



# Expression of Interest

Fremantle Arts Centre Cafe  
1 Finnerty Street, Fremantle

# Background

The City is seeking expressions of interest from suitably qualified and experienced individuals or businesses passionate about food, community, and the arts, to explore whether there may be interest in occupying a portion of 1 Finnerty Street, Fremantle (Fremantle Arts Centre) under the terms of a lease agreement or license. For the purposes of this document, the terms 'lease' or 'lessee' or 'lessor' may also refer to the terms 'license' or 'licensee' or 'licensor'. The City will consider proposals from individual organisations or multiple proponents that wish to collaborate on a joint proposal.

The cafe is located on the ground floor of the Fremantle Arts Centre, Fremantle's premier arts service and one of the leading arts organisations in Australia. With annual visitation exceeding 0.5 million people per year, the future operator of the site has the opportunity to provide a sit down or takeaway food and beverage service offering to both the public, and to a growing number of professionals on site including but not limited to members of the Creative Learning Program, Artists in Residence and a growing number of onsite staff. The opportunity also exists for the cafe to develop as a vibrant function and event space to complement Fremantle Arts Centre's program of exhibition openings, music concerts and other cultural events both as a cafe and event caterer.

The premises itself is approximately 81m<sup>2</sup> and comprises a servery, dish room, kitchen, storage area, front room and courtyard. A floorplan of the overall site has been provided to follow for ease of reference. The successful applicant will be provided with two parking bays, exclusive to the tenant, and situated onsite.

There is a liquor licence in place for the current operator. The successful operator who is offered a lease or licence would be permitted to apply for a new liquor licence.

Interested proponents will be provided with reports and documentation regarding building and grounds maintenance, an inventory of assets and fixtures which are remaining in situ, outgoing costings as/if specified, and information pertaining to building compliance as required.

The successful operator will be aware and sympathetic of the rich social, cultural, and historic significance of the Fremantle Arts Centre and must work collaboratively within the space to activate and encourage community based outcomes.

Site visits will be facilitated upon request and interested proponents are encouraged to contact the City of Fremantle's economic development team to arrange.

The City will assess expressions of interest in line with the criteria set out in this document and may choose to engage with multiple proponents if a mix of aligned concepts/uses are proposed.

The Legal details of the site are as follows: *Fremantle Arts Centre, 1 Finnerty Street, Fremantle located on Lot 1922 on Deposited Plan 175593 and being the whole of the land in Qualified Certificate of Title Volume 3037 Folio 550.*

**It should be noted this process intends to seek expressions of interest only, and the City may choose not to lease or licence the premises.**

For enquiries regarding this EOI please contact Kieran Vanpraag, Economic Development Officer – Property on [kieranv@fremantle.wa.gov.au](mailto:kieranv@fremantle.wa.gov.au) or 9432 9873

**Proposals must be submitted electronically via email to [kieranv@fremantle.wa.gov.au](mailto:kieranv@fremantle.wa.gov.au) no later than Friday 29<sup>th</sup> April at 5pm AWST.**



# Applicants to inform themselves

Prior to making a submission the Applicant shall be taken to have satisfied itself:

- (1) by physical examination and inspection of the Property site and how it relates to the Property's plans and surrounding urban realm.
- (2) by enquiry of the appropriate authorities, as to the zoning of the Property, the development which may take place on the Property and the manner in which that development may be carried out, and as to any restriction which may be imposed on the Property; and
- (3) by perusal and examination as to the terms and conditions of any encumbrances on the Property.

The Applicant shall be deemed to have made a submission and undertaken all usual investigations, enquiries and studies prior to the submission and to have incurred on its own account all expenses associated with the preparation and submission in reliance solely on that examination, inspection and enquiry and not on any statement, warranty, condition or representation made to, or alleged to have been made to, the Applicant by the Lessor or its agents, in respect of the above matters however arising.

Should the City choose to lease the building it reserves the right to include special conditions not currently included in the Expression of Interest and all or any conditions remain subject to final approval by Council. These conditions will be dependent on the accepted submission.

These will be advised to the Applicant prior to submission to Council for approval and included in the Lease provided to the Lessee for execution.

