

<b>DBE1</b>	<b>MACLEAY VALLEY WORKPLACE LEARNING CENTRE</b>
	<b>FILE: LA2608      GBS</b>

**SUMMARY:**

Reporting on the conditions applicable to the proposed lease of Council land at Queen Street, South Kempsey.



Council, at its meeting of 10<sup>th</sup> June 2003, resolved –

- “1. That Council Lease Council land, being Lots 4, 5 & 6, DP262433, Queen Street, South Kempsey, to the Macleay Valley Workplace Learning Centre Incorporated for use as a school and training college at a nominal rent plus all outgoings.*
- 2. The period of the lease being 20 years with an option to purchase at any time in this period at market value as determined by the State Valuation Officer.*
- 3. The cost of lease preparation, lease registration and the cost of services such as roads, sewer and water being the responsibility of the Macleay Valley Workplace Learning Centre Inc.*
- 4. The arrangement being conditional upon commencement of school/college operations no later than three years from the date of this resolution.*
- 5. The arrangement being conditional upon the lessee maintaining registration and accreditation as a school with the NSW Board of Studies.*
- 6. The arrangement being conditional upon the Macleay Valley Workplace Learning Centre Inc. obtaining development approval.”*

The Board of the MVWLC have asked Council to consider the following matters:-

- a) Term of Lease – Council’s resolution in relation to a 20 year term was in accordance with the Board’s original request. However, the Board now request Council to consider a longer

term in view of the infrastructure and capital works required to be created by the Board.

Council's lease to PCYC is for a 50 year term, and the Board seek the same arrangement.

- b) Option for renewal – The current conditions do not provide for an option to renew the lease.

The PCYC lease includes an option to renew for a period of 49 years.

If Council accedes to this request it would place both PCYC and MVWLC on a similar footing as community based organizations.

If Council does not concur with the Board's request, an alternative would be a 20 year lease with 10 year renewal option.

***Director's Comment:***

***As per report.***

***Report Implications:***

***The following recommendation would in effect forgo rental income currently valued at approximately \$3 - \$4,000pa. When established the College would be responsible for rates of approximately \$2,200pa.***

***There are no policy or statutory implications arising from this report.***

**RECOMMENDATION:**

**That Council agree to amend the conditions to apply to the lease of Lots 4, 5 & 6, DP262433, Queen Street, South Kempsey, to Macleay Valley Workplace Learning Centre Inc. so that the term of the lease is 50 years with a 49 year renewal option.**