



CITY OF HOBART

AGENDA

Special Community, Culture and Events Committee Meeting

Open Portion

Tuesday, 9 March 2021

**at 4.45 pm
Council Chamber, Town Hall**

THE MISSION

Working together to make Hobart a better place for the community.

THE VALUES

The Council is:

People	We care about people – our community, our customers and colleagues.
Teamwork	We collaborate both within the organisation and with external stakeholders drawing on skills and expertise for the benefit of our community.
Focus and Direction	We have clear goals and plans to achieve sustainable social, environmental and economic outcomes for the Hobart community.
Creativity and Innovation	We embrace new approaches and continuously improve to achieve better outcomes for our community.
Accountability	We are transparent, work to high ethical and professional standards and are accountable for delivering outcomes for our community.

ORDER OF BUSINESS

Business listed on the agenda is to be conducted in the order in which it is set out, unless the committee by simple majority determines otherwise.

APOLOGIES AND LEAVE OF ABSENCE

- 1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY 4**
- 2. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST 4**
- 3. TRANSFER OF AGENDA ITEMS..... 4**
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**Special Community, Culture and Events Committee Meeting (Open Portion)
held Tuesday, 9 March 2021 at 4.45 pm in the Council Chamber, Town Hall.**

This meeting of the Community, Culture and Events Committee is held in accordance with a Notice issued by the Premier on 3 April 2020 under section 18 of the *COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020*.

COMMITTEE MEMBERS

Sherlock (Chairman)
Sexton
Harvey
Dutta
Ewin

Apologies:

Leave of Absence: Nil.

NON-MEMBERS

Lord Mayor Reynolds
Deputy Lord Mayor Burnet
Zucco
Briscoe
Thomas
Behrakis
Coats

1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY

2. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Members of the Committee are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the Committee has resolved to deal with.

3. TRANSFER OF AGENDA ITEMS

Regulation 15 of the *Local Government (Meeting Procedures) Regulations 2015*.

A Committee may close a part of a meeting to the public where a matter to be discussed falls within 15(2) of the above regulations.

In the event that the Committee transfer an item to the closed portion, the reasons for doing so should be stated.

Are there any items which should be transferred from this agenda to the closed portion of the agenda, or from the closed to the open portion of the agenda?

4. REPORT

4.1 Safe Space - Utilisation of Youth ARC for Night Program File Ref: F21/796; 17/239

Report of the Manager Community and Culture and the Deputy General Manager of 4 March 2021 and attachments.

Delegation: Council

REPORT TITLE: SAFE SPACE - UTILISATION OF YOUTH ARC FOR NIGHT PROGRAM**REPORT PROVIDED BY:** Manager Community and Culture
Deputy General Manager**1. Report Purpose and Community Benefit**

- 1.1. This report seeks the Council's consideration of a request from Hobart City Mission (HCM) to extend their licence agreement for the usage of the Youth ARC facility for the delivery of their Safe Space night program until an alternative facility is obtained.
 - 1.1.1. This request results from HCM being unable to find a suitable alternative facility prior to 31 March 2021 which is when the current licence agreement expires.
 - 1.1.2. The City strongly supports the delivery of a Safe Space program for people experiencing homelessness. However with the co-location at the Youth ARC facility there are impacts on youth program participants, tenants, adjacent businesses and community members utilising the surrounding areas to be taken into consideration.

2. Report Summary**Current Arrangements**

- 2.1. The Council on 23 September 2019 resolved to provide in-principle support to The Salvation Army and Hobart City Mission proposal for a six month trial Safe Night Space Pilot Program from Youth ARC commencing December 2019.
 - 2.1.1. The City of Hobart provided the usage of the Youth ARC space at no cost with Council covering all facility costs and outgoings except for additional cleaning. At the time of this arrangement, the Safe Space program was not operationally funded by the State Government.
 - 2.1.2. The Youth ARC space was provided on a temporary six month basis to allow HCM and The Salvation Army to prove the concept of the safe space program for the seeking of ongoing government funding.
 - 2.1.3. The Safe Space overnight program provides shelter to a maximum of 20 participants each evening.

- 2.2. On 29 April 2020 Elected Members were advised that in response to the COVID-19 pandemic and as part of a wider \$4.3M funding package for additional housing and homelessness support, the State Government had provided funding for a six month period to allow the Safe Night Space to open 24 hours a day, seven days a week.
 - 2.2.1. Hobart City Mission were funded to deliver the Hobart Safe Space, City Mission (different organisation to Hobart City Mission) were funded to deliver a Launceston Safe Space and The Salvation Army were funded to deliver the Burnie Safe Space.
- 2.3. Given that Youth ARC was closed for programs due to the COVID-19 restrictions, officers were supportive of Safe Night Space operating 24/7 hours a day from Youth ARC on a temporary basis whilst HCM sought another facility to run the program.
 - 2.3.1. In all discussions with HCM, it was clearly stated that once restrictions were lifted Youth ARC would immediately reopen to young people and the Safe Night Space would return to overnight operations from that facility for a temporary period whilst finding an alternative location.
- 2.4. Subsequently, the Safe Space program operated from Youth ARC 24/7 until 31 August 2020 when the day programming was relocated to the HCM building in Barrack Street.
- 2.5. In November 2020 the State Government announced a further \$16.8M full operational funding to extend the Safe Space program. The funding enables the 24/7 program to run through to June 2022 in Burnie, Launceston, and Hobart.
- 2.6. The program has been able to demonstrate some strong positive outcomes with a number of participants being able to transition into secure housing.
 - 2.6.1. The State Government included funding for Safe Space to also offer support services including medical, mental health, drug and alcohol etc.
- 2.7. At all times it was understood that the usage of Youth ARC was temporary and that HCM would be actively searching for a new space for the overnight program. Subsequently, a new temporary licence agreement was developed for the period until 31 December 2020 whilst a new facility was being sought.
- 2.8. In January 2021, HCM's Chief Executive Officer provided advice that they had still not located an alternative venue. The General Manager agreed to once again extend the licence until 31 March 2021.

- 2.8.1. At this meeting the General Manager made it very clear that there were ongoing concerns regarding impacts from the Safe Space on young people using the facility and on the broader community and that this was the last time an extension would be granted under his delegation.
- 2.8.2. HCM has advised that if they do not obtain an extension of the licence agreement to utilise Youth ARC until an alternative location is obtained they will need to operate both programs at the Barrack Street facility. The overnight participant capacity would be reduced to 10 people.
- 2.9. The General Manager also advised HCM that the Council's building permit costs associated with relocating to a new building would be waived for HCM. These costs are expected to be between \$1,200 and \$1,500.
- 2.10. On 18 February 2021, HCM provided a written update advising that they were still unsuccessful in securing a new facility and that they were intending to run a reduced overnight program at Barrack Street where the Safe Day Space operates from 1 April. This space would reduce numbers overnight to 10 participants.
 - 2.10.1. On 25 February 2021, further correspondence was received from HCM formally requesting an extension to the licence agreement for the Youth ARC facility until they find an appropriate site.
- 2.11. There has been a very strong, positive collaboration between the Safe Space staff and management and City of Hobart officers working both in the homelessness space and working at Youth ARC. There has always been a strong commitment to making the temporary co-location work as best as possible for both programs.
- 2.12. There is no doubt that there are positive outcomes being delivered from the Safe Space program and the need for this program will be ongoing. The necessity for the program is not in question, however the suitability of co-location at the Youth ARC space is the concern.

Maintenance / Financial Implications

- 2.13. The Youth ARC facility has been provided throughout this period at no rental cost to Hobart City Mission. The operational costs for electricity, water, IT equipment, CCTV, SafeTCards have been borne by the City of Hobart.
- 2.14. For the period of usage from 18 December 2019 until 31 March 2021, the value of the support provided to HCM is \$53,345 (GST exclusive) which will be included as a grant in the 2020-21 Annual Report.

- 2.15. The value of the current licence arrangement is \$558 per week (GST exclusive) in line with the market valuation undertaken on 28 November 2019 and 23 February 2021. Shown at **Attachments A and B** to this report.
- 2.15.1. HCM covers the additional daily cleaning costs (extra morning clean).
- 2.15.2. The City of Hobart pays for all maintenance costs unless there is damage that can be directly related to Safe Space activity. Over the past 14 months HCM have been invoiced for \$1,663.37 in maintenance repairs and \$775.92 for replacement of damaged furniture.
- 2.15.3. It is noted that there have been consistent, ongoing maintenance issues over the past 14 months which have equated to costs of \$5,662 being paid by the City to contractors for repairs.
- 2.15.4. One significant additional concern is that the plumbing infrastructure in the facility is inadequate for the 24/7 usage and does not cope with foreign materials being put into the system. There have been 18 instances of the male toilets having been blocked and overflowing during the co-location. The contractor costs paid by the City for unblocking the toilets has been \$4,590.

Co-location Impacts

- 2.16. It is acknowledged that with the constant issues and concerns raised over the past 14 months with the Safe Space, staff have been very responsive and have attempted to address issues where they have the ability to intervene within the space.
- 2.17. There are however Occupational Work, Health and Safety concerns expressed from the Youth Programs staff on-site. Staff were engaged as arts and recreation officers working with young people. They are now required to manage challenging and confrontational behaviour that is well outside their usual roles.
- 2.18. It is noted however that the vast majority of serious concerns arise outside of the facility where the Safe Space staff advise that they have no ability to respond.
- 2.19. Participants of the Safe Space have very challenging needs and behaviours with many of the participants experiencing poor mental health and having a very heavy reliance on drugs and alcohol.

