

Policy P609 Management and Sale of City Property

Responsible Business Unit/s	Governance, Financial Services
Responsible Officer	Manager Governance, Manager Financial Services and Manager Community Culture and Recreation
Affected Business Unit/s	Community Culture and Recreation, Financial Services, Governance, City Environment

Policy Objectives

The City has a considerable and diverse property portfolio. Property assets are an important corporate resource that must be managed in an integrated manner in order to align with and support the City's vision, objectives and goals in an efficient and sustainable manner.

This policy ensures that the City has a framework which enables it to review, identify, name and evaluate Council owned property, ensuring that any property that is disposed of by lease or sale is undertaken in a consistent, fair and transparent manner.

Policy Scope

The policy will apply to the organisations and residents leasing City buildings and all officers involved with City buildings and the naming, leasing and sale of land process.

Policy Statement

Naming of City Facilities and Buildings

This policy provides guidance for the naming of City of South Perth facilities. *City facilities* and buildings owned by the City of South Perth on City owned or Crown land.

Where appropriate, the Council may consider naming facilities and buildings, in honour of persons considered to have made an outstanding contribution to the community, worthy of such an honour.

The following process should be followed by Council, in a confidential manner until finalised.

Shortlisted names will be assessed against the below criteria and presented to the Council for consideration.

The criteria for shortlisted names could include:

- Prominent City of South Perth identities, including pioneering families and persons with historical connections to South Perth;
- Persons who have made a significant contribution to and have had a long term association with the City of South Perth community;
- Traditional indigenous names relevant to a site or locality or with a relevant meaning

- Names that represent any relevant City of South Perth landmarks, flora or fauna.

Where a person's name is involved, approval will be sought from the person proposed to being honoured or their family, prior to the name being presented to the Council for consideration.

Commemorative Plaques

The City may allow friends or relatives of a deceased person who had a significant connection with the City to install a commemorative plaque on City controlled land. The City's officers may decide to allow the installation of a commemorative plaque on an approved structure or tree only, in accordance with Management Practice M111 Placing of Memorials on Public Open Space, Road Reserves and Streetscapes.

Leasing of City Property

The City will negotiate the lease of City buildings with the principles set out in this policy.

Where a licence for the use of the building is considered to be the most appropriate agreement, as determined by the Chief Executive Officer, the principles set out in this policy will be considered.

The City shall consider the following criteria in assessing a Council property with respect to usage and potential leasing:

- Community benefit assessment
- Alignment and contribution of the property towards to the achievement of the Council's strategic objectives
- Assessment of present utilisation of asset
- Consideration of potential opportunities for future utilisation of the asset
- Determine capacity for the City to properly maintain and manage the property
- Consideration of statutory influences and heritage / conservation value
- Consideration of financial return to the Council

Not for Profit Sporting Organisations

Leases will be negotiated consistently with the following principles:

1. Leases will be granted for a period of 5 years with a 5 year option to provide sporting clubs with security of tenure and the ability to attract funding;
2. Leases to be for an annual rental amount which is :
 - A minimum of \$1,000 per annum or
 - Where the group has its own revenue generating capacity, a rent as per below:
 - Kitchen or kiosk - \$1,500
 - Kitchen, Kiosk, Bar facilities, capacity to hire to others - \$2,000 to \$3,000
3. All groups will be required to adhere to the 'Property Maintenance Schedule' for the respective facility; a document which sets out the responsibilities of both parties (The City and the Lessee).

Kindergartens Operated by Not for Profit Organisations

Leases will be negotiated consistently with the following principles:

- Leases will be for 5 years with a 5 year option;
- Leases will be offered for a rental of \$1000;
- These groups will be required to adhere to the 'Property Maintenance Schedule'.

Not for Profit Community Associations / Government bodies, Committees and Associations

Leases will be negotiated consistently with the following principles:

- Leases will be for a maximum period of 5 years with a 5 year option years;
- Leases may be negotiated on a case by case basis for a rental amount which is calculated using the following formula:
 - A minimum of \$1,000 per annum; and
- The City may by resolution of council grant a donation in subsidy of the rental amount where the proposed tenancy would provide a demonstrable benefit to the community of South Perth.

Commercial Organisations

Leases will be negotiated consistently with the following principles:

- Leases will be for a maximum period of 21 years; and
- Leases will be for a rental amount reflective of an independent market valuation of the premises, taking into account the nature of the business enterprise.

Sale of City Property

Sale / Disposal

The following criteria shall be taken into consideration to determine whether a property is surplus to Council requirements and identified for disposal:

- Whether the land is no longer used or is not used for a purpose associated with service provision by Council.
- Whether the land (if being used for a Council service) has a net realisable value which is significantly greater than the cost of re-establishing the service on another site.
- Whether the land does not contribute to the achievement of a Council's current objective.
- Whether the land if retained has no strategic significance to the Council on a long term basis.

The above criteria will be taken into consideration where a property has an independent market valuation in excess of \$250,000.

Definition

Building means any building which is Local Government property and includes any –

- (a) hall or room
- (b) corridor, stairway or annexe of any hall or room; and
- (c) jetty

Legislation/ Local Law Requirements

Section 3.58 and 3.59 of the *Local Government Act 1995*.

Other Relevant Policies/ Key Documents

P106: Use of City Reserves and Facilities

City of South Perth Strategic Plan 2021-2031