

16.4 Unsolicited Proposal - 262 Sturt Road, Marion
Report Reference GC211026F16.4**Moved Councillor Veliskou****Seconded Councillor Masika**

That pursuant to Section 90(2) and (3)(d)(i) and (ii) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Manager Office of the Chief Executive, Manager City Activation, Chief Financial Officer, Communications Advisor, Unit Manager Governance and Council Support and Governance Officer, be excluded from the meeting as the Council receives and considers information relating to Unsolicited Proposal – 262 Sturt Road, Marion, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to a proposal from a third party.

Carried Unanimously

7.53pm the meeting went into confidence.

MEETING SUSPENSION**Moved Councillor Crossland****Seconded Councillor Telfer**

That Council suspend formal meeting procedures to discuss the item

Carried Unanimously

7.53pm formal meeting procedures suspended

8.31pm formal meeting procedures resumed

Moved Councillor Telfer**Seconded Councillor Hutchinson**

That Council:

1. Endorse Council entering into a Period of Exclusivity with the proponent to formalize contractual arrangements with regard to the proposal.
2. Endorse the following criteria for the contractual arrangements:
 - a. No capital or operating investment from the City of Marion;
 - b. A 42 year lease term with rent based on the discount and obligations set out in the leasing and licensing policy
 - c. No obligation to pay rates in accordance with other recreation facilities owned by Council
 - d. A put option at the expiration of the 42 year lease term requiring the City of Marion to purchase the building from the Consortium for an amount agreed to by both parties in the put option agreement.
 - e. (preferred) City of Marion residents to receive 10% discount on the services provided by the facility.
3. Note Administration will bring a future report detailing the final negotiated contractual arrangements to formalise the agreement with the proponent.

4. Notes that this process is non-binding on Council in line with its Unsolicited Bids Proposal policy.
5. In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that this report, Unsolicited Proposal – 262 Sturt Road, Marion, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(d)(i) and (ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2021.

Carried

Councillor Shilling called a Division

Those for: Councillors Masika, Veliskou, Clancy, Prior, Hull, Telfer, Hutchinson and Crossland

Those against: Councillors Shilling and Duncan

Carried

8.48pm the meeting came out of confidence.