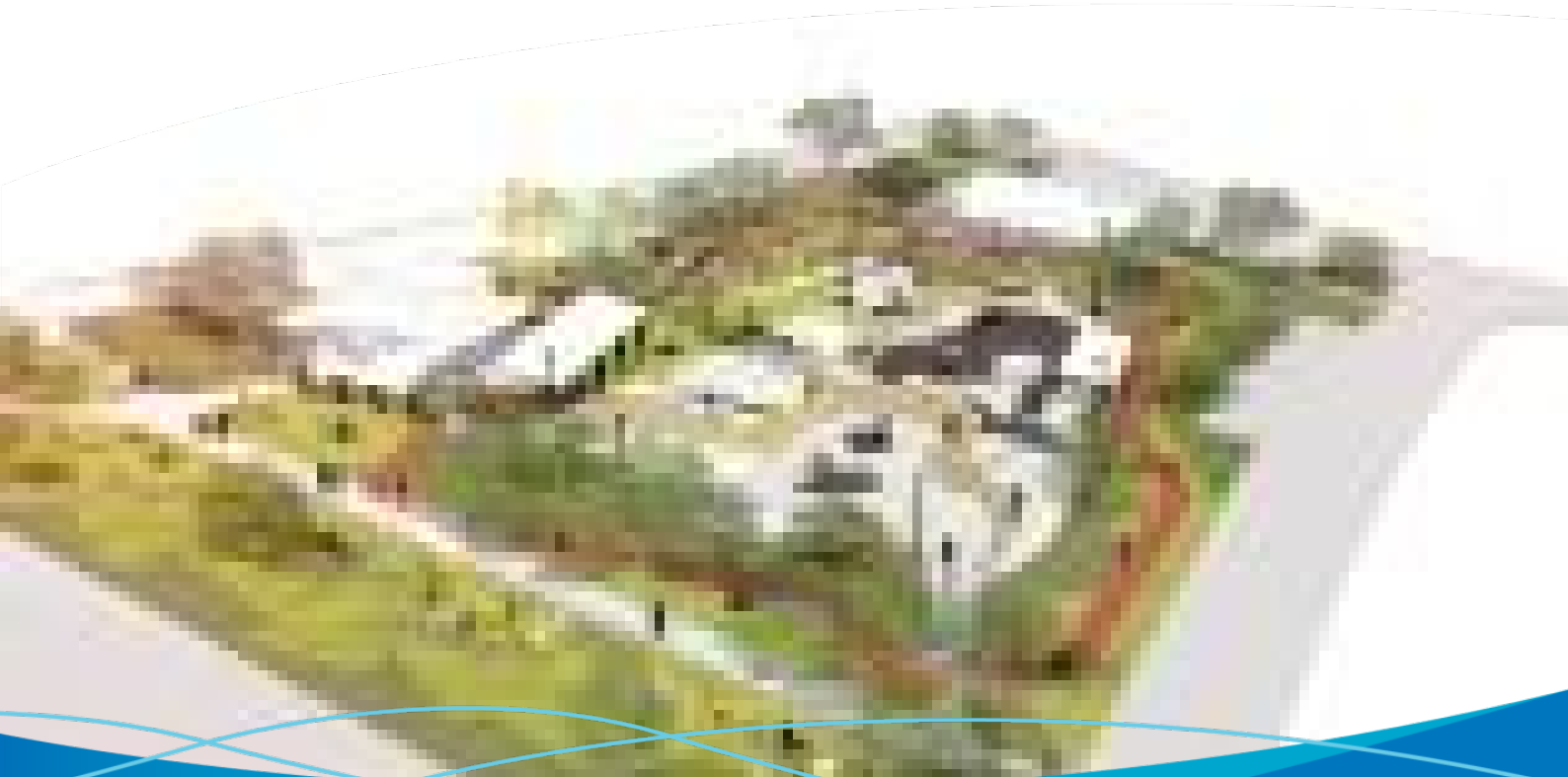




Expression of Interest

Margaret River Youth Precinct Café



January 2018

Contents

Introduction	1
General Information	1
Site information	2
Chattels	3
Fittings	3
Insurance	3
Form of the expression of interest	3
Deadline for expressions of interest	4
Lodgement of submissions and delivery	4
Legislation	4
Lease amount	4
Lease tenure	5
Contact information	5
Viewing	5

Alignment with Community Strategic Plan

This document relates to **Key Result Area 2: Welcoming, inclusive and healthy communities** in the Community Strategic Plan.



