



Community Leasing Policy

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1. POLICY INTENT

1.1 PREAMBLE: SUBSIDISED COMMUNITY LEASING

Subsidised community leasing recognises the significant community benefits provided by not for profit community groups. The issuing of subsidised community leases to community groups for the exclusive occupation and use of Council land and facilities contributes to providing affordable and sustainable space for community, cultural, sporting and recreational activities in a fair, consistent and transparent manner.

Vital role of community groups

Council recognises the vital role that community, cultural, recreational and sporting groups play in developing a sense of belonging and engagement in the region. Through innovative programmes and the utilisation of local knowledge, community groups help ensure that community issues are addressed, community needs are provided for and future challenges are met. In addition, community, recreational and sporting groups provide opportunities for residents to get active and enjoy healthy lifestyles. Ultimately, the availability of these types of activities significantly increase the liveability of the shire's towns and districts, making them places where people want to live, work, invest and visit.

Community partnerships

Many community, sporting and recreational activities are initiated and sustained by community partnerships involving a group, often an incorporated, not for profit association, organising the activities at facilities constructed with a mixture of community fundraising, volunteer efforts, state or commonwealth grants and Council assistance. Council's contribution to these partnerships could include one or more of the following: land, buildings, financial donations, interest free community loan, rates and services remittance or in-kind assistance.

Community leasing is another way that Mareeba Shire Council contributes to supporting not for profit community groups to deliver services and activities for the benefit of the community.

Enabling community groups to take command

Whilst Council is the owner of all property and facilities on Council owned or controlled land, including when a community group has paid for the construction of those facilities, the issuing of community leases for exclusive occupation and use, enables the community group to manage the land and facilities as it sees fit on a long term basis.

This policy is based on Council's desire to ensure that community groups are able to affordably manage Council land and facilities so they will be well used by many community members. As a show of support for community groups, Council is foregoing revenue by way of providing subsidies for rates, utilities charges and levies; offering financial assistance for water consumption; as well as absorbing the administration and legal costs associated with preparing and maintaining community leases. This support has been set at a level that is sustainable by rate-payers.

A policy for our unique shire

This policy reflects the unique characteristics, needs and issues associated with the exclusive use of Council facilities and land by not for profit groups conducting community, sport and recreational activities for community benefit in the Mareeba Shire.

1.2 PURPOSE

The purpose of this policy is to guide the provision of community leases and this policy will:

- a) Provide clarity on the scope and purpose of community leases;
- b) Provide clarity on the lease terms and conditions and roles and responsibilities of community lessees;
- c) Provide clear processes for groups wishing to apply for, renew and/or terminate a community lease.

1.3 OBJECTIVES

The objectives of the policy are to:

- a) Support community groups to conduct a wide range of community, recreational, cultural and sporting activities enhancing individual wellbeing and the liveability of the Shire by making affordable Council land and facilities available for community lease;
- b) Enable community groups with exclusive use of Council land and facilities to responsibly manage and take care of the land and facilities as they see fit;
- c) Increase the capacity of not-for-profit community groups by providing security of tenure to occupy and invest in facilities and access grants for the benefit of the community;
- d) Define a level of Council support for community lessees that considers and balances: that costs are affordable for community groups; that costs are sustainable for the shire's ratepayers and that facilities are well utilised.
- e) Recognise that Council does not subsidise commercial activities;
- f) Ensure decisions about lease conditions are made in a transparent, consistent and fair manner, whilst allowing some flexibility to take into account special circumstances.

2. SCOPE

2.1 COMMUNITY GROUPS

2.1.1 Definition of Community Groups

This policy covers leases with not-for-profit community groups which have exclusive occupancy and use of a Council facility or land to conduct community activities for community benefit.

Community groups are defined as:

- a) A not for profit, incorporated group or association of persons with the primary aim of conducting activities and providing services for community benefit; and
- b) The community group relies predominantly on volunteer labour, community fundraising, membership fees and donations; and
- c) The community group does not receive state or federal government operational grants and does not rely on a fee for service business model.

