

# Community Lands changes: we want to know what you think!

The Greytown Trust Lands Trust is looking at possible changes to the lease arrangements over four sections we own and administer on behalf of the Greytown Community.

The changes aim to provide wider use for recreation, sport, and other community activity as well as providing more security for the tenants.

We want to know what people in Greytown think about the changes before we decide.

Please fill out the short online survey below. It should only take a couple of minutes.

The survey closes at 11:59pm, Sunday 28 August 2022.

[TAKE THE SURVEY HERE >](#)



**GREYTOWN  
TRUST LANDS**  
*Growing the Community since 1871*

## What are the properties?

Known as the 'community lands,' these are long term ground leases for community organisations

- The Rugby Club, on East Street
- The Bowling Club, on East Street
- Cobblestones Museum, on Main Street
- The Plunket Rooms, on McMaster Street

## What changes is the Trust considering?

### For the Rugby Club

- To offer the Club a new up to 99-year lease on the land under the clubrooms.
- Rent would be \$1.00 a year.
- A condition of the lease would be that the existing use does not change.
- To subdivide the grounds into a separate property and offer a perpetual lease for the playing fields to the Council. Rent \$1.00 a year.
- We've talked to the Council, and they are interested in this idea.
- The Rugby Club would have use of the grounds as usual during the season.
- If the Council takes up the lease, they will consult the community about what other sports and recreation activity could take place there.

### For the Bowling Club

- To offer the Club a new up to 99-year lease on the land under the clubrooms, the No. 1 green, and the access way etc. Rent \$1.00 a year.
- A condition of the lease would be that the existing use does not change.
- To subdivide the No. 2 green into a separate property and offer a perpetual lease to the Council. Rent \$1.00 a year.
- We've talked to the Council, and they are interested in this idea too.
- If the Council took up the lease, they would consult the community about how the area could be used for other recreational or community purposes.

### For the Cobblestones Museum

- To offer the Cobblestones Museum Trust a new up to 99-year lease for the land it occupies which is owned by the Trust. Rent \$1.00 a year.
- A condition of the lease would be the existing use continues and Cobblestones would also look to investigate wider community activity on the site as well.

### For the Plunket Rooms

- Leave the current arrangements in place, and work with Plunket to review its future needs.
- If Plunket ever decided to move to another site at some point in the future, the Trust would of course consider what options there were for the land.



Rugby Club



Bowling Club



Cobblestones Museum



Plunket Rooms

123 East St	Current	Proposed	Proposed
<b>Lessee</b>	Greytown Rugby Football Club	Greytown Rugby Football Club	South Wairarapa District Council
<b>Area</b>	All of site	Land under clubrooms	Balance of site
<b>Term</b>	Perpetual	Up to 99 years	Perpetual
<b>Rental</b>	\$45,000 (waived until July 2024)	\$1pa	\$1pa
<b>Annual Grant</b>	\$45,000 (waived until July 2024)	Nil	Nil
<b>Use</b>	Rugby playing fields and clubrooms	Clubrooms	Sport & Recreation
<b>2022 Market Valuation</b>	\$3.3m (excluding Grant)	Effectively nil	Effectively nil

55–59 East St	Current	Proposed	Proposed
<b>Lessee</b>	Greytown Bowling Club	Greytown Bowling Club	South Wairarapa District Council
<b>Area</b>	All of site	Land under clubrooms, No. 1 Green and ancillary areas	Balance of site (effectively No.2 Green)
<b>Term</b>	Perpetual	Up to 99 years	Perpetual
<b>Rental</b>	\$24,750,000 (waived until July 2024)	\$1pa	\$1pa
<b>Annual Grant</b>	\$24,750,000 (waived until July 2024)	Nil	Nil
<b>Use</b>	Outdoor Bowling Greens and clubrooms	Outdoor Bowling Green and clubrooms	Sport, Recreation, Greenspace
<b>2022 Market Valuation</b>	\$1.1m (excluding Grant)	Effectively nil	Effectively nil

