

Expressions of Interest

EOI TITLE: *Expressions of Interest for the Lease and Operation of 34 Walker Street, RHODES NSW 2138*

EOI NUMBER: 2019/CSAEO11

CLOSING DATE: Monday April 1st 2019, Sydney Time

ISSUED BY: The City of Canada Bay – Major Projects



PART A – REQUEST FOR EXPRESSIONS OF INTEREST

A.1 Preamble

CBRE has been engaged on behalf of The City of Canada Bay Council (CCBC) to market and promote an Expression of Interest for the Lease and Operation of premises at 34 Walker Street, RHODES NSW 2138.

Interested organisations are invited to respond to this EOI through The City of Canada Bay Tenderlink Platform by 2 p.m. (Sydney Time) on the closing date of Monday 1st April 2019.

A.2 About the City of Canada Bay

The City of Canada Bay is located in the inner-west of Sydney, approximately 6 kilometres from Sydney's CBD. The City shares a boundary with Inner West, Cumberland, Burwood and Strathfield Local Government Areas (LGAs), and is bounded by the Parramatta River in the north and east and Parramatta Road, Homebush Bay and Bicentennial Park on the south and west.

The City is predominantly residential, but also has significant commercial and industrial areas, and encompasses a total land area of 20 square kilometres, including many parks, reserves and foreshores.

The LGA is noted for its cultural diversity, with estimates that 30% of the population speak another language in addition to English (particularly Italian, Greek, Cantonese/Mandarin, Arabic and Spanish). There is a significant Italian population within the LGA as well as a steady increase of residents who have relocated from South East Asia.

The LGA's population is currently estimated at 85,000 and is continuously increasing with predictions in population growth expected to surpass 100,000 residents by 2031.

A.3 The Opportunity

Council entered into a Voluntary Planning Agreement (VPA) with a developer several years ago, which established that in return for granting Development Consent at *34 Walker Street, RHODES 2138*, a Recreation Centre would be delivered to Council for ongoing community use.

Given projections into the ongoing costs associated with operating the community facility, Council has elected to explore alternative use options, and is now approaching the market to gauge the interest levels of prospective operators to lease and operate the aforementioned premises off Council, provided that part of / all of the proposed business model returns positive social benefits and services to the Rhodes Community.

The subject premises is located at 34 Walker Street Rhodes (opposite Rhodes Railway Station), and construction of the subject site is anticipated to commence in July 2019 with works completed by mid-2021.

Council's floor space will occupy approximately 40% of the ground floor, and all of the first floor (total 8,534m² of floor space available over the two levels), supported by 160 underground car park spaces which will have access to the lettable space via two passenger lifts.

Based upon the proposals received during the EOI, Council intends to evaluate responses, consult with the community, and run a selective tender for the lease and operation of the subject premises, with the view of partnering with an organisation that is able to engage with and provide services to the local community, whilst managing a financially sustainable business. *(Council advises that interested parties must respond to this EOI in order to be considered a potential applicant during the proposed selective tender phase).*

Council is open to any proposal which provides a positive social benefit and has identified that the types of businesses that could operate in the space include, but are not limited to:

- Community Club
- Sports Club
- Commercial venture allied with recreation
- Commercial venture allied with community services
- Businesses that cater to a family experience

In responding to this EOI, Respondents are advised to refer to all relevant drawings, specifications and Computer Generated Images that accompany this document.

A.4 Rhodes Precinct and Subject Premises

The development precinct in which the building will be located is bordered by Gauthorpe Street to the North, Walker Street to the East, Marquet Street to the West and Mary Street to the South. The space referred to in this EOI is located in the podium on the Gauthorpe Street frontage at the Northern end of the precinct.

The subject site is approximately 150 metres from the Rhodes public transport hub, which includes the railway station, main bus stop and taxi rank.

For the purposes of this EOI, respondents are to initially assume that the premises will be delivered as a cold shell and will require the lodgement of a Development Application for use.

A.5 Our Existing Community Facilities

Rhodes West currently offers a range of outdoor recreational facilities for both passive and active recreation.

In 2016, Council constructed a new community centre 'The Connection' (<http://www.theconnectionrhodes.com.au/>) which gives residents the opportunity to socialise, engage and learn in a passive indoor space.

Council envisions that the existing community facilities and services within Rhodes Precinct will be complimented by indoor active recreation as part of the subject premises at 34 Walker Street RHODES, NSW 2138.

