

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made between:

Darebin City Council (“Council”)

And

Darebin Enterprise Centre Ltd (“DECL”)

In respect of the Darebin Creative & Digital Arts Incubator (“DC&DAI”)

INTRODUCTION

- A. The Darebin Enterprise Centre Ltd (DECL) is a small business incubator that works in partnership with the City of Darebin to develop and grow small business. Its program assists start-up and growth enterprises in Melbourne’s north, and Indigenous business development across Australia. It has numerous businesses operating on site at 2 Wingrove Street Alphington where incubator staff are on hand to provide intensive support and mentoring. It also has a broad outreach program to off site businesses. After a specified time and having achieved certain developmental milestones, individual businesses graduate from the incubator to establish independently into the regional economy, making way for new business start ups to enter the incubator program. This ensures a constant stream of both “graduate” and “entry” businesses.
- B. DECL was established by Council in 1997 as a not for profit company limited by guarantee with the objective to promote and advance the economic prosperity of the City of Darebin and its citizens. Council is now the sole Member of DECL.
- C. One of Council’s key strategic objectives is “economic development” and a significant component of this is small business support. Hence, Council and DECL are both stakeholders in the nurturing of small business growth.
- D. The Darebin Creative and Digital Arts Incubator (DC&DAI) is an initiative of Darebin City Council to support development of the creative arts industries in the municipality; to enhance the arts focus of the Northcote civic precinct and preserve a significant heritage building for public use.
- E. Council recognizes that DECL has experience and commitment in managing business incubators and believes DECL to be the most appropriate local agency to manage an arts incubator in the former Northcote Police Station on behalf of Council.
- F. The building to house the arts incubator at 43 James Street, Northcote, being the former Northcote Police Station, is owned by Council and will be leased to DECL. No rent is to be charged by Council in recognition of DECL’s contribution to economic development in Darebin. However, DECL will make a financial contribution to the maintenance of the building. This contribution may be recouped from the sub-lessees.

UNDERSTANDING

1.0 Governance

- 1.1 DECL is a not for profit company limited by guarantee.
- 1.2 DECL is governed by an independent board with directors drawn from Council, Northlink, the Northern Area Consultative Committee (NACC) and small business.
- 1.3 Council is the sole member of DECL.
- 1.4 DECL will report to Council on a yearly basis on the progress and its running of the DC&DAI and provide a financial statement. The financial statement, signed by the Chair or Treasurer of DECL, is to show income and expenditure related to the arts incubator and distinct from the audited financial statement DECL already provide to Council.

2.1 Facility Management and Building Developments

- 2.1.1 Council is responsible for the maintenance of the building and any subsequent variations, modifications or additions to be the responsibility of Council in consultation, for the period of the lease, with DECL.
- 2.1.2 In the event that DECL may wish to erect any new buildings or request any significant renovations to existing buildings, DECL must follow these procedures:
 - (i) Develop a business case to demonstrate the need and economic benefit of the proposed building or renovation
 - (ii) Obtain approval from the board of DECL
 - (iii) Confer with Council's Arts & Culture Branch and submit the proposal to Council's Capital Works processes.

2.2 Business Incubation Practice and Development

- 2.2.1 DECL agrees to practice and promote environmentally sustainable development amongst its licensee businesses and also in its own practices.
- 2.2.2 DECL agrees to participate in general cultural economic development activities within the City of Darebin where there is a synergy with the arts business incubation work that DECL is already undertaking with the DC&DAI.

4.0 General

- 4.1 The parties agree in good faith to work together to progress the arts incubator in the former Northcote Police Station
- 4.2 The parties recognize opportunities for sharing appropriate information.

- 4.3 The parties acknowledge and agree that any material or information provided by a party to another shall be kept confidential, unless the Party disclosing the information agrees in writing to its release.
- 4.4 This MOU takes effect from the date of the execution.
- 4.5 This MOU may be varied or terminated only by further written, mutual agreement of both parties, represented by their respective Chief Executive Officers.

EXECUTION

SIGNED for and on behalf of the Darebin Enterprise Centre Ltd by:

Robert Waite
Chief Executive officer

SIGNED for and on behalf of Darebin City Council by:

Jan Black
Chief Executive Officer

Date.....