

# Kadaltilla

Adelaide Park Lands Authority

## Adelaide Archery Club – Park Lands Lease Agreement – Exemption to EOI

Thursday, 28 November 2024  
Board Meeting

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Public

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### Purpose

This report seeks the endorsement of Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) for the City of Adelaide to enter into lease negotiations with the Adelaide Archery Club (AAC) for a new five-year Park Lands Community Lease Agreement (Lease Agreement) commencing 1 October 2025.

Since the 1950s, the AAC has held occupation agreements with the City of Adelaide for the sporting use of a community building and playing fields in Bullrush Park / Warnpangga (Park 10).

On 28 May 2019, the City of Adelaide (CoA) approved the AAC's request to upgrade and extend their leased building in Park 10. In recognition of the AAC's proposed investment, they were granted a 15-year Lease Agreement commencing 1 October 2020.

The Lease Agreement contains a Special Condition, that if the Lessee does not practically complete the proposed upgrade (which includes accessible toilets and change facilities, storage upgrades and façade improvements) within three years of the commencement date, the lease term is reduced from 15 to five years. Due to difficulties raising the required funding, including multiple unsuccessful State Government grant funding requests, the upgrade commenced in 2024, outside the three-year period. It is scheduled to be completed in December 2024 at a cost of \$420,000.

The AAC's existing Lease Agreement will expire on 30 September 2025. At the expiration of a Lease Agreement, the land and building become vacant and per section 13.1 of the Adelaide Park Lands Leasing and Licencing Policy 2016:

*a new lease will be selected by way of Expression of Interest unless there are exceptional circumstances (in which case a Council resolution will be required).*

This report outlines for Kadaltilla the rationale for consideration to exempt the AAC from the Expression of Interest (EOI) process required under the Adelaide Park Lands Leasing and Licensing Policy.

Exemption from the Policy's requirement to undertake an EOI process will enable lease negotiations with the AAC to progress at the expiration of their current agreement with the City of Adelaide in September 2025.

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### Recommendation

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Endorses the Chief Executive Officer to enter into lease negotiations for a five-year (1 October 2025 to 30 September 2030) Park Lands Community Lease Agreement with the Adelaide Archery Club (Lessee) for the community building and playing fields located in Bullrush Park / Warnpangga (Park 10).
  2. Endorses the exemption of the Adelaide Archery Club, from the requirement to undertake an Expression of Interest process in accordance with section 13.1 of the Adelaide Park Lands Leasing and Licencing Policy 2016.
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# Implications

<p>Adelaide Park Lands Management Strategy 2015-2025</p>	<p><a href="#">Adelaide Park Lands Management Strategy 2015-2025</a></p> <p>Acknowledges that the Park Lands are a hub for sport and recreation:</p> <ul style="list-style-type: none"> <li>Strategy 1.6: Strengthen the role of the Park Lands as a regional destination for competitive sport and a variety of active and passive forms of recreation.</li> </ul> <p>The Strategy contains targets to <i>'grow organised sport by 10% with the majority of this growth being accommodated via increased utilisation of existing sport fields/facilities, rather than through additional sports zones.'</i></p>
<p>2023-2028 Strategic Plan</p>	<p><a href="#">Kadaltilla / Adelaide Park Lands Authority 2023-2028 Strategic Plan Strategic Plan Alignment – Expert Advice</a></p> <p>Key Action 4.1 – Provide advice on plans, projects and policies for the Adelaide Park Lands</p>
<p>City of Adelaide Strategies</p>	<p><a href="#">City of Adelaide Strategic Plan 2024-2028</a></p> <p>A key action is to <i>'enable community led services which increase well-being, social connections and participation in active lifestyles, leisure, recreation and sport.'</i></p>
<p>Policy</p>	<p><a href="#">Adelaide Park Lands Community Land Management Plan (CMLP)</a></p> <p>The CLMP for this park supports the leasing of this property and adjoining playing fields.</p> <p><a href="#">Adelaide Park Lands Leasing and Licencing Policy</a></p> <p>Section 13.1 stipulates that in the case of vacant land or building a new lessee will be selected by way of Expression of Interest (EOI) unless there are exceptional circumstances.</p>
<p>Consultation</p>	<p>Not as a result of this report</p>
<p>Resource</p>	<p>The granting of a new Park Lands Community Lease Agreement (Lease Agreement) will be undertaken within current operational resources.</p>
<p>Risk / Legal / Legislative</p>	<p>Adelaide Park Lands Leasing and Licensing Policy 2016.</p>
<p>Design</p>	<p>Not as a result of this report</p>
<p>Opportunities</p>	<p>Maintaining the Adelaide Archery Club's tenure in Park 10 ensures ongoing sport and recreational outcomes envisaged by the Adelaide Park Lands Management Strategy and the Community Land Management Plan.</p>
<p>City of Adelaide Budget Allocation</p>	<p>The Lease Agreement will deliver just over \$2,700 in annual revenue in the 2025/26 financial year, indexed annually for the next five years.</p>
<p>Capital Infrastructure Projects</p>	<p>Not as a result of this report</p>
<p>Life of Project, Service, Initiative or (Expectancy of) Asset</p>	<p>Five-year lease agreement</p>
<p>Ongoing Costs (eg maintenance cost)</p>	<p>Not as a result of this report</p>
<p>Other Funding Sources</p>	<p>Not as a result of this report</p>

## Discussion

1. The Adelaide Archery Club (AAC) holds a Park Lands Community Lease Agreement (Lease Agreement) for 1.08ha of area located in Bullrush Park / Warnpangga (Park 10).
2. The AAC has been based in the Bullrush Park / Warnpangga (Park 10) for seventy-eight years and is affiliated with both the National (Archery Australia) and State (Archery South Australia) bodies.
3. The AAC is the largest archery club in South Australia and currently has 321 registered members aged between nine and 80 years of age, of which 38 per cent are female, and 62 per cent are male.
4. Over the years, the AAC has conducted beginner development courses and offered practice sessions, training activities, and competitions. Over 200 students are instructed through beginner programs each year along with corporate come-and-try days.