The Concept Plans that have been developed for 34 Walker Street RHODES, NSW 2138 (As Approved by Council) currently provide for the following active recreational activities:

- Health Club
- Indoor Multi-purpose Courts for structured and unstructured team sports
- Gymnastics Area
- Swimming Facility

In addition to the above, the following community facilities also formed part of Initial Concept Plans:

- 51 Place Child Care Centre
- Crèche associated with active recreational activities on the first floor
- Bookable Community Rooms and Spaces
- Community Common Areas
- Retail Space

Final Concept Plans (As Approved by Council) as well as Computer Generated Imagery are available as part of this EOI Package for review and consideration.

A.6 Key Community Facilities

For a submission to be considered complying, and proceed to the assessment stage, as a minimum Respondents are requested to integrate the following community facilities within the footprint of the subject site:

- Gymnasium at 300 m²
- Co-joined Program Rooms that can be divided up via operable walls at a total area of 250 m²
- Bookable Community Rooms at 250 m²

These spaces may be located on either the ground floor or first floor, however the gym and program rooms would need to be on the same floor and in the same area.

The fees to be set by the operator for use of these facilities must remain in accordance with Council's fees and charges.

A.7 Consideration of Current Conceptual Plans

The purpose of this EOI is to illicit submissions from interested organisations that can provide a vision for the proposed premises, and which will deliver a positive social benefit to the Rhodes Community.

Whilst Council intends to partner with an organisation that is able to provide an innovative service offering which will engage with and address the needs of the local community, Initial Concept Plans are included within this EOI Package to provide interested respondents with an understanding as to how the subject site was initially proposed to be utilised.

Respondents are to note that Council is not wedded to initial plans, and reiterates that concept plans have solely been included to illustrate initial site considerations.

PART B – THE EOI PROCESS

B.1 EOI Process

The purpose of this EOI is to allow Council to gain an appreciation into the interest levels of prospective operators to lease and operate premises at 34 Walker Street, RHODES NSW 2138.

Respondents should be aware that Council has the discretion to proceed with in a manner that is different from that described within this EOI, or may not proceed with the proposal at all.

Overall, depending on the nature of the EOI Responses received, Council may, in its absolute discretion, do all or any of the following:

- (a) At any time following this EOI process seek clarification or further information from and enter into discussions with any or all of the Respondents in relation to their EOI Responses, and use such information in interpreting and evaluating the relevant EOI Response, but is under no obligation to take such information into account;
- (b) Consider or reject any EOI Response which is non-conforming or consider alternative responses, but is under no obligation to do so;
- (c) Request, attend or conduct any meetings or briefings with any Respondents; or
- (d) Decide not to proceed any further without providing reason or notice;

It is important to note that this EOI process is not a Request for Tender. It is not a commitment or representation of any kind by Council that it will at any time issue a Request for Tender for the lease and operation of premises at 34 Walker Street, RHODES NSW 2138.

Council may contact one or more of the Respondents after the Closing Date and Time to discuss the desired outcome, or Council's plans or needs generally.

Council may consider views or feedback provided by Respondents in their EOI Responses into account when developing any future request relating the lease and operation of the proposed premises.

B.2 EOI Assessment Framework

This EOI Process will be subject to Council's Internal Procedures as they relate to the Leasing and Licencing of Facilities. Submitted EOI's will be assessed in accordance with Council's approved Probitity Plan.

As part of the assessment process, Council will establish an Evaluation Panel and assess submissions against established Selection Criteria. The Evaluation Panel may decide to shortlist respondents, and accordingly request that shortlisted respondent's provide a detailed presentation to determine their final ranking.

The decisions of the evaluation panel regarding short listing and the requirements for presentations and further investigations are final.

PART C – ASSESSMENT OF SUBMISSIONS

The City of Canada Bay Council would prefer a standardised format to allow for the efficient and accurate comparison between respondents. Accordingly, Council requests that interested parties prepare their responses using the headings, sub headings and framework as outlined below.

Respondents may develop and present their submissions in their own format, however they must ensure that every heading; and associated content that has been requested is addressed. Failure in meeting the deliverables specified in the table below may result in the removal of the respondent's application from the assessment process.