- 2.19.1. There have been numerous reports of Tasmania Police having to attend to respond to concerns associated with Safe Space participants' behaviour in this area. Tasmania Police are regularly attending the Youth ARC during the day following up on matters relating to Safe Space participants.
- 2.20. It is noted that adjacent businesses have advised that they are experiencing significant negative impacts resulting from the Safe Space overnight program being located at the Youth ARC facility.
- 2.21. One major area of concern for the co-location of Safe Space and Youth Programs is the interaction of young people with the Safe Space participants. This includes young people attending Youth ARC at Open Access; workshops and classes held during the day; external agencies that utilise the space; and also our tenant who hires the dance studio on the upper level that operates each evening and on weekends offering dance classes for children and young people.
- 2.22. There are increasing large numbers of young people attending Youth ARC programs. Each afternoon (Tuesday-Friday) between 40 and 112 young people attend the Open Access sessions. Since school has returned in 2021, during the month of February there have been 1,039 individual attendances by young people just at the Open Access program.
- 2.23. The co-location with Safe Space overnight programs requires a full pack down of the youth programs equipment each evening by staff and then a re-set up of a day.
- 2.23.1. It is noted that HCM also have to do a full pack up and pack down daily.
- 2.24. Young people attending the facility are regularly being confronted by Safe Space participants in spaces / streets near the facility, often highly intoxicated, openly taking drugs, swearing, yelling and being aggressive.
- 2.25. There are strong concerns from our Youth Programs staff that have also been expressed by members of the Youth Services Sector, that the perception of the Youth ARC as being a safe space for all young people may be diminished if the co-location with Safe Space continues longer term into the future.
- 2.26. It is considered problematic that the night program at Youth ARC is at the opposite side of the City to the day space in Barrack Street. This requires the participants to traverse the centre of the CBD to go back and forward. The night program finishes at 8 am and the day program commences at 9 am. There is then another hour break of an afternoon between the day space closing at 6 pm and the night program commencing at 7 pm.

- 2.27. Over the past several weeks, the City has recently received numerous complaints from businesses in the CBD regarding behavioural concerns from the homelessness cohort in the city.
- 2.28. This issue is exacerbated by the fact that neither the current day space nor night space has any showering facilities. At the moment, a large group of participants leave the night space and often head to the Argyle Street shower facility and hang around whilst they wait to have a shower (single shower). There are continuing issues with vandalising of the shower facility and drug taking behaviour in the facility, sometimes in the parenting room.
- 2.29. It is not suggested that the concerns or issues raised by businesses relating to the homeless cohort would disappear with a re-location from Youth ARC, however having the participants traverse across town between facilities and the lack of showers is considered as key contributors.

3. Recommendation

That:

1. ***Due to the unsuitability of the co-location of the Safe Space overnight program at the Youth ARC facility, the Council refuse the request from Hobart City Mission to extend their current licence agreement beyond 31 March 2021.***

or
2. ***Council support the request from Hobart City Mission to extend their licence agreement to operate the Safe Space overnight program from the Youth ARC facility at a rental cost of \$558 per week (GST exclusive). This rental cost would contribute to operational costs in line with the market valuation. This extension to be granted until a suitable alternative facility is located or until 30 June 2021 at the latest.***
3. ***The General Manager be authorised to finalise the terms and conditions of the licence agreement if an extension is approved.***

4. Delegation

4.1. This matter is delegated to Council for consideration.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.





Kimbra Parker
**MANAGER COMMUNITY AND
CULTURE**



Tim Short
DEPUTY GENERAL MANAGER

Date: 4 March 2021
File Reference: F21/796; 17/239

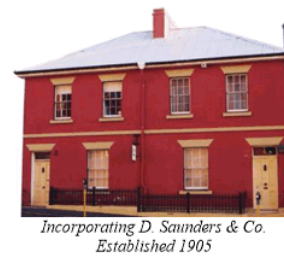
Attachment A: Market valuation 28/11/2019 ↓ 
Attachment B: Market valuation 23/2/2021 ↓ 

SAUNDERS & PITT

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Independent Property Valuers
& Consultants



Our Ref: 81776-AP
81776 - 44 Collins Street, 57-63 Macquarie St, Hobart

28 November 2019

Mr Adrian Hutchinson
Legal Officer
Hobart City Council
50 Macquarie Street
HOBART TAS 7000

Email : hutchinsona@hobartcity.com.au

Dear Sir

**RE: MARKET RENTAL VALUATION – YOUTH ARTS & RECREATION CENTRE,
44 COLLINS STREET (REAR OF CITY HALL 57-63 MACQUARIE STREET),
HOBART TAS 7000**

Further to your recent instructions we advise having inspected the above-mentioned property and perused the proposed licence agreement for the purposes of assessing the market rental value on the basis that the premises is occupied by licence agreement for a six month term with occupancy to occur from 7pm to 7am each day.

This valuation has been assessed in accordance with the definition of market rental value endorsed by the Australian Property Institute and those limiting conditions, assumptions, qualifications and disclaimers set out in this report.

Our report is submitted hereunder:-

DATE OF INSPECTION & VALUATION

28 November 2019

Andrew Pitt Dip. Val. FAPI, Certified Practising Valuer
Bill Parsons B. Com. Grad. Dip. Prop., AAPI, Certified Practising Valuer
Timothy Beck B.Com. (Land Ec.), AAPI, Certified Practising Valuer

LAUNCESTON
Joe Stansfield B.Prop. AAPI, Certified Practising Valuer

Russell Cripps B.Bus. Dip. Val. FAPI, Certified Practising Valuer
Simon Fehre B.Bus. AAPI, Certified Practising Valuer
Leon Sleeters Grad. Dip. Prop., PMAPI, Residential Property Valuer

DEVONPORT
Clyde Eastaugh L FAPI, Certified Practising Valuer

Liability limited by a scheme approved under Professional Standards Legislation

Re: 44 Collins Street (rear of City Hall), 57-63 Macquarie St, Hobart TAS 7000
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INSTRUCTIONS

Instructions have been received from Adrian Hutchinson of Hobart City Council, to provide a rental valuation for the "Youth ARC" space at the rear of the Hobart City Hall at 57-63 Macquarie Street, Hobart TAS 7000.

LOCATION

The subject tenancy is situated at the rear of the City Hall building with frontages to Collins Street, Market Place and Campbell Street. The City Hall building is situated on the lower section of Macquarie Street, with surrounding properties comprising Royal Hobart Hospital, Market Place Carpark, Tasmanian Museum & Art Gallery, Hope & Anchor Tavern, Hotel Grand Chancellor, together with city offices and inner city residential apartments.

TOWN PLANNING

The property is included within the "Mixed Use" zoning under the Sullivans Cove Planning Scheme 1997. The "Mixed Use" zoning provides for a wide range of commercial uses.

IMPROVEMENTS

The subject tenancy is situated at the rear of the Hobart City Hall building in a space that is occupied by Youth ARC (Youth Arts & Recreation Centre). The tenancy area has recently been refurbished internally, following flood damage occurring in May 2018. The tenancy is more particularly described as follows:

Construction

Construction is of brick external walls, galvanised iron roof, concrete floor and aluminium window frames. Internal linings comprise a mixture of cement render over brick, plasterboard, pressed metal, painted brick, and timber panelling.

Building services include fire sprinklers, fire hose reels and extinguishers, security alarm system, fluorescent and spot lighting, and suspended ceiling-mounted heaters.

We have sighted a floor plan for the tenancy area, however the plan as supplied does not indicate a lettable area. We have undertaken onsite measurements for the purpose of calculating the net lettable area, which has been assessed as 538m² excluding amenities.

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Accommodation & Fittings

Main Office	Main office area with access off Collins Street.
Enclosed Entry	Entry off Market Place with roller shutter access.
Open Seating/Games Area	Large open plan main area with part unlined ceilings and exposed air conditioning ducting, small partitioned work area with built-in desk.
Office 2	
Storeroom	
Passage	
Computer Room	Stainless steel laundry trough.
Kitchen	Double stainless steel sink and drainer, single bowl stainless steel sink, stainless steel work benches with cupboards under, "Dishlex" dishwasher, "Westinghouse" four-plate electric stove with stainless steel rangehood over and built-in wall cupboards.
Lunch Room/Sittingroom	Open access to kitchen, external access to Collins Street.
Unisex Disabled Toilet	Toilet suite, hand basin, exhaust fan.
Female Toilet	Three toilet suites, two hand basins, exhaust fan.

Remarks & State of Repair

The tenancy area has been upgraded internally over the last year following flood damage in early 2018. The kitchen area and amenities have been fitted out with good quality fixtures and fittings throughout. The main open seating/games area provides a large open space with predominantly unlined ceilings.

OCCUPANCY & LEASE DETAILS

We have sighted a copy of the proposed licence agreement which relates to usage of the space for a six month period with operating hours to be between 7pm each day through to 7am the following day. A summary of the pertinent terms and conditions of the licence agreement as supplied is as follows:

Premises:	Part of Hobart City Hall, 57-63 Macquarie Street, Hobart
Licensor:	Hobart City Council
Licensee:	Hobart City Mission and the Salvation Army
Commencement Date	16 December 2019
Term:	Six months commencing on the commencement date and expiring on the expiry date.