2.1.2 Eligibility

- a) Groups meeting the definition of a community group, and who request exclusive use to operate community activities from a leased facility, are eligible to apply for a community lease through this policy.
- b) Factors including alignment with Council strategies, type of service provided, zoning requirements, ability to fulfil maintenance requirements and the level of community need for the activity proposed will be considered when assessing applications.
- c) This policy excludes the following groups and facilities:
 - Groups who do not meet the definition of a community group as defined in this policy at Section 2.1.1;
 - Facilities where community groups undertake only commercial activities;
 - Facilities with multiple user groups;
 - Community Halls managed by community groups;
 - Groups where religious worship is the primary purpose;
 - Political groups.

2.2 PRE-SCHOOL SERVICES AND CHILD CARE SERVICES

Council is not in the business of subsidising child care as it does not subsidise activities that compete with commercial ratepayers. Pre-school services that meet the following four mandatory conditions and one of the two elective conditions are eligible for a subsidised community lease:

Mandatory	<ul style="list-style-type: none"> • Do not provide all-day care • Offered free of charge or at nominal rates • The service operates only during school terms • Does not receive operational government grants or subsidies
Elective	<ul style="list-style-type: none"> • The service is sessional in nature, with each session lasting no longer than four hours • The service is provided on a school-day based model, meaning it operates approximately the same hours as a primary school

Services that do not meet these conditions are considered to be childcare centres, out of school hours services, kindergartens or other pre-school services and are not eligible for a subsidised community lease. If facilities are available, Council may lease to these services by commercial lease.

Council may however provide space to playgroups and pre-school activities which are not childcare services. Generally these types of activities don't require exclusive use of a facility, instead are using a community hall or other Council facility on a casual hire basis.

2.3 TYPES OF SPACES FOR COMMUNITY LEASING

Community Leases issued under this policy cover several types of spaces. These include:

- a) Council owned land;
- b) Council owned buildings;
- c) Rooms within larger Council owned buildings (i.e. a room/office in a community centre);
- d) Land held by the Council either as a Community Purpose Reserve or other form of tenure eg. Special Lease held under the Land Act 1994;
- e) Land and/or facilities on-leased by Council.

Most of Council's community facilities and sporting fields are on reserve land controlled by Council therefore the lease is in the form of a Trustee Lease with a particular group that has exclusive occupation and use of the space.

2.4 OTHER AGREEMENTS AND LEASE TYPES

This policy excludes the following types of agreements and leases:

- Commercial leases;
- Management Agreements and User Agreements for multi-use and shared facilities such as Davies Park, Geraghty Park, Borzi Park, Firth Park;
- Agreements for the community management of Council halls;
- Casual hall hire arrangements;

3. POLICY STATEMENT

3.1 STANDARD COMMUNITY LEASE

A standard community lease with universal terms and conditions, roles and responsibilities will be executed between Council and each community group with exclusive occupation of Council land or facilities.

Council assistance by way of rates and services remittances and financial assistance towards water consumption costs is available to eligible community groups under the Rate Rebate and Remission Policy and the Community Partnerships Program including those community groups with a community lease with Council and this is discussed further at Section 4.2 below.

3.2 COUNCIL ASSISTANCE TO COMMUNITY LESSEES

3.2.1 Fair and Transparent Council Assistance

Council is committed to supporting not for profit community groups to have access to affordable space for community activities but excludes the subsidisation of commercial activity. This assistance applies to eligible community groups in the shire, including those with a community lease for the exclusive occupation of Council land and facilities. The community group must meet the definition of "Community Group" at Section 2.1.1 of this Policy and the assistance is available under the Rate Rebate and Remission Policy and the Community Partnerships Program.

To reflect this purpose, community groups are assessed, according to their level of commerciality, and assigned (by Council) to one of two community group types:

- Type A Community Group - limited commerciality
- Type B Community Group - substantial commerciality.

The categorisation of a community group occupying land or facilities for community activities enables Council to make available fair, reasonable and transparent assistance to each community group, depending on their level of commerciality, irrespective of whether or not they occupy Council land or facilities. It also recognises that community groups can change over time experiencing increased or decreased levels of commerciality and the group's categorisation can be changed accordingly.

