

 Adelaide Plains Council	21.1	Mallala Campgrounds Lease Update
	Department: Report Author:	Infrastructure and Environment Acting General Manager - Infrastructure and Environment
Date: 28 October 2019	Document Ref:	D19/52661

EXECUTIVE SUMMARY

- The purpose of this report is for Council to consider the proposed Mallala Campground lease and seek approval to carry out public consultation on the proposed lease.
- Ongoing discussions between Council's Management and the Mallala & Districts Lions Club have resulted in reaching a draft lease for Council's consideration.
- The proposed leasing conditions have recently been endorsed by the Mallala & District Lions Club, including review and endorsement by the Lions Club Australia, SA branch.
- In order to continue to progress the proposed lease, Council is required to carry out Public Consultation on the lease in accordance with its obligations under the *Local Government Act 1999*.
- The development of the Mallala Campground is a capital works project that is expected to be completed under the Drought Communities program.

RECOMMENDATION

"that Council, having considered Item 21.1 – *Mallala Campgrounds Lease Update*, dated 28 October 2019, receives and notes and in doing so:

- 1. Authorises Council staff to commence the public consultation process pursuant to Section 202 of the *Local Government Act 1999*, in regard to the leasing of a portion of land over two titles and adjacent to the Mallala Oval on Wasleys Road Mallala, and comprised in Certificates of Title Volume 6163, Folios 219 and 218, to the Mallala and District Lions Club**
- 2. and in the event that objections are received to the leasing of a portion of land over two titles and adjacent to the Mallala Oval on Wasleys Road Mallala, and comprised in Certificates of Title Volume 6163, Folios 219 and 218 to the Mallala & District Lions Club, by the conclusion of the public consultation process, a report be presented to Council for consideration,**
- 3. and in the event that no objections are received to the a portion of land over two titles and adjacent to the Mallala Oval on Wasleys Road Mallala, and comprised in Certificates of Title Volume 6163, Folios 219 and 218, to the Mallala and District Lions Club, by the conclusion of the public consultation process, the Chief Executive Officer**

be authorised to seek the assistance of Norman Waterhouse Lawyers if and as required, to negotiate and finalise the terms and conditions of the lease

4. authorises, pursuant to Section 44 of the Local Government Act 1999, the Mayor and Chief Executive Officer to execute the lease agreement between the Adelaide Plains Council and the Mallala and District Lions Club
5. In accordance with Section 166(1)(j) of the Local Government Act 1999, Council, being satisfied that the portion of land over two titles and adjacent to the Mallala Oval on Wasleys Road Mallala, and comprised in Certificates of Title Volume 6163, Folios 219 and 218, is being used by an organisation which, in the opinion of Council, provides a benefit or service to the local community, grants a discretionary rebate of 100% of the rates imposed, effective from the 2019/20 rating year.”

BUDGET IMPACT

Estimated Cost:	\$500 Advertising / Public Consultation
Future ongoing operating costs:	Nil
Is this Budgeted?	No

RISK ASSESSMENT

Council should be satisfied that it has complied with its obligations concerning the Local Government Act 1999 and that the proposed lease is consistent with the objectives of the Community Land Management Plan No 1, Major Sports and Recreation Precincts.

DETAILED REPORT

The purpose of this report is to provide Council with an update in relation to the Mallala Campground lease discussions and to seek Council's approval to carry out public consultation on the proposed lease. Public consultation is required as part of the next steps toward establishing a leasing arrangement over the subject land.

At its Ordinary Meeting on 24 June 2019, Council resolved as follows:

21.3 Mallala Campground - Economic Assessment

Moved Councillor Parker Seconded Councillor Keen **2019/271**

"that Council, having considered Item 21.3 – Mallala Campground - Economic Assessment, dated 24 June 2019, receives and notes the report, and in doing so endorses Model 2 – Proposed Lease with the Lions Club, and instructs the Chief Executive Officer to bring back the final lease between Council and the Mallala Lions Club for Council to approve."

CARRIED

Over recent months, Management have been in discussions with the Mallala and District Lions Club to prepare a draft lease for Council's consideration.

The proposed leased, (**Attachment 1**) has been developed in consultation with the Mallala & District Lions Club and was recently endorsed unanimously by the Club at its meeting on 14 October 2019. The Club resolved to refer the lease back to Council and continue with the process for approval. The draft lease has also been referred to the Lions Australia legal advisors for review and Management is advised that Lions Australia did not have any objections to the proposed terms and conditions of the draft lease.

It is the details contained within Schedules One and Two which have been the subject of discussions between Management and the Mallala & District Lions Club as these contain details regarding financials and site management. The general terms and conditions of the base lease document have not been an issue of conjecture. Schedules One and Two include the following items for Council's consideration:

- Scaled rental that increases proportionally with the number of camping stays based on best case, worst case and expected case scenarios presented in the BRM Holdich Economic Assessment report;
- A five year lease term with three options to renew;
- The permitted use is for camping and recreational vehicles;
- An operations and management plan for the site;
- Financial report requirements;
- Details concerning the ablutions block management; and
- A site maintenance schedule which outlines Council and the lessee responsibility.

In accordance with Section 202 of the Local Government Act 1999, where Council intends to alienate a portion of Community Land under a lease, the Council must consult with the community in a manner

set out in its public consultation policy. For the purpose of this consultation, Council is obliged to outline the key elements of the lease which cover the proposed length of tenure, the land, the parties and the intended use of the land. Advertising should be carried out in relevant local newspapers and should also include Council's website and make provision for copies of the draft lease available for inspection in Council's offices.

It is recommended that if there are no objections arising from the period of public consultation, then Council may consider authorising the CEO to proceed with finalising and executing the lease. If however, objections are received as a result of the consultation, the matter should be returned to Council for further consideration and direction.

Attachments

1. Copy of the draft Lease
2. Copy of emails from Mallala & District Lions Club endorsing the proposed lease

References

Legislation

Local Government Act 1999

Retail and Commercial Leases Act 1995

Council Policies/Plans

Procurement Policy

Community Land Management Plan