

Your reference  
Our reference 5067  
Contact Officer Brett McGrath  
Telephone 3810 7760



### Ipswich City Council

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The Secretary  
Ipswich Kart Club  
(Attn: Tanya Trost)  
PO BOX 577  
WILLOWBANK QLD 4305  
Email: [secretary@ipswichkartclub.org.au](mailto:secretary@ipswichkartclub.org.au)

10 September 2018

Dear Tanya

**Re: Agreement in Principle - New Lease between Ipswich City Council and Ipswich Kart Club Incorporated**

In reference to the meeting between Ipswich City Council (Council) and Ipswich Kart Club (IKC) held on 24 August 2018. The meeting was held to discuss the Lease J area at 23 Champions Way, Willowbank and the future tenure agreement with IKC. Council is giving an "In Principle" agreement to terminate the current Lease - 714605746 between Council and IKC and to enter into a new Lease, which includes but is not limited to the below terms and conditions:

1. Ten (10) year Lease term with Two (2) x Five (5) year options.
2. Starting rent at 1% of site value for a standard Lease; or starting rent at 3% of site value if IKC is successful in gaining a liquor license; or starting rent at 5% of site value if IKC is successful in gaining a gambling license for pokies.
3. Rent to be indexed at 3% per annum (Standard Council term)
4. IKC to connect to all required domestic services (e.g. water, power, gas)
5. An agreed Capital Works Program for investment back into the facility by the IKC reflective of the agreed Development Plan.
6. A Maintenance Schedule reflective of the recommendations in the Condition Assessment Report and as per Council's expectations.
7. IKC to establish a fund for future costs related to the Capital Works Program and Maintenance Schedule that will be reported on annually to Council to show the accumulation of funding.
8. Clause for a Procurement Guideline to be determined by Council and adopted by IKC for the purpose of improving procurement practices.
9. KPI's to include the right for Council to review financial records upon request and IKC to supply audited financial statements annually.
10. Clause to allow a Sub-Lease for a kart shop to operate at the facility to provide the sale of kart related goods and services.

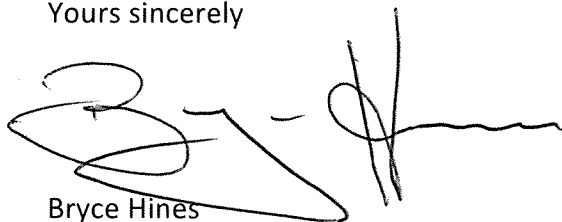
11. Clause for a Caretaker's Residence subject to IKC obtaining development approval and compliance with current building legislation.
12. Clause to allow on-site camping for competitors during scheduled competitions and events.

Council advises IKC that although Council is giving an "In Principle" agreement to the above, the final decision to terminate the existing Lease and enter into a new Lease is subject to a resolution being approved and adopted by Council. Following this, Council will produce a draft Lease that will include the Capital Works Program and Maintenance Schedule for IKC to review. IKC will be responsible for any costs payable to the Titles Office for the termination of the current Lease and the registration of the new Lease.

Please acknowledge IKC's acceptance to the above by responding to this letter and Council will progress with obtaining approval and drafting a new Lease agreement.

If you would like to discuss any matters in relation to the Lease documents, please contact Brett McGrath, Senior Property Officer on 3810 7760 or [brett.mcgrath@ipswich.qld.gov.au](mailto:brett.mcgrath@ipswich.qld.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bryce Hines', with a large, stylized flourish on the left side.

Bryce Hines

**CHIEF OPERATING OFFICER (WORKS PARKS AND RECREATION)**