



REQUEST FOR PROPOSALS FOR LEASE Aqualife Café 42 Somerset Street East Victoria Park





### PART 1 - BRIEF

### 1.1 Introduction

The Town of Victoria Park (the Town) is inviting Submission of Interest to lease within the Aqualife Centre, 42 Somerset Street, East Victoria Park (the Property).

This document has been prepared to provide prospective applicants with the following relevant information:

- Part 1 Brief (read and keep this part).
- Part 2 Conditions of Responding (read and keep this part); and
- Part 3 Respondent's proposal (complete and return this part).

# 1.2 Background

In July 2019 the Town entered into an agreement with Hospitality Industry Service Providers (HISP) PTY LTD.

Lease started 1/07/2019 for 1 year with four 1-year options, year 1 rent \$6,250pa+Outgoings+GST with rent increasing to \$12,500pa+Outgoings+GST thereafter. The lease was surrendered by the tenant on 31/03/2020.

At the Ordinary Council Meeting held 21 April 2020, the council resolved by council resolution:

Authorises the Chief Executive Officer to advertise by public notice within the next 12- 24 months of the intention to dispose of the Leisurelife Café and Aqualife Café by lease for a social enterprise to operate from the premises under Policy 114 Community Funding Policy, subsection Operating Subsidy.

In 2022 Council did seek to negotiate with an applicant which included some of the below terms:

- 1. Rent: \$13,000 per annum plus any GST at commencement.
  - a. Year 1 100% abated rent proposed at Nil.
  - b. Year 2 50% abated rent proposed at \$6,500 pa (indexed to CPI).
  - c. Year 3 full rent \$13,000 pa (adjusted per CPI index increases).
- 2. Outgoings: The Tenant is responsible for all outgoings.
- 3. Fitout & maintenance: The Tenant is responsible for any fitout

The applicant withdrew from leasing the Café and at the Ordinary Council Meeting held 21 March 2023, the Council resolved to advertise by public notice to invite for submissions of interest for the disposal of the Aqualife Café within the Aqualife Aquatic Centre at 42 Somerset Street, East Victoria Park by lease after the application was withdrawn.

Applications will be assessed against selection criteria including a requirement for the successful applicant to ensure their operation/proposal will complement the services provided by the Town at the Aqualife Aquatic Centre.

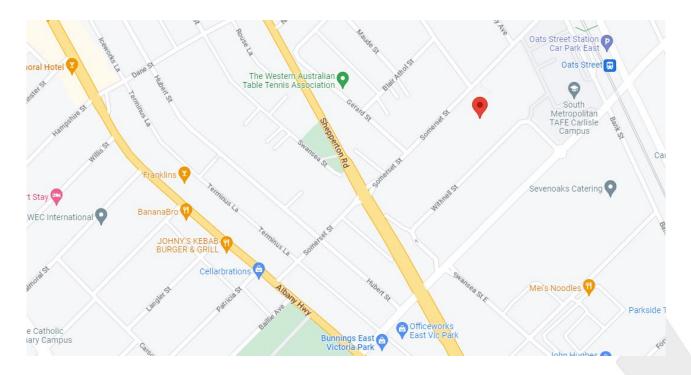


### 1.3 Location

The Property is located within the locality of East Victoria Park, which is an area planned for high population growth.

Situated approximately 6kms southeast of the Perth CBD, with Shepperton Road being the major thoroughfare serving the area connecting through to the city via the Causeway, 42 Somerset Street has access to many major transport links.

The property is within close proximity to the Albany Highway commercial strip and benefits from the ability to access all major services.



# 1.4 The Opportunity

The Town seeks a service provider, community group or social enterprise to operate from the Café area within Aqualife Centre, 42 Somerset Street, East Victoria Park.

Lease terms may be for a period of up to 5 years and may be subject to the standard tenure guidelines contained within Council Policy 310 – Leasing.

#### 1.5 The Space

The premises consists of approximately 60m<sup>2</sup> Café with some kitchen facilities and a servery onto the public seating area and a servery adjacent to the indoor pool area.

The subject tenancy is located close to the main reception area of the Recreation Centre with access to restrooms and a non-exclusive alfresco area.

Parking for patrons is accommodated onsite via the Recreation Centre car park.



It would be leased in an as is condition. Prior to occupancy the café would be cleaned, esting of equipment and removal of any non-working items.



