

Council Policy CP040 Property Management Leases			
Officer	Land and Leasing Facilitator	Owner	Director Commercial Enterprises
Review Frequency	Annually	Next Review	2013
Council Resolution number and date			

OBJECTIVE

To ensure a transparent and accountable process for the disposal by way of lease of the City of Greater Geraldton's land and building assets.

SCOPE

To allow for short and long term leasing of property owned by the City of Greater Geraldton and Crown Land vested by way of a Management Order.

DELEGATIONS

The Chief Executive Officer has delegated authority to authorise leases on City land owned in fee simple to the total rental value including all extensions of term up to \$1,000,000.

The Chief Executive has delegated authority to negotiate and determine upfront commercial leasing rights payments required from lessees in relation to commercial leases providing long term tenure of City land.

DEFINITIONS

Act	Local Government Act 1995 (as amended)
CEO	Means the Chief Executive Officer of a Local Government.
Disposal	Disposing of Property pursuant to Section 3.58 of the Local Government Act 1995 and Regulation 30 of the Local Government (Functions and General) Regulations 1996.
Lease	A contract by which one conveys real estate, equipment or facilities for a specified term and for a specified rent (Merriam – Webster)
Management Order	An order by which the care, control and management of a Reserve is placed.
Regulations	Local Government (Functions and General) Regulations 1996
Reserve	A parcel of land belonging to the Crown that has been vested in the City of Greater Geraldton by way of a Management Order.

POLICY PRINCIPLES

The City of Greater Geraldton is the legal owner of certain land and buildings throughout the district and may from time to time choose to enter into leasing arrangements with individuals, not for profit organisations and businesses.

The City of Greater Geraldton also has control of certain Crown Land Reserves vested in the City by way of a Management Order. Some of these Reserves may be leased for purposes specific to the terms set out in the Management Order.

This policy recognises the variety and diversity of leases and recognises that no one particular style of lease is appropriate for all purposes.

This policy will ensure that all requests for lease for whatever purpose will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.

Leases will be negotiated consistently with the following principles:

- Compliance with the provisions of section 3.58 of the Local Government Act 1995;
- All Leases on Crown Reserves will be registered with Landgate;
- For commercial leases, lessees will be offered a sufficient tenure period to allow a commercial entity reasonable opportunity to establish the business;
- All lessees will be treated fairly and equitably;
- Independent valuations by a licensed Valuer shall be the basis for lease rentals;
- Triennium lease reviews involving an independent valuation, and annual Consumer Price Index adjustments will be applied to all commercial leases and lease rentals will be amended accordingly;
- Commercial leases providing long term tenure (for example 21 +21 years or 25 +25 years), will require upfront payment of a leasing rights fee by the lessee in recognition of the transferable capital value of the property and its non-availability to the City for other purposes for the period of agreed tenure; and
- A proposed leasing transaction shall require approval of Council in the event that any objections are received following public advertising of intent to dispose by lease.

WORKPLACE INFORMATION

The Acts and Regulations listed may be applicable but not limited to the following:

- Local Government Act 1995
- Local Government (Functions and General) Regulations 1996
- Land Administration Act 1997
- Land Administration Regulations 1998
- Land Administration (Land Management) Regulations 2006
- Transfer of Land Act 1983
- Transfer of Land Regulations 2004
- Land Titles Registration Practise Manual 2010

ROLES AND RESPONSIBILITIES

Department of Commercial Enterprises, Land & Property Branch.