



Australian Government

Sydney Harbour Federation Trust

Policy for the Leasing of Land and Buildings to Community Users

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1. Introduction

The Trust's Comprehensive Plan makes provision for the occupation of land and buildings by community users at less than full market rates, utilising a contestable process. This policy sets out how this process will work and how the Trust may assist community users who directly enhance the objectives of the Trust.

For the purposes of this policy, the Trust defines community users as:

not for profit, non-government groups or individuals with local, state or national operations who could not conduct activities at a Trust site without a subsidy.

Community users seeking financial support under this policy must demonstrate that their purpose and activities have a direct significance to the objectives of the Trust as defined in the *Sydney Harbour Federation Trust Act 2001*, The Trust's Comprehensive Plan and the Trust's management plans for each site or precinct. Assessment criteria have been developed by the Trust to assist community users in identifying some of the key objectives of the Trust (see Section 4. below).

Some community users may represent worthy causes in their own right but are unlikely to be considered under this policy if the cause does not contribute to the Trust's overall objectives. For example, activities with a site-specific natural or heritage conservation goal may be considered under this policy, whereas activities within the broad areas of tourism, convict heritage, arts, education and the environment are of themselves unlikely to merit consideration.

This policy should be read in conjunction with the Trusts' *Leasing of Land and Building Policy* and forms a subset of it.

2. Process for Applications by Community Users for Leasing of Land or Buildings

The process by which community users may apply for leasing of land or buildings on Trust land follows that set out in the *Leasing of Land and Building Policy*.

The steps of the process will normally be:

- a) the call for Expressions of Interest for a Trust site or precinct
- b) an invitation for detailed and binding leasing proposals
- c) approved proposers will enter into leasing agreements with the Trust

The call for Expressions of Interest will indicate Trust planning documents that should be read by interested parties in the preparation of proposals. These documents will include the Management Plan for a site or precinct within a site.

The Expressions of Interest process may identify lands or buildings that have been designated for community uses. This does not preclude community users applying to lease *any* land or building covered by the process.

Where building uses are reasonably defined, the Trust may decide in certain circumstances to forgo the Expressions of Interest stage and proceed directly to calls for detailed and binding leasing proposals.

Proposals by community users will be assessed together with commercial and institutional proposals against the Trust's building use goals, leasing objectives and tenant selection criteria, in the context of the Trust's Comprehensive Plan and relevant Management Plan.

Community users should indicate in the call for Expressions of Interest whether they are applying for a rental subsidy under these guidelines. These proposals will be assessed both against the tenant selection criteria applying to all interested parties and tenant selection criteria covering the award of rental subsidies. The latter criteria will determine the degree to which community users 'add value' to the Trust's mission and objectives.

3. Trust Assistance to Community Users

The Trust may assist community users in two ways:

a) by providing a rental subsidy

Rental subsidies may be made to community users who, in the Trust's opinion, enhance the Trust's objectives for a particular site or precinct as described in Sections 1 and 4.

b) by awarding Preferred Community Tenant status

In addition to rental subsidies, the Trust may award Preferred Community Tenant status to one community user per site. A Preferred Community Tenant is a community user who has a long term, site-specific use which directly assists the Trust in carrying out its objectives for a particular site. A Preferred Community Tenant must share the Trust's vision to protect, conserve and interpret the environmental, cultural and heritage values of a Trust site.

Preferred Community Tenants will be offered greater flexibility in lease conditions than would normally be applicable to community users.

Preferred Community Tenant status will be conferred where appropriate by the Trust during the selection process – community users are not required to apply separately for this status.

The total amount of rental subsidy available to encourage community occupation of Trust lands and buildings under Section 3. a) and b) above will be calculated at a maximum of 5 per cent of the total market lease value of all the Trust's leasable space in a given financial year.

Rental subsidies to community users and the award of Preferred Community Tenant status both meet the objects of the Trust's legislation.

The Trust reserves the right not to expend the full rental subsidy in a given financial year should there be insufficient interest from suitable community users, or, in the opinion of the Trust, should an insufficient number of community users meet the assessment criteria.

4. Assessment Criteria for the Award of Rental Subsidy to Community Groups and Preferred Community Tenant Status

Submissions from community users received in response to the Expressions of Interest process that are applying for rental subsidy will be assessed in accordance with the following criteria:

- a. The significance of the community user's proposed usage in relation to the Trust's mission and the contribution of proposed usage to the enrichment of the Sydney Harbour region
- b. The contribution of the community user's proposed usage to the environmental, cultural and heritage values of the Trust's lands
- c. The contribution of the community user's proposal to increasing public access to the Trust's lands and preserving, conserving and interpreting Trust lands in a manner that would otherwise not occur
- d. Unusual or extraordinary direct or indirect costs to the Trust that may arise from the community user's proposed usage (e.g. services, building works, security administration)
- e. The availability of more appropriate Trust lands, buildings or facilities for the community user's proposed usage
- f. The capacity of the community user to meet its financial obligations (whether subsidised or not) under any lease agreement with the Trust

The Trust, from time to time, may add assessment criteria to this list.

It should be noted that assessment of community users' proposals against the above criteria is in addition to the Trust's standard lessee criteria outlined in the *Leasing of Land and Building Policy*.

5. Evaluation Procedure

Applications from community users for rental subsidy will be assessed against each other and against all selection criteria by the Trust Executive. A formal recommendation will be made to the Trust Board for its approval.

In order to decide whether a community user should be given Preferred Community Tenant status, the Trust may at its discretion establish an assessment panel comprised of relevant community and professional representatives to assist the Executive to prepare a formal recommendation to the Board.

6. Annotation of Policy Implementation

This Policy was approved by the Trust Board at its meeting on 23 November 2004.