Key Result Area 1

Valuing, protecting and enhancing the natural environment



Key Result Area 2

Welcoming inclusive and healthy communities



Key Result Area 3

Ensuring sustainable development



Key Result Area 4

Vibrant and diverse economy



Key Result Area 5

Effective leadership and governance

Natural | Connected | Prosperous

Expression of Interest: Margaret River Youth Precinct Café

Introduction

The Shire of Augusta-Margaret River (“**the Shire**”) invites expression of interest (“**EOI**”) from suitably qualified and experienced parties for the operation of a café/skate shop and for the redevelopment of the facility to operate in an expanded capacity within the current building.

The facility is a part of the Zone Room building with private lockable access. There are plans to develop the external north facing decking to include an undercover area with a functional servery. In the past, the facility has been used for general hire for start-up food enterprises. The facility has undergone renovations to improve its commerciality and will require further fit out by the operator before it is available to open for trade.

A site overview is attached at Appendix A with the facility delineated.

Council is supportive of the Margaret River Youth Precinct and is interested in discussing a range of options with interested operators to ensure the business is a success.

Expressions of Interest are invited from suitable applicants to consider the various options available.

- a) Lease Café
- b) Skate shop/other

The Shire encourages submissions from people of all ages and backgrounds who wish to operate at this location to look at options to redevelop the facility in an expanded capacity.

Respondents need to be aware of the social and cultural significance of the site and any alterations or redevelopment will need to be in the character of the property and to the community’s expectations and comply with the relevant statutes and Council approvals.

Any lease subsequent to this Expression of Interest process will be required to be entered into between the successful party, the Shire and the State Government in accordance with the provisions of the *Local Government Act 1995* and the *Land Administration Act 1997*

General Information

The Shire is a popular tourist destination known for its rural landscapes, scenic forests, national parks, caves, restaurants, galleries, coastal scenery, beaches, excellent surf, and for its vineyards and wines.

The beaches and surfing are important attractions, bringing in a large number of visitors. The local wine industry has experienced strong growth and the region is recognised as a producer of premium wines. As with any area catering to thousands of tourist each year, the Shire has a significant accommodation and hospitality sector.

There is also substantial farming activity, primarily beef and dairy, along with sheep farming, horticulture, viticulture and agro-forestry. Value adding of produce is significant, with locally made dairy products and boutique gourmet ranges widely available.

The community of Augusta Margaret River now has a population of 14,687 and 3,724 families (2016 ABS Census). There is an annual average growth rate of 3.7% from 2011-2016 with population expected to increase to 17,500 in 2026.

The Margaret River Youth Precinct is undergoing a major redevelopment with over \$2 million dollars of improvements planned for the site. This major transformation will see an expansion of skate, scooter and BMX facilities within the park as well as the addition of a new raised stage area for music events, parkour and play equipment, BBQ areas, shade, landscaping, spectator seating, public toilets and much more.

An overview of the site is attached in Appendix A. Concept plans and project details can be viewed on the Shire's website at <http://yoursay.amrshire.wa.gov.au/margies-youth-precinct> A site visit is encouraged for a current impression of the site.

Site information

The Margaret River Youth Precinct is located at 31 Wallcliffe Road, Margaret River. A location map of the site is attached to this document as Appendix A and leased area an dimensions is attached in Appendix B.

The Shire has no objection to the intended use and development of the facility including as a café, providing:

1. The development and use of the land is kept within the social and cultural theme of the overall Precinct;
2. Does not adversely impact upon the community usage of the Zone Room and public access to the enjoyment of the Youth Precinct and
3. Any revenue raised from leasing arrangements is used for the capital and maintenance and upkeep of the Precinct.

This location is to continue to be used as a precinct for youth and families. Therefore the sale or consumption of alcohol, smoking or other drugs is not permitted at this site.

The Margaret River Youth Precinct redevelopment project information is available on the Shire's website at <http://yoursay.amrshire.wa.gov.au/margies-youth-precinct>. This concept plan includes over \$2million dollars of improvements to the site. The major transformation will see an expansion of skate, scooter and BMX facilities within the park as well as the addition of a new raised stage area for music events, parkour and play equipment, BBQ areas, landscaping, spectator seating, public toilets and much more.

