

# COUNCIL POLICY PE402

## LEASING OF FACILITIES

KEY FOCUS AREA **People**



### Purpose

The purpose of this policy is to provide guidelines for leasing arrangements of Council owned and managed premises in order to:

1. Maximise the commercial returns to the Town of Claremont (**Town**) whilst balancing against and recognising social, cultural and community benefits generated by a tenant or community group.
2. Ensure consistency and equity in leasing arrangements.
3. Ensure premises are preserved and managed responsibly.

### Policy

The Town of Claremont supports the administration to negotiate leasing arrangements (for presentation to Council) taking into account the following guidelines:

- The terms of a Lease will be negotiated on a case by case basis.
- The social, cultural and community benefits of the proposed tenant will be considered.
- The Town's Long Term Financial Plan, Strategic Community Plan and Corporate Business Plan will be considered.
- Market values are to be obtained by way of market appraisal, valuation from a private valuer or from the Valuer General's Office, at the discretion of the CEO.
- Setting of rents will generally be based on the market value of the premises, taking into account the restrictions (if any) placed on the use of the premises including any Management Order and/or zoning conditions.
- Where appropriate, Leases will require that rent payable shall be reviewed by CPI on a yearly basis at the applicable rate published by the Australian Bureau of Statistics for Perth.
- The legal costs of a preparing a lease including disbursement shall as a general rule be borne by the tenant.
- Outgoings, including utilities and insurances, should be passed through to the tenant wherever possible and considered at each lease renewal.
- Lease inspections will occur at least bi-annually to ensure premises are preserved and maintained.

Council may at its discretion determine that rental subsidy be applied on market value rent for a tenant where it is a community group or not for profit group or where there is a demonstrated benefit to the community or ratepayers (or a section of them).

**Document Control Box**

<b>Legislation:</b>	<i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i> <i>Local Government Act 1995</i> <i>Land Administration Act 1997</i>		
<b>Organisational:</b>	Standard Lease with Community Associations		
<b>Version #</b>	<b>Decision:</b>	<b>OCM Date:</b>	<b>Resolution Number:</b>
1.	Adopted	7 July 2009	182/09
2.	Modified	5 October 2010	210/10
3.	Reviewed	10 December 2013	360/13
4.	Reviewed	9 December 2014	203/14
5.	Modified	13 December 2016	206/16
6.	Modified	18 December 2018	228/18
7.	Modified	28 November 2023	164/23