

7.9. TENURE MATTER - TRUSTEE LEASE - DOUGLAS SAILING CLUB INC

REPORT AUTHOR	Property Officer
MANAGER	Manager Community Services
DEPARTMENT	Community Services

RECOMMENDATION

That Council:

1. Apply an exception to the disposal of a valuable non-current asset under section 236(1)(b)(ii) of the *Local Government Regulation 2012*, as the disposal is to a community organisation.
2. Offer a trustee lease to Douglas Sailing Club Inc over part of the land described as Lot 110 SR606, specifically, a lease area comprising the clubhouse building and boat yard contained within the fenced boundary.
 - a. For a permitted use consistent with encouraging participation in and teaching of sailing and other wind sports.
 - b. For a term of ten (10) years.
 - c. For a rental amount of \$115 (including GST) for the first year of the term, with rent for each subsequent year of the term to be adjusted at the anniversary of the lease commencement date, in accordance with Council's Schedule of Fees and Charges in effect at the time of adjustment.
 - d. In accordance with Council's Standard Terms for a lease over trust land, registered under dealing number 720830775.
 - e. With all reasonable costs associated with the preparation and registration of the lease, including surveying the lease area, to be borne by the trustee lessee.

EXECUTIVE SUMMARY

Douglas Sailing Club Inc (the Club) seeks continuity of tenure of the clubhouse building and boat yard, being part of Lot 110 SR606.

BACKGROUND

The Club, which was incorporated in 1990, has occupied part of Lot 110 SR606 since at least 1981 when the original lease commenced. The Club's current twenty-year lease commenced on 1 July 2006 and will expire on 30 June 2026. The lease area, adjacent to Bruno Riedweg Park, comprises a clubhouse building and boat yard.

COMMENTS

- Council is trustee of Lot 110 SR606. Council as trustee must maintain and manage the land in a manner consistent with achieving the purpose of the trust land. The land was dedicated as a reserve for the purpose 'recreation' in 1975. Amendments to the *Land Act 1994* in 2024 simplified the list of community purposes for trust land from 34 specific uses to 6 community purpose categories; existing trust land purposes are now 'taken to be' one of the 6 community purpose categories. The community purpose of

the reserve is taken to be 'parks and recreational'. The Club's use of the trust land is deemed consistent with its purpose.

- Council as trustee is responsible for ensuring any actions it takes on trust land (including granting a trustee lease or trustee permit) are consistent with the *Native Title Act 1993 (Cth)*, the *Native Title (Queensland) Act 1993*, and s28 of the *Land Act 1994*. The original lease granted to the Club in 1981 was a lease under s343 of the *Land Act 1962*, solely or primarily for "sailing club" purposes, which is a scheduled interest under Schedule 1 Part 3 clause 21 of the *Native Title Act 1993 (Cth)*. Under s23B of the *Native Title Act 1993 (Cth)*, and s20 of the *Native Title (Queensland) Act 1993*, native title is extinguished over the lease area.
- Under s236(1)(b)(ii) of the *Local Government Regulation 2012*, Council may dispose of a valuable non-current asset other than by tender or auction, if disposed of to a community organisation. A community organisation is defined in the Regulation as 'an entity that carries on activities for a public purpose', or 'another entity whose primary object is not directed at making a profit'.
- In accordance with Council's 2025-2026 Schedule of Fees and Charges, the Club is categorised as a Not-for-Profit Organisation with volunteer employees, attracting an Annual User Fee of \$115 (including GST) that applies to lease and tenure arrangements of Council land and facilities.
- A lease over part of trust land requires a sketch plan the registrar of titles is satisfied identifies the land being leased, or, if required by the registrar of titles, a survey plan. Costs to produce either a sketch plan or survey plan by a licensed surveyor shall be borne by the Club.

PROPOSAL

That Council:

1. Apply an exception to the disposal of a valuable non-current asset under Section 236(1)(b)(ii) of the *Local Government Regulation 2012*, as the disposal is to a community organisation.
2. Offer a trustee lease to Douglas Sailing Club Inc over part of the land described as Lot 110 SR606, specifically, a lease area comprising the clubhouse building and boat yard contained within the fenced boundary.
 - a. For a permitted use consistent with encouraging participation in and teaching of sailing and other wind sports.
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 - d. In accordance with Council's Standard Terms for a lease over trust land, registered under dealing number 720830775.
 - e. With all reasonable costs associated with the preparation and registration of the lease, including surveying the lease area, to be borne by the trustee lessee.

FINANCIAL/RESOURCE IMPLICATIONS

In accordance with Council's Standard Terms for leases over trust land, maintenance and repair responsibilities for the premises are incumbent upon the lessee. Costs for the preparation of the lease, including surveying and registration with Titles Queensland, shall be borne by the lessee.

RISK MANAGEMENT IMPLICATIONS

The lessee must maintain Public Risk (Liability) cover for an amount of not less than twenty million dollars (\$20,000,000).

SUSTAINABILITY IMPLICATIONS

Economic: Nil

Environmental: Nil

Social: Douglas Sailing Club encourages participation in a range of modern wind sports including windsurfing, kitesurfing, foil boarding and wing foiling, to appeal to the broader sailing fraternity.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

3.5 - Employ a proactive and preventative approach to asset management.

Operational Plan 2025-2026 Actions:

Legislative requirement.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Custodian Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.

CONSULTATION

Internal: Council Workshop

External: Nil

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

1. General Lease Area **[7.9.1 - 1 page]**



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Scale = 1:635.040

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