

Lease Approval - Woolstores Alexandria

File No: X091647.002

Summary

This report seeks approval from Council to grant a new lease within the 'Woolstores Alexandria' complex.

The 'Woolstores Alexandria' is a high standard commercial office complex at 4C-4F Huntley Street, Alexandria, and is comprised of four separately titled buildings and associated car parking. It forms part of the City's Investment Property Portfolio and is a key income generating asset for the City.

Details of the lease proposal are outlined in Confidential Attachment A and the essential lease terms and conditions are contained within Confidential Attachment B.

This report recommends that Council approve granting a new lease within the 'Woolstores Alexandria' complex.

Recommendation

It is resolved that:

- (A) Council note the lease proposal information included in Confidential Attachment A to the subject report;
- (B) Council approve the granting of a new lease in accordance with the essential lease terms and conditions contained within Confidential Attachment B to the subject report; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the terms of the lease, including in relation to the exercise of the option, in accordance with the essential terms and conditions contained within Confidential Attachment B to the subject report.

Attachments

Attachment A. Lease Proposal (Confidential)

Attachment B. Essential Lease Terms and Conditions (Confidential)

Background

1. The City's property portfolio is the second highest revenue source for the City and provides a vital role in contributing to the financial sustainability of Council, enabling the City to continue to support community-based organisations and infrastructure projects.
2. The City acquired the 'Woolstores Alexandria' complex in September 2022. The property is a high standard commercial office complex at 4C-4F Huntley Street, Alexandria, comprising four separately titled buildings and associated carparking.
3. The 'Woolstores Alexandria' has a total lettable area of 9,958.9m² and forms part of the City's Investment Property Portfolio. It is a key income generating asset for the City.
4. This report seeks approval from Council to grant a new lease within the 'Woolstores Alexandria' complex.

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

5. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 1 - Responsible governance and stewardship - specifically expanding revenue from commercial operations and the property portfolio.

Financial Implications

6. Financial implications are outlined in Confidential Attachment A.

Relevant Legislation

7. Local Government Act 1993 - Sections 10A provide that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business and if discussion of the information in an open meeting would, on balance be contrary to public interest.
8. Attachments A and B contain confidential commercial information which, if disclosed, would confer a commercial advantage on a person with whom the City is conducting (or proposes to conduct) business.
9. Discussion of this matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the City's ability to negotiate fairly and commercially achieve the best outcome for ratepayers.

Critical Dates / Time Frames

10. Critical Dates are outlined in Confidential Attachment A.

KIM WOODBURY

Chief Operating Officer

Scott Young, Development Manager