### Community Building Upgrade Project

5. In May 2019, Council approved the AAC's request to upgrade its leased community building in Park 10 to improve accessibility and functionality of the facility and resolved that Administration investigate a long-term Lease Agreement in recognition of AAC's proposed investment. Council's approval can be found in [Link 1](#).
6. At the time, the AAC held a five-year Lease Agreement expiring 30 September 2020.
7. Council approved the scope of works including increased storage areas, accessible toilets and changeroom facilities, and facade improvements, as shown in [Link 2](#).
8. These approved works equate to a 38sqm addition to the existing building and will extend the community's use of it into the future.
9. In September 2019, the building upgrade was granted Development Approval.
10. Between February and March 2020, public consultation was conducted on a draft 15-year Lease Agreement for the AAC in Park 10.
11. On 14 April 2020, Council approved the results of the consultation process and for Administration to enter into lease negotiations with the AAC.
12. On 1 October 2020, the Lease Agreement was executed. The Lease Agreement contained the following Special Condition:
  - 12.1. *'Despite any other provision of this Lease, if the Lessee does not practically complete the Proposed Redevelopment within the three (3) years from the Commencement Date, the Term of the lease is reduced from fifteen (15) to five years (5).'*
13. The AAC applied for State Government funding support for the community building upgrade across three consecutive years. On all occasions, AAC was unsuccessful.
14. In February 2023, Council approved Community Infrastructure Grant funding of \$100,000 towards the project.
15. Utilising its own funds and the City of Adelaide (CoA) grant, AAC commenced the project in July 2024. It is scheduled to be completed in December 2024 at a cost of \$420,000. An update on this project was provided to Council Members via E-News on 12 August 2024.
16. The December 2024 project completion date does not satisfy the Special Condition clause of AAC's existing Lease Agreement. Their existing Lease Agreement will now expire on 30 September 2025.

### Section 13.1 of the Adelaide Park Lands Leasing and Licencing Policy 2016

17. The Adelaide Park Lands Leasing and Licensing Policy was endorsed in January 2016. A requirement of the Policy (section 13.1) is to select a new lessee of vacant land and/or building through an Expression of Interest (EOI) process unless there are exceptional circumstances, in which case a Council resolution is required.
18. Exceptional circumstances are reviewed on a case-by-case basis, depending on the particulars of the situation.
19. An assessment has been undertaken to determine if exceptional circumstances exist in this case and key considerations are presented below:
  - 19.1. The AAC has been based in Park 10 for seventy-eight years.
  - 19.2. The Park 10 site contains landscape features and equipment unique to archery.
  - 19.3. The AAC has invested \$320,000 of its own funds into the community building upgrade project.
  - 19.4. The AAC proactively sought State Government grant funding for the project across three consecutive financial years (2021/22 to 2023/24).

- 19.5. The AAC was unable to raise the necessary funds to complete the project within the three-year timeframe required by their Lease Agreement.
- 19.6. The AAC has commenced the project and will complete it by December 2024.
- 19.7. Through legislated public consultation and parliamentary processes, approval was granted for a 15-year Lease Agreement.
- 19.8. Maintaining the AAC's tenure in Park 10 ensures ongoing sport and recreational outcomes envisaged by the Adelaide Park Lands Management Strategy and the Community Land Management Plan.
20. Administration seeks Kadaltilla's advice as to whether the considerations outlined in para 19 warrant exceptional circumstances that satisfy section 13.1 of the Adelaide Park Lands Leasing and Licencing Policy 2016.
21. Kadaltilla may endorse an exemption to the AAC from the requirement to undertake an EOI process to select the lessee for the community archery facilities in Park 10.
22. Alternatively, Kadaltilla may advise administration that an EOI process should proceed.

#### **Proposed Lease Agreement – Terms and Conditions**

23. Should Kadaltilla endorse an exemption to the AAC from the requirement to undertake an EOI process, it is recommended that the following high-level terms and conditions inform a new lease agreement with AAC:
  - 23.1. Term: Five years
  - 23.2. Building Rent: \$55 per square metre, discounted by 80% (per Policy for community recreation and sport organisations) and reviewed annually by 4%.
  - 23.3. Licence Fees: As per the City of Adelaide's annually endorsed Fees and Charges, applied from 1 July each year.
  - 23.4. Permitted Use: Community sport and associated community development (not-for-profit) activities.

#### **Next Steps**

24. Subject to Kadaltilla's endorsement, this matter will be presented to the City Community Services and Culture Committee in February 2025.
25. Subject to Council approval, Administration will finalise a new five-year Lease Agreement with the ACC commencing 1 October 2025.

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## **Attachments**

Nil

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