175–177 Main St	Current	Proposed
<b>Lessee</b>	Cobblestones Museum	Cobblestones Museum
<b>Area</b>	The land owned by GTLT	The land owned by GTLT
<b>Term</b>	Perpetual	Up to 99 years
<b>Rental</b>	\$37,125 (waived until July 2024)	\$1pa
<b>Annual Grant</b>	\$37,125 (waived until July 2024)	Nil
<b>Use</b>	Museum and Historic Village	Museum and Historic Village
<b>2022 Market Valuation</b>	\$1.555m (excluding Grant)	Effectively nil

## Questions and Answers

### Who is the Greytown Lands Trust?

- We're a registered charity, based in Greytown, that was first set up in 1871. We own and lease property and hold an investment portfolio on behalf of the Greytown community. A portion of our profits are returned to the community by way of grants.
- We have two kinds of properties. The first are those with land and buildings, which we rent out commercially. Tenants include companies like Downers, Farmlands and Stihl as well as a range of local businesses.
- The second are properties where we own the land but not the buildings. These are commonly known by Greytown residents as the 'community lands.' Known as the 'community lands,' these are long term ground leases for community organisations.

### What more can you tell me about the community lands?

- The 'community lands,' are residential zoned properties with long term ground leases. Tenants include Greytown Rugby Club, Greytown Bowling Club, Royal NZ Plunket, and Cobblestones Museum Trust.
- As everyone knows, the value of residential land has risen sharply in recent years. Under our current model when the value of the land rises, the rent on the properties also rises. For example, eight years ago the annual rent for the Rugby Club's land was \$45,000 per annum. On today's valuation it could be as high as \$165,000 per annum.
- These are all community organisations who cannot afford to pay that kind of money. Over the years the Trust has been giving them a substantial discount on market rent or a grant covering most, or all their rent.
- However, the amount of rent still concerns them. The proposed changes would give surety to these long-standing community organisations.

### What about the clubrooms, other buildings, and facilities on the community lands?

- The Greytown Trust Lands Trust owns the land only. All the buildings and facilities on the properties are owned by the organisations who lease the land from the Trust.

### There has been talk about all this before. What was that about?

- In 2020, the Trust asked the Council if they wanted to buy the Trust's land under the Rugby Club, the Bowling Club and Cobblestones Museum.
- The Council was interested because a survey it did showed that 74% of 876 respondents wanted the Council to provide more space for sports and recreation in Greytown and 63% of respondents supported funding for new facilities. The Council consulted the community during its 2020/21 annual plan process, but in the end the Council decided not to buy any of the properties.

### How will this impact the accounts of the Trust?

- In real terms. Very little. The community lands have a high value on our books because they are zoned residential. A high value means a market rent based on that land value is also high. However, if we charged market rents; community organisations like our rugby and bowling clubs and the museum could not afford them. The Trust has been providing a grant to the tenants on these lands to offset the market rent. Recognising the value of the grant in the rent equation would effectively result in those leases having nil commercial value. This means our community organisations can be charged \$1 per annum and the Trust no longer pays large grants to offset their rent.
- Resetting the community lands to have nil commercial value will see the book value of the Trust's assets decrease overall from \$20.6m to \$14.6m.

### What impact would there be on grants given out to community organisations?

- None. The community lands make no profits for the Trust anyway. Despite leasing them out for 99 years, the Trust still owns the land. If in the future the Clubs, the Museum or Plunket stop operating or move to another site the land is returned to the Trust.

### Does the Trust have the legal authority to make these changes?

- Yes. We have checked that question with our solicitors. The Trust has the authority to make the changes under its 1979 Act of Parliament and under the Trust Act 2019.

### What if something unexpected were to happen in the future?

- Either party can ask to make changes if something important and unforeseen was to happen in the future.

### What's the timeline for the decisions?

- The Trust intends to vote on the proposals after having had time to consider your feedback and after Trustee elections on the 8<sup>th</sup> of October.

### Is online the only option for doing the survey?

- No. Paper copies of the survey will be available at the Greytown Public Library. You can fill out one and leave it there. It should only take a few minutes.

### How can I put in a longer written submission?

- We would welcome any longer submissions. Please email to [admin@greytowntrustlands.org.nz](mailto:admin@greytowntrustlands.org.nz)
- or post to PO Box 16, Greytown midnight on Sunday 28 August.

### Will I get feedback from the Trust on my submission?

- The Trust will summarise the submissions received. We will post that summary on our website.

### Would you support these changes?

[TAKE THE SURVEY HERE](#) ➔