Council will offer a higher level of assistance to Type A Community Groups than those assessed as Type B Community Groups.

Council assistance available for community groups with a community lease is summarised at *Table 2. Lessee Financial Responsibilities and Council Assistance, Section 4.3.*

3.2.2 Assessing Type A Groups: Limited Commerciality

The group's revenue raising streams are limited to membership fees, community donations, minor event charges, raffles and other fundraising and food canteen. If the group has a bar, then patrons are mainly members and limited profit is made.

These groups will contribute less to the costs of operating the facilities through Council subsidisation of general property rates, service charges and water consumption.

Type A Groups will be responsible for general operating costs such as electricity, maintenance, insurance and state emergency levy.

Type A Groups may be eligible for remissions from Council for general property rates and utility charges under the Rate Rebate and Remission Policy and for financial assistance towards water consumption costs under the Community Partnerships Program.

3.2.3 Assessing Type B Group: Substantial Commerciality

The group's revenue raising streams include those of Type A Groups but also include the regular operation of a bar and commercial kitchen, gaming machines, charge industry recognised gate entry fees and commercial sponsorship.

Type B Groups will contribute more to the costs of operating the facilities through payment of general property rates, utility and service charges, general operating costs, maintenance, insurance and state emergency levy.

Type B Groups may be eligible for remissions from Council for general property rates and utility charges under the Rate Rebate and Remission Policy and for financial assistance towards water consumption costs under the Community Partnerships Program.

3.2.4 Rate Rebate and Remission Policy - Refer to Rate Rebate and Remission Policy

The Rate Rebate and Remission Policy relates to the granting of rebates and remissions of Council rates and charges for not for profit community groups. To be eligible for rates rebates and charges remissions, applicants must meet the eligibility criteria (section 4.2.1) within the Rate Rebate and Remission Policy. The Rate Rebate and Remission Policy outlines the application and continuation processes for the remission.

3.2.5 Community Partnerships Program - Refer to Community Partnership Policy

Under the Community Partnerships Program (CPP), assistance is available to eligible, not for profit community organisations for financial assistance towards water consumption fees, if the annual water consumption exceeds \$100 per annum. To be eligible for financial assistance community groups must also meet the eligibility criteria (sections 8 and 9) of the Community Partnership Program Policy.

3.2.6 Other Council Assistance for Community Lessees

Other Council contributions to support the availability of affordable space for community activities include Council absorbing the costs associated with the preparation and maintenance of community leases, thereby not charging community lessees an Administration Fee or Rent. Similarly, legal costs will not be charged provided the standard documents are utilised.

3.3 LESSEE FINANCIAL RESPONSIBILITIES AND COUNCIL ASSISTANCE

Lessee responsibilities are indicated with "Yes" and the type of Council assistance available is identified.

Table 2. Lessee Responsibilities and Council Assistance

	Community Lease Conditions	Lessee Responsibilities	Council Assistance for Eligible Type A Community Groups	Council Assistance for Eligible Type B Community Groups
1	Term	10 years	-	-
2	Administration Fee / Rental	No	-	-
3	Legal Costs	No	-	-
4	Operating Expenses including Cleaning, Electricity, Gas, Telephone	Yes	-	-
5	General Property Rates	Yes	100% Remission	50% remission up to \$1000 per year
6	Water Access Charge	Yes	100% Remission	20% remission on total charges (water access, waste management, sewerage) up to a maximum \$200 per year.
7	Waste Management Levy	Yes	100% Remission	
8	Sewerage Charge	Yes	100% Remission	
9	Rural Fire Levy	Yes	100% Remission	100% Remission

