

# Councillor Cabada - MoN - Additional AEDA Funding for City Activation, West End Growth and the Night-Time Economy

Tuesday, 9 June 2026  
Council

**Council Member**  
Councillor Alfredo Cabada

Public

**Contact Officer:**  
Anthony Spartalis, Chief Operating Officer

## MOTION ON NOTICE

**Councillor Alfredo Cabada will move a motion and seek a seconder for the matter shown below to facilitate consideration by the Council:**

'That Council:

1. Notes that the Adelaide Economic Development Agency's draft 2026/27 Business Plan identifies AEDA's role in accelerating economic growth, supporting businesses, attracting visitation, activating precincts, promoting the city and strengthening Adelaide's position as a destination for investment, events, hospitality and tourism.
2. Notes that Council has not yet adopted the 2026/27 Business Plan and Budget, and therefore retains the opportunity to consider targeted funding allocations that support economic growth, city activation and business confidence.
3. Notes that the West End of the CBD is a strategically important precinct for hospitality, entertainment, arts, culture, students, visitors, workers, residents and small businesses, and that targeted activation can assist in increasing visitation, dwell time, spend and confidence across the precinct.
4. Requests that the draft 2026/27 Business Plan and Budget be adjusted prior to adoption to include an additional one-off allocation of \$950,000 to the Adelaide Economic Development Agency in 2026/27, comprising:
  - a. \$300,000 for West End business growth, revitalisation and implementation initiatives;
  - b. \$300,000 to support priority initiatives in AEDA's 2026/27 Business Plan;
  - c. \$250,000 for night-time activation within the CBD; and
  - d. \$100,000 to support Renew Adelaide to continue delivering initiatives that activate vacant spaces, support entrepreneurs, encourage new business activity and contribute to CBD and North Adelaide vibrancy.
5. Requests the administration that the additional allocation be funded, where possible, through identified savings, reprioritisation, internal efficiencies, deferral of lower-priority expenditure, new revenue opportunities or other budget adjustments, rather than through an increase to general rates.
6. Requests that AEDA, in consultation with Administration, provide Council Members with a short implementation plan before the expenditure is committed, outlining:
  - a. proposed programs, activations and initiatives;
  - b. delivery timeframes;
  - c. intended precincts and target audiences;
  - d. how city businesses, traders and precinct groups will be engaged;
  - e. expected economic outcomes, including visitation, spend, business participation and private sector leverage where measurable; and

- f. how performance will be reported back to Council.
7. Requests that AEDA report back to Council on the outcomes of the additional funding, including activities delivered, business participation, visitation outcomes, estimated economic impact, lessons learned and recommendations for future city activation funding.'

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## ADMINISTRATION COMMENT

### Funding options

1. The Strategic Plan 2024-2028 includes a strategic outcome in relation to Our Corporation: Financial Sustainability - focus on budget repair to ensure responsible financial management through the principle of intergenerational equity while delivering quality services. The comments below are framed in the context of this strategic focus.
2. Through the process of development of the draft 2026/27 Business Plan and Budget for public consultation, Council and Administration have identified savings, opportunities for reprioritisation, internal efficiencies, and deferral of lower-priority expenditure. These have already been incorporated into the current draft which has been provided to the community for consultation. Further substantive changes are not feasible, without corresponding changes to services (which Council has not identified or agreed upon), or delivering a reduced operating surplus (with the risk to financial sustainability this presents).
3. Borrowing for the kind of operational expenditure this proposed Motion recommends is not feasible, as it conflicts with the financial principles Council adopted in the Long Term Financial Plan. Namely that borrowings are only to be used to fund new and upgrade capital projects, not for operational expenditure.
4. To summarise: opportunities for internal operational savings and efficiencies have already been exhausted; borrowing the additional funds is not a financially responsible option; delivering a reduced operating surplus damages the Corporation's long-term financial sustainability.
5. The remaining option to fund the proposed additional expenditure of \$950,000 without negatively impacting the operating result, is through a 0.6% increase in rates – from 5.6% proposed in the draft 2026/27 Business Plan and Budget provided to the public for consultation, to 6.2%.
6. Noting the financial sustainability consequences of a reduced operating surplus or increased borrowings and an anticipated lack of appetite for further increases to rates, it is suggested that the proposed additional expenditure of \$950,000 is not currently feasible or appropriate.