Image 1 – Poolside wet kiosk



Image 2 – Poolside

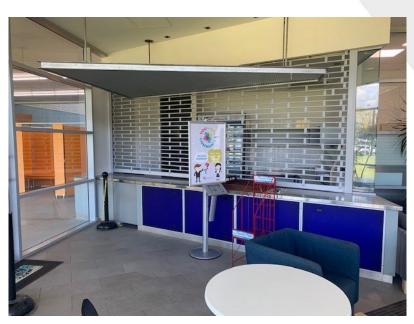




Image 3 – Dry kiosk and seating area



Image 4 – View from entry into the centre





# Image 5 – Dry Kiosk



Image 6 – Café cool room



Image 7 – Café interior



Image 8 – Café Alfresco seating (non-exclusive)

# **1.6** About the centre and its patronage



- Swim lessons run all year round with a 2 week break in July school holidays and a 4 week break in December
- Swim lessons operated from 8am to 12pm, and 3.30pm to 6pm weekdays and 7.30am to 12pm Sat and Sun
- Swimming squads train mornings from 5.30am to 7am and 3.30pm to 6pm most weekdays.
- Opening hours as per website change slightly to an earlier close in winter from 9pm to 8.30pm
- School carnivals typically run most days during mid Feb/March
- Vic Park Swim Club carnival is usually in December.
- Aqualife Summer season runs from 1 January to 31 March
- Aqualife Winter season runs from 1 April to 31 December
- Average daily patron numbers of 800 to 1,000 people, including minors with limited purchasing capacity.
- Highly seasonal patronage, particularly during warmer months and school events.
- Suboptimal location leading to fewer impulse purchases.

# 1.7 Permitted use

The Property is within a Local Scheme Reserve for Parks and Recreation purposes. The space is fitted out as a Café and should be used to service the centres patrons.

### 1.8 Tenant Fit-Out

The Property will be leased "as is" to the approved applicant and the applicant will be fully responsible for all fit-out works, obtaining approvals and licences. The successful tenant would need to purchase or lease equipment such as coffee machines, refrigerators, ovens.

# **1.9 Proposed Use of the Property**

Applicants should provide detail of the proposed business or operation, including supporting information, sufficient for the Town to evaluate the proposal.

The overall philosophy for the Centre, including the Café/Kiosk, is the promotion of physical activity and healthy lifestyle choices which through this EOI shall be achieved through the provision of good quality and nutritious food/beverages.

Applicants are requested to demonstrate an approach that aligns with the following principles:

- Finances are managed appropriately, sustainably, and transparently for the benefit of the community.
- A desirable place for commerce and tourism that supports equity, diverse local employment, and entrepreneurship.
- A clean, safe, and accessible place to visit.
- Appropriate and sustainable facilities for everyone that are well built, well maintained, and well managed.
- A healthy community.

# 1.10 Lease Agreements



Following evaluation of Submissions received in line with this document and subject to Council approval, the Town will seek to enter discussions with the aim of negotiating and entering into a Lease agreement.

In addition to commercial terms, the Retail Lease Agreement document may address issues such as:

- Tenant responsibility for any fit-out, including Principal's requirements and criteria for evaluation of fit-out plans.
- Treatment of common areas.
- Statutory and other requirements.
- Assignment, sub-letting, and charging; and
- End of lease obligations, including in relation to removal of fit-out.

# 1.11 Lease Terms

The Café is available for lease for a period of up to 5 years.

The Tenant will have lease possession of the allocated premises and be responsible for all nonstructural and preventative maintenance. including:

- Fire servicing equipment.
- Mechanical services maintenance.
- Pest control.
- Electrical compliance testing.
- Sewer pump and grease trapping services; and
- Septic system servicing.

The lease is to be structured on a net lease basis, with all outgoings being separately payable by the Tenant in addition to the rent. Outgoings include but are not limited to:

- Refuse collection.
- Rates, taxes, and other statutory levies.
- Utilities and services.
- Maintenance, repair, and replacement.
- Cleaning; and
- Insurances.

Estimated outgoings for the financial year are estimated at \$10,000+GST. This covers items such as utilities, Air-conditioning, cleaning of the facility and general maintenance of the building. This would be a 0.5% share of the total cost of the operating costs of the building and is calculated based on the size of the leasable space within the whole building.

These outgoings exclude internet, any oil disposal from frying machines, any other equipment or fitout among any other operating and supply costs that the successful lessee will need to secure operation as a Café.



Estimated council rates: Minimum Rate would be the likely be \$1,233 and ESL \$133

Operating hours are to be in line with centre operating hours. No access will be provided outside of these hours. Current operating hours (these are subject to change) Monday-Friday, 5:30am–8:30pm Saturday & Sunday, 7am–5pm

A valuation for the Café from a licenced valuer conducted in 2022 valued the rental at \$12,500pa+Outgoings+GST.