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Expiry Date:	15 June 2020
Licence Fee:	\$50 (including GST) per annum, payable on or before the commencement date.
Licencee's Public Risk Insurance – minimum cover:	\$20,000,000
Permitted Use:	To provide temporary accommodation and associated services to homeless or displaced persons as part of the pilot program known as "Safe Night Space" during the Operating Hours.
Operating Hours:	(a) 7.00pm Sunday to 7.00am Monday (b) 7.00pm Monday to 7.00am Tuesday (c) 7.00pm Tuesday to 7.00am Wednesday (d) 7.00pm Wednesday to 7.00am Thursday (e) 7.00pm Thursday to 7.00am Friday (f) 7.00pm Friday to 7.00am Saturday (g) 7.00pm Saturday to 7.00am Sunday
Licencee Covenants	<ul style="list-style-type: none"> • to pay for public liability insurance • to use the premises only for the permitted use during the operating hours; • to not copy any keys for the premises; • to return the premises in the same condition at the expiration of the licence term; • to consult with the licensor regarding the operation of the pilot program; • to pack away all equipment used during the operating hours prior to 7.00am each day so that the Youth ARC centre can function as normal; and • to agree that the licensee will not have exclusive possession of the premises during the operating hours.

APPROACH TO VALUATION

In arriving at our assessment of market rental value we have researched the market and had regard to comparable lettings of open plan office accommodation within the Hobart CBD. Market rental value is determined by comparison of the subject premises with other similar older style premises within Hobart's Central Business District. Location is a key consideration but also of relevance are matters of age/condition, size, frontage, overall shape/efficiency and prominence.

Office rental rates vary widely throughout Hobart, depending primarily on the location within the CBD, together with the size and quality of accommodation provided. Open plan office

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areas similar to the subject generally attract rentals in the range of \$150/m² up to approximately \$300/m² on a gross basis.

Confidentiality and privacy are major issues when disclosing rental information, we have received request from our information sources including owners, managing agents and tenants, not to publish rental information. All comparable rental evidence is retained on file and can be provided in the event of a rental dispute.

Having regard to the large open plan nature of the accommodation, together with the unlined ceilings throughout the main area, we have adopted an overall annual gross rental rate of \$175/m² plus GST.

It is our understanding that the premises will continue to be occupied by Youth ARC during business hours with the proposed licensee to occupy the premises between the hours of 7.00pm and 7.00am on a nightly basis. We are not aware of any precedent whereby a particular premises is occupied by one tenant/licensee during daytime hours and another tenant/licensee during night time hours. The majority of tenancies throughout Hobart CBD are occupied on annual lease agreements with the tenants having 24 hour access to the premises albeit with the majority only occupying the space during business hours. The demand for occupancy during night time hours for premises similar to the subject is likely to be very limited.

In assessing the market rental value for the subject premises during the proposed operating hours, we have applied an apportionment to the overall annual rental based on the night time occupancy equating to 25% of the annual rental amount. Rental has been assessed for the proposed 6 month licence period at \$11,768 plus GST for the 6 month term.

Our calculations are as follows:

Net Lettable Area	538m ² @ \$175/m ²	\$94,150 p.a. gross + GST
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This rental has been assessed on the basis that the lessor/licensor is responsible for payment of all outgoings with the licensee responsible for payment of apportioned occupancy costs.

Rental apportionment for night usage of premises
 between 7.00pm and 7.00am on a nightly basis:

Adopt 25% of assessed annual rental =	\$ 23,537 p.a.
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Therefore, rental for 6 month licence period	\$11,768 gross + GST
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RENTAL VALUATION

Re: 44 Collins Street (rear of City Hall), 57-63 Macquarie St, Hobart TAS 7000
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We assess the market rental value of the subject tenancy based on the proposed licence terms and conditions as outlined within this report to be **Eleven Thousand Seven Hundred and Sixty Eight Dollars gross + GST for the proposed 6 month licence period.**

Independence of Valuer

We hereby certify that the valuer and/or valuation firm of *Saunders & Pitt* does not have any direct, indirect or financial interest in the property or clients described therein.

GOODS & SERVICES TAX (GST)

The above rental has been assessed on a GST exclusive basis.

DEFINITIONS & QUALIFICATIONS

Market Rent

Our rental valuation has been undertaken in accordance with the definition of market rent as defined by the International Valuation Standards Committee (IVSC) and endorsed by the Australian Property Institute, as follows:-

Market Rent is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Qualifications

- The Valuer has no pecuniary interest in the said property past, present or prospective and the opinion expressed is free of any bias in this regard.
- This Valuation has been made in conformity with the Code of Professional Ethics and Conduct laid down by the Australian Property Institute and regulations under the *Land Valuers Act, 2001*.
- This report has been prepared for the private and confidential use of the instructing party. It should not be reproduced in whole or part without the express written authority of *Saunders & Pitt* nor relied upon by any other party for any purpose. Any party, other than

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those specifically named in the body of this report, should obtain their own valuation before acting in any way in respect of the subject property.

- We have not sighted a current identification survey undertaken by a Registered Surveyor and this valuation has been undertaken on the assumption that there are no encroachments by or upon the subject property. If any encroachments are revealed by survey *Saunders & Pitt* should be consulted to assess the effect on our current market valuation (if any). We reserve the right to review and if necessary amend our valuation as appropriate.
- Any encumbrance, restriction or other factor not specifically referred to in this report, which is revealed by the appropriate land and title searches and which would, in the opinion of your solicitor or an intending mortgagee's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment and in particular before any advancement of mortgage funds are made.
- We have not sighted a structural engineer's report or a builder's report on the property nor have we inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on matters of structural integrity, defect, rot or infestation of the improvements or on the use in construction of materials such as asbestos or other materials which may constitute a health hazard.
- An environmental audit has not been sighted and we are not professionally qualified to comment on the issue of site contamination. However the Valuer has had regard to the Australian Property Institute guidance note on "Reporting on Contaminated Land" as set out in the Professional Practice Manual.
- Insurers will not indemnify the Insured in respect of valuations carried out by the Insured which involve solicitor-introduced mortgages, including but not limited to any loans emanating from any solicitor-controlled or managed mortgage fund or solicitor private lending fund and/or scheme and/or arrangement where the Loan to Valuation Ratio (LVR) as at the valuation, exceeds 70%.

For the purposes of this Exclusion a valuation carried out by the Insured which involves loans solely emanating from a scheme or schemes operated by a responsible entity under the framework of a managed investment scheme within the meaning of Chapter 5C of the Corporations Act 2001 shall not be subject to this exclusion.

- This valuation is given subject to the following Prudent Lending Clause, unless; the person or entity making such loan is an authorised deposit taking institution within the meaning

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of the *Banking Act 1959* (including but not limited to any bank, building society or credit union).

This valuation is prepared on the assumption that the Lender as referred to in the valuation report (and no other) may rely on the valuation for mortgage finance purposes and the Lender has complied with its own lending guidelines as well as prudent finance industry lending practices and has considered all prudent aspects of credit risk for any potential borrower including the borrowers ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that the Lender is providing mortgage financing at a conservative and prudent loan to value ratio (LVR). The valuer accepts no liability whatsoever if prudent lending practices fail to be strictly observed and/or if the Lender relies solely on this valuation, and no other criteria, to advance loan funds.

- This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

ATTACHMENTS

Letter of Instruction
Photographs of the Premises
Location Plan
Copy of Floor Plan

Yours Faithfully
SAUNDERS & PITT



.....
ANDREW PITT Dip. Val. FAPI AREI
Certified Practising Valuer
API Registration No. 63853

Saunders & Pitt

From: Andrew Pitt
Sent: Monday, 25 November 2019 2:04 PM
To: Saunders & Pitt
Subject: FW: Valuation Request - Youth Arts & Recreation Centre, 44 Collins Street (Rear of City Hall, 57-63 Macquarie Street)
Attachments: Licence - Youth Arc - Hobart City Mission and the Salvation Army.pdf; Report_Youth Arts & Recreation Centre_Part_57-63_Macquarie_Street_Hobart....pdf
Follow Up Flag: Follow up
Flag Status: Flagged

Please register and print attachments

From: Adrian Hutchinson <hutchinsona@hobartcity.com.au>
Sent: Monday, 25 November 2019 1:35 PM
To: Andrew Pitt <ap@saundersandpitt.com.au>
Subject: Valuation Request - Youth Arts & Recreation Centre, 44 Collins Street (Rear of City Hall, 57-63 Macquarie Street)

Hi Andrew

Valuation Request - Youth Arts & Recreation Centre, 44 Collins Street (Rear of City Hall, 57-63 Macquarie Street)

Thank you for speaking with me earlier today about the matter above.

1. Instructions

As discussed, could you please arrange for a valuation to be completed for a licence of "Youth Arc" at the rear of the Hobart City Hall at 57-63 Macquarie Street, Hobart in Tasmania (accessed from 44 Collins Street).

2. Licence

I have attached a copy of the proposed licence for your reference.

The main terms of the licence are that:

- the licence will be for a six (6) month period from 7.00 p.m. to 7.00 a.m. each day;

- the Licensee will be required to pack up all of their equipment prior to 7.00 a.m. each day so that the centre can function as normal; and
- the Licensee will not have exclusive possession of the space during the 12 hour period (i.e. the Council reserves the right licence the space to others during the relevant period).

3. Access to Property

Please contact Sophie Calic (from the Council) on 6238 2165 or 0409 984 509 to arrange a time to inspect the property.

