

Existing and Planned Income Producing Activities

Asset / Project	Income Stream Generated?	Profitable or Subsidised	Joondalup 2022 Stream	Comments
1 Parking	Parking Fees	Profitable	Economic Prosperity, Vibrancy and Growth	City has recently constructed a multi-storey car park. This is projected to provide income of over \$1 million after five years of operation.
2 Building Rental	Rental Income	Profitable	Financially Sustainability	\$0.8 million of property rental income per year.
3 Leisure Centres	User Fees	Subsidised	Community Wellbeing	Operating profits are generated but in overall cost terms (including building costs) the services are subsidised.
4 Asset Sales	One-off asset proceeds	Profitable	Community Wellbeing	The City has sold surplus assets for a number of years and put funds into Joondalup Performing Arts and Cultural Facility (JPACF) Reserve. The reserve currently (as at June 2016) has \$12.3 million in it.
5 Cafes/Kiosks/ Restaurants	Ground Rental	Profitable	Economic Prosperity, Vibrancy and Growth	The City will receive ground rental income from the developments. This will build up gradually with each development and is estimated to be \$240,000 by 2022-23.
6 JPACF	Ticket income, hire, sponsorship	Subsidised	Community Wellbeing	The JPACF is estimated to require an operating subsidy per year of \$0.8 million to \$0.9 million, before repayment of interest and capital replacement.
7 City Centre Development	Rates Income & Parking Fees	Profitable	Economic Prosperity, Vibrancy and Growth	The development of Boas Place will generate additional rates income and may also generate additional parking revenue if the City constructs and operates parking facilities.
8 Ocean Reef Marina	As above	Profitable	Economic Prosperity, Vibrancy and Growth	Additional rates revenue and parking revenue which may be \$4 million per year.
9 Warwick Hockey Centre	Grass Pitch Hire, Clubroom Hire	Subsidised	Community Wellbeing	Whitfords Hockey Club will operate the profitable areas of the facility (synthetic pitch, clubroom, bar). The City will be responsible for maintaining the car park and grass pitches.

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10 Warwick Community Centre	Not applicable	Break-even	Community Wellbeing	The City has an objective to sell land at the site which can pay for the costs of new community centre.
11 Advertising revenue on Bus Shelters and Benches	Advertising Fees	Profitable	Financial Sustainability	Income from advertising of \$158,409 in 2015-16.
12 Telco Towers	Rental	Profitable	Financial Sustainability	\$178,000 income received in 2015-16 from telecommunications towers.

Opportunities for New Income Producing Streams

<u>Opportunity</u>		<u>Alignment</u>		<u>Capacity</u>		<u>Profitable</u>			
Opportunity	Details	LG Fit	2022	Investment	Expertise	Y/N	Risk	Comments	
1	Buy Offices and Rent	Purchase commercial / retail property and rent.	No	Yes	Large	Yes	Yes	High	Fixed costs, soft rental market, high vacancy rate in Perth CBD.
2	Construct Offices and Sell / Rent	Construct buildings on City owned land and sell the buildings or rent.	No	Yes	Very Large	No	Yes	High	Potential restrictions on use of land. The City has already determined through the City Centre Development project that the project would be better served by having third parties with the relevant expertise to construct.
3	Theme Park	Construct and operate a theme park / water park to encourage tourism and activate area.	Yes	Yes	Very Large	No	Yes	High	Theme parks are often seasonal yet have a high level of fixed costs.
4	Refuse Services for Business	Tender for commercial refuse contracts / purchase of fleet.	Yes	Yes	Medium	No	Minor	Med	Competitive and developing market place already exists.
5	Private Housing	Construct and sell private dwellings.	No	Yes	Large	No	Yes	High	Property market is soft. Restrictions on land use
6	Retail / Commercial	Lease sites and operate retail activities.	No	Yes	Minor	No	Potentially	Med	This type of activity is completely remote from local government activities.
7	Professional Services to Other LG	Invest in additional staff and offer services to regional for example certification.	Yes	Yes	Medium	Yes	Potentially	Med	Risk of bringing in fixed costs (staff) but not generating enough income.