10	Water Consumption	Yes	CPP donation for groups using >\$100 water/yr: Group 1: 35% donation of annual water costs up to a maximum \$2,000 Group 2: 35% donation of annual water costs up to a maximum \$1,000 Group 3: 35% donation of annual water costs up to a maximum \$500	
11	Waste Collection	Yes	-	-
12	State Emergency Management Levy	Yes	-	-
13	Ground maintenance	Yes	-	-
14	Building & Facilities Maintenance	Yes	-	-
15	Insurance General Building	Yes, at lessee's discretion	-	-
16	Insurance Chattels/Contents	Yes	-	-
17	Insurance Public Liability	Yes	-	-
18	WPH&S Buildings	Yes	-	-

Explanatory Notes:

- All community groups will be offered a **10 year term** with a streamlined option to renew for another 10 years to ensure security of tenure and eligibility for government grants; encourage investment for improved facilities for the benefit of the community; and foster a sense of "ownership" and responsibility for managing the facilities for which the group has exclusive use.
- No **administration fee or rent** will be charged to community lessees as Council will absorb the costs associated with the preparation and maintenance of community leases as a contribution to supporting the availability of affordable space for community activities.
- Legal costs** will not be charged provided the standard documents are utilised.
- Operating costs including cleaning, electricity, gas and telephone** will be paid by all Groups to ensure these utilities are managed in a sensible manner.
- Under the Rate Rebate and Remission Policy, only Type B Groups with a community lease will pay **general property rates** and they will receive a **remission** of fifty percent (50%) of the general property rate up to a maximum of \$1,000 per year. A **remission** of one hundred percent (100%) is available to Type A community groups including those with a community lease.
- Under the Rate Rebate and Remission Policy, only Type B Groups with a community lease will pay **water access charge, sewerage charge and waste management levy** and they will receive

a **charge remission** of twenty percent (up to a maximum of \$200 per year) on these total utility charges. A **charge remission** of one hundred percent (100%) is available to Type A community groups including those with a community lease. A 100% remission of the **Rural Fire Levy** applies to all eligible community groups with a community lease.

10. **Water consumption** will be paid by all community groups to ensure this resource is managed in a responsible and sustainable manner. Under the Community Partnerships Program, assistance is available to eligible, not for profit community organisations for financial assistance towards water consumption fees. Refer Section 4.2.5: CPP donation for groups using >\$100 water/year:

Group 1: 35% donation of annual water costs up to a maximum \$2,000

Group 2: 35% donation of annual water costs up to a maximum \$1,000

Group 3: 35% donation of annual water costs up to a maximum \$500

11. It is the responsibility of community groups with exclusive use of land or facilities to organise and pay for their own **waste collection service**.

12. All community groups are expected to pay the **State Emergency Management Levy** as Council is required to collect this levy and pass it onto the State Government.

13 & 14. Recognising that community lessees have exclusive occupation and use of land and/or facilities and buildings, it is reasonable to expect the group will be responsible for **grounds maintenance and all building and facilities maintenance**. However Council will consider undertaking major maintenance on a case by case basis as required.

15. Recognising that community lessees have exclusive occupation and use of facilities and buildings, it is reasonable to expect the group will be responsible for **general building and facilities insurance**. Groups may undertake to effect general building insurance, at their discretion and own expense.

16. All Groups are responsible for **insuring chattels and contents**. Council is not responsible for insuring the furniture or equipment or other unspecified contents contained within facilities and accepts no liability for equipment owned by community lessees.

17. Both Council and community lessees shall at their own cost maintain **public liability insurance** having a minimum limit of twenty million dollars.

18. All community lessees are responsible for complying with the relevant **work place health and safety** building requirements.

4. LEASE PROCESS

4.1 LEASE APPLICATION

All leases presently in operation will remain so until the expiration date, unless a community lessee requests to re-negotiate a new lease under this policy. All renewal leases and new leases will be drafted in accordance with this policy.

Groups wishing to apply to Council for a new community lease under this policy can register their interest by contacting Mareeba Shire Council and submitting a Community Lease Application Form (See Attachment 1):

T: 1300 308 461
E: info@msc.qld.gov.au

When a new space becomes available for lease, Council will invite applications through open advertisement and direct notification to groups who have registered interest and to Council's Indigenous Land Use Agreement (ILUA) partners.