Any application fees, approvals or permits required to operate a food service business would be payable. The steps below provide a brief guide on the approvals and permits typically required for food businesses from our Planning, Health and Building teams. https://www.victoriapark.wa.gov.au/business/apply/business-permits-and-approvals/restaurants-

and-cafes.aspx

The lease will be subject to a redevelopment clause.

The food service is for the attendees and patrons of the Centre and outside food services are allowed (UberEATS, Menu log etc)

The lessee will not have access to the Aqualife gym or pool through the lease, they will be required to purchase a separate membership.

The centre has vending machines on site which the Town reserves the right to retain should it feel necessary.

#### 1.12 Attachments

Attachment 1 – Location Plans Attachment 2 – Floor Plan Sketch Attachment 3 – Policy 310 Leasing

# **PART 2 - CONDITIONS OF RESPONDING**

#### 2.1 Request Documents

This Request for Proposal is comprised of the following parts:

- a. Part 1 Brief (read and keep this part).
- b. Part 2 Conditions of Responding (read and keep this part).
- c. Part 3 Respondents Proposal.

#### 2.2 How to prepare your proposal

- a. Carefully read all parts of this document.
- b. Ensure you understand the Requirements.
- c. Complete and return the Respondents Proposal (Part 3) in all respects and include any supporting documentation.



- d. Make sure you have signed the proposal and responded to all the Selection Criteria.
- e. Lodge your proposal before the deadline.

#### 2.3 Selection Process

Following the close of the Request for Proposal (RFP), submissions will be evaluated by the Town's evaluation panel having regard to your responses to the Selection Criteria.

The following evaluation methodology will be used in respect of this Request for Proposal:

- a. Proposals are checked for completeness and compliance. Proposals that do not contain all requested information, e.g., a completed respondent's proposal and attachments, may be excluded from evaluation.
- b. Proposals are assessed against the Selection Criteria.
- c. The most suitable applicants may be shortlisted and may also be required to clarify their proposal.
- d. Referees may also be contacted prior to the selection of the successful applicant.

# 2.4 Selection Criteria

Submissions will be evaluated according to the RFP's qualitative and compliance criteria. The Town is not bound to accept any of the submissions received. The Town reserves the right, in its discretion, to negotiate amendments and variations to any submission received from an individual applicant. Compliance Criteria are detailed within Part 2 of this document and will not be point scored. Each proposal will be assessed on a yes-no basis as to whether the criteria have been satisfactorily met. An assessment of "No" against any criterion may eliminate the proposal from consideration.

All submissions for the leasing the Café at Aqualife Centre 42 Somerset St, East Victoria Park, will be subject to any necessary statutory building and planning approvals being obtained at the cost of the applicant.

Before responding to the following Selection Criteria, Applicants must note the following:

- All information relevant to your answers to each criterion are to be contained within your Submission.
- Applicants are to assume that the Evaluation Panel has no previous knowledge of your organisation, its activities or experience.
- Applicants are to provide full details for any claims, statements or examples used to address the Selection Criteria; and
- Applicants should ensure that they provide sufficient details in their submission to enable adequate evaluation by the Town against the Selection Criteria.

# 2.5 Qualitative Criteria

#### A. Business Structure and Financial Position

Respondents should detail their business structure and use for the proposed lease, including a detailed business case (labelled "Business case"). The Business Case should address a minimum of the following:

#### 1. BUSINESS STRUCTURE



- a. Organisational background should include mission, purpose, and history.
- b. Current business structure (evidence of incorporations, NFP or charity).
- c. Outline how you believe your business will align with the Town's plans, policies, and strategies.
- d. Any commercial benefit outcomes intended to be achieved.
- e. Any community benefit outcomes intended to be achieved.

#### 2. FINANCIAL POSITION

- a. Provide latest audited financial statements.
- b. financial reference (bank manager or accountant).

#### 3. INSURANCE / RISK MANAGEMENT

- Public Liability Insurances (no less than \$20M).
- Workers compensation insurance cover.
- Work Health and Safety considerations and compliance.

#### **B. Detailed Lease Proposal**

Provide a detailed lease proposal (labelled 'Lease Proposal for Aqualife Café') that address the following, at a minimum:

a) Agreement Type

b) Lessee details (registered business name, ABN etc)

i) Any guarantor/s to be listed

- c) Term of Lease
- d) Rent

i) Amount per month or per annum

- ii) Rent Review method
- iii) Security Deposit / Bank Guarantee

e) Special conditions (requested by the applicant and clearly outlining anyterms, licences required, etc.)