# Key information

## Council approval

The selected applicant and subsequent Lease is subject to Council approval.

Council reserves the right to amend, make additions to, include or delete any conditions included within the Lease taken to Council for approval. Council reserves the right not to accept an Applicant or Lease taken to Council for approval.

## Lease term and commencement date

The City will offer a lease or licence term to the successful proponent/s based on the concept agreed upon, and with consideration given to the merit and specific requirements of the successful proposal.

The Lease commencement date will commence on the delivery of the property to the Lessee, after any fit-out works are completed. This is currently estimated to be on or around 2 August 2022 but may be subject to change.

The Lease commencement date will also be dependent on any additional approvals that will be required, such as, development approvals, building works, and other statutory approvals as applicable.

Trade and occupancy may not occur in the premises until the Lessee has finalised all fit out works and obtained all relevant approvals.

## Proposed rent, rent reviews and KPIs

Rent proposals will be considered as part of the assessment and in line with the proposed use. Should the successful proposal be of a commercial nature, commercial rent payable would be expected to align with market rent.

Rent reviews will be annual on the anniversary of the Lease commencement date, based on the Consumer Price Index.

Market rent reviews will periodically during the lease term. Market reviews will not include any Lessee improvements/fit out.

The City intends to incorporate Key Performance Indicators (KPIs) into the eventuating lease or licence, and will work with the successful proponent to determine benchmarks for performance and subsequent review. KPIs may include but not be limited to the number of events or community engagement activities hosted or supplied to by the Lessee, and a review of the working collaborative relationships with the City and their partners, suppliers and stakeholders.

## Outgoings

The Lessee will be required to undertake all required connections to Electricity, Gas and Telecommunications providers. On demand charges may include (as/if applicable) but not be limited to;

- i. Cleaning
- ii. Pest control
- iii. General maintenance
- iv. Air conditioning servicing and maintenance
- v. RCD testing
- vi. Tagging and testing
- vii. Security – alarms and locks
- viii. Signage
- ix. Lift servicing and maintenance
- x. Water rates
- xi. Water usage
- xii. Backflow testing
- xiii. Grease trap cleaning
- xiv. Council Rates
- xv. Emergency Service Levy
- xvi. Land Tax

The Lessor, at their discretion, may undertake scheduled maintenance requirements for the property and recover the costs from the Lessee.

The Council Rates and Emergency Service Levy will be calculated on the final leased or licensed area and a Gross Rental Valuation provided by Landgate at the completion of the development.

Land Tax is charged directly by the Department of State Revenue (DSR). This will be determined by DSR once the property is developed and the lease is finalised.

## GST

The Lessee will be required to pay goods and services taxes on all supplies made under the Lease agreement, including the supply of the premises.

## Bank guarantee

The approved Applicant will be required to provide a Bank Guarantee equivalent to three (3) months' gross rental (inclusive of GST).

## **Guarantors and financial statements**

The approved Applicant will be required to provide a guarantee and indemnity form from each of the Directors and principal shareholders. If the Applicant is a trust, then the adult beneficiaries of the trust may need to provide guarantees and indemnities.

Accordingly, current balance sheets, profit and loss statements for the Applicant and signed and dated statements of Assets and Liabilities will be required from each of the Guarantors. You must ensure that the information provided is true and accurate and that all of the assets are owned noted on the statements are owned only by the Applicant and Guarantors.

## **Lessor right to veto sub lease**

If the accepted Applicant includes a proposal to sub lease, a clause of this nature will be included in the Lease. The Lessor reserves the right to veto, on any grounds, a proposed sub lessee.

## **Lease assignments**

The Lessee will have the right to assign the lease subject to the approval of the Lessor. The Lessor reserves the right to veto, on any grounds, a proposed assignee. The City will consider Lessee applications to utilise the premises and/or surroundings for Lessee benefit including events or activations, on a case by case basis.

## **Fit out by Lessee**

The approved Applicant will be required to complete fit out within 60 days from the commencement of the Lease or as otherwise agreed upon between all parties.

## **Condition precedent clause**

If the accepted Submission is subject to other approvals, including development approval, a condition precedent will be considered in the Lease.

