

ADELAIDE PARK LANDS LEASING AND LICENSING

Date this document was adopted

non-legislative

PURPOSE

This Policy outlines the City of Adelaide's approach to managing lease and licence agreements on Community Land under its care and control within the Adelaide Park Lands for the benefit of the community.

STATEMENT

Guiding Principles

Strategic Alignment

Lease and licence arrangements will support Council's strategic objectives and deliver positive community outcomes by:

- Aligning with relevant policies, plans and strategies.
- Prioritising uses that deliver community benefit and enhance the Park Lands experience.
- Matching tenure with investment and commitment.

Sustainability and Stewardship

Leases and licences will support the long-term sustainability and responsible stewardship of Park Lands assets by:

- Supporting climate adaptation, greening and environmental sustainability.
- Encouraging efficient and optimised use of facilities.
- Recognising shared responsibilities for asset maintenance and care.

Inclusive and Equitable Access

The Park Lands are a shared community asset and will remain welcoming and accessible to a diverse range of users by:

- Supporting safe, inclusive and accessible environments.
- Applying equitable fee structures that reflect asset value, exclusivity, maintenance responsibilities and connection to the city, while supporting participation.

Good Governance

Leases and licences will be managed in a transparent, consistent and accountable manner by:

- Complying with relevant legislation.
- Applying a fair and transparent selection process.
- Supporting timely and consistent decision-making.
- Requiring appropriate reporting to demonstrate community benefit.
- Supporting organisational capacity building.

1. Strategic Alignment

1.1 Eligibility

Council may enter into lease or licence agreements with commercial entities, educational institutions, community organisations and government agencies where the proposed use supports the activation and enjoyment of the Park Lands, delivers a demonstrable community benefit, maintains public access, and is consistent with relevant legislation and Council policies.

1.2 Permitted Use

Lease and licence facilities may only be used for the approved permitted use and must not be used in a manner inconsistent with the Adelaide Park Lands Community Land Management Plan, without Council approval.

Non-commercial lease and licence facilities may only be used for community development activities that are open and accessible to the public. The facilities must not be used, or permitted to be used, for any other purpose, including private or commercial functions or events, without Council (Administration) approval.

Requests to host community events will be considered on a case-by-case basis.

1.3 Tenure

The term of lease and licence agreements will generally not exceed five years.

Where a significant capital contribution is proposed, an agreement may be granted for a period of 10 to 21 years, including any renewal rights.

Renewal rights will be incorporated into agreements granted for more than five years to enable periodic reviews of conditions and performance (e.g. four + four).

Agreements with State or Federal Ministers (or their agencies) may be granted for a period up to 42 years, including any renewal rights.

2. Sustainability and Stewardship

2.1 Park Lands Stewards

Non-commercial lessees and licensees may be eligible for lease and licence fee rebates by delivering measurable community benefits. Eligible actions may include:

- Opening facilities as safe refuges for vulnerable community members during extreme weather events.
- Participating in Park Lands initiatives, such as tree planting, weed management, and community clean-up activities.
- Delivering environmental sustainability initiatives, including the use of solar power and recycled water, and actions to reduce waste sent to landfill.
- Supporting shared use arrangements, including educational institutions co-locating with community organisations.
- Enabling access for non-sporting community groups to use facilities for meetings, programs, and events that are open and accessible to the public (excluding private or commercial functions).

- Implementing inclusive practices that promote diverse and affordable access and participation.

Rebates will be assessed and applied retrospectively in the following year, based on demonstrated delivery of eligible community benefit actions.

2.2 Responsibilities

Unless agreed otherwise, all **Park Lands lessees and licensees** will be responsible for:

	Commercial Entity	Community Organisation	Educational Institution	Government Agency
Day-to-day maintenance and upkeep of leased and licensed areas, including buildings and associated outdoor infrastructure.	✓	✓	✓	✓
Maintenance and renewal of improvements.	✓	✓	✓	✓
Costs associated with operating and maintaining leased and licensed areas, including all outgoings and mandatory inspections.	✓	✓	✓	✓
Maintaining appropriate levels of insurance.	✓	✓	✓	✓
Keeping leased and licensed areas in a clean and tidy state, including the timely removal of graffiti.	✓	✓	✓	✓
Waste management, including the provision of green organics and recycling services.	✓	✓	✓	✓
Entering into an electricity contract with an all-renewable electricity retailer.	✓	✓	✓	✓
Complying with all relevant legislation and codes relating to health and safety.	✓	✓	✓	✓