Scope of works specific to improving the facility for lease include:

- Plumbing provisions, supply and installation of a grease trap
- Plumbing provision, for future commercial dishwasher
- New parking south of the primary entrance with increased ACROD provisions

Chattels

The following is a list of the services which are provided by the Shire:

- a) Prime town centre location
- b) Kitchen space
- c) Deck and outdoor area for customers
- e) Public toilets (newly renovated Scout Hall toilets)
- f) Water and Power (lessee responsible for consumption costs)
- g) Landscaped and maintained gardens
- h) Food waste compound

Fittings

Proponents are advised that their own chattels will be required to operate and develop the business as fit for purpose for the successful leaseholder.

Insurance

Any successful proponents, must as leaseholder, indemnify the Shire from any claims arising from the operation of the facility. The leaseholder will also be required to maintain current public liability insurance to the Shire's satisfaction.

Form of the expression of interest

Respondents submitting an expression of interest will be required to address the following criteria in writing and must include all information requested within this document to be considered, including:

- The full details (name, address and contact details) of all parties involved in the Registration of Interest.
- Detail any previous experience within the hospitality industry with particular emphasis in operating a café/skate shop business.
- Provide the contact details of no less than two (2) suitable referees that are able to provide independent feedback to the Shire.
- Where redevelopment of the facility is proposed, a detailed assessment of the type, scale, design layout and function of the proposal is required. Whilst the respondents will not be expected to submit detailed designs at this stage any preferred applicant will be required to submit concept drawings and designs for approval prior to formal appointment by the Shire as the lessee of the facility. Provide floor plans and outside plans for them to indicate their preference of space required and put in what's not available i.e. kitchenette, etc.
- Identify any upgrades that may be required to the building i.e. shutting off access to the Zone Room etc.
- Demonstrate a financial capacity to operate a business of this type.
- Detail the proposed business operation, including opening days, hours and staffing structures.
- Rent amount proponent is prepared to pay for the lease.

All criteria is considered desirable and to ensure a balanced assessment all submissions should provide the above information.

Deadline for expressions of interest

The Deadline for Registration of Interest is 4pm, Thursday 1 March, 2018.

Submissions will be rejected without consideration in the event that:

- It is not submitted before the Deadline; or
- It is not submitted at the place specified in the Expression of Interest; or
- It fails to comply with any other requirements of the Expression of Interest.

Lodgement of submissions and delivery

The submission must be lodged by the Deadline. The submission is to be:

- Placed in a sealed envelope clearly endorsed with the Expression of Interest number and title as shown on the front cover of this Expression of Interest; and
 - Delivered by hand to 41 Wallcliffe Road, Margaret River 6285 (by the Respondent or the Respondent's private agent) or,
 - Sent through the mail addressed to the Chief Executive Officer P.O Box 61, Margaret River 6285 WA

Or:

- Electronic mail submissions will be accepted. Respondents must use email amrshire@amrshire.wa.gov.au

Legislation

The *Local Government Act 1995* requires that the disposal of any local government property (including by way of lease) is required to be advertised in the event that the local government has agreed the method and terms of disposal without having utilised a tender or auction process.

As such, respondents are advised that following successful negotiation with any party with respect to obtaining a lease, the Shire will undertake a statutory period of advertising (minimum period of 14 days, however submission period is open for a period of 30 days) and must consider a submission made with respect to this matter before it is able to enter into any legal agreement with the preferred party. The annual lease rental will be determined by a market valuation.

Lease amount

The rent will be negotiated under a lease arrangement in accordance with section 3.58 of the Local Government Act 1995 and the term of the lease is negotiable, but will be a minimum of five (5) years inclusive of options.

Revenue raised from rent from this facility will be allocated to the Youth Facilities Reserve in the Shire's annual budget to contribute to ongoing capital and maintenance requirements of youth facilities across the Shire.

The Shire has conducted a market evaluation through an independent provider in alignment with the Retail Tenancy Agreement. **The specified market rental price is \$140m2 which equates to an annual rent of \$14,560 plus variable outgoings and applicable GST.**

Offers higher than this amount will be considered as part of the selection process.

Lease tenure

The minimum lease will be for five (5) years and a maximum lease available is twenty one (21) years. The term of the lease will be negotiated in conjunction with rent and considered as part of the selection process. Proponents are encouraged to include any tenure requirements in their Expression of Interest.

Contact information

General enquiries should be directed to:

- Kirstie Davis, Coordinator Community Planning and Development Ph: 9780 5259
- Nigel Anderson, Manager Human and Community Services Ph: 9780 5227

Canvassing of Councillors during or following the completion of the Registration of Interest period will disqualify.

