

Proposed amendment of the Community Land Management Plan (CLMP) for Hilton Hotel Site and Results of Public Consultation

Strategic Alignment - Our Economy
Public

Tuesday, 7 May 2024
City Planning, Development
and Business Affairs
Committee

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Approving Officer:
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EXECUTIVE SUMMARY

At its meeting on 12 December 2023, Council authorised the Administration to consult on an amended Community Land Management Plan (CLMP) and on a lease for a term longer than five (5) years.

The public consultation on the proposed CLMP has been completed in accordance with Section 198 of the *Local Government Act 1999 (SA)* and the Community Consultation Policy.

A total of eight submissions were received. Detailed responses are available within **Attachment A** of this report. Consideration must be given to the role this facility is playing and its contribution to Adelaide and specifically to the Market District when evaluating the feedback received. The Hilton Hotel is an established contributor to the city centre, providing 377 rooms for some 80,000 guests annually. The Hotel provides extensive conference facilities, which are second only to the Adelaide Convention Centre, with signature food and beverage offerings and a focus on the purchase of local goods and services. As a result, the Hilton Hotel is a significant employer that also offers broader reach through community and major events, including the Tour Down Under and Tasting Australia held in Victoria Square/Tarntanyangga.

Various submissions raised the need for renovations and upgrades. An extended lease term will support future investment by the lessee and will maintain the future of the Hilton Hotel as a premium hotel brand within the city centre. This will enable the continued contribution of the Hilton Hotel to the visitor economy, conferences, events, and flow-on city spend.

The proposed amendment to the lease term was also supported by the Adelaide Central Market Authority (ACMA). ACMA highlighted the importance of the presence of surrounding hotels and long-term sustainability in the Adelaide Central Market, the larger precinct, and the city.

Evaluating the nature of the feedback received and the value proposition of the lease extension to the city, it is recommended that the amended CLMP be adopted.

RECOMMENDATION

The following recommendation will be presented to Council on insert date 14 May 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Notes the results of the public consultation on the proposed amendment to the Community Land Management Plan – Hilton Hotel site and on a lease with a term longer than five (5) years as contained within Attachment A to Item 7.8 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 May 2024.
2. Adopts the amended Community Land Management Plan – Hilton Hotel site as contained within Attachment B to Item 7.8 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 7 May 2024.

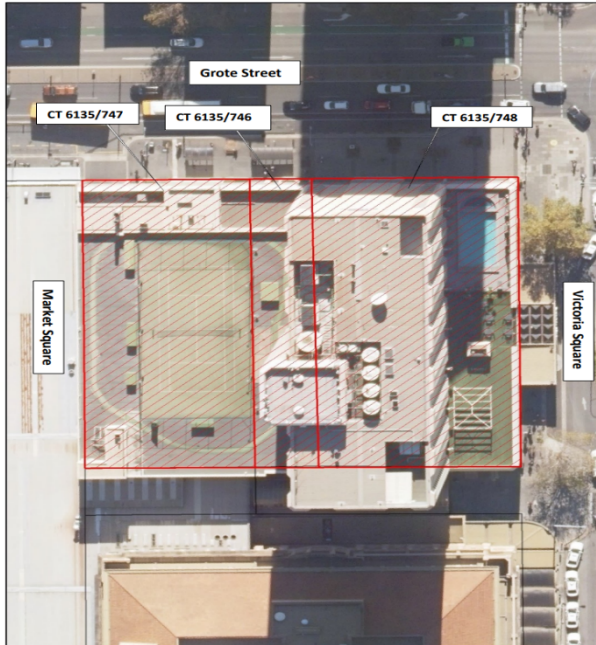
IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Economy Work with partners and businesses to attract investment and improve employment opportunities.
Policy	Community Consultation Policy prescribes public consultation for the amendment to a Community Land Management Plan pursuant to Section 198 of the <i>Local Government Act 1999 (SA)</i> and a lease for a term longer than five (5) years pursuant to Section 202 of the <i>Local Government Act 1999 (SA)</i>
Consultation	The Administration consulted with the public on the amendment to the Community Land Management Plan and a lease with a term longer than five (5) years.
Resource	This activity will be managed within existing resources.
Risk / Legal / Legislative	The <i>Local Government Act 1999 (SA)</i> governs the way this matter should be pursuant to Sections 198 and 202.
Opportunities	Increasing/securing community benefit through a long-term lease provision within the CLMP for the Hilton Hotel Site.
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	CLMPs remain in place in perpetuity and are reviewed as and when needed. Consultation is required when and significant changes occur.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. The community land parcels of land within the Community Land Management Plan - Hilton Hotel site are identified as:

Allotment 11 in Filed Plan 112202 Certificate of Title Volume 6135 Folio 747
Allotment 1 in Filed Plan 11611 Certificate of Title Volume 6135 Folio 748
Allotment 2 in Filed Plan 11611 Certificate of Title Volume 6135 Folio 746



2. The current CLMP identifies a lease term expiring on 7 November 2079.
3. The amended CLMP, **Attachment B**, incorporates an extension to the lease term of 42 years, expiring 6 November 2121.
4. All other changes are considered minor, including changes to drafting and formatting.

