

## **9.2 New Lease Proposal - Middleton Pioneer Hall Community Association Inc**

**C126/04/26**

**Moved Cr Michael Scott seconded Cr Peter Oliver**

**That Council:**

- 1. Receive and note the contents of the report titled *New Lease Proposal - Middleton Pioneer Hall Community Association Inc*.**
- 2. Receive the proposal for a new 10-year Community Building lease from the Middleton Pioneer Hall Community Association Inc as provided at *Attachment 1* contained in this meeting agenda.**

3. Approve proceeding to public consultation in accordance with the *Community Engagement Plan* provided at *Attachment 2* contained in this meeting agenda, on the essential terms of a proposed lease with the Middleton Pioneer Hall Community Association Incorporated, for ongoing management of the Middleton Pioneer Hall located at 3 Walker Place, Crown Record Volume 5899 Folio 376, Middleton, as follows:
- Community Building Lease
  - Minor Commercial / Community Lease fee (\$500 per annum)
  - Ten-year term (5+5)
  - Initial 5-year term with a 5-year renewal
  - Commencement date of 1 September 2026
  - Expiry date of 31 August 2036
  - Lease purpose of meeting hall, community uses and other minor commercial revenue raising activities as approved by Council
  - Lease area as identified in red as contained within this Report
  - Lessee responsible for all applicable outgoings (rates, taxes and services)
  - Lessee is responsible for maintenance
  - Council responsible for replacement of infrastructure at end of useful life
  - Lessee is responsible for public liability and contents insurance
  - Council responsible for building insurance
4. Note that a further report will be presented at the conclusion of the public consultation process.

CARRIED UNANIMOUSLY

## 9.2. New Lease Proposal - Middleton Pioneer Hall Community Association Inc

Decision Report

Responsible Officer: Tash Hunt (General Manager Corporate)

Report Author: Lisa Hoyle (Manager Property and Procurement Services)

Previous Decisions: Nil

### Report Purpose

To consider a proposal from the Middleton Pioneer Community Hall Association Inc for a new 10-year lease, for continued occupancy of the Middleton Pioneer Hall located at 3 Walker Place, Middleton.

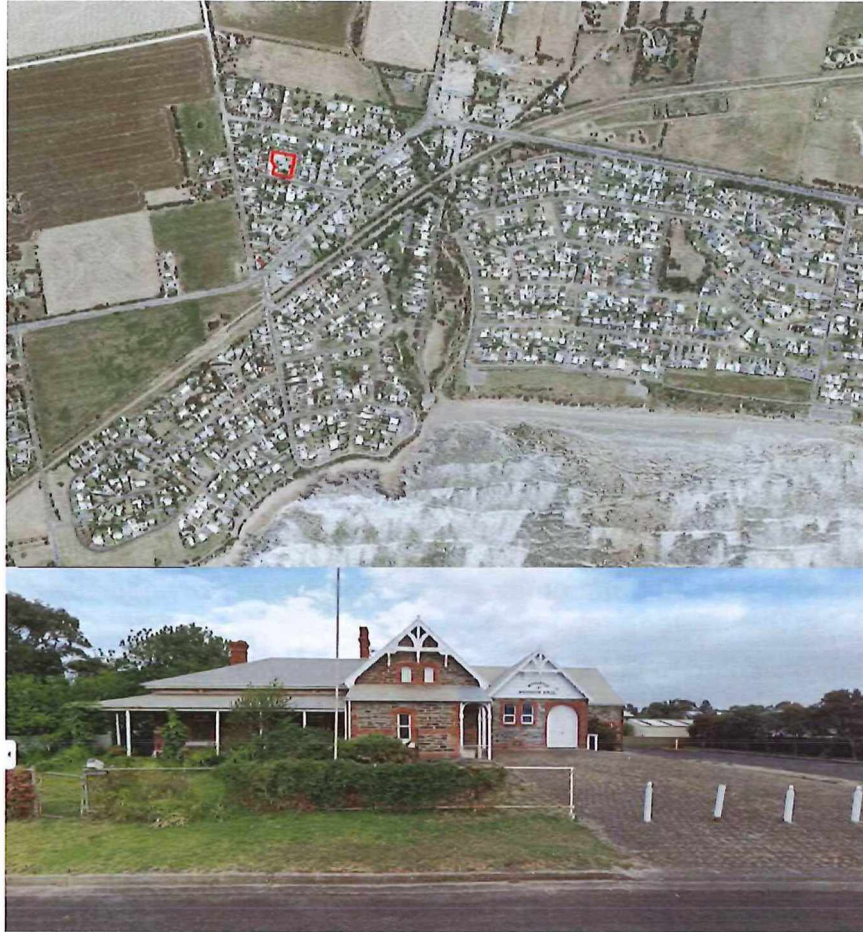
### Recommendation

That Council:

1. Receive and note the contents of the report titled *New Lease Proposal - Middleton Pioneer Hall Community Association Inc*.
2. Receive the proposal for a new 10-year Community Building lease from the Middleton Pioneer Hall Community Association Inc as provided at *Attachment 1* contained in this meeting report.
3. Approve proceeding to public consultation in accordance with the *Community Engagement Plan* provided at *Attachment 2* of this Report, on the essential terms of a proposed lease with the Middleton Pioneer Hall Community Association Incorporated, for ongoing management of the Middleton Pioneer Hall located at 3 Walker Place, Crown Record Volume 5899 Folio 376, Middleton, as follows:
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4. Note that a further report will be presented at the conclusion of the public consultation process.

