



Expression of Interest

Lease (Part of)
70 Parry Street, Fremantle



Background

Upon the completion of the City of Fremantle's new administration building at Walyalup Civic Centre, the City's former administration building at 70 Parry Street (Fremantle Oval) has become available for lease/license.

The City is seeking expressions of interest from both commercial and community proponents to occupy portions of the building 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 building has a total floor area of approximately 2,322m² across two levels. The building is currently partially tenanted.

Proponents have the choice of two spaces to occupy within the building.

- The ground floor space comprises of approximately 410m² with an exclusive male and female toilet. Tenants of the ground floor will be provided with access to the common area (upstairs kitchenette and balcony).
- The first-floor space comprises of approximately 200m² which includes an adjoining storeroom. Common area access is also available for this tenancy.

A floorplan showing the available spaces, has been included in this document.

The premises boasts secure gated car parking to the rear which accommodates city fleet vehicles and current tenants. Parking requirements will be negotiated on a case-by-case

basis.

It should be noted that the property forms part of a masterplan process currently underway to determine the redevelopment potential of the broader oval precinct. The City intends to redevelop within the next 10 years and at that time tenants will be required to vacate. Due to the potential for redevelopment, any lease or license being offered for the use of this building would be limited to 5 years, subject to pending conversations, city decisions, and approved plans for redevelopment.

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.

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

For enquiries regarding this EOI and/or to arrange a viewing please contact the City's Commercial Property team via business@fremantle.wa.gov.au

Proposals must be submitted electronically via email to business@fremantle.wa.gov.au no later than 21 July 2023.



Ground Floor: Approximately 410m2



Upstairs: Approximately 200m2

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 or Licence 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.

It is the City's preference that should it lease the building, the total Lease term is a maximum of five years due to the potential for redevelopment of the site.

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. A rental figure should form part of the submission. The expectation is that rent will align with the market.

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

A market rent review will occur on the third year of the lease term. Market reviews will not include any Lessee improvements/fit out.

The City may 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.

Outgoings

A variable outgoing budget will apply to the property.

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 its 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.

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 business@fremantle.wa.gov.au no later than 21 July 2023.

Hard copy proposals may also be submitted in person at the Walyalup Civic Centre via the customer service desk, addressed to Commercial Property.

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

Council Criteria & Overview of Business	30%
Business Sustainability	20%
Financials	50%

Council Criteria and Overview of Business (Weighting 30%)

1. Mandatory - the business or organisation must;
 - a) If a commercial proponent - Pay market rent; and
 - b) Pay outgoing.
2. Desirable
 - a) New business or organisation to Fremantle.
 - b) The business or organisation aligns with outcomes of the City's Strategic Community Plan.

Describe how your business or organisation intends to meet the mandatory requirements and if it meets any of the desirable criteria.

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 50%)

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 – 70 Parry Street, Fremantle

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

<u>LIABILITIES</u>	<u>ASSETS</u>
<u>FIXED LIABILITIES:</u>	<u>FIXED ASSETS:</u>
Loans or Mortgages or Bill of Sale.	Land & Buildings: _____
Details:	_____ \$ _____
1. _____	
_____ \$ _____	Plant & Machinery: _____
	_____ \$ _____
2. _____	
_____ \$ _____	Motor Vehicles: _____
	_____ \$ _____
SUB TOTAL \$ _____	
<u>CURRENT LIABILITIES:</u>	Furniture & Fittings: _____
Bank Overdraft: _____	_____
_____ \$ _____	_____ \$ _____
How Secured: _____	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.