Please contact me if you have any questions.

Yours sincerely

Adrian Hutchinson
Legal Officer | Legal and Governance



City of **HOBART**

50 Macquarie Street, Hobart, Tasmania, Australia, 7000 | hobartcity.com.au
Telephone (03) 6238 2821



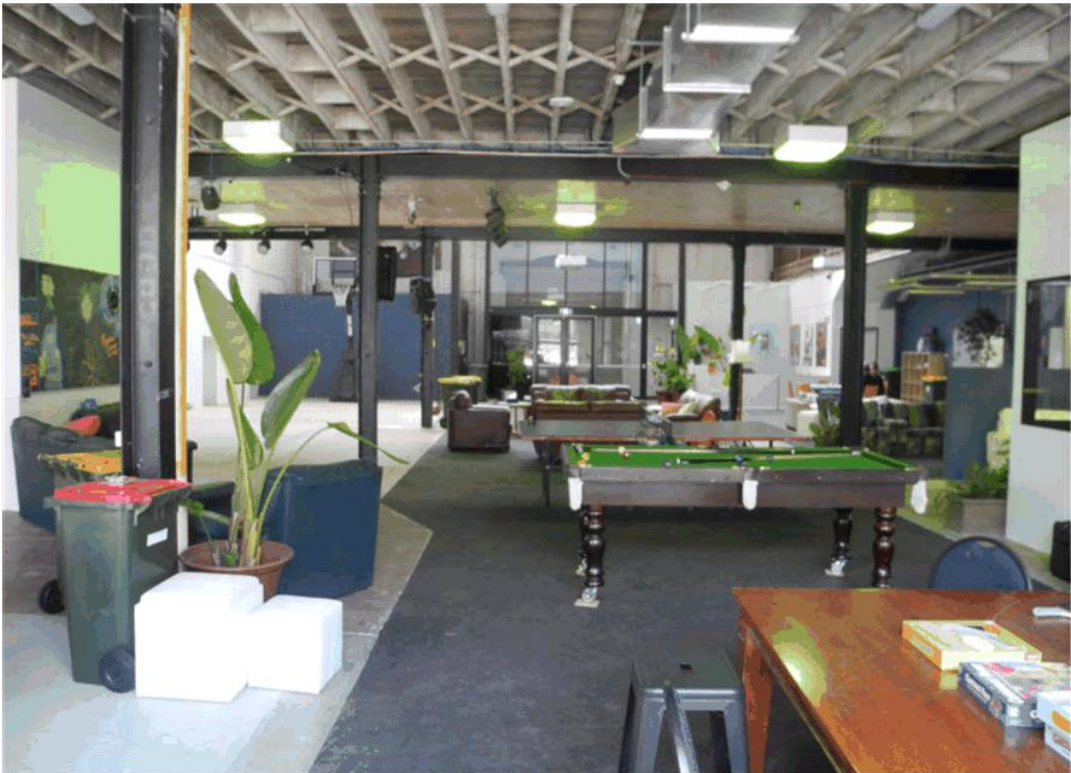
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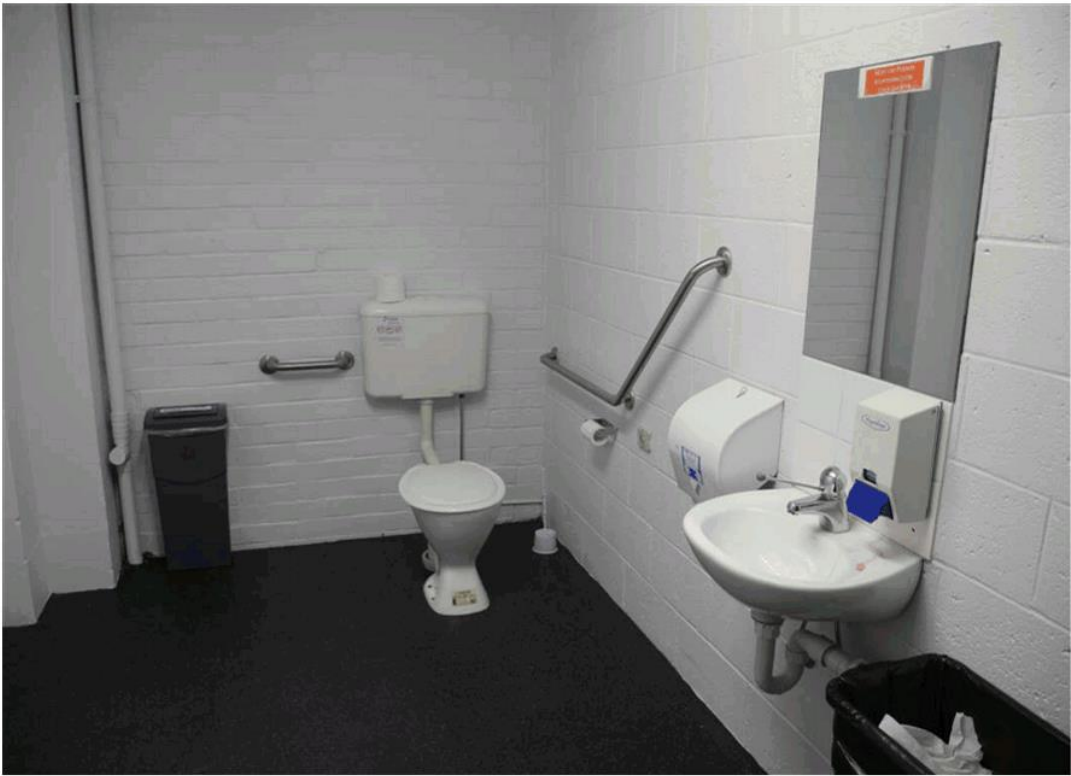
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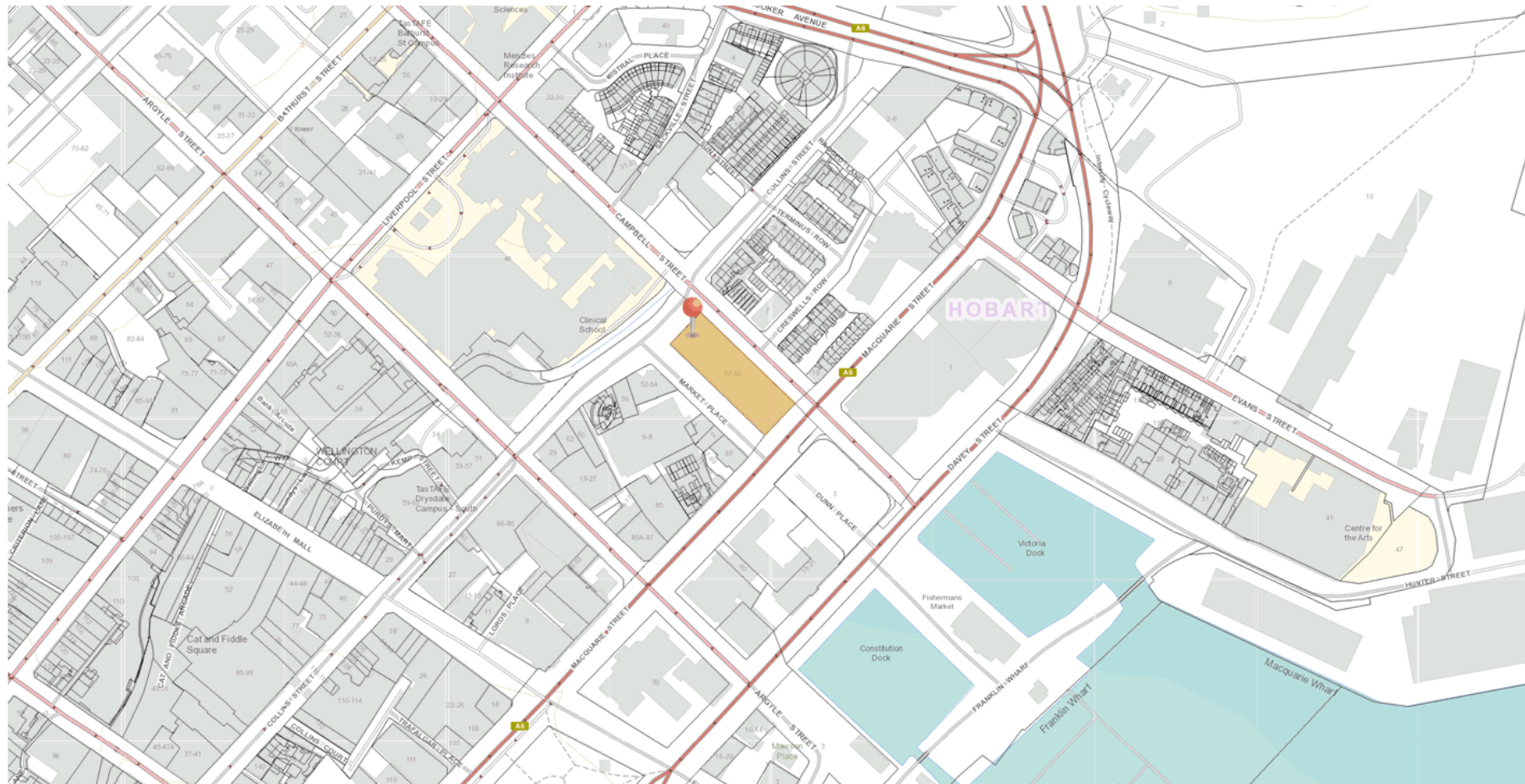
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Cadastral Parcels - Owner Information (one feature)