## **Approvals**

The Applicant will be responsible for all costs associated with due diligence, infrastructure, planning approval, and statutory compliance such as consultation and connection to necessary services.

## Disclaimer

The contents of this Expression of Interest (EOI) are believed to be accurate and complete as of the date of issue of this EOI. The statements, opinions, projections, forecasts or other information contained in this EOI are subject to change.

## Canvassing of elected members and officers

If an Applicant, whether personally or by an agent, canvasses any of the Lessor's Elected Members, Officers, Contractors or their Representatives (as the case may be) then regardless of such canvassing having any influence on the acceptance a submission, the Applicants submission will be omitted from consideration.

## Marketing

On the execution of a formal Lease by both parties, the Lessor will seek your acknowledgement that the Lessor can use your trading name in press releases or advertising/promotional materials.

## Additional documents

Applicants may include and attach to the EOI Form; additional documentation they feel supports their submission.

## Approval process

Strict timelines will be applied as part of the Council approval of a Lease. These may be as follows, but will be dependent on the selected applicant.

EOI applications	
Assessment process – undertaken by panel	Four weeks
Selected Applicant and Lease terms taken to Council for approval	Most appropriate Council meeting
Selected Applicant to submit DA for approval (if applicable)	90 days from Council approval of Lease
Lease finalised	30 days from the delivery of all conditions as required by Council.

## Selection criteria and submitting proposals

Proposals must be submitted electronically via email to [kieranv@fremantle.wa.gov.au](mailto:kieranv@fremantle.wa.gov.au) no later than **Friday 29<sup>th</sup> April at 5pm AWST**.

Hard copy proposals may also be submitted in person at the Walyalup Civic Centre via the customer service desk, addressed to Kieran Vanpraag, Economic Development Officer – Property.

Submissions will be assessed on the basis of the following selection criteria. Applicants must address the criteria in their submissions.

Council & FAC Criteria	50%
Business Sustainability	20%
Financials	30%

### Council & FAC Criteria and Overview of Business (Weighting 50%)

1. Mandatory - the business or organisation must;
  - a. If a commercial proponent - Pay market rent.
  - b. If a non-profit or charitable organisation – Pay community rent.
  - c. Pay outgoings as/if required
2. Council & FAC Criteria – the business or organisation must satisfy or demonstrate the following willingness and ability to:
  - a. Operate a café as per the core operating hours stipulated by FAC
  - b. Provide event catering services for FAC events and functions as agreed
  - c. Offer a dine in seasonal breakfast, lunch and snack menu (food and beverage) for patrons
  - d. Offer a “ready to eat” menu to largely accommodate the Creative Learning staff and students who frequent FAC each day.
  - e. Offer a menu set at an accessible price point for the Fremantle Arts Centre community and patrons
  - f. Offer Family friendly options
  - g. Provision of a fast, friendly service ensuring all feel welcome at Fremantle Arts Centre
  - h. The proposal demonstrates opportunities for collaboration that will ensure the cafe is integrated into the program and events of FAC year-round. i.e. food events
  - i. The extent to which the proposal aligns with the City’s Strategic Community Plan and other relevant informing strategies

Describe how your business concept will cover all mandatory requirements noted above.

**Business Sustainability (Weighting 20%)**

Please fill out the Financial Assessment section of the EOI Form to allow this section of the weighting to be considered. Additional documents can be provided to support the submission if necessary.

**Financials (Weighting 30%)**

Please note that full completion of this section is required in order to meet the selection criteria.

- Proposed Rent per annum exclusive of GST
- Outline any proposed incentive requests if applicable.

## EOI form

### PROPOSED LESSEE/S:

Company Name: \_\_\_\_\_

Name of Director: \_\_\_\_\_

Address: \_\_\_\_\_

#### Contact Details:

Business Phone: \_\_\_\_\_

After Hours Phone: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name of Director: \_\_\_\_\_

Address: \_\_\_\_\_

#### Contact Details:

Business Phone: \_\_\_\_\_

After Hours Phone: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

**1. COMPANY DETAILS (contd.)**

- Please provide details of any guarantors.
- 

**2. SELECTION CRITERIA**

Provide a submission that covers all the Selection Criteria as outlined in the EOI document and attach to this form.