#### C. Fit Out Concept Plans

Provide high level concept plans for the applicant's proposed fit out of the premises (labelled "Fit Out Concept Plans") outlining, at a minimum, how the proposed fit out:

Noting that the applicant will be responsible for any works and must follow all the applicable planning, building and environmental Health regulations.

a) Caters for the proposed number and type of customer.

b) Contributes to the overall look and feel of the premises and matches the concept for the proposed business

- c) Signage design and locations (both internal and external)
- d) Any additional relevant information

D. Relevant Experience

Describe your experience in conducting similar requirements:



a) Demonstrated experience in managing, owning or operating a similar business (include details of the location).

b) Demonstrate competency and a proven record of accomplishment in establishing and maintaining a similar viable business.

c) Provide a CV for the Applicant's key personnel who will be directly involved in the management and day-to-day operations of the business (including, skills, qualifications and relevant experience).

d) Any additional information.

### E. Referees

Provide contact details (including names, titles, telephone numbers, and/or email addresses) for a minimum of two (2) referees who can specifically attest to the applicant's experience in the operation of a similar or comparable business in the last 5 years.

In determining the most advantageous proposal, the Evaluation Panel will score each respondent against the qualitative criteria above and as detailed within Part 3 of this document.

### 2.6 Legislative and Compliance Requirements

Leasing of the property will be subject to compliance with applicable *Local Government Act 1995* requirements (unless the Council is satisfied that an exemption applies under Regulation 30 of the Local Government (Functions and General Regulations 1996) and Council's Statutory Process / Regulations. The Act states that:

#### Local Government Act 1995

Where Council proposes to enter into a new lease, it must comply with Section 3.58 of the *Local Government Act 1995* (the Act). Section 3.58 of the Act states that a local government can dispose of property (including by way of a lease) other than by way of public auction or public tender if, before agreeing to dispose of the property:

- a) it gives local public notice of the proposed disposition -
- b) describing the property concerned.
- c) giving details of the proposed disposition; and
- d) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than two (2) weeks after the notice is first given; and
- e) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the Council or a Committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.

The following details must be included in the local Public Notice:

- a) the names of all other parties concerned.
- b) the consideration to be received by the local government for the disposition; and
- c) the market value of the disposition as ascertained by a valuation carried out not more than six (6) months before the proposed disposition.

#### **Council Statutory Processes/ Regulations**

Council approval will be sought following receipt of a satisfactory proposal, evaluation by the Town



in terms of the Selection Criteria and any negotiations with suitable short-listed applicant(s).

# 2.7 Contact Persons

If applicants are requiring more information, they should contact: Property Development and Leasing Team Telephone: (08) 9311 8111 Email: <u>admin@vicpark.wa.gov.au</u>





# 3. PART 3 – RESPONDENTS PROPOSAL

### 3.1 Response Form

ABN / ACN:		
Registered Name of		
Individual/Company/Organisation:		
Business/Trading Name:		
Postal Address:		
Street Address (if different to postal		
address):		
	Name:	
Contact	<b>Telephone:</b>	
	Email:	

In relation to Request for Proposal, please indicate **which** of the lease areas you are applying for and nominate the dollar rate per square metre per annum that you would be prepared to pay as the successful Tenant.

Lease Rate (per square meter per annum)	Total \$ per annum

I/we agree that I am/we are bound by, and will comply with:

- This Request for Proposal and its associated attachments, all in accordance with the Conditions of Responding contained in this Request for Proposal signed and completed.
- All Proposals submitted will remain firm for a period of ninety (90) days from the closing date of submission of Quotation.
- The Respondent consents to any disclosures made as a result of the Town complying with its obligations under the Freedom of Information Act 1991, subject to any legally required consultation.

Dated this:day of2024.	
Signature of authorised signatory of Respondent:	 
Name of authorised signatory (BLOCK LETTERS):	 
Position:	 
Telephone Number:	
Authorised signatory Postal Address:	 
Email Address:	 

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# 3.2 Selection Criteria

#### **Compliance Criteria**

Please select with a yes or no whether you have complied with the following Compliance criteria:

Description of Compliance Criteria	
Compliance with the Conditions or Responding contained in this Request for	
Proposal.	YES/NO

Please ensure that you have answered every question below.

Identification of Respondent	
Organisation Profile and Referees	
Are you a business?	YES/NO
If yes, please include details of your ABN, Registered Entity Name, Contact Pers contact details inclusive of phone and email address. If companies are involved, a ASIC company extract search including the latest annual return.	
Are you an organisation or incorporated body not otherwise defined as a business?	YES/NO
If yes, please include details of your Constitution/Rules of Association, Registered Entity Name, Contact Person's name and contact details inclusive of phone and email address (please include copies of relevant documentation):	
Agents and Trusts	
Are you acting as an agent for another party or as the trustee of a trust?	YES/NO
Are you acting as an agent for another party or as the trustee of a trust? If yes, please provide: Agent details including name and address, the name of the	
Are you acting as an agent for another party or as the trustee of a trust? If yes, please provide: Agent details including name and address, the name of th names and addresses of beneficiaries.	

