

The Quarter Hotel

Proposed Request for Proposals

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Development Services

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The Quarter hotel – Site Context



- Freehold lot – 7078 Sharpe Avenue
- Acquired from DevWA in January 2019 for \$1
- Discounted due to a restrictive covenant for hotel only
- Includes 100 car bays in adjacent multi-level car park
- Green space has since been developed on the site

Previous Proposals

2018

- DA for a Hotel - 100 rooms - \$20M
- \$10mil 'fit-out contribution' from the City - repaid over a 30-year term
- Business Plan advertised in 2018
- Unable to proceed due to escalating costs
- MoU and Lease terminated in 2022

2022

- New Request for Proposal
- 4 submissions received
- Preferred proposal was disposal of land to proponent for \$1
- Proponent to cover all development costs
- Unable to proceed due to escalating costs

The current situation



- 5 developers have approached the City in the last 6 months
- Currently used/developed as public open space (POS)
- To retain as POS, would need to acquire at market value and have the restrictive covenant removed – current estimated cost \$890k
- Walgu site is currently under a 6-month exclusive working period with Perdaman/Thomas Building (likely to be extended)

Recommendation



- RFP enables Council to understand potential hotel options available for the site
- Seeking flexibility for proponents to suggest optimal site outcomes
- Ability to specify key requirements, such as
 - required development standard (e.g. 4 star)
 - expectations for retention of some green space
- The process will be non-binding

For more information:

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