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	Commercial Entity	Community Organisation	Educational Institution	Government Agency
Providing a safe and welcoming environment for their staff, volunteers, members and the community.	✓	✓	✓	✓
Ensuring sporting surfaces are fit for their intended purpose.	If applicable	✓	✓	✓
Reporting safety or risk concerns to Council immediately.	✓	✓	✓	✓
Retaining records of maintenance for the duration of the lease or licence.	✓	✓	✓	✓
Providing Council with the necessary means to access leased areas in emergencies (e.g., keys, fobs, codes, etc).	✓	✓	✓	✓

Unless agreed otherwise, **Council** will be responsible for:

	Commercial Entity	Community Organisation	Educational Institution	Government Agency
Providing capacity-building and volunteer recognition opportunities.	-	✓	✓	-
Conducting an annual leasing and licensing forum.	-	✓	✓	✓
Conducting annual facility inspections.	✓	✓	✓	✓
Supporting community lessees in identifying and applying for grant funding.	-	✓	-	-
Insuring Council buildings and recovering the premium from lessees.	✓	✓	✓	✓

	Commercial Entity	Community Organisation	Educational Institution	Government Agency
Providing online forms for consistency and efficiency.	✓	✓	✓	✓
Issuing maintenance schedules detailing responsibilities and expectations.	✓	✓	✓	✓
Renewing key structural building elements of Council-owned buildings.	-	✓	✓	-
Providing a lawn mowing service as per Council's service standards (where applicable).	-	✓	-	-
Tree care/maintenance.	✓	✓	✓	✓
Collecting general waste as per Council's guidelines.	-	✓	✓	-
Incentivising lessees to undertake community stewardship and sustainability initiatives.	-	✓	✓	✓

3. Inclusive and Equitable Access

3.1 Lease and Licence Fees

3.1.1 Commercial Entities

Lease and licence fees will be based on a market rent valuation, with periodic reviews, as shown below:

Lease Fee (Rent)	Licence Fee
Market Rent Valuation with periodic reviews	Market Rent Valuation with periodic reviews

3.1.2 Non-commercial Organisations

Non-commercial lessees and licensees will be categorised as follows:

Category A	Category B	Category C
Not-for-profit clubs, associations and community groups with a total annual revenue of less than \$500,000.	Not-for-profit clubs, associations and community groups with a total annual revenue of \$500,000 to \$3 million. All government schools (primary and secondary) and government agencies.	Not-for-profit clubs, associations and community groups with a total annual revenue of more than \$3 million. All universities, non-government schools (primary and secondary), and associated alumni organisations.

Category C lessees and licensees will be charged more than Category B, who will be charged more than Category A.

Lease and licence fees will be reviewed annually as part of the adoption of Council's Fees and Charges schedule.

Community organisations that hold agreements for community gardens in the Adelaide Park Lands will be charged a nominal fee.

3.1.2.1 Lease Fees

Fees for leasing buildings will be based on floor area multiplied by a prescribed rate per square metre.

3.1.2.2 Lease Fees - Community Building Redevelopment

Where a community building is redeveloped entirely at the lessee's cost, resulting in a new asset owned by the lessee, a ground lease will be granted, with lease fees applied in accordance with the prescribed rate per square metre.

Where Council contributes to the redevelopment of a community building, the lease fee will be determined through negotiation and will be no less than the prescribed per square metre rate applicable to a building of equivalent floor area, taking into account:

- the value of the redeveloped community building (independently determined)
- the lessee's financial contribution to the redevelopment
- the lessee's capacity to pay

The negotiated lease fee will be approved by a formal Council decision.

3.1.2.3 Licence Fees

Fees for licensing land containing sporting facilities will be based on the area multiplied by a prescribed rate per hectare.

Licence fees will be doubled where access is restricted and controlled by the licensee, e.g., restricted access due to a fence / locked gate.

The rate will be reviewed annually in accordance with the Council's Fees and Charges.

Examples are provided below:

Non-commercial Lessee/Licensee Category	Lease Fee* – Building floor area = 300sqm	Licence Fee* – Area of sports ovals = 1.5 hectares
Category A	Fee = 300 x \$11.40 per sqm	Fee = 1.5 x \$842.50 per ha
Category B	Fee = 300 x \$17.10 per sqm	Fee = 1.5 x \$1,685 per ha
Category C	Fee = 300 x \$22.80 per sqm	Fee = 1.5 x \$2,527.50 per ha

* Fees are GST Inclusive

3.1.2.4 Incentivised Rebates

Non-commercial lessees and licensees may be eligible for rebates on lease and licence fees. Rebates of up to 50% will be determined by Council (Administration) and applied retrospectively in the following year, based on the previous year's fees. To qualify for the maximum rebate, lessees and licensees must demonstrate delivery of multiple measurable community benefit actions (see 2.1 Park Lands Stewards).