If yes, please provide details and the way in which any conflict will be dealt with.



**Financial Details** 

Financial Details	
Do you have the financial resources to meet the lease obligations?	YES/NO
If yes, please provide a financial profile for your organisation and list financial re	eferees.
Are you presently able to pay all your debts in full as and when they fall due?	YES/NO
Are you currently involved in litigation?	YES/NO

# **Qualitative Criteria**

Before responding to the following Qualitative criteria, Respondents must note the following:

- All information relevant to your answers to each criterion are to be contained within your Proposal.
- Respondents are to assume that the Evaluation Panel has no previous knowledge of your organisation, its activities or experience.
- Respondents are to provide full details for any claims, statements or examples used to address the qualitative criteria; and
- Respondents are to address each issue outlined within a Qualitative criterion.

Please address each of the Qualitative Criteria individually as a separate document.





Qualitative Assessment Criteria	Weighting
A. Business Structure & Financial Position	
Respondents should detail their business structure and use for the proposed lease space including a detailed business case (labelled "Business Case"). The Business Case should address a minimum of the following:	
<ol> <li>BUSINESS STRUCTURE         <ul> <li>Organisational background to include mission, purpose and history.</li> <li>Current business structure (evidence of incorporations, NFP or charity)</li> <li>Outline how you believe your business will align with the Town's plans, policies and strategies.</li> <li>Any commercial benefit outcomes intended to be achieved</li> <li>Any community benefit outcomes intended to be achieved</li> </ul> </li> </ol>	35%
<ul><li>2. FINANCIAL POSITION</li><li>f) Provide latest audited financial statements</li><li>g) Financial reference (bank manager or accountant)</li></ul>	
<ul> <li>3. INSURANCE / RISK MANAGEMENT</li> <li>h) Public Liability Insurances (no less than \$20M)</li> <li>i) Workers compensation insurance cover</li> <li>j) Work Health and Safety considerations and compliance.</li> </ul>	
B. Detailed Lease Proposal	
<ul><li>Provide a detailed lease proposal (labelled "Lease Proposal") which addresses, at a minimum the Applicants proposed:</li><li>a) Agreement Type</li><li>b) Lessee details (registered business name, ABN etc)</li></ul>	
i) Any guarantor/s to be listed	35%
c) Term of Lease d) Rent	
i) Rent Review method	
<ul> <li>ii) Security Deposit / Bank Guarantee</li> <li>e) Special conditions (requested by the Applicant and clearly outlining any terms or licences required etc)</li> </ul>	
C. Fit out Concept Plans	10%



Provide high level concept plans for the Applicant's proposed fit out of the premises (Labelled "Fit Out Concept Plans") outlining at a minimum how the proposed fit out:	
<ul> <li>a) Caters for the proposed number and type of customer.</li> <li>b) Contributes to the overall look and feel of the premises and matches the concept for the proposed business</li> <li>c) Signage design and locations (both internal and external)</li> <li>d) Any additional relevant information</li> <li>Noting, the Applicant will be responsible for any works and will be required to comply with any applicable Planning, Building and Environmental Health requirements.</li> </ul>	
D. Relevant Experience	
Describe your experience in conducting similar Requirements: a) Demonstrated experience in managing, owning or operating a similar business (include details of the location) b) Demonstrate competency and proven track record in establishing and maintaining a similar viable business. c) Provide a CV for the Applicant's key personnel who will be directly involved in the management and day-to-day operations of the business (including, skills, qualifications and relevant experience). d) Any additional information.	20%
<u>F. Referees</u> Provide contact details (including names, titles, telephone numbers and/or email addresses) for a minimum of two (2) referees who can specifically attest to the applicants experience in the operation of similar or comparable business in the last 5 years.	



Definitions	
Applicant:	A person/company who has or intends to submit a Submission in response to a Request for Proposal.
Attachments:	Any document/s provided separately by the Town for completion by the Applicant or for Additional Information purposes
Closing Date:	The latest date and time for lodgement of your Submission.
Centre:	The Aqualife Centre
Town:	The Town of Victoria Park.
Submission:	A completed proposal submitted by the applicant for consideration by the Town.
Selection Criteria:	The criteria used by the Town in evaluating your Submission as detailed in Part 2 of this document.

