

**Meeting:** Council

**Title:** Levi Park Caravan Park

**Responsible Manager:** General Manager (Acting),  
Heather Barclay

**Author:** General Manager (Acting),  
Heather Barclay

**Type of Report:** **Decision Required**

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Item No: 16.1.3  
File No: 16.51.4.11  
Date: 18 May 2015  
Attachment: A & B

### Recommendation

Pursuant to Section 83(5) of the Local Government Act 1999, the Chief Executive Officer indicates that the matter contained in this report may, if the Council so determines, be considered in confidence pursuant to Section 90(2) of the Local Government Act 1999 on the basis that the information contained in the attached report is information of the nature specified in subsections 90(3) (d) of the Act being:

information the disclosure of which -:

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
- (ii) would, on balance, be contrary to the public interest;

### Recommendation (Public)

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except, Chief Executive Officer, Kiki Magro, General Manager (Acting) Heather Barclay, Protocol & Compliance Officer, Deb Bria, Manager Planning & Infrastructure, Brad Wilmott, Manager Community Service Fiona Deckert, Financial Controller, Manna Montu Abraham & Property & Contracts Officer, Ganesh Krishnan be excluded from attendance at the meeting for Agenda Item No.16.1.3 Levi park Caravan Park.

The Council is satisfied that, pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the

information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances.

## **Recommendation (Confidential)**

**Moved:**

**Seconded:**

That Council resolves - :

1. To receive and note the proposal from Ryad Hill Pty Ltd, received on 17 April 2015, including a proposal to Manage the Levi Caravan Park on behalf of Council for an extended term;
2. To undertake a condition assessment of the 'site', known as Levi Caravan Park forthwith;
3. That the Administration prepare a further report to Council (by 30 August 2015) on Levi Caravan Park, which;
  - a) considers the Ryad Hill Pty Ltd proposal, contextual with their existing lease agreement with Council, and the objectives of Council's Contracts and Tender Policy, in terms of (but not, limited to), accountability, fair, competitive and non-discriminate procedures and process, and;
  - b) presents options to Council for consideration, aligned to Local Government Act provisions for the Levi Caravan Park, considerate of Council's Lease and License Policy for Community Land and Buildings, and Council's Contracts and Tender Policy;
4. Ryad Hill Pty Ltd be advised that Council has received and noted their letter dated 2<sup>nd</sup> June 2014 and proposal (received on 17 April 2015) in 1. above, and will formally consider the same by 30 August 2015.

## **Recommendation (Confidential)**

**Moved:**

**Seconded:**

That the Council, having considered the said information or matter in confidence under Part 3 of Chapter 6 of the Local Government Act 1999, orders, pursuant to Section 91(7) of the Local Government Act 1999, that Agenda Item No.16.1.3 Levi park Caravan Park and any other documentation relative to the report to be retained in confidence including minutes in relation to this Agenda Item No.16.1.3 and minutes relating to this Agenda Item No.16.1.3 be kept confidential until the matter has been finalised and that pursuant to Section 91(9)(c) of the Local Government Act 1999 the Council delegates to the Chief Executive the review and power to revoke this Order.

## **Recommendation (Confidential)**

**Moved:**

**Seconded:**

That Council resolves to end its confidential deliberations pursuant to Section 90(2) of the Local Government Act 1999 Council and re-admit the public.

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## Purpose of Report

The purpose of this report is;

1. To present, for information, a proposal received from Ryad Hill Pty Ltd, (the Manager of Levi park Caravan Park), including a request for a lease term extension (of 21 years) to continue to manage the Levi Caravan Park on behalf of the Council.
2. To provide a background regarding the current terms of lease between Council and Ryad Hill Pty Ltd.
3. To provide advice to Council on next steps in relation to 1 and 2 above.
4. To provide advice to Council regarding Local Government Act provisions associated with Levi Park.

## Relevance to Strategic Plan and / or Corporate Plans

Living in the Town of Walkerville; Sensitive environments and development;

Objective 2: Promote Development in balance with the natural environment

## Background

Ryad Hill Pty Ltd, the Manager of Levi park Caravan Park, Adelaide SA, known as Levi park Caravan Park, entered into an Agreement with the Town of Walkerville (Council) for a term of 15 years commencing on the 1<sup>st</sup> day of December 2000 and expiring on the 30<sup>th</sup> day of November 2015, to manage the Caravan Park on behalf of the Council, subject to the conditions set out in the Agreement.

The Agreement refers; that the Manager shall be entitled to an extension of the term of Agreement for a further period of five (5) years commencing on the 1<sup>st</sup> day of December 2015 (“the extended term”), provided the Manager has complied with the conditions of Agreement.

In order to invoke “the extended term”, the Manager must give notice to the Council in writing of its desire to extend the term. This notification occurred on 2<sup>nd</sup> June 2014, wherein the Manager formally gave notice (in writing) of their intention to exercise their right to extend the term of the Agreement by 5 years to 30<sup>th</sup> November 2020 (refer **Attachment A**).

The Council (at a Meeting on 8 July 2014), with Ryad Hill Pty Ltd, advised that Council will seek to enter into a new agreement for the ensuing 5 year term (to 30<sup>th</sup> November 2020), however, prior to doing so would seek to resolve a number of anomalies / ambiguities and discrepancies in the current Agreement, in order that there would be clear terms for both parties moving forward (for the 5 year term).

In order that an Agreement could be determined, including clear terms, Council provided advice that a first step towards the new Agreement (5 years only), must include an audit of the site (condition assessment) to form the basis of discussions and determination of respective responsibilities and specific terms associated with any new Agreement.