RETURNABLE SCHEDULES – ASSESMENT CRITERIA

Respondent Details

- (a) Name of Legal Entity
- (b) ACN (If Company)
- (c) Registered address of Company or address of principal place of business if no registered address
- (d) Business Name
- (e) ABN
- (f) Contact Person
- (g) Contact Person Position Title
- (h) Email
- (i) Telephone
- (j) Facsimile
- (k) Address and facsimile number for service of contractual notices

**Identity of Respondent and
Certification of Response**

Certification of Response

This EOI Response is signed by a person authorised to do so on behalf of the Respondent.

Signature:

Witness Signature:

Full Name:

Witness Full Name:

(Please Print)

(Please Print)

Position with
Respondent:

Relationship to
Respondent:

Date:

Date:

All Submissions must demonstrate how their proposed service/operation will benefit the Rhodes Community in accordance with The City of Canada Bay's Community Strategic Plan (CSP) (https://www.canadabay.nsw.gov.au/sites/default/files/FINAL_YOUR_future_2030_Low_Res_-_Web_5.pdf)

Submissions will include an Initial Business Plan which outlines at a minimum:

- a) The proposed operation of premises including a detailed description of the activities, services and programs to be offered and how each program provides community benefit;
- b) The Respondents capacity and capabilities to deliver the proposed activities and services at the subject premises
- c) Details of the Respondent proposing to lease and operate the premises, and the proposed management and operating staff structure that will be implemented to operate the subject premises;
- d) The Respondents approach to customer service, and its marketing functions to promote and maximise local community participation and use of the subject premises
- e) Evidence of the Respondents prior property management experience as it relates to premises of a similar nature
- f) Details of contracts/service agreements of similar services previously and/or currently provided by the Respondent, including a description of those services, similarities those services and that which is proposed at the subject site, timeframes as to when the contract/service agreement was performed and the outcomes of previous contracts/service agreements.

Proposed Service Delivery and Community Benefits

	<p>In submitting a response to this EOI, Council requests that Respondents provide an indication of the proposed annual rental yield to lease the premises. Where a Respondent estimates the need to invest significant upfront capital in order to adequately refurbish the subject site, a reduction in the annual rental return may be considered and negotiated between the Respondent and Council.</p> <p>Further, Respondents are invited to propose the period of tenure (leasing term), which is to be consistent with their submission, proposed upfront capital costs and identified commitments to programmed and reactive maintenance that may be incurred during the term of the lease.</p>
Organisational Skills and Experience	<p>Respondents will be assessed on the degree to which they have the organisational planning and resourcing capability to lease and operate the premises at <i>34 Walker Street RHODES, NSW 2138</i>. This may be illustrated by:</p> <ul style="list-style-type: none">• Demonstrating organisational planning and resourcing capabilities;• Identifying key risks that may impact on service delivery and provide an explanation as to how these risks will be mitigated and/or managed;• Outlining key policies, procedures and guidelines in place to ensure relevant and high-quality service is provided and maintained;• Describing how the Respondent will ensure that staff develop/maintain relevant skills and experience with regard to propose service delivery;• Providing evidence of organisational governance structure and responsibility/accountability practices
Financial Capacity	<p>Respondents must demonstrate their financial capacity. This may include:</p> <p>A summary report of how the respondent can meet the financial capacity requirements to deliver its proposed service, which may be further supported and/or complemented with the following:</p> <ul style="list-style-type: none">(i) Financial modelling over the proposed term of the Lease;(ii) Balance sheets and profit and loss statements for the previous two years (audited if required under the <i>Corporations Act 2001</i>)(iii) Annual Report for the Respondent for Financial Year 2017-18

Insurances

Respondents must declare and provide details of all insurances applicable for the delivery of the proposed service as follows:

	Insurer	ABN	Policy No	Insured Amount	Expiry Date
Public Liability Insurance (\$20 Million)					
Personal Accident Insurance (covering Volunteers Insurance)					
Professional Indemnity (\$5 Million)					
Workers' Compensation Including Common Law Liability (\$50 Million)					
Building Insurance (may be applicable)					
Contents Insurance (may be applicable)					
Motor Vehicle Third Party Insurance					
Personal Accident Insurance					

PART D – STANDARD CONDITIONS

D.1 Our Disclaimer

Each Respondent, by lodging an EOI Response, acknowledges and agrees with that:

(a) The City of Canada Bay Council, and its respective officers, employees, consultants, contractors and agents:

(i) make no representation or warranty as to the accuracy or completeness of information, statements and representations contained in this document, including attachments, appendices or other documents referred to in the Request for EOI; and

(ii) will not be liable for any loss, cost or expense of any kind suffered or which may be suffered by the Respondent arising directly or indirectly from any inaccuracy or incompleteness of the information in the Request for EOI or those other documents;

(b) the Respondent has made, and relied on, its own independent assessment of the suitability of the information in the Request for EOI for the purpose of lodging its EOI Response and any other document or material pursuant to the Request for EOI and as to the attributes of, and risks associated with doing so.