3.2 Hardship

Council will consider requests for a reduction or deferment of lease and licence fees where the organisation is experiencing financial hardship. A reduction will require a formal Council decision.

3.3 Subletting and Casual Hire

Non-commercial lessees and licensees must use reasonable endeavours to make their facilities available to community groups and organisations when not in use by the lessee or licensee.

The lessee or licensee must provide a contact person for managing subletting and casual hire enquiries and must not charge or impose any obligations that are more onerous than those Council would charge or impose.

If Council is of the view that the lessee or licensee has not made their facilities sufficiently available, Council will require the lessee or licensee to submit a plan to increase community access.

All subletting agreements must be approved by Council (Administration).

A non-commercial lessee or licensee cannot sublet to a commercial entity unless approved by a formal Council decision. Support of such arrangements will consider:

- the appropriateness of the proposed service/activity;
- the scale of the proposed service/activity in relation to the service/activity of the head lessee/licensee;
- the location of the proposed service/activity in relation to existing city businesses; and
- the proportion of revenue generated through the arrangement that will be reinvested into the ongoing improvement and enhancement of facilities within the Park Lands.

The tenure period for a subletting agreement will not exceed five years, or the remaining tenure period of the (head) lease or licence if less than five years. A subletting agreement with a proposed tenure period of more than five years will require a formal Council decision.

4. Good Governance

4.1 Lessee/Licensee Reporting

Community Organisations and Educational Institutions will:

- Attend an annual leasing and licensing forum conducted by Council.
- Submit an annual report to Council detailing:
 - key personnel contact details;
 - maintenance records;
 - income and expenditure (relating to the leased/licensed area);
 - evidence of compliance checks;
 - insurance certificates;
 - subletting arrangements;
 - casual hires; and
 - participation numbers.

Council may, from time to time, request additional documentation, including, but not limited to, a list of office bearers, audited financial statements, a business plan or strategy, and membership numbers and demographics.

4.2 Selection of a Lessee/Licensee

The selection of a new lessee or licensee will be through an Expression of Interest (EOI) process, open to the public for a minimum of four weeks (28 days).

EOI submissions will be assessed by Council (Administration), with the findings presented to Kadaltilla / Adelaide Park Lands Authority and Council.

Council may, at its discretion:

- decline to grant an agreement following the completion of an EOI process; or
- exempt an organisation from an EOI process, which will require a formal decision of Council.

Council may enter into direct negotiations with an organisation, without undertaking an EOI process, where the agreement:

- relates to an existing commercial lessee/licensee that has demonstrated ongoing compliance with lease/licence conditions and community benefit, and where undertaking an EOI would risk undermining a beneficial commercial arrangement; or
- will be granted to a State or Federal Minister (or their agencies); or
- is for a community garden; or
- relates to improvements planned by Council in partnership with a third party(s), and the third party(s) is the proposed tenant(s) of the improvements; or
- involves the Kaurna Yerta Aboriginal Corporation (or equivalent organisation) being the proposed tenant; or
- is for a period of two years or less, provided that such an agreement is non-consecutive and does not result in a total continuous occupation exceeding two years.

4.3 Public Consultation and Parliamentary Review

Public consultation will be undertaken on a draft lease or licence agreement in accordance with Council's Community Engagement Charter and Policy and the *Local Government Act 1999 (SA)* where the proposed tenure period is greater than five years (including any right of renewal) and/or where an amendment to the Adelaide Park Lands Community Land Management Plan (CLMP) may be required (irrespective of the proposed tenure period).

Under the *Adelaide Park Lands Act 2005 (SA)*, before an agreement with a proposed tenure of ten years or more, including any renewal rights, can be executed, the draft agreement must be laid before both Houses of Parliament and follow the prescribed legislative process.

This process will only occur after the public consultation findings and draft agreement have been formally considered by Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) and Council.

The following table shows the required consultation processes depending on the nature and term of the lease or licence agreement:

	Advice from Kadaltilla / Adelaide Park Lands Authority	Decision of Council	Public Consultation	Lease/Licence laid before both Houses of Parliament
Agreement equal to or less than 5 years and consistent with CLMP	Not required (subject to Expression of Interest provisions)		Not required	
Agreement exceeds 5 years but less than 10 years	✓	✓	✓	Not required
Agreement equal to or greater than 10 years	✓	✓	✓	✓

4.4 Ownership of Improvements

All fixed improvements made to a leased or licensed area by a lessee or licensee will require Council's approval and be vested in Council at the expiry of the agreement, unless otherwise agreed in writing.