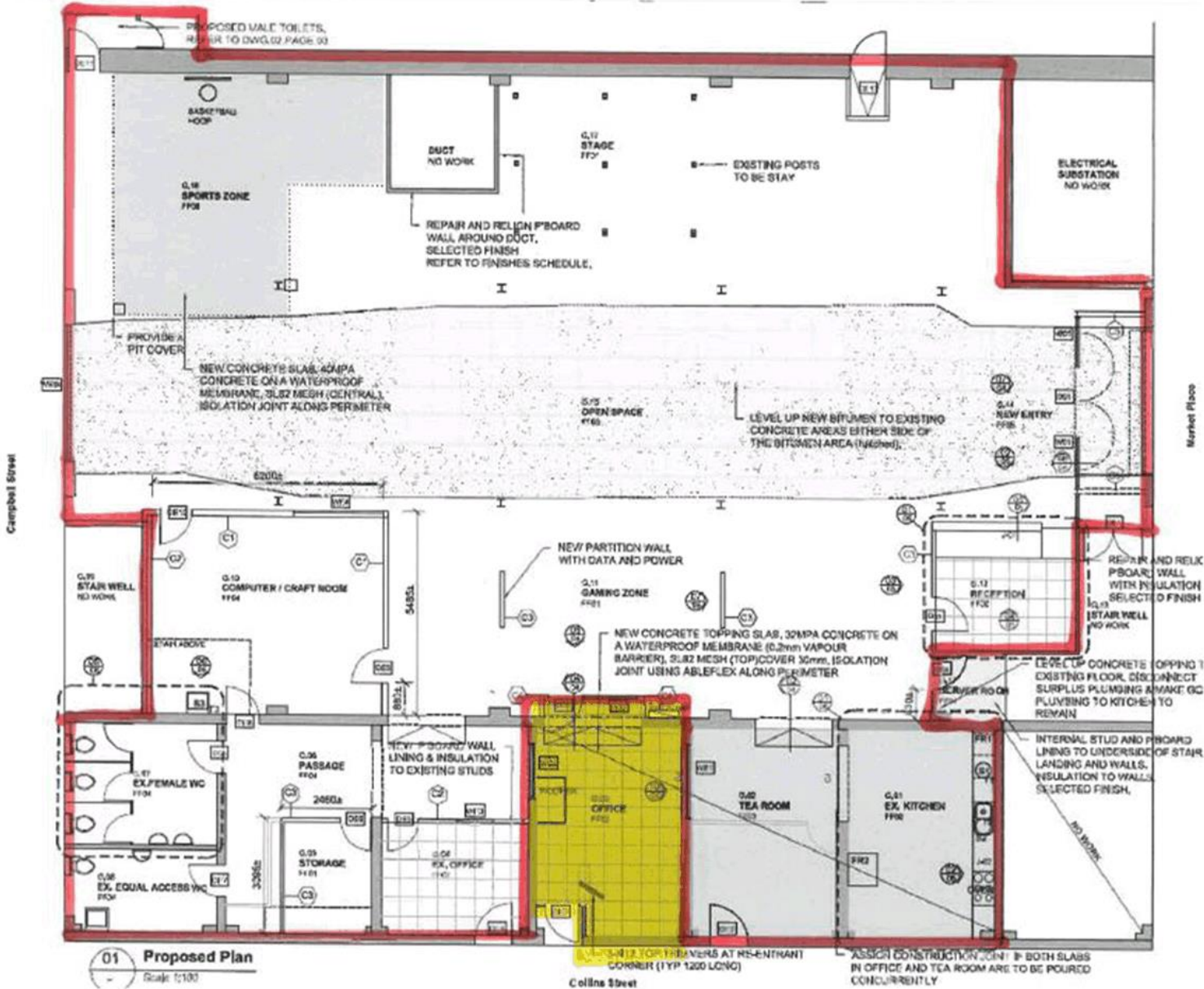
Feature	
Property Address	'HOBART CITY HALL' - 57-63 MACQUARIE ST HOBART TAS 7000
Property ID	5668763
Title Reference	155478/1
Authority	Local Government Authority
Owner Name(s)	HOBART CITY COUNCIL
Postal Address	GPO BOX 503 HOBART TAS 7001

www.thelist.tas.gov.au

Licence Agreement

Hobart City Council

Annexure "A"



Our Ref: 15/153-368

SAUNDERS & PITT

A.B.N. 78 128 233 106

Head Office
 "Pandora House"
 14-16 Victoria Street
 Hobart TAS 7000
 T: (03) 6231 3288
 E: admin@saundersandpitt.com.au

Independent Property Valuers
 & Consultants



*Incorporating D. Saunders & Co.
 Established 1905*

Our Ref: 84528/AP/NS
 84528 - Part 57-63 Macquarie St (44 Collins St)

DATE OF ISSUE: 23 February 2021

Mr Adrian Hutchinson
 Legal Officer
 Hobart City Council
 50 Macquarie Street
 HOBART TAS 7000
 Email: hutchinsona@hobartcity.com.au

Dear Sir

**RE: UPDATED MARKET RENTAL VALUATION
 YOUTH ARTS & RECREATION CENTRE SPACE
 44 COLLINS STREET (REAR OF HOBART CITY HALL) 57-63 MACQUARIE
 STREET, HOBART TAS 7000**

Further to your recent instructions we advise having reinspected the above-mentioned property and perused the licence agreement for the purpose of updating our market rental assessment on the basis that the premises is to be occupied by licence agreement with Hobart City Mission for an additional three month term from 1 April 2021 through to 30 June 2021 with occupancy to occur from 7pm to 8am the following day. This valuation has been assessed in accordance with the definition of market rental value endorsed by the Australian Property Institute and those limiting conditions, assumptions, qualifications and disclaimers set out in this report.

This updated valuation report should be read in conjunction with our previous valuation advice dated 28 November 2019 for full property particulars. We report as follows:

DATE OF INSPECTION & VALUATION

22 February 2021

Andrew Pitt Dip. Val. FAPI, Certified Practising Valuer
 Bill Parsons B. Com. Grad. Dip. Prop., AAPI, Certified Practising Valuer
 Timothy Beck B.Com. (Land Ec.), AAPI, Certified Practising Valuer

LAUNCESTON
 Joe Stansfield B.Prop. AAPI, Certified Practising Valuer

Russell Cripps B.Bus. Dip. Val. FAPI, Certified Practising Valuer
 Simon Fehre B.Bus. AAPI, Certified Practising Valuer
 Leon Sletters Grad. Dip. Prop., PMAPI, Residential Property Valuer

DEVONPORT
 Clyde Eastaugh L FAPI, Certified Practising Valuer

Liability limited by a scheme approved under Professional Standards Legislation

Re: Part 57-63 Macquarie Street (44 Collins Street), Hobart TAS 7000
Valuation Date: 22 February 2021

Page 2 of 6

INSTRUCTIONS/PURPOSE OF VALUATION

We confirm your instructions are to provide a rental valuation for the Youth Arc space at the rear of the Hobart City Hall building to be occupied on an overnight basis by the Hobart City Mission between the hours of 7pm through to 8am the following day for an additional 3 month term from 1 April 2021 to 30 June 2021.

DESCRIPTIVE REPORT

The premises remains largely unchanged from the time of our previous inspection. The space provides an open seating/games area, entry, office, computer room, kitchen, lunch room/sitting room, unisex disabled toilet and female toilet. Based on our previous onsite measurements we calculated the net lettable area to be approximately 538m². We have not sighted any survey plans for the premises and have assessed the updated rental valuation based on this lettable area. We reserve the right to amend the valuation as appropriate should a subsequent site survey indicate a different lettable area.

The tenancy area remains in good condition throughout, having been upgraded internally in early 2018.

OCCUPANCY & LEASE DETAILS

It is our understanding from your instructions and from perusal of the Deed of Variation of Licence Agreement between Hobart City Council and the Hobart City Mission that the licence agreement is to be extended for an additional three month period following expiry of the existing licence agreement term. The licence is to be extended from 1 April 2021 through to 30 June 2021. We understand that the operating hours are to be varied slightly with the licensee to have use of the space from 7pm through to 8am the following day with a further requirement that a deep clean of the space after each use as a COVID control requirement is to be undertaken. All other terms and conditions of the existing licence agreement remain unchanged.

APPROACH TO VALUATION

We have undertaken this updated rental valuation based on the same valuation rationale as adopted in our previous valuation report with the exception that the apportionment of overnight occupancy has been increased slightly as the operating hours have been extended from 7pm to 8am on a daily basis. Our apportionment of total occupancy of the space has been increased to 30% of the annual rental amount to allow for this extended time. Rental has been assessed for the proposed three month extension of the licence period with the calculations being as follows:

Net lettable area	538m ² @ \$180/m ²	\$96,840pa gross plus GST
-------------------	--	---------------------------

Re: Part 57-63 Macquarie Street (44 Collins Street), Hobart TAS 7000
Valuation Date: 22 February 2021

Page 3 of 6

This rental has been assessed on the basis that the Lessor/Licensor is responsible for payment of all outgoings with the Licensee responsible for payment of apportioned occupancy costs.