Members are advised that the 'condition assessment' of the Levi park Caravan Park Site has been completed in part (building assessment), but needs to be completed for the park in its entirety. This work is to be scheduled forthwith.

In relation to the 'term' of Agreement, at the Meeting (on 8 July 2014), Ryad Hill Pty Ltd, provided advice to the Administration that they would seek a 'term' of Agreement longer than 5 years, in line with their considerations for development of the site.

### **Issues for Consideration**

On 17 April 2015, Council received a proposal from Ryad Hill Pty Ltd requesting Council grant a lease extension ("extended term"), including a further 21 year lease, to commence at the expiration of the existing lease term (30<sup>th</sup> November 2015), refer **Attachment B**.

In accordance with the background, herein, the current terms of Agreement between the Council and Ryad Hill Pty Ltd, refers, entitlement to an "extended term" of 5 years only. Accordingly, consideration or otherwise to an "extended term", beyond 5 years by Council will require critical deliberation in relation to the options moving forward (with or without Ryad Hill Pty Ltd, beyond 5 years), the benefits/disadvantages of the proposal, and the appropriateness or otherwise of the same, considering the objectives of Council's Contracts and Tender Policy.

In this regard, it is recommended that;

1. A condition assessment and costing of repairs etc. in relation to the 'site', known as Levi Caravan Park be undertaken forthwith, to inform any next steps;
2. The Administration prepare a further report to Council on Levi Caravan Park, which considers and presents options to Council for consideration, aligned to Local Government Act provisions for Levi Park, and is considerate of Councils Lease and License Policy for Community Land and Buildings, and Councils Contracts and Tender Policy.

For reference, the Local Government Act specifically refers and prescribes provisions associated with Levi Park.

Provisions relating to Schedule 8, clause (9) of the Local Government Act 1999, refers;

### **Levi Park**

- (1) *Levi Park is classified as community land and the classification is irrevocable.*
- (2) *The Corporation of the Town of Walkerville must continue to maintain Levi Park for the benefit of the community as a public park.*
- (3) *The council -*
  - (a) *must preserve for as long as possible the Moreton Bay fig tree growing in the park; and*
  - (b) *must maintain and preserve Vale House for the benefit of the community; and*
  - (c) *must maintain and preserve the caravan park and camping ground in the park; and;*
  - (d) *must not alter the nature of the use of the park, or of any part of the park, without the approval of the Minister.*

*These matters must be addressed in the management plan for the park.*

- (4) *In this clause -*  
**Levi Park or the park** means the whole of the land comprised in Certificate of Title Register Book Volume 1601 Folio 134 and Volume 2995 Folio 177.

In response to the above, the Councils Community Land Management Plan No. 4, Levi Park, refers;

- The land is owned by the Town of Walkerville as a freehold estate.
- The land is not known to be affected by a Native Title Claim, by any Trusts, Reservations or Dedications.

The purpose for which the land is held is not limited to, Tourist accommodation (Caravan Park).

It is a requirement that Council ensures the Caravan Park facilities and infrastructure is maintained to an acceptable standard, that the Moreton Bay Fig Tree is inspected and maintained and that Vale House is preserved and maintained.

### **Options for Consideration**

It is recommended that Council not make any decisions any on potential future scenarios for the Levi Caravan Park site until a further report is provided to Council on this matter which addresses and analyses the proposal by Ryad Hill Pty Ltd and other potential and future operating models and/or lease options. Accordingly, the following is recommended;

That Council resolves - :

1. To receive and note the proposal from Ryad Hill Pty Ltd, received on 17<sup>th</sup> April 2015, including a proposal to Manage the Levi Caravan Park on behalf of Council for an extended term;
2. To undertake a condition assessment of the 'site', known as Levi Caravan Park forthwith;
3. That the Administration prepare a further report to Council (by 30 August 2015) on Levi Caravan Park, which;
  - a. considers the Ryad Hill Pty Ltd proposal, contextual with their existing lease agreement with Council, and the objectives of Councils Contracts and Tender Policy, in terms of (but not, limited to), accountability, fair, competitive and non-discriminate procedures and process, and;
  - b. presents options to Council for consideration, aligned to Local Government Act provisions for the Levi Caravan Park, considerate of Councils Lease and License Policy for Community Land and Buildings, and Councils Contracts and Tender Policy;
4. Ryad Hill Pty Ltd be advised that Council has received and noted their letter dated 2<sup>nd</sup> June 2014 and proposal (received on 17 April 2015) in 1. above, and will formally consider the same by 30 August 2015.

### **Analysis of Options**

Any future scenarios for the management or lease, or otherwise for the Levi Caravan Park, should be considered in the context of a full analysis of future options, as part of a further report to Council.

### **Financial and / or Risk Implications**

The current lease will continue until 30<sup>th</sup> November 2015, and operate in 'Holding –Over' (if required) after that time until a resolution is determined regarding this matter.

The process (above) will enable Council to explore and evaluate a range of options including the proposal from Ryad Hill Pty Ltd.

### Social

Development of lease options or otherwise must be considerate of and comply with Schedule 8 Clause (9) of the Local Government Act for Levi Park and to Councils own Community Land Management Plans.

### Environmental

Per above (Social)

### Governance

Any new lease or future opportunities must be developed in compliance with Council's policies and procedures, and Schedule 8 Clause (9) of the Local Government Act.

### Preferred Option & Reasoning

The preferred option for consideration is provided in 'Options for Consideration', above.

**Attachment A** - Correspondence, Ryan Hill Pty Ltd, dated 2 June 2014

**Attachment B** – Correspondence (incl proposal), Ryan Hill Pty Ltd, received 17 April 2015

