurance policy for an amount of not less than \$20 million for any one incident, with such policy noting Hornsby Shire Council as an interested party.
 - f) The Hall to only be used for the purpose of a men's shed.
 - g) The lessee to be responsible for the maintenance responsibilities under the "Community Partnership" category of the Code.
 - h) The lessee to acknowledge Council's support in the provision of the Hall in its annual reports and publications, any advertising and community events.
 - i) The lessee to be responsible to ensure the security of the Hall during the term of their occupation.
 - j) The lessee to bear 50% of costs incurred in respect of the preparation of the necessary lease documentation.
 - k) The lessee to comply with the conditions of consent from Development Consent No. DA/542/2008.
 - l) The hours of operation for wood working activities to be restricted to 9.00 am to 4.00 pm Monday to Friday and no more than two occasions each calendar month on a weekend or public holiday between the hours of 10.00 am and 3.00 pm.

ROD DRUMMOND
Manager - Commercial Property
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ROBYN ABICAIR
Manager - Administration Services
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GARY BENSLEY
Executive Manager
Corporate and Community Division

Attachments:

1. Code - Lease Licence of Council Land and Buildings to Community Groups

File Reference: F2004/06466
Document Number: D01207657

36 MAYOR'S NOTES FROM 1 TO 31 JULY 2009

Thursday 2 July – The Mayor was Guest Speaker at the Asquith Mixed Probus Club Meeting at Asquith Bowling & Recreation Club.

Saturday 4 July – The Mayor was Guest of Honour at the Sri Lankan Sinhalese & Tamil Recipe Contest.

Saturday 4 July – The Mayor attended the Rotary Club of Hornsby Annual Changeover Dinner at Asquith Golf Club.

Monday 6 July – The Mayor attended the Grange Fundraiser for Hornsby Hospital at The Grange, Waitara.

Monday 6 July – The Deputy Mayor, on behalf of the Mayor, attended the Rotary Club of Epping Changeover Dinner at Boronia Grove Function Centre, Epping.

Saturday 11 July – The Mayor, Deputy Mayor and Councillor Browne attended the Hornsby Ku-ring-gai Relay for Life BBQ Launch at Rofe Park, Hornsby Heights.

Saturday 11 July – The Mayor and Mrs Berman attended Hornsby Uniting Church's Eureka Stockade Fundraising Dinner at Asquith Bowling Club.

Sunday 12 July – The Mayor attended the launch of the Christians Against Poverty Centre at Christian City Church Carlingford.

Wednesday 15 July – The Mayor and Mrs Berman attended Hornsby Gang Show at Asquith Boys High School.

Friday 17 July – Councillor Browne, on behalf of the Mayor, attended Marsdens Annual Local Government Planning & Environmental Law Conference at Casula.

Thursday 23 July – Councillor Chopra, on behalf of the Mayor, attended a reception for Mr Peter Varghese, Australia's incoming High Commissioner to India, at the MLC Centre, Sydney.

Friday 24 July – The Mayor officially launched Red Door Creative Photography Workshop at Dural.

Saturday 25 July – The Mayor attended Mount Errington's Disco & Karaoke Party at Hornsby.

Monday 27 July – The Mayor hosted a Citizenship Ceremony at Pennant Hills Community Centre.

Monday 27 July – The Mayor attended the Hornsby Ku-ring-gai & Hills District Cricket Association Annual General Meeting at Asquith Bowling & Recreation Club.

Thursday 30 July – The Mayor and Councillor Hutchence attended the Hornsby Ku-ring-gai PCYC Annual General Meeting at Hornsby.

Please note that these are the functions that the Mayor, or his representative, has attended in addition to the normal Council Meetings, Workshops, Mayoral Interviews and other Council Committee Meetings.

File Reference: F2004/07053
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1 SEWERAGE SERVICES PROVIDED BY SYDNEY WATER

COUNCILLOR RUSSELL TO MOVE

That a report be provided by the Environment Division to the next Ordinary Meeting of Council outlining:

1. Past commitments made by Sydney Water to provide reticulated sewerage to Galston, Glenorie and Cowan.
2. Current commitments by Sydney Water to provide reticulated sewerage to Galston, Glenorie and Cowan.
3. Actions that have been taken by Council to expedite the provision of reticulated sewerage to these areas.
4. A range of actions and any implications that could be considered by Council to resolve the current unsatisfactory situation including details of:
 - a) Whether Sydney Water is prepared to canvass/seek expressions of interest or what level of support Sydney Water will provide to explore a private solution for the servicing of the Galston, Glenorie and Cowan areas.
 - b) What operating conditions are likely to be imposed on a private servicing solution to the Galston, Glenorie and Cowan Areas.

Attachments:

There are no attachments for this report.

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