Date \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Trading as \_\_\_\_\_

Phone No \_\_\_\_\_

I (or We) make the following statement of all my (or our) assets and liabilities at the above date and give other material information and agree to notify you promptly of any material change therein.

**FINANCIAL ASSESSMENT**

**LIABILITIES**

**FIXED LIABILITIES:**

Loans or Mortgages or Bill of Sale.

Details:

1. \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

SUB TOTAL \$ \_\_\_\_\_

**CURRENT LIABILITIES:**

Bank Overdraft: \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

How Secured: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

**ASSETS**

**FIXED ASSETS:**

Land & Buildings: \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Plant & Machinery: \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Motor Vehicles: \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Furniture & Fittings: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Other Stock in Trade: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

**Sundry Creditors:**

Stock & Trade A/c's etc:

\_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Plant, etc:

1. \_\_\_\_\_ \$ \_\_\_\_\_

2. \_\_\_\_\_ \$ \_\_\_\_\_

3. \_\_\_\_\_ \$ \_\_\_\_\_

SUB TOTAL \$ \_\_\_\_\_

**Investments:**

Details:

1. \_\_\_\_\_ \$ \_\_\_\_\_

2. \_\_\_\_\_ \$ \_\_\_\_\_

3. \_\_\_\_\_ \$ \_\_\_\_\_

SUB TOTAL \$ \_\_\_\_\_

**Current Assets:**

Cash on Hand at Bank: \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Sundry Debtors: \_\_\_\_\_

**Other Liabilities:**

\_\_\_\_\_ \$ \_\_\_\_\_

Details: \_\_\_\_\_

Other Assets: \_\_\_\_\_ \$ \_\_\_\_\_

1. \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_

4. \_\_\_\_\_ \$ \_\_\_\_\_

Total Assets: \$ \_\_\_\_\_

SUB TOTAL \$ \_\_\_\_\_

Less Total  
Liabilities \$ \_\_\_\_\_

**TOTAL**

**LIABILITIES:** \$ \_\_\_\_\_

**SURPLUS:** \$ \_\_\_\_\_

(If partnership state Partners' capital accounts)

\_\_\_\_\_

## 7. CHECKLIST

- **Proposed Lessee (1) Drivers Licence number:** \_\_\_\_\_  
Copy of drivers licence attached   (Please Tick)
- **Proposed Lessee (2) Drivers Licence number (If applicable):** \_\_\_\_\_  
Copy of drivers licence attached   (Please Tick)
- **Submission including Selection Criteria attached**   (Please Tick)
- **Statement of Assets and Liabilities – Completed**   (Please Tick)
- **Privacy Disclosure Statement – Executed**   (Please Tick)

**8. PRIVACY DISCLOSURE STATEMENT**

Attached is the City of Fremantle’s Privacy Disclosure Statement. It is important that you read the statement.

Each person who has provided to the City of Fremantle personal information in this standard form acknowledges, by signing below, that he or she has received and read the City of Fremantle Privacy Disclosure Statement attached and agrees to the collection, use and disclosure of that personal information in the manner and for the purposes set out in the important Privacy Disclosure Statement.

**SIGNED:**

**SIGNED:**

**DATED:** \_\_\_\_\_

## **PRIVACY DISCLOSURE STATEMENT**

In submitting this application/tender you authorise the City to collect personal information from you for the purpose of assessing your application/tender. Personal information collected for the purpose of assessing your application/tender may include your name, address, phone number, financial details, credit worthiness, business information and lease premise details. This information may be collected from you when you submit any written application, form or document to the City or by other means including telephone or email contact with you. All personal information collected will be used for the sole purpose of processing applications and tenders. If you do not provide us with your personal information, we may not be able to process your application/tender or deal with your request. We share your personal information only to the extent necessary to assess and determine your application/tender or request. Personal information may be shared with persons or third parties that assist us in the assessment and determination of your application or the provision of our services, which may include City Officers, Councillors, referees or guarantors. In order to assist us to contact you, we store your personal information onto our database. By signing the form to which this statement is attached, you acknowledge that you have read this statement and consented to the collection, use and disclosure of your personal information in the manner and for the purposes set out in this statement.