## Background

For context, the location of the building in Middleton is identified in red below.



The Middleton Pioneer Community Hall Association Inc. (Association) entered a 42-year lease with the former District Council of Port Elliot and Goolwa for the Pioneer Hall (Hall), the Old School Room (Room) and the Old School House Masters Residence (Dwelling) on the 1 July 1982. A carpark for the Hall is located directly adjacent to the hall, with this property owned outright by the Association.



The premises has been well activated by the Association during the 42-year lease. The Hall and Room have provided significant community benefit as a meeting space and hire facility. The Dwelling was occupied by a long-term tenant until June 2024. The expiry of the tenancy agreement coincided with the overarching expiry of the current lease on 30 June 2024.

The Association also held a peppercorn lease with Council for the Middleton Institute (Institute) located at 35 Goolwa Road Middleton which they subleased to the Middleton Arts and Craft Association (MACA). As this lease did not expire until November 2025, the Association sought holding over of the Hall lease until the MACA lease for the Institute came to an end in November 2025. The reason for this was so the two (2) properties could be considered more holistically by all parties. As such, the Association has remained in occupation of the premises since July 2024 under the holding over clause of their 42-year lease.

At the 21 July 2025 Council Meeting, a separate lease was issued to the Middleton Arts and Craft Association for the Middleton Institute, as supported by the Association (C257/07/25). This lease commenced on the 1 December 2025 following expiry of their sublease with the Association on the 30 November 2025.

Following the direct lease being established between Council and the Middleton Arts and Craft Association for 35 Goolwa Road, the Association can focus on the future for the Hall, Room and Dwelling.

## Discussion

On the 8 January 2026, representatives from the Association met with key Officers of Council to discuss future options for all buildings and grounds that make up the premises. At this meeting, it was established that the Dwelling could not be occupied at this stage in its current state and, that the focus for the Association remained on the Institute (Hall) and the Old School Room (Room).

As an outcome from these discussions, the Association have lodged a proposal with Council as provided at **Attachment 1** of this meeting report, requesting Council consideration to a further lease of portion of the land containing the Hall and Old School Room only (excluding the Dwelling) for a term of 10 years.

In accordance with the [Lease and Licence Policy](#) (Policy), a maximum lease term of 10 years (5+5) can be applied to community organisations that have successfully held previous tenure agreements with Alexandrina Council. The application of maximum tenure terms provides the community organisation with secure tenure to grow the organisation while providing Council with the flexibility to manage the asset in the community's best long-term interest. The request for a term of 10 years meets this Policy position.

As the land is community land and the term of the lease is proposed at greater than five (5) years, public consultation is required. The Community Engagement Plan is provided at **Attachment 2** of this meeting report.

The land is Crown Land under Council's care and control, dedicated to Council for 'Community Centre Purposes'. Council cannot sell the land or buildings. The proposed lease is consistent with the criteria of the [Community Land Management Plan 2023 - 2028](#) (CLMP) 'Community Facilities' category as below:

- Purpose - to provide community spaces that service and benefit ratepayers, residents and visitors.
- Objectives - to provide locations and facilities that meet the needs of not-for-profit and community organisations, or other entities that require occupancy of land or buildings for activities that result in community benefit.

### Financial Implications

In accordance with the Alexandrina Council's Adopted Budget / Long Term Financial Plan, the financial implications of adopting this recommendation are considered low.

On commencement of the lease in 1982, the annual rent was set at \$2.10 for each year of the lease. In accordance with the Policy, where there is capacity to generate a low income from minor sales of goods or services to the public (between \$5,000 and \$20,000 per annum excluding membership fees and fundraising activities), the annual rental fee is \$500 per annum under the Minor Commercial Community category, which would apply in this instance.

In accordance with Council's [Rating Policy](#) and *Discretionary Rate Rebate Operational Guidelines*, community groups and not-for-profit organisations that provide a benefit or service to the local community can request a 75% discretionary rate rebate (by delegation) or 100% discretionary rate rebate (by decision of Council).

Council remains the owner of the Hall and Room within the lease area. The Association is responsible for general maintenance of the whole facility. As owner of the building, Council remains responsible for capital works and major repair at end of useful life. The Lessee would be responsible for maintenance of the Council owned improvements (hall and room), maintenance and renewal for all improvements brought onto the premises by the Association and all outgoings, contents/public liability insurances and utilities. The building insurance is proposed to be a council responsibility.

### Risk Implications

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as all statutory requirements have been met. The submissions from the community engagement process will inform Council of the community's support to the proposal or otherwise.

As the proposal does not seek to continue with a lease over the Old School House (Dwelling), a further report will be brought to Council to consider future direction for this building.

### Attachments

Attachment 1 - Middleton Pioneer Hall Association New Lease Proposal

Attachment 2 - Middleton Pioneer Hall Association Community Engagement Plan