

1. LEASE FEE - RESERVE NO R91346

**Introduction**

This report is presented to Council for consideration of the licence fee for the renewal of the lease of Reserve No R91346.

**Background**

12.02 hectares of crown land Reserve (R91346), being Lots 7009 and 7010 DP1126818, is currently leased at a rental of \$758.72 per annum (GST inclusive) for grazing purposes **(see diagram below)**.

The temporary licence agreement expires on 31 August 2017.

As the current rental exceeds the statutory minimum rental of crown land being \$529.10 including GST per annum, it is proposed to increase the rental by the annual CPI rate.

The lessee is responsible for taking out appropriate public liability coverage in respect of the area leased from Council.



1. LEASE FEE - RESERVE NO R91346 (Cont.)

**Assessment**

**a) Legal Implications Including Directives and Guidelines**

Narromine Shire Council is the trustee of the whole of the land within Crown Land Reserve R91346 and pursuant to Section 108 of the Crown Lands Act, 1989 may grant the whole or part of the reserve for a temporary licence. Section 555 (1)(a) of the Local Government Act 1993 states that "only land owned by the Crown, not being land held under a lease for private purposes", is exempt from all rates. The **lessee** will be responsible for the payment of rates, as allowed for in the Local Government Act 1993.

**b) Financial Implications**

The lessee is responsible for the payment of rates, as allowed for in the Local Government Act 1993. The lease fee is proposed to be increased by the annual CPI rate with the new rental being \$775.38 per annum (GST inclusive). Current rates are \$762.95.

**c) Strategic Implications**

This item relates to Item 4.3.4 of the Community Strategic Plan – *Ensure Council's property assets are monitored and well managed.*

**Summary/Conclusion**

That renewal of the lease to the current lessee be considered for the period 1 September 2017 to 31 August 2018 at a rental of \$775.38 per annum (GST inclusive). That should the lessee not wish to renew the lease for a further 12 month term, the lease be advertised at the proposed rental of \$775.38 per annum (GST inclusive).

**RECOMMENDATION**

1. That approval be given to renew the temporary licence agreement for 12.02 hectares of Reserve (R91346), being Lots 7009 and 7010 DP 1126818, for grazing purposes, for a further period of 1 year, at a rental of \$775.38 per annum (GST inclusive).
2. That the lessee is responsible for the payment of rates, as allowed for in the Local Government Act 1993.
3. That approval be given to affix the common seal to the temporary licence agreement.

## 2. LEASE FEE – 35 BURRAWAY STREET, NARROMINE

### Introduction

To provide Council with information in order to set a lease fee for the renewal of the existing lease of 35 Burraway Street, Narromine.

### Background

Council has leased the building at 35 Burraway Street, Narromine (otherwise known as the Historical Museum Building) since 2013 for the following purposes: a museum, visitors centre, meeting venue and for the sale of goods.

The existing lease agreement expires on 30 September 2017 and will need to be renewed for a further 12 month period. Council has not used the building for many years and does not require use of the building for its own purposes in the short term. Therefore a further 12 month lease of the building is considered to be appropriate. Having the building leased and looked after helps to reduce the deterioration of the building.

The current Lessees have been successful in obtaining grants to undertake some maintenance on the building over the years and also to pay for air conditioning. This former courthouse was constructed in 1898, being one of the oldest buildings in the Shire, and it is important to maintain it for future generations as part of Narromine's history.

### Assessment

#### **a) Legal Implications Including Directives and Guidelines**

The lease agreement for the building at 35 Burraway Street, Narromine expires 30 September 2017 and will therefore need to be renewed should Council wish to continue leasing the facility. The lessee will be responsible for taking out appropriate public liability coverage in respect of the area they lease from Council.

#### **b) Financial Implications**

Current rental charged is \$23.15 per week inclusive of GST. This equates to \$1203.80 per annum. It is proposed that the rental be increased by the annual CPI to \$23.66 per week (GST inclusive). The lessee will be responsible for all electricity charges as well as for water and sewer usage charges.

#### **c) Strategic Implications**

This item relates to Item 4.3.4 of the Community Strategic Plan – *Ensure Council's property assets are monitored and well managed.*

**2. LEASE FEE – 35 BURRAWAY STREET, NARROMINE (Cont.)**

**Summary/Conclusion**

Council currently leases the building at 35 Burraway Street, Narromine for a rental of \$23.15 per week (GST inclusive).

Council has no immediate need for the building and therefore it is considered practical to continue leasing this facility for a further 12 month period to the existing lessee. It is proposed to increase the rental by the current CPI rate to \$23.66 per week (GST inclusive).

**RECOMMENDATION**

That Council continues to lease the building at 35 Burraway Street, Narromine for a further 12 month period to the existing lessee at a rental of \$23.66 per week (GST inclusive).

**3. LEASE FEE – BUILDING NO 8, NARROMINE AERODROME**

**Introduction**

This report is presented to Council for consideration of the lease fee for Building No 8 at the Narromine Aerodrome.

**Background**

Council is leasing Building No 8 at the Narromine Aerodrome for a storage and workshop area, with the current agreement expiring 22 September 2017. The lessee has advised that he does not intend to renew the lease agreement.

Council has no use for the building in the short term. It is therefore suggested that Council advertise the building for lease.