Results of the Public Consultation on the amended CLMP and a lease for a term longer than five (5) years

5. The Public Consultation was conducted in accordance with Sections 198 and 202 of the *Local Government Act 1999 (SA)* and the Council's Consultation Policy. It began on 8 March 2024 and concluded on 5 April 2024.
6. Public notices requesting submissions were placed in the Government Gazette, the Advertiser, Your Say Adelaide and on the City of Adelaide's website.
7. The information relating to the amendment to the CLMP and a lease for a term longer than five (5) years was on display for public viewing in the Customer Service Centre, Council Libraries and Community Centres. Hard copy consultation packs ([Link 1](#)) were also available in these locations.
8. A summary report of online activity and submissions received through Your Say Adelaide is available at [Link 2](#).
9. All responses from the public consultation are provided in full at [Link 3](#) and [Link 4](#).
10. In addition to the consultation results, Your Say Adelaide provides further insights regarding consultation activity achieved online.
11. Key insights, activities and results from the consultation are as follows:
 - 11.1. There was a total of 133 visits to the consultation page. Of those, 128 appear to be unique visitors, with the remaining repeat visitors.
 - 11.2. 30 participants consumed information on the consultation page through downloading content, reviewing key dates, and/or viewing FAQ pages.

- 11.3. The Draft Community Land Management Plan document was downloaded 12 times.
- 11.4. 18 participants reviewed the online survey page, with seven (7) choosing to submit a response. In addition to these seven (7), one (1) additional response was received via email.
- 11.5. Of the online responses, 14.3% supported the Proposed Amendment to the Community Land Management Plan, 28.6% did not support the proposal, and 57.1% were neutral.
- 11.6. Of the online responses, 43% were in support or neutral of a lease term longer than five (5) years, 57% did not support the proposal.
- 11.7. The ACMA Board sent an email submission. The response strongly favoured the amended CLMP and a lease term of greater than five (5) years. However, the response was not received in a like-for-like format, so it is not included in the above quantitative analysis results.

Evaluation of public consultation feedback

12. Consideration must be given to the role this facility plays and its contribution to Adelaide and specifically to the Market District when evaluating the feedback received.
13. The Hilton Hotel is an established contributor to the city centre, providing 377 rooms for some 80,000 guests annually. The Hotel provides extensive conference facilities, second only to the Adelaide Convention Centre, with signature food and beverage offerings and a focus on the purchase of local goods and services.
14. As a result, the Hilton Hotel is a significant employer that also offers broader reach through community and major events, including the Tour Down Under and Tasting Australia, which are held in Victoria Square/ Tarntanyangga.
15. Various submissions raised the need for renovations and upgrades. The extended lease term will support future investment by the lessee and will maintain the future of the Hilton Hotel as a premium hotel brand within the city centre. This will enable the continued contribution of the Hilton Hotel to the visitor economy, conferences, events, and consequential city spend.
16. The proposed amendment to the lease term was also supported by the Adelaide Central Market Authority (ACMA). ACMA highlighted the importance of the presence and long-term sustainability of surrounding hotels to the Adelaide Central Market, the larger precinct and the city, see [Link 4](#) for ACMA's submission.
17. Evaluating the nature of the feedback received and the value proposition of the lease extension to the city, it is recommended that the amended CLMP be adopted.
18. It is important to note that the land will remain in the Corporation of the City of Adelaide's ownership and will remain community land.

Next Steps

If Council adopts the amended CLMP

19. The Administration will give public notice of Council's adoption of the amended Community Land Management Plan – Hilton Hotel site pursuant to section 198(4) of the *Local Government Act 1999 (SA)*.

If Council does not adopt the amended CLMP

20. Noting this option is not recommended, the existing CLMP and lease terms remain current until the lease expires on 7 November 2079.

DATA AND SUPPORTING INFORMATION

Link 1 – Public Consultation Pack

Link 2 – Public Consultation Results – Your Say Adelaide Summary Report

Link 3 – Public Consultation Results – Your Say Adelaide Full Responses

Link 4 – ACMA Public Consultation Submission

ATTACHMENTS

Attachment A – Results of the public consultation

Attachment B – Amended Community Land Management Plan – Hilton Hotel Site

- END OF REPORT -