### Agreed uplift in AEDA base budget

7. Note that a staged increase of approximately \$2.1 million to AEDA's base budget over the next three years has previously been workshopped with Council and built into the draft 2026/27 Business Plan and Budget. This \$742,000 increase, together with an additional \$307,000 allocated by Council in the draft 2026/27 Business Plan and Budget on 28 April 2026 for an AEDA "Small Business Program" brings the increase in funding to \$1.049m, half of the \$2.1m in the first year alone. The funding increase proposed in the Motion would increase this to \$2 million in one year, just short of the total staged increase over three years. This is a substantial change that has not been communicated to the community or other stakeholders.

### AEDA priorities

8. AEDA Board consultation is advisable in relation to priorities identified in the proposed Motion, which do not appear to align clearly with either the AEDA Strategic Plan 2024-2028 or the City of Adelaide's Economic Development Strategy.
9. Given this necessary consultation and prioritisation process, developing meaningful implementation plans for a multi-project budget of \$950,000 is not feasible before adoption of the 2026/27 Business Plan and Budget at the end of June 2026. A program of strategically aligned activities would need to be developed, expected economic impacts modelled, and rigorous outcome measures devised. All of this activity takes time and comes with administrative cost.
10. Funding for West End activation is part of the precinct support model being implemented in 2026/27 from Council's 27 January 2026 precinct model funding decision. Targeting additional funding to one precinct above others risks undermining the strategic collaboration being pursued across all the City of Adelaide's precincts.

11. In terms of transparency and good governance it should be noted that Renew Adelaide currently has a three year funding agreement for \$969,000 from 2025/26 – 2027/28, resulting from a public contestable process. Other organisations which participated in that process could have a legitimate concern about perceived preferential treatment if further uncontested funding was provided to Renew Adelaide outside of Council's strategic partnership policy and guidelines.

**Draft 2026/27 Budget – public consultation**

12. As indicated above the financial assumptions, priority activities and parameters for the 2026/27 have been workshopped with Council in a comprehensive process which commenced in December 2025. This process resulted in the draft 2026/27 Business Plan and Budget which was out for public consultation from 5 – 26 May 2026. Findings of the consultation are being reported to Council on 9 June 2026.
13. Unless it was clearly sought in the consultation feedback, adding activity costing an additional \$950,000 to the 2026/27 budget after consultation has concluded (especially with the additional 0.6% rate increase required) would demonstrate a perceived lack of credibility and reliability, undermine community trust, and be hard for Council to justify.

Should the motion be carried, the following implications of this motion should be considered. Note any costs provided are estimates only – no quotes or prices have been obtained:	
Public consultation	Council will need to justify to the community additional expense and rate increase not previously flagged in public consultation around the draft 2026/27 Business Plan and Budget.
External consultant advice	Not applicable
Legal advice / litigation (eg contract breach)	Not applicable
Impacts on existing projects	Not applicable
Budget reallocation	An additional \$950,000 expenditure will require a rate increase of 0.6% to ensure a sufficient operating position is maintained.
Capital investment	Not applicable
Staff time in preparing the workshop / report requested in the motion	Preparing “short implementation plans” for \$950,000 additional activity across would require diversion of substantial administrative resources across several program areas (including AEDA) for the remainder of June 2026.
Other	Not applicable
Staff time in receiving and preparing this administration comment	To prepare this administration comment in response to the motion on notice took approximately 9.5 hours.

- END OF REPORT -