Current rental for the building is \$166.66 per month (including GST). It is proposed to apply the annual CPI to the rental for re-lease.

**Assessment**

**a) *Legal Implications Including Directives and Guidelines***

The lease agreement for building No 8 at the Narromine Aerodrome expires 22 September 2017. As the existing lessee does not intend to renew the lease, it is proposed that the premises be advertised and a new lease agreement be entered into for a term not exceeding 3 years. The lessee will be responsible for taking out appropriate public liability coverage in respect of the area they lease from Council.

**3. LEASE FEE – BUILDING NO 8, NARROMINE AERODROME (Cont.)**

**b) Financial Implications**

Current rental charged is \$166.66 per month inclusive of GST. This equates to \$1999.92 per annum. It is proposed that the rental be increased by the annual CPI to \$170.32 per month (GST inclusive). The lessee will be responsible for all outgoings.

**c) Strategic Implications**

This item relates to Item 4.3.4 of the Community Strategic Plan – *Ensure Council's property assets are monitored and well managed.*

**Summary/Conclusion**

The current agreement for the lease of Building No 8 expires 22 September 2017. The current lessee does not intend to renew the agreement.

Council does not require use of the building in the short term, therefore it is intended that the lease of the building be advertised and that Council enter into a new agreement for a period of not more than 3 years. The proposed rental is \$170.32 per month (including GST).

**RECOMMENDATION**

That Council advertise the availability of Building No 8 at the Narromine Aerodrome at a commencing rental of \$170.32 per month (GST inclusive) and enter into a new agreement for a period of not more than 3 years with annual CPI increments to be applied.

**4. LEASE FEE – NYMAGEE STREET WATER TOWER, NARROMINE**

**Introduction**

This report is presented to Council for consideration of the lease fee for use of the Nymagee Street Water Tower.

**Background**

Council has had an existing lease with Southern Cross Austereo for the Nymagee Street Water Tower in Narromine, giving permission for the lessee to install on the water tower a receiver/transmitter and low powered translator to be used in connection with its business operations.

Southern Cross Austereo have now advised they wish to renew the lease agreement for a further 10 year term. Current rental is \$1442.16 per annum inclusive of GST.

**4. LEASE FEE – NYMAGEE STREET WATER TOWER, NARROMINE (Cont.)**

**Assessment**

**a) Legal Implications Including Directives and Guidelines**

The lease agreement for use of the Nymagee Street Water Tower expires 23 August 2017. The lessee has requested a new agreement be entered into for a 10 year period and will be responsible for any lease preparation costs. The lessee is responsible for taking out appropriate public liability coverage in respect of the area they lease from Council.

**b) Financial Implications**

Current rental charged is \$1442.16 per annum inclusive of GST. It is proposed that the rental be increased by the annual CPI to \$1473.83 per annum (GST inclusive). The lessee will be responsible for the lease preparation costs. There are no outgoings associated with this lease.

**c) Strategic Implications**

This item relates to Item 4.3.4 of the Community Strategic Plan – *Ensure Council's property assets are monitored and well managed.*

**Summary/Conclusion**

The current agreement for the use of the Nymagee Street Water Tower by Southern Cross Austereo expires on 23 August 2017. The lessee has requested that a new agreement be entered into for a further 10 year period. It is proposed to increase the rental by the annual CPI to \$1473.83 per annum (including GST).

**RECOMMENDATION**

That Council renew the lease agreement of use of Nymagee Street Water Tower for a further 10 year period, at a commencing rental of \$1473.83 per annum with annual CPI increments to be applied thereafter.

**5. LEASE FEE – SITE NO 3, NARROMINE AERODROME**

**Introduction**

This report is presented to Council for consideration of the lease fee for office site No 3 at the Narromine Aerodrome.

**Background**

The existing lease for Office Site No 3 at the Narromine Aerodrome expires on 31 August 2017. Current rental is \$157.69 per month (including GST). The lessee has now indicated that they wish to renew the lease agreement, therefore it is proposed to renew the agreement for a further 3 year term.

**5. LEASE FEE – SITE NO 3, NARROMINE AERODROME (Cont.)**

**Assessment**

**a) Legal Implications Including Directives and Guidelines**

The lease agreement for Office Site No 3 at the Narromine Aerodrome expires on 31 August 2017. The lessee has requested a new agreement be entered into. The lessee is responsible for taking out appropriate public liability coverage in respect of the area they lease from Council.

**b) Financial Implications**

Current rental charged is \$157.69 per month inclusive of GST. This equates to \$1892.28 per annum. It is proposed that the rental be increased by the annual CPI to \$161.15 per month (GST inclusive). The lessee will be responsible all outgoings associated with this lease.

**c) Strategic Implications**

This item relates to Item 4.3.4 of the Community Strategic Plan – *Ensure Council's property assets are monitored and well managed.*

**Summary/Conclusion**

The current agreement for the use of Office Site No 3 at the Narromine Aerodrome expires 31 August 2017. The lessee has requested that a new agreement be entered into. It is proposed to increase the rental by the annual CPI to \$161.15 per month (including GST).

**RECOMMENDATION**

That Council renew the lease agreement for the use of Office Site No 3 at the Narromine Aerodrome, at a commencing rental of \$161.15 per month (including GST) with annual CPI increments to be applied thereafter.

Jane Redden  
**General Manager**