Council to hold and administer and expend money thereon as and for (a) a recreation reserve in respect of the land described in the First Schedule hereto and (b) a local purpose (site for hospital buildings) reserve in respect of the land described in the Second Schedule hereto subject in both cases to the Reserves Act 1977 and to the terms and conditions expressed or implied in the Memorandum of Agreement set out in the Third Schedule hereto as varied by the Memorandum of Variation set out in the Fourth Schedule hereto.

FIRST SCHEDULE

SOUTH AUCKLAND LAND DISTRICT—ROTORUA DISTRICT

9333 square metres, more or less, being Lot 1, D.P. S. 15998. All certificate of title 14D/112. Subject to lease S. 570362 and appurtenant hereto is a right of way and geothermal hot water rights created by the said lease No. S. 570362.

2.5849 hectares, more or less, being Lot 2, D.P. S. 15998. Part certificate of title 14A/1056. Subject to rights appurtenant to the lease of Lot 1, D.P. S. 15998 created by document No. S. 570362. Subject to a right of way and geothermal hot water rights created by lease S. 570362.

6.1272 hectares, more or less, being part Lot 3, D.P. S. 15998. Part certificate of title 14A/1056. Subject to a geothermal hot water right created by lease No. S. 570362.

All situated in Block I, Tarawera Survey District. Part New Zealand Gazette, 1984, page 2272.

31.2142 hectares, more or less, being part Section 2, Block I, Tarawera Survey District. Part New Zealand Gazette, 1984, page 2272. S.O. Plan 32356.

6399 square metres, more or less, being part Section 2, Block I, Tarawera Survey District, part New Zealand Gazette, 1984, page 2272. S.O. Plan 42367.

29.0205 hectares, more or less, being Sections 103, 104, 105 and 106, Block I, Tarawera Survey District. Part *New Zealand Gazette*, 1984, page 2272. S.O. Plans 52706, 52736 and 52750.

SECOND SCHEDULE

SOUTH AUCKLAND LAND DISTRICT—ROTORUA DISTRICT 4818 square metres, more or less, being Section 90, Block I, Tarawera Survey District. Part certificate of title 14A/1056. Part New Zealand Gazette, 1984, page 2272. S.O. Plan 52424.

THIRD SCHEDULE MEMORANDUM OF AGREEMENT

RE—TRANSFER OF PUBLIC RESERVE LAND IN ROTORUA DISTRICT, TO LOCAL AUTHORITY CONTROL:

PARTIES

Minister of Tourism: Hon. R. L. G. Talbot.

Minister of Lands: Hon. J. H. Elworthy.

Mayor of Rotorua on behalf of the Rotorua District Council: J. E. KEANEY.

TRANSFER OF SANATORIUM RESERVE, ROTORUA, TO LOCAL AUTHORITY CONTROL HEADS OF AGREEMENT MADE THIS 31st DAY OF MAY 1983

PARTIES: (i) The Minister of Tourism. (ii) The Minister of Lands.

(iii) The Rotorua District Council.

- (i) WHEREAS the land known as the Sanatorium Reserve. including the Government Gardens, Rotorua, being Part Sections 2 and 3, Block 1, Tarawera Survey District, comprising 74 ha more or less (hereinafter referred to as the said land) is administered by the Minister of Tourism under the provisions of the Tourist and Health Resorts Control Act 1908.
- (ii) AND WHEREAS the Minister of Tourism no longer requiring the said land for this purpose will give notice to the Minister of Lands in terms of Section 27 (6) of the Reserves Act 1977, that the vesting of control over the said land should be cancelled thus removing control of the land from the Minister of Tourism and from the operation and provision of the Tourist and Health Resorts Control Act 1908, the land therefore reventing to the activate of the Minister. land thereafter reverting to the control of the Minister of Lands for general recreational purposes under the provisions of the Reserves Act 1977.

(iii) AND WHEREAS the Rotorua District Council at the invitation of the Minister of Tourism and the Minister of Lands has agreed to control and administer the said land for the better carrying out of the purposes of the reserve and for the benefit of the inhabitants oERotorua and visitors to the district.

NOW THESE HEADS WITNESSETH that the parties jointly and severally agree to facilitate the vesting in the Rotorua District Council to hold and administer the land in the manner following and subject to the terms and conditions herein expressed and/or implied.

1. BINDING EFFECT:

THAT subject in the case of the District Council to the passing of the necessary resolutions in acceptance and confirmation hereof, it is the intention and agreement of the parties that these Heads of Agreement shall constitute a binding agreement among the parties in accordance with the terms hereof, and each party shall be obliged to perform and carry out such of the provisions hereof as each has respectively agreed to undertake to perform.

2. DIVESTING OF LAND BY MINISTER OF TOURISM:

THE Minister of Tourism will consent to the cancellation of the vesting in him of control of the said land (as shown bordered in red on the plan attached hereto) in terms of Section 27 (6) of the Reserves Act 1977 and the Minister of Lands will approve and publish such Gazette notices required in terms of the said Section 27 to facilitate the release of the land from the provisions of the Tourist and Health Resorts Control Act 1908.

3. FUTURE ADMINISTRATION OF THE LAND:

IT is agreed that the Government shall vest the land in the Council in terms of Section 26 of the Reserves Act 1977 to administer subject to the provisions of the said Act and to the terms and conditions herein expressed and/or implied and the Minister of Lands will approve and publish such Gazette notices required to facilitate the vesting of the land in the Council.

4. PROPERTY:

THE Minister of Lands agrees to vest without charge all those buildings erected and installed within the boundaries of the said land as listed in Schedule No. 1 to be administered and controlled by the Rotorua District Council which from the effective date of transfer shall become the Lessor and administrator of the land under the provisions of the Reserves Act 1977 subject to:

(a) All tenancies and leases in force or to be entered into as set out in Schedule No. 2 attached hereto
(b) Those houses and buildings required by the Tourist and Publicity Department for its continuing maintenance of the Gardens not being transferred until 31 March 1987, by or at which time the Crown shall remove all the houses not required by the Council at its own expense except in the case of the cottage located off Queen's Drive in the Government Gardens which shall be handed over to the Council with vacant possession.

5. LEASES:

ALL reference to lease documents relating to the leaseholds of property held over the said land shall as from the effective date of transfer of the said land to the control of the Rotorua District Council be deemed to be references to the District Council as lessor and the lessees occupation shall remain undisturbed until the said leases are determined or otherwise expired without prejudice to the Council's powers under the Public Works Act 1981 or other Statutory powers and rights.

6. TENANCIES AND OCCUPANCIES:

- (i) The Rotorua District Council undertakes to continue undisturbed all leases and tenancies outlined in Schedule No. 2 hereof and to take all reasonable action to arrange formal leases at agreed rentals to the Rotorua Amateur Roller Skating Club. (Inc.), the Rotorua Bowling Club (Inc.) and the Rotorua Womens Bowling Club (Inc.), (if not completed by the date set for transfer of control).
- (ii) The Rotorua District Council undertakes to continue undisturbed all occupancies by the Waikato Hospital Board and the Department of Health on the land on the southern area of the reserve (classified as a Reserve for Local Purpose—site for hospital buildings—being Section 90, Block 1, Tarawera Survey District, comprising 4818 sq metres) on which are sited a clinic and three houses owned by the Board and the Department of Health, and without charge, save rates or grants in lieu of rates, which shall continue to be paid heretofore; such occupation to continue while the buildings are fit for occupation or until such time as the Department of Health and the Waikato Hospital Board obtain alternative premises provided that no change of use nor any structural changes or alterations shall be made to such buildings to prolong their use and occupation,