Rental apportionment for overnight usage of the premises between 7pm and 8am on a nightly basis:

Adopt 30% of assessed annual rental	\$29,052pa gross plus GST
-------------------------------------	---------------------------

Therefore rental for the extended three month licence period 1 April 2021 to 30 June 2021 equates to \$7,263 plus GST.

RENTAL VALUATION

We assess the market rental value of the subject tenancy based on an extended occupancy period between 7am and 8am the following day for a three month term from 1 April 2021 to 30 June 2021 in accordance with the remaining terms and conditions of the existing licence agreement to be **\$7,263 plus GST** for the proposed three month extended licence period.

Independence of Valuer

We hereby certify that the valuer and/or valuation firm of *Saunders & Pitt* does not have any direct, indirect or financial interest in the property or clients described therein.

GOODS & SERVICES TAX (GST)

The above rental has been assessed on a GST exclusive basis.

DEFINITIONS & QUALIFICATIONS

Market Value

Our valuation has been undertaken in accordance with the definition of market value as defined by the International Valuation Standards Committee (IVSC) and endorsed by the Australian Property Institute, as follows:-

Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Re: Part 57-63 Macquarie Street (44 Collins Street), Hobart TAS 7000
Valuation Date: 22 February 2021

Page 4 of 6

Market Rent

Our rental valuation has been undertaken in accordance with the definition of market rent as defined by the International Valuation Standards Committee (IVSC) and endorsed by the Australian Property Institute, as follows:-

Market Rent is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Qualifications

- The Valuer has no pecuniary interest in the said property past, present or prospective and the opinion expressed is free of any bias in this regard.
- This Valuation has been made in conformity with the Code of Professional Ethics and Conduct laid down by the Australian Property Institute and regulations under the *Land Valuers Act, 2001*.
- This report has been prepared for the private and confidential use of the instructing party. It should not be reproduced in whole or part without the express written authority of *Saunders & Pitt* nor relied upon by any other party for any purpose. Any party, other than those specifically named in the body of this report, should obtain their own valuation before acting in any way in respect of the subject property.
- We have not sighted a current identification survey undertaken by a Registered Surveyor and this valuation has been undertaken on the assumption that there are no encroachments by or upon the subject property. If any encroachments are revealed by survey *Saunders & Pitt* should be consulted to assess the effect on our current market valuation (if any). We reserve the right to review and if necessary amend our valuation as appropriate.
- Any encumbrance, restriction or other factor not specifically referred to in this report, which is revealed by the appropriate land and title searches and which would, in the opinion of your solicitor or an intending mortgagee's solicitor, affect the value or marketability of the property, should be referred to the valuer for comment and in particular before any advancement of mortgage funds are made.
- We have not sighted a structural engineer's report or a builder's report on the property nor have we inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on matters of structural integrity, defect, rot or infestation of the improvements or on the use in construction of materials such as asbestos or other materials which may constitute a health hazard.

Re: Part 57-63 Macquarie Street (44 Collins Street), Hobart TAS 7000
Valuation Date: 22 February 2021

Page 5 of 6

-
- An environmental audit has not been sighted and we are not professionally qualified to comment on the issue of site contamination. However the Valuer has had regard to the Australian Property Institute guidance note on "Reporting on Contaminated Land" as set out in the Professional Practice Manual.
 - Insurers will not indemnify the Insured in respect of valuations carried out by the Insured which involve solicitor-introduced mortgages, including but not limited to any loans emanating from any solicitor-controlled or managed mortgage fund or solicitor private lending fund and/or scheme and/or arrangement where the Loan to Valuation Ratio (LVR) as at the valuation, exceeds 70%.

For the purposes of this Exclusion a valuation carried out by the Insured which involves loans solely emanating from a scheme or schemes operated by a responsible entity under the framework of a managed investment scheme within the meaning of Chapter 5C of the Corporations Act 2001 shall not be subject to this exclusion.

- This valuation is given subject to the following Prudent Lending Clause, unless; the person or entity making such loan is an authorised deposit taking institution within the meaning of the *Banking Act 1959* (including but not limited to any bank, building society or credit union).

This valuation is prepared on the assumption that the Lender as referred to in the valuation report (and no other) may rely on the valuation for mortgage finance purposes and the Lender has complied with its own lending guidelines as well as prudent finance industry lending practices and has considered all prudent aspects of credit risk for any potential borrower including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that the Lender is providing mortgage financing at a conservative and prudent loan to value ratio (LVR). The valuer accepts no liability whatsoever if prudent lending practices fail to be strictly observed and/or if the Lender relies solely on this valuation, and no other criteria, to advance loan funds.

- This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Re: Part 57-63 Macquarie Street (44 Collins Street), Hobart TAS 7000
Valuation Date: 22 February 2021

Page 6 of 6

ATTACHMENTS

Letter of Instruction
Photographs of the Property
Copy of Deed of Variation of Licence Agreement

Yours Faithfully
SAUNDERS & PITT



.....
ANDREW PITT Dip. Val. FAPI AREI
Certified Practising Valuer
API Registration No. 63853

Nina Stewart

From: Andrew Pitt
Sent: Thursday, 18 February 2021 3:29 PM
To: Saunders & Pitt
Subject: Fwd: Youth Arc - City Hall
Attachments: Email Request.pdf; 81776 - 44 Collins Street, 57-63 Macquarie St, Hobart Report.pdf; Deed of Variation of Licence Agreement - 57 - 63 Macquarie Street Hobart....pdf

Follow Up Flag: Follow up
Flag Status: Completed

Please register rental Val for HCC

Begin forwarded message:

From: Adrian Hutchinson <hutchinsona@hobartcity.com.au>
Date: 18 February 2021 at 2:40:57 pm AEDT
To: Andrew Pitt <ap@saundersandpitt.com.au>
Subject: Youth Arc - City Hall

Hi Andrew

Wondering if you could please do some work for us in updating the valuation attached. It will be on the same terms and conditions except that the licensee will have use of the space from 7.00 p.m. to 8.00 a.m. the following day, is required to conduct a deep clean of the space after each use as a COVID control (see Schedule 2 of the licence which is annexed to the attached deed of variation) and we may assume that the term will be until 30 June 2021 (they are currently in the space now with a term expiring at the end of March – so you can assume the valuation is for a term from 1 April to 30 June). Unfortunately this one has a bit of political pressure driving it so we would very much appreciate if this one was turned around as soon as reasonably possible.

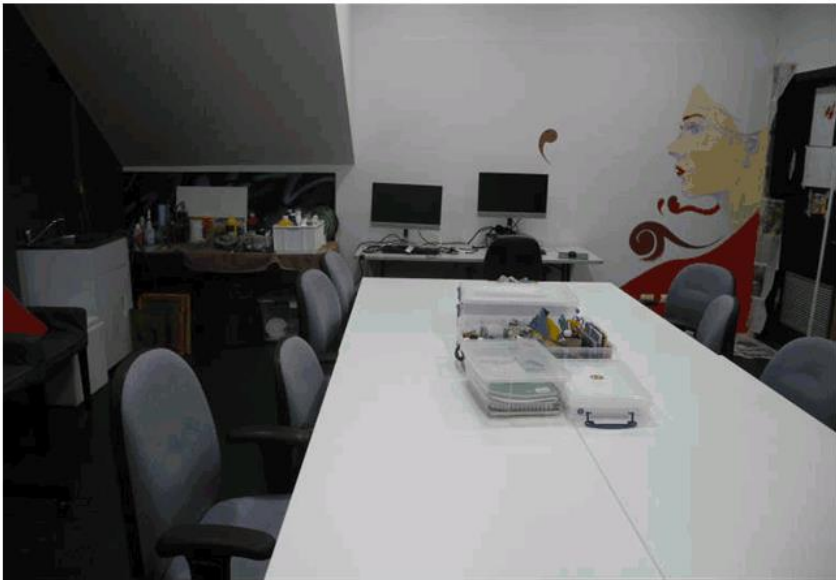
Happy to discuss if you have any questions.

I understand the space remains largely the same as when you last inspected it aside from some general wear and tear. However, if you need to inspect the space you can contact Sophie Calic (from the Council) on 6238 2165 or 0409 984 509 to arrange a time to inspect the property.

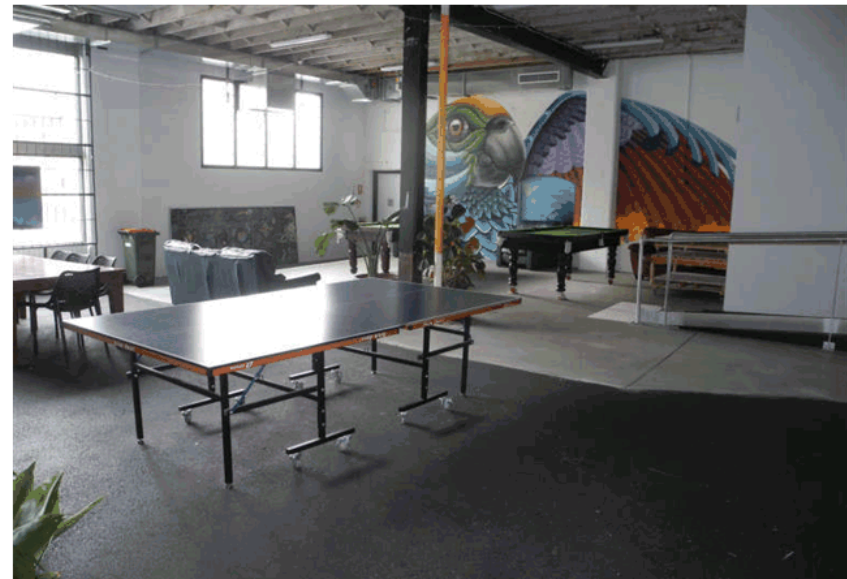
Yours sincerely

Adrian Hutchinson B.A. LL.B. (Hons)
Legal Officer | Legal and Governance
[CoH logo email]

50 Macquarie Street, Hobart, Tasmania, Australia, 7000 |
hobartcity.com.au<<http://www.hobartcity.com.au/>>
Telephone (03) 6238 2821









Deed of Variation of Licence Agreement

Hobart City Council

(ABN 39 055 343 428)

and

Hobart City Mission

(ABN 45 880 587 855)

for

Part of 57-63 Macquarie Street, Hobart in Tasmania ("Land")

Dated: 3 day of February 2021

Hobart City Council

Variation of Licence Agreement

Dated: ..3..... day of *February*..... 202*1*.....