The removal of any fixed improvements by a lessee or licensee at the expiry or sooner determination of the lease or licence will require the approval of Council (Administration).

4.5 Compensation

Excluding commercial assignments, any new lessee or licensee will not be required to compensate the previous lessee or licensee, nor will Council compensate a lessee or licensee at the end of its tenure term, despite an agreement not being renewed, or where an agreement is terminated early by the lessee, licensee or lessor.

4.6 Park Lands Events

Council and event organisers will foster cooperative business opportunities and aim to minimise disruption to lessees in the Park Lands wherever possible.

Where Council approves the event, events impacting leased or licensed areas must provide at least four months' notice and partner with Council to return the area to its pre-event condition following the bump-out.

4.7 Vehicle Access

Lessees will be permitted to access the Park Lands via designated access points to undertake maintenance and to load and unload equipment. Motor vehicles will not be permitted to remain on the Park Lands unless they are in a designated parking area and display a Council-issued permit.

On-street parking adjacent to leased and licensed areas will be prioritised for accessible parking and loading and unloading, to improve accessibility to Park Lands facilities and minimise vehicle movements on the Park Lands.

4.8 Signage

All permanent and temporary signage will require the approval of Council (Administration).

Permanent signage must align with relevant Council guidelines and must not include or feature any third-party advertising. This includes, but is not limited to, business, company, or product names, acronyms, or logos, with the sole exception of those belonging to the lessee.

Temporary signage will comply with the South Australian Planning and Design Code (Adelaide Park Lands Zone). Temporary sponsorship signage must be oriented inward, facing the field of play.

Electronic scoreboards may only be activated during scheduled competition times.

4.9 Naming Rights

Proposals to name an area, facility or improvement that are contrary to the naming conventions of the Adelaide Park Lands will require a formal decision of Council.

4.10 Gaming Machines

Gaming machines will not be permitted in leased or licensed facilities.

4.11 Liquor Licence

A lessee or licensee (including sub-lessees and casual use hirers) must not sell, serve or supply to persons, or allow persons to consume alcohol on or from their facilities without first obtaining the consent of Council and all required consents from any relevant Statutory Authorities as per the *Liquor Licensing Act (SA) 1997*.

4.12 Closed Circuit Television

Lessees and licensees may install CCTV systems to support community safety, provided that they can ensure any CCTV use complies with all applicable laws, regulations, and requirements, including those relating to privacy, data protection, and surveillance.

Application of this Policy

Council Administration will implement this Policy in accordance with Council decisions, relevant legislation, the Adelaide Park Lands and Leasing and Licensing Operating Guideline, and through a suite of lease and licence agreements, taking into consideration the purpose, scale, frequency of use, and levels of responsibility.

A Lease Agreement may be used for the exclusive use of facilities (e.g. buildings), with maintenance and services responsibilities detailed.

A Ground Lease may be used where the facilities (e.g. buildings) are owned by the lessee.

A Licence Agreement may be used for regular and ongoing non-exclusive use of facilities (e.g. playing fields), with maintenance and service responsibilities detailed.

Where there are exclusive and non-exclusive rights, Council will embed the licence conditions into an overarching lease agreement.

Limitations of this Policy

This Policy does not apply to:

- Activities or works on public roads through the Park Lands (pursuant to sections 221 and 222 of the *Local Government Act 1999* (SA))
- City Works Permits
- Park Lands Permits
- Hire Agreements
- Park Lands Event Licences
- Depasturing Licences granted to individuals to permit horses on Lefevre Park / Nantu Wama (Park 6)
- The lease and licence granted to the Minister for Transport and Infrastructure for Adelaide Oval – these are provided for in the *Adelaide Oval Redevelopment and Management Act 2011* (SA)
- Temporary works and compounds
- Agreements for areas of the Adelaide Park Lands that are not under the care and control of the City of Adelaide

OTHER USEFUL DOCUMENTS

Related documents

- Adelaide Park Lands Leasing and Licensing Operating Guideline (tbd)
- Adelaide Park Lands Community Buildings (Sport and Recreation) Policy (2024)
- Adelaide Park Lands Community Land Management Plan (2023)
- Adelaide Park Lands Management Strategy – Towards 2036 (2025)
- City of Adelaide Strategic Plan (2024 – 2028)

Relevant legislation

- *Adelaide Park Lands Act 2005 (SA)*
- *Liquor Licensing Act 1997 (SA)*
- *Local Government Act 1999 (SA)*
- *Planning, Development and Infrastructure Act 2016 (SA)*

NOTE: The *Retail and Commercial Leases Act 1995 (SA)* does not apply to the Adelaide Park Lands, pursuant to an exemption granted under section 77(1) of the Act by the Minister for Business Services and Consumers on 28 December 2011.

