

Resolution of Council

28 June 2021

Item 11

George Street Business Innovation Space – Award of Accommodation Grant and Recommended Operator

It is resolved that:

- (A) Council note the outcome of the Expression of Interest and Request for Proposals for the sublease of the Business Innovation Space (BIS) at 180 George Street, Sydney (the Property);
- (B) Council approve Innovillage Pty Ltd as the selected operator and award an Accommodation Grant to lease the Property for a ten (10) year period generally on the terms contained in Confidential Attachment B to the subject report and the draft Heads of Agreement contained at Confidential Attachment D to the subject report, noting the recommended subsidy rates in (C) below;
- (C) Council approve an Accommodation Grant to Innovillage Pty Ltd for the Property:
 - (i) at 100 per cent subsidy (as detailed in Confidential Attachment B to the subject report) for a four (4) year period subject to a four per cent annual increase, commencing on the completion of fit-out construction works and at a 50 per cent subsidy (valued at 50 per cent of the market rental to be determined at the commencement of year five of the sublease and subject to a four per cent annual increase) for a further six (6) year period; and
 - (ii) otherwise generally on the terms contained in the draft Heads of Agreement contained at Confidential Attachment D to the subject report;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer relevant agreements with Innovillage Pty Ltd in accordance with the Grants and Sponsorship Policy, including a Heads of Agreement and sublease;

- (E) authority be delegated to the Chief Executive Officer to make a payment of \$7 million to Innovillage Pty Ltd being the monies received by the City of Sydney from Lendlease for the fit-out of the Business Innovation Space (BIS) as part of the approved Voluntary Planning Agreement for 180 George Street, Sydney and note that a ten per cent payment will be paid immediately to Innovillage Pty Ltd to offset design costs for the fit-out of the Business Innovation Space (BIS) and then equal monthly progress payments will be made until the balance of the monies remaining of the \$7 million are exhausted; and
- (F) Council note that all grants are awarded on the condition that any required approvals, permits and development consents are obtained by the applicant.

Carried unanimously.

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