The following factors will be assessed when considering an application:

- Alignment with Council strategies
- Type of services and activities the group provides
- If the group is willing to share the facility and/or building
- Planning and Building requirements
- Native Title and Cultural Heritage issues
- Ability to fulfil maintenance requirements
- Level of community need for the community activity proposed or proximity to other services offered
- Accessibility of the community activity proposed
- Community group facility requirements
- An assessment of the impact of the proposed activity on open space (where the lease is on open space)
- Whether there are alternative accommodation options for the applicant.

Applications are assessed by Council Officers and a recommendation is presented to the Mayor and Councillors. If approved, the lease document will be drafted, signed and the conditions come into effect.

4.2 LEASE REVIEW

Leases will be reviewed at the end of the 10 year term. Factors considered will be:

- Compliance with the core community activities as stated in the lease agreement;
- Compliance with lessee responsibilities such as maintenance and annual reporting;
- The level of community use of the facilities;
- Whether Council requires the land and/or buildings for another purpose which, in the opinion of Council, is of higher public interest;
- The commercial activities the group is undertaking.

4.3 RENEWAL OF LEASES

Subject to a satisfactory lease review as outlined at Section 5.2, a streamlined renewal process will be followed to execute a new lease for a further 10 years.

4.4 COMPLIANCE WITH LEASE CONDITIONS

Lessees pledge with Council that in accepting a lease that the Lessee shall comply with all conditions in the lease. It is the responsibility of Lessees to inform Council of any changes that impact on compliance with lease conditions, including changes in the group's level of commerciality. Non-compliance with lease conditions could result in the lease being terminated.

Leases will be terminated for non-payment of charges and / or loans if a Lessee falls in arrears for a period of in excess of two years (2) years and where a satisfactory repayment scheme is not agreed upon.

5. REVIEW

This policy is to remain in force until otherwise determined.

6. APPENDIX

APPENDIX 1: Application to Council for a Community Lease



Application to Council for a Community Lease

This form is to be completed by the interested Party and returned with any supporting documentation in a sealed envelope addressed to the Chief Executive Officer, Mareeba Shire Council.

1. Applicant Organisation's Details

Name of interested party

Address of interested party

Name of President

Telephone

Email

Name of Secretary

Telephone

Email

2. Please provide details of your preferred property choice

Preferred Choice 1

Address of property identified

Real Property Description

Lot Number

Plan Number

Detail any existing improvements /development on the property.

Preferred Choice 2

Address of property identified

Real Property Description

Lot Number

Plan Number

Detail any existing improvements /development on the property.

3. Attach a sketch drawing of the proposed tenure area.

4. Provide a brief history of the applicant organisation, including year of formation.

5. Provide membership details, including number of members for the previous three years.

6. What are the aims and objectives of the applicant organisation?

7. Does the applicant organisation hold or intend to hold any of the following licences?

Restricted Liquor Permit

Full Liquor Licence

Gaming Licence

8. Provide details of the applicant organisation's current and potential revenue raising streams?

9. Does the organisation have a Business Plan? If so please attach.

10. Provide details of the organisation's current financial position. Attach audited financial records or bank statements.

11. Outline the organisation's proposed use of the preferred property.

12. Provide details of the organisation's development plans for the preferred property.

Description of proposed development

Reasons to justify development

Expected timeframe for development

Estimated cost of development

Outline the source of funding

Resources required to ensure successful completion
of development

Attach any plans of future development

13. What will be the frequency of use for the facility / land by your organisation? Please attach a schedule of planned usage.

14. Will your organisation encourage shared use of the facility / land? Please attach details of shared usage.

13. Applicant Signature

Signed

Name

Position

Date

14. Attachments and Completion Checklist

Copy of Certificate of Incorporation

Copy of Constitution

Copy of Public Liability Cover

Sketch drawing of proposed tenure area

Business Plan

Audited financial records or bank statements

Plans for future development of property

Schedule of planned usage by organisation

Shared usage details

Completed and signed application form

This form is to be completed by the interested Party and returned with any supporting documentation in a sealed envelope addressed to the Chief Executive Officer, Mareeba Shire Council.