GLOSSARY

Throughout this document, the below terms have been used and are defined as:

Adelaide Park Lands: Those areas of the Park Lands defined by the *Adelaide Park Lands Act 2005 (SA)*, which have been Gazetted by Parliament and defined to be under care and control of the City of Adelaide.

Adelaide Park Lands Community Land Management Plan: A document required under the *Local Government Act 1999 (SA)*, that informs how community land under the care and control of the City of Adelaide will be managed in accordance with the Adelaide Park Lands Management Strategy, including the identification of leased and licensed areas.

Adelaide Park Lands Management Strategy: A document required under the *Adelaide Park Lands Act 2005 (SA)*, that sets the strategic framework for the overall planning and management of the Adelaide Park Lands.

Assignment of Lease: The process involving a lessee transferring their interest, rights and obligations under an existing lease agreement to a new party. An assignment requires Council's consent before execution.

Building Floor Area: The total floor area of a building across all levels.

Casual Hire: Relates to one-off or irregular use of facilities by an organisation.

Commercial Entity: An incorporated or registered business with its core activity involving the selling of goods or services for profit.

Community Garden: An area of community land cultivated collectively or in individual plots by members of the community for the purpose of growing plants, fostering community engagement, and supporting environmental sustainability.

Community Organisation: A recreation and sport club or association, or similar not-for-profit community organisation.

Educational Institution: A government/non-government primary or secondary school, college or university.

Expression of Interest: A formal process where eligible organisations are invited to submit an interest in leasing or licensing an identified area of the Park Lands.

Government Agency: Any state or federal government department or its agencies.

Ground Lease: Involves the lessee owning the improvements during the lease term, while Council retains ownership (care and control) of the land. The improvements are usually removed by the lessee or transferred to the lessor upon lease expiration, unless agreed otherwise.

Improvements: Any fixture, fitting or structure constructed or installed on a leased or licensed area by the lessee/licensee or lessor.

Key Structural Building Elements: This includes the building substructure, floor, load-bearing posts and walls, roof, including overhangs and verandas, cladding and doors and windows.

Lease: A lease confers an exclusive contractual right on a lessee to use the land, whereby the lessee facilitates access via appropriate means (e.g., membership, sublease, and casual booking). A lease is generally provided for buildings that require a level of security of tenure.

Lessee/Licensee: An organisation that has a direct legal relationship with Council via a lease or licence agreement.

Licence: A licence confers a non-exclusive contractual right on a licensee to the first right of use of the land, but allows public access when not in use by the licensee (and any sub-licensees). A licence is generally provided for open areas such as playing fields.

Maintenance and Upkeep: This relates to all direct and indirect costs and tasks associated with maintaining leased and licensed facilities to ensure they remain fit for purpose for their intended activity.

Market Rent Valuation: Where Council seeks the services of an independent valuer to ascertain the appropriate fees to be charged to a commercial lessee or licensee based on similar market circumstances.

Nominal Fee: A nominal rent is used to make a lease or licence agreement legally valid where no real lease or licence fee is intended.

Non-commercial Organisation: For the purpose of this Policy, an educational institution, not-for-profit community organisation or government agency.

Parliamentary Process: A formal process contained within the *Adelaide Park Lands Act 2005 (SA)*, that requires Council to submit a draft lease or licence agreement, with a tenure period of ten years or more, to the South Australian Parliament.

Renewal Rights: A clause in a lease or licence giving rights to the lessee or licensee to extend an agreement for a further specific period, subject to following the terms of the agreement at the time of the renewal.

Subletting: Where a lessee or licensee enters into an agreement with another organisation to utilise a leased or licensed facility and must be under the same conditions as the original agreement.

Total Annual Revenue: The gross income received over a 12-month period from all operating and non-operating sources, excluding any grant funding received and related interest earned, prior to the deduction of expenses, taxes, or other costs.

ADMINISTRATIVE As part of Council's commitment to deliver the City of Adelaide Strategic Plan, services to the community and the provision of transparent information, all policy documents are reviewed as per legislative requirements or when there is no such provision a risk assessment approach is taken to guide the review timeframe.

This Policy document will be reviewed every **four** years unless legislative or operational change occurs beforehand. The next review is required in **2030**.

Review history:

Trim Reference	Authorising Body	Date/ Decision ID	Description of Edits
ACC2016/19640	Council	January 2016	Adopted Adelaide Park Lands Leasing and Licensing Policy

Contact:

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