Parties:

1. The Hobart City Council (ABN 39 055 343 428) (the "Licensor"); and
 2. Hobart City Mission Inc (ABN 45 880 587 855) (the "Licensee"),
- together the Licensor and the Licensee are known as the "Parties".

Recitals:

- A. By a Licence dated 30 September 2020 the Licensor granted to the Licensee a licence for the Land.
- B. A copy of that Licence is annexed and marked with the letter "A".
- C. The parties wish to vary the Licence to extend the term.

Operative Provisions:

1. Variations

In consideration of the sum of one dollar (\$1.00) paid by the Licensee to the Licensor (receipt of which is hereby acknowledged by the Licensor), the Parties agreed to vary the Licence so that:

- (a) the expiry date of "31 December 2020" from Item 7 of Schedule 1 be deleted and replaced with "31 March 2021".



Hobart City Council

Variation of Licence Agreement

Execution:

Executed as a deed.

LICENSOR

The Common Seal of the **Hobart City Council** was hereunto affixed in the presence of:


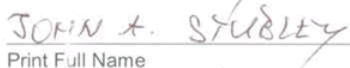



Deputy General Manager


Manager Legal & Governance
~~GENERAL MANAGER~~

LICENSEE

Signed by **Hobart City Mission Inc** ABN 45
880 587 855 in accordance with Section 127 of
the *Corporations Act 2001*:


Director

JOHN A. STUDLEY
Print Full Name

Signed by
Hobart City Mission
by its duly Appointed Attorney
under Power of Attorney
No. PA115996
Director Secretary
Print Full Name

Hobart City Council

Licence Agreement

Schedule 2: Special Conditions

The following are Special Conditions to this Agreement:

- 1 The Licensee must:
 - (a) not copy any key(s) provided to them by the Licensor in connection with this Agreement;
 - (b) return any key(s) to the Licensor that are given to them in connection with this Agreement on or within three (3) days from the Expiry Date;
 - (c) provide a report to the Licensor within three (3) months from the Expiry Date that includes the details as determined in consultation with the Licensor. For the removal of doubt, these detail *may* include items such as: the number of participants in the pilot program throughout the Term etc.;
 - (d) at the earlier of the Expiry Date or termination of this Agreement, return the Land to the same condition as it was in at the Commencement Date;
 - (e) ensure the Land is maintained in a clean and tidy condition during the Term (at its own expense), including, but not limited to:
 - (i) providing for the safe disposal of sharps;
 - (ii) conducting a full commercial clean of the Land and immediate area to the satisfaction of the Licensor between the hours of 8.00 a.m. to 9.00 a.m. each day from Monday to Friday; and
 - (iii) removing any property or chattels from the Land that are not owned by the Licensor;
 - (f) provide adequate security;
 - (g) provide a staff member or contractor to be stationed at the entrance to the Land from 3.00 p.m. to 6.00 p.m. daily between 1 September 2020 to 4 September 2020 for the purposes of advising any persons who had used the services offered on the Land by the Licensee pursuant to the licence dated 23 December 2019 of the Licensee's changed operating hours from 1 September 2020;
 - (h) repair or replace any damage to the Land (including any chattels, fixings or fittings located on the Land) caused in connection with its use of the Land (including any damage caused in connection with the use of the Land pursuant to the licence of 23 December 2019);
 - (i) obtain any permits required to operate in accordance with the Permitted Use from any relevant Government Agency or authority;
 - (j) be responsible for insuring any of its property brought onto the Land;
 - (k) on or before the Termination Date or Expiry Date (whichever is sooner), undertake a full commercial clean of the Land and immediate area to the satisfaction of the Licensor;
 - (l) reimburse the Licensor for any and all cleaning related expenses incurred in relation to the Land during the Term;

Our Ref: 15/153-368



Agenda (Open Portion)
Special Community, Culture and Events Committee Meeting
9/3/2021

Page 44

Hobart City Council

Licence Agreement

Dated: 30th day of September 2020

Parties:

1. The Licensor named and described in Item 1 of Schedule 1 ("Licensor").
2. The Licensee named and described in Item 2 of Schedule 1 ("Licensee").

Recitals:

- A. The Licensor is the registered proprietor of the Property.
- B. The Licensor has agreed to grant to the Licensee a licence to access the Land subject to the terms and conditions of this Agreement.

Operative Provisions:

1. Interpretation

1.1 Definitions

In this agreement, unless the contrary intention appears:

Commencement Date means the day in Item 6 of Schedule 1;

Expiry Date means the date of expiry of the Term being the date specified in Item 7 of Schedule 1;

GST means:

- (a) the same as in the GST Law;
- (b) any goods and services tax, or any tax applying to this transaction in a similar way; and
- (c) any additional tax, penalty tax, fine, interest or other charge under a law for that tax;

GST Law means the same as in *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

Item means the relevant item number as set out in Schedule 1;

Land means the land described in Item 3 of Schedule 1;

Licensee includes if the Licensee is a natural person the heirs, executors, administrators and permitted assigns of the Licensee or if the Licensee is a body corporate its successors and permitted assigns, and where the Licensee is two or more parties, includes a reference to both of those parties jointly and severally;

Licence Fee means the licence fee specified in Item 8 of Schedule 1;

Licensor includes any person claiming through or under or in trust for the Licensor and the reversioner immediately expectant upon the determination of the Term and where a natural person includes the heirs, executors, administrators and assigns of the Licensor;

Operating Hours means those periods of time specified in Item 12 of Schedule 1;

Permitted Use means the permitted use for the Premises specified in Item 10 of Schedule 1;

Our Ref 15/153-368



Habitat City Council

Licence Agreement

Plan means the plan showing the Land attached at Annexure "A",

Property means the land described in **Item 4** of Schedule 1;

Special Conditions mean the special conditions (if any) set out in Schedule 2 which form part of this agreement in accordance with clause 14;

Term means the duration of the licence specified in **Item 5** of Schedule 1 and commencing on the Commencement Date and expiring on the Expiry Date;

1.2 Interpretation

In this agreement, unless the contrary intention appears:

- (a) the singular number include the plural and vice versa;
- (b) a reference to a person includes a corporation, unincorporated body or authority;
- (c) clause headings are inserted for convenience only and will be ignored in the interpretation of this agreement;
- (d) where any word or phrase is given a defined meaning, any other part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (e) the schedule and annexures to this deed form part of this agreement; and
- (f) a party includes its successors, assigns, executors and administrators.

1.3 Entire Agreement

This agreement records the entire agreement between the parties, whether oral or written, in relation to its subject matter.

1.4 No variation

No Variation of this agreement is binding unless it is in writing and signed by each party.

1.5 Reading down & Severance

The other provisions of this agreement are not affected by any reading down or severance of particular provisions.

1.6 GST Interpretation

If a definition in a GST Law used to define something in this agreement is repealed, or is amended, re-enacted or replaced with a definition which does not work in the GST recovery clause in this deed to provide full recovery of GST for the Licensor, the former definition continues to apply

2. Demise and Conditions

- (a) In consideration of the Licence Fee reserved by this agreement and the obligations on the part of the Licensee to be performed and observed, the Licensor grants to the Licensee an irrevocable licence to use the Land for the Permitted Use for the Term from the Commencement Date and expiring on the Expiry Date
- (b) The Licensee agrees:
 - (i) not to use the Land other than for the Permitted Use;

Our Ref: 15/153-358



Hobart City Council

Licence Agreement

- (ii) not to erect any structure upon any part of the Land;
- (iii) not to assign, grant any licence or right to other persons in relation to the Land or any part thereof, the Licensee acknowledging that the licence granted by this agreement is personal to the Licensee;
- (iv) to use the Land at their own risk;
- (v) and covenants that it will not give or execute any mortgage, security interest charge or pledge the interest created in this agreement;
- (vi) not to endanger any part of the Land or any nearby land owned by the Licensors, or any person, or property whether owed by the Licensor or not.

3. Rent

3.1 Payment of Licence Fee

The Licensee must pay the Licence Fee to the Licensor on or before the Commencement Date.

4. Interest Created

4.1 No Estate or Interest

The licence granted by this agreement does not confer upon the Licensee any estate or interest in the Land.

4.2 Non-Exclusive Licence

The Licensee acknowledges and agrees that the grant of the licence under this agreement is non-exclusive and that the Licensor reserves the right to:

- (a) use and enter upon the Land at any time; and
- (b) grant a licence, concurrently or otherwise, to any other person, over any part of the Land for any purposes.