D.2 Changing Circumstances of Respondent

Each Respondent must promptly inform Council of any material change to any information provided by the Respondent; or of any event that would potentially have an impact on the financial position and capacity of the Respondent.

This includes any change in the identity of the Respondent, its subcontractors or suppliers. In this regard, the identity of the Respondent is fundamental to Council and the Respondent must be the person, persons, corporation or corporations named as the Respondent.

In particular, Respondents must immediately notify Council if:

(a) anything occurs, the effect of which is to transfer, directly or indirectly, the management or control of the Respondent to another person, including in respect of a Respondent which is a body corporate, if there is a change in control of the Respondent within the meaning of the *Corporations Act 2001* (Cth); or

(b) the Respondent becomes, or is deemed to be insolvent (including where an administrator, receiver or other controller is appointed to all or any of its assets or undertaking or where an application, order or resolution is made or passed for its winding up, administration or dissolution).

D.3 Code of Conduct

The City of Canada Bay Council has adopted a Code of Conduct and Statement of Business Ethics with the aim of ensuring that its functions are undertaken efficiently, impartially and with integrity. A copy of the Code of Conduct and Statement of Business Ethics is available on Council's website at: <http://www.canadabay.nsw.gov.au/business/opportunities/tenders>

By responding to this EOI, the respondent acknowledges and warrants that:

(a) No conflict of interest exists at the date of submitting its EOI Response. The Respondent must immediately inform Council of it becoming aware of any actual or potential conflict of interest at any time;

(b) Evidence of collusive tendering may lead to the rejection of some or all EOI Responses; and Respondents involved in such practices may be barred from tendering to Council in the future; and

(c) Respondents must notify Council promptly upon becoming aware of any conflict of interest arising in respect of the Respondent following submission of its EOI Response, during the EOI process.

If Council determines that a conflict of interest has arisen, or is likely to arise, in respect of any particular Respondent, then the Respondent must take whatever action is required by Council to resolve or manage that conflict of interest.

If the Respondent is unable or unwilling to resolve or manage the conflict of interest to the reasonable satisfaction of Council, Council may exclude the Respondent from any phase or processes outlined or contemplated in the Request for EOI

D.4 Costs of Participating in the EOI Process

Council is not responsible for any costs or expenses incurred by the Respondent arising out of or in connection with the EOI process including, but not limited to, preparing and providing an EOI Response, or providing any information requested by the Council in connection with the EOI process, irrespective of whether it's EOI is short-listed for further consideration or not. - All such costs will be borne entirely and exclusively by the Respondent.

D.5 Absence of Legal Obligation

By inviting or receiving EOI's, The City of Canada Bay Council makes no representations, nor does it intend to create any legal relationship with potential parties that choose to respond to this invitation. Further, the issue of this EOI does not commit or otherwise oblige Council to proceed with any part of the process.

D.6 Confidentiality

All information provided in this document, or imparted to a prospective operator as part of this EOI Process is Confidential, and shall not be used by any prospective operator for any other purpose, or distributed to, or shared with any other person or organisation.

Information received by Council may be subject to public disclosure under the Freedom of Information Act 1982 unless it is provided in confidence, relates to commercially sensitive information, and meets the criteria for exemption from disclosure under the Act.

D.7 Provision of Further Information

Any queries or requests for further information regarding this EOI are to be directed through the Tenderlink Online Forum for response by the appropriate representative overseeing the EOI process

D.8 Submission of EOI Response

All submissions are to be lodged electronically through Council's Tenderlink Portal by 2 p.m. (Sydney Time) on the closing date of **Monday 1st April 2019** (<https://www.tenderlink.com/canadabay/>). Late submissions will not be considered.

Respondents are also requested to nominate a representative for the purposes of answering enquiries which may arise when considering and assessing EOI responses.

END OF EOI DOCUMENT

CBRE