Viewing

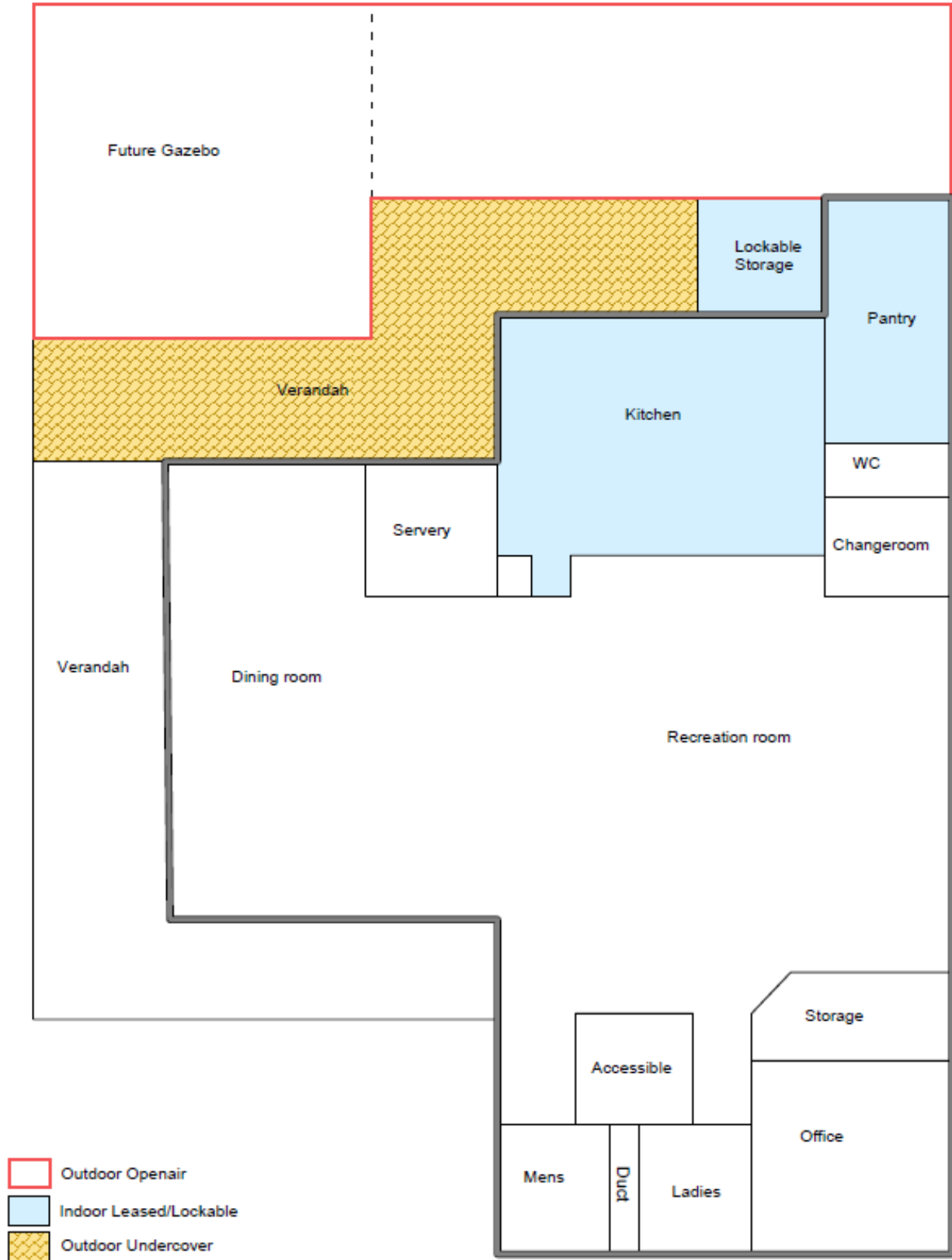
The site can be viewed by appointment by contacting Kirstie Davis or Nigel Anderson on the numbers above.

Appendix A: This is an image of the site. Please note the site will be undergoing substantial redevelopment and landscaping. A site visit is encouraged for a current impression of the site.



Appendix B: The proposed leased area is approximately 104.1m² incorporating:

- a kitchen area with servery – 23.6m²
- large lockable pantry (inside) – 3.4m²
- undercover storage area (outside) – 4.1m²
- undercover al-fresco area (plans to extend and cover by April 2018) – 73m²



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