5. Licensee's Other Payments

5.1 GST

- (a) In addition to any other payment obligations of the Licensee under this agreement, the Licensee must pay to the Licensor or reimburse the Licensor for any GST the Licensor must pay:
 - (i) on any supply made by the Licensor under this agreement; and
 - (ii) in relation to any aspect of this agreement.
- (b) The Licensee must pay to the Licensor, or reimburse the Licensor for, GST on:
 - (i) the same day as the due date for the consideration in respect of the relevant supply; or
 - (ii) if there is no due date, within 7 days of a written request from the Licensor.

Our Ref: 15/153-368



Hobart City Council

Licence Agreement

- (c) The Licensor must provide the Licensee with a valid Tax Invoice in relation to any reimbursement of GST under this clause.

5.2 Cleaning and Nuisance

The Licensee must:

- (a) leave the Land:
- (i) in a clean and tidy condition; and
 - (ii) in a safe state and condition for everyone who enters the Land,
- following each exercise of any of the rights conferred under this agreement;
- (b) not do in relation to the Land or while exercising the rights conferred under this agreement anything that in the Licensor's opinion is or may become a nuisance or annoyance to others using or enjoying the Land or any area near the Land.

5.3 Licensor's Costs

The Licensee must pay the Licensor's reasonable costs charges and expenses of and associated with:-

- (a) any consent required under this agreement;
- (b) any default by the Licensee in observing or performing any covenants or conditions contained in this agreement;
- (c) the exercise or enforcement or attempted exercise or enforcement of any power or authority conferred on the Licensor or in consequence of any request by the Licensee under any covenant clause or condition in this agreement;
- (d) any reasonable disbursements which the Licensor has incurred in connection with the preparation and execution of this agreement or any renewal thereof; and
- (e) any alterations which the Licensee has required to be made to this agreement in the course of its negotiation.

5.4 Stamp Duty

The Licensee must pay all stamp duty assessed on this agreement and any renewal and must at the request of the Licensor make a copy of the Licensee's part of this agreement available to the Licensor as proof that stamp duty has been paid.

6. Licensor Not Responsible

The Licensee acknowledges that the Licensor is not responsible for carrying out any maintenance or to upgrade any current road surface on the Land.

7. Use & Limitations on Use of the Land

7.1 Use

The Licensee must use the Land solely for the Permitted Use, of which the Licensor gives no warranty as to its suitability or compliance with all laws for that purpose.

7.2 No Offensive Occupation

Our Ref: 15/153-368



Hobart City Council

Licence Agreement

The Licensee must not use exercise or carry on or permit or suffer to be used exercised or carried on in or upon the Land or any part any dangerous, noxious or offensive act trade or business or occupation.

8. Indemnity

The Licensee hereby indemnifies the Licensor except to the extent that they are attributed to negligence on the part of the Licensor, its employees, agents and contractors from and against all actions, claims, demands, losses, damages, costs and expenses for which the Licensor is or may be or become liable in respect of or arising from:-

- (a) the Licensee's use of the Land; and
- (b) loss damage or injury from any cause whatsoever to property or person within or outside the Land caused or contributed to (but only to the extent of the Licensee's contribution) by any negligence by the Licensee or the Licensee's Associates, servants, agents employees or any person acting for or on behalf of the Licensee.

9. Insurance

9.1 Not to Void Insurance

The Licensee must not knowingly at any time during the Term do permit or allow to be done any act matter or thing whereby any insurances in respect of the Land may be vitiated or rendered void or voidable or where the rate of premium on any insurance is liable to be increased.

9.2 Licensee's Insurances

- (a) The Licensee must effect in respect of the Land and keep in full force at all times during the Term of this agreement contracts of insurance indemnifying the Licensor's and the Licensee's respective liability for personal injury and death of any person and a public liability policy for the sum specified in **Item 9** of Schedule 1 or for such other amount as the Licensor reasonably requires from time to time.
- (b) The above policies must be with an insurance company approved in writing by the Licensor and the Licensee must pay all premiums as and when they become due failing which the Licensor may pay the premiums and recover the cost from the Licensee upon demand. The Licensee must within 30 days of the due date for payment of each premium and whenever required by the Licensor produce to the Licensor the insurance policies or certificates of currency relating to the insurance.

10. Provisos

10.1 Termination on Default

If any one or more of the following events occurs namely -

- (a) the Licence Fee reserved by this agreement or any part is unpaid for 14 days after any of the days on which the same ought to have been paid in accordance with the covenant for payment of the Licence Fee contained in this agreement (although no formal or legal demand has been made);
- (b) the Licensee does not comply the Licensee's obligations contained within the Special Conditions to the reasonable satisfaction of the Licensor;
- (c) the Licensee permits or allows to occur any breach or default in the due and punctual observance and performance of any of the covenants obligations and provisions of this agreement on the Licensee's part to be observed and performed;

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- (d) an order is made or a resolution is effectively passed for the winding up of the Licensee (being a company) (except for the purpose of reconstruction or amalgamation);
- (e) the Licensee makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or stops payment or is unable to pay its debts;
- (f) the Licensee (being an individual) becomes bankrupt or commits an act of bankruptcy or brings his estate within the operation of any law relating to bankrupts;

then the Licensor may terminate this agreement and the Term will absolutely cease and determine, but without prejudice to any rights or claim for damage which may have accrued to either party.

10.2 No Waiver

No waiver by the Licensor of one breach of any of the Licensee's obligations, restrictions and stipulations contained or implied in this agreement will operate as a waiver of another breach of the same or of any other obligations, restrictions and stipulations contained or implied in this agreement.

11. Essential Terms

11.1 Terms

The Licensor and the Licensee hereby expressly agree and declare that the covenants by the Licensee contained or implied in clauses 2, 3, 4, 5, 7 and 9 and the Special Conditions are essential terms of this agreement.

11.2 Licensee's Liability

The Licensee is liable to the Licensor for any loss or damage suffered by the Licensor resulting from any breach of an essential Term of this agreement. The Licensor's entitlement under this clause is in addition to and any other remedy or entitlement to which the Licensor is entitled (including the right to terminate this agreement).

12. Notices

12.1 Notices

Any notice demand or other documents to be given or served by either party under this agreement is valid and effectual if signed by any attorney or solicitor of that party (or in the case of the Licensor the Licensor's managing agent) or any person authorised by the party, including the persons specified in Item 11 of Schedule 1.

12.2 Service of Notices

Without prejudice to any other means of giving or serving notice any notice or demand or other document requiring to be served under this agreement is sufficiently served on the party on whom service is intended if it is left addressed to or forwarded by prepaid letter to that party at the address specified in this agreement or such other address as may be notified in writing for that purpose by that party and it is taken to be served on the party to whom it is addressed when in due course of post it should have been received by that party.

13. Dispute Resolution

This agreement must be interpreted in accordance with the laws of the State of Tasmania and any dispute arising between the parties with regard to any of the terms covenants or provisions of this agreement or in relation to the rights or the obligations of the parties



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hereunder will be dealt with in accordance with the provisions of the *Commercial Arbitration Act 2011* (Tas.).

14. Special Conditions

The Special Conditions contained in Schedule 2 form part of this agreement. If any of the Special Conditions are inconsistent with or ambiguous to the terms of this agreement, the Special Conditions prevail over the terms of this agreement to the extent of such inconsistency or ambiguity.

15. General

15.1 Waiver Negatived

No waiver by the Licensor of one breach by the Licensee of any covenant obligation or provision contained or implied in this agreement operates as a waiver of another breach by the Licensee of the same or of any other covenant obligation or provision contained or implied in this agreement.

15.2 Counterparts

- (a) this Agreement may be entered into in any number of counterparts;
- (b) a party may execute this Agreement by signing any counterpart; and
- (c) all counterparts, taken together, constitute one Agreement.

15.3 Whole Agreement

The covenants provisions terms and agreements contained in this agreement expressly or by statutory implication cover and comprise the whole of the agreement between the parties and the parties expressly agree and declare that no further or other covenants agreements provisions or terms whether in respect of the Land or otherwise will be deemed to be implied in this agreement or to arise between the parties by way of collateral or other agreement by reason of any promise representation warranty or undertaking given or made by either party to the other on or prior to execution and the existence of any implication or collateral or other agreement is hereby negatived.

16. Renewal

- (a) If the Licensee wishes to take a licence of the Premises for any further term identified in **Item 13** of Schedule 1 (commencing upon the expiration of the then current term) and:
 - (iii) gives notice in writing to the Licensor to that effect; and
 - (iv) as at the date of the notice the Licensee is not in breach or default of any of the Licensee's covenants.

then the Licensor will grant a new licence ("the new licence") to the Licensee of the Land for the further term specified subject to the same terms covenants provisions and conditions as are contained in this licence EXCEPT this clause 16 will be omitted from the new licence.

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Execution:

Executed as a deed.

LICENSOR

The Common Seal of the Hobart City Council was hereunto affixed in the presence of:

Deputy General Manager

Manager Legal & Governance



LICENSEE

Signed by HOBART CITY MISSION INC, ABN 45 880 587 855, in accordance with Section 127 of the Corporations Act 2001:

Director

Print Full Name

JOHN STUBLEY

Director/Secretary

Print Full Name

Signed by
Hobart City Mission
by its duly Appointed Attorney
under Power of Attorney
No. PA115996

