



16.1 Culinary Escapades Pty Ltd Lease at the Marion Cultural Centre

Report Reference GC211026F16.1

Moved Councillor Veliskou

Seconded Councillor Masika

That pursuant to Section 90(2) and (3)(b)(i)(ii) and (d)(i)(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, Manager Office of the Chief Executive, Manager City Property, Unit Manager Land and Property, Unit Manager Cultural Facilities, Senior Property 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 Culinary Escapades Pty Ltd Lease at the Marion Cultural Centre, 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 the financial situation of the Lessee (Culinary Escapades Pty Ltd) at Council's Marion Cultural Centre.

Carried Unanimously

9.09pm the meeting went into confidence.

MEETING SUSPENSION

Moved Councillor Shilling

Seconded Councillor Crossland

That Council suspend formal meeting procedures to discuss the item

Carried Unanimously

9.10pm Formal meeting procedures suspended

9.22pm Councillor Telfer left the meeting

9.27pm Councillor Telfer re-entered the meeting

MEETING EXTENSION

Moved Councillor Prior

Seconded Councillor Veliskou

That the meeting be extended until the completion of all items on the agenda.

Carried

9.29pm meeting extended

9.30pm Councillor Hutchinson left the meeting

9.34pm Councillor Hutchinson re-entered the meeting

9.39pm formal meeting procedures resumed

Moved Councillor Shilling**Seconded Councillor Prior**

That Council:

1. Shall accept the sum of \$40,000 in full satisfaction of the amount owed by Culinary Escapades Proprietary Limited to Council (rental and outgoings arrears and amounts due up to 16 November 2021) if such amount is paid by 16 November 2021 (a compromise taking into account the lower market rental indicated by a valuation 12 months ago, and the costs associated with debt collection);
2. Engage a commercial real estate agent to run an Expression of Interest (EOI) process for a café operator at the Marion Cultural Centre, so that Council can make a decision about future operations of the cafe after receiving a further report following the EOI process;
3. Shall allow Culinary Escapades Proprietary Limited - if and only if they have paid the debt in accordance with the above resolution – to continue to operate the cafe at the Marion Cultural Centre on a monthly holding over lease arrangement (based on 2017-2020 lease) pending the outcome of the EOI process.
3. (If the debt is not paid in accordance with the above resolution) shall serve Culinary Escapades Pty Ltd (the Lessee) with one month's notice to vacate the premises in accordance with clause 9.1 of the Lease; in which case Culinary Escapades Pty Ltd shall not be considered in the EOI process and Council shall seek to recover the rental arrears debt (and applicable interest and any associated losses or costs to Council) through a debt collection agency;
4. (If Culinary Escapades Proprietary Limited ceases to operate the cafe for any reason) shall operate the café in line with the current operating hours to enable continuity of service for the visitors to the MCC and allocate up to \$75,000 to the Cultural Facilities Unit 21/22 Operational budget for the costs associated with Council operating the café. (refer to Attachment 1).
5. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that this report, Culinary Escapades Pty Ltd Lease Update at the Marion Cultural Centre, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2), (3)(b)(i)(ii) and (d)(i)(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

9.40pm the meeting came out of confidence.