

Activation and Car Park - 88 O'Connell Street North Adelaide

ITEM 4.3 07/05/2019
The Committee

2018/02324
Public

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Approving Officer:
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EXECUTIVE SUMMARY:

This report responds to two (2) Motions on Notice raised by Councillor Couros and adopted by Council on 11 December 2018 relating to 88 O'Connell Street North Adelaide.

The intent of the Motions on Notice is to consider the role that Council can play to create a more vibrant main street with increased patronage to the O'Connell Street precinct through activation at 88 O'Connell Street North Adelaide.

It is considered that an Expression of Interest (EOI) process will be the most effective way in which to achieve a more intensive activation program at the site, thus maximising the benefits to the O'Connell Street precinct and enabling the community's aspirations to be achieved.

This option would allow Council to call for interested groups or individuals to take control of the site via a lease or licence to manage and curate an activation program in accordance with a set of predetermined guidelines. The proposed guidelines/evaluation criteria have been formulated to take into consideration community expectations. Under this scenario, it would be reasonable that a greater proportion of the site is opened for ancillary car parking to support a more intensive activation program.

This report also advises the opportunity and implications associated with opening the site for 'at grade' public car parking.

Should the EOI process not be successful, Council may wish to consider alternative options to address car parking on the site such as a request via the Chief Executive Officer to the Minister for Planning to commence a Ministerial DPA with interim effect for the site at 88 O'Connell Street to allow car parking to be considered a land use and to be assessed as a Category 1 development.

RECOMMENDATION:

THAT THE COMMITTEE RECOMMENDS TO COUNCIL

That Council:

1. Authorises the Chief Executive Officer to initiate an Expression of Interest (EOI) process for an on-going activation program with ancillary car parking at 88 O'Connell Street North Adelaide.
 2. Notes that the outcome of the EOI Process will be brought back to Council for approval.
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IMPLICATIONS AND FINANCIALS:

City of Adelaide 2016-2020 Strategic Plan	<p>Strategic Alignment – Liveable</p> <p>Liveable – encourage growth in the full range of residential property development in a mixed-use environment in a manner that respects the demographics and different character of districts in the City</p> <p>Sustainable Growth – strengthen the City by growing the number of people living, working, playing and visiting in the City every day.</p> <p>Economic development and job creation – both in the short-term delivery and long-term as the development of the site (to be catalysed through the Council’s acquisition and activation) stimulates further projects, new businesses, population and visitor growth, wealth creation and the strengthening of Adelaide’s brand.</p>
Policy	Temporary development of the site will take into consideration the requirements of the Development Plan.
Consultation	The activation program to date has been heavily influenced by the community engagement undertaken in May – June 2018.
Resource	Internal resources are required to deliver the activation program.
Risk / Legal / Legislative	Subject to Council’s preferred option, a new development application may be required.
Opportunities	There is an opportunity to explore the possibility of a comprehensive EOI process to appoint an external party to deliver an activation program in line with the expectations of the Council and community.
18/19 Budget Allocation	The budget allocation towards activation of the site is approximately \$145,000. This provides funding for one (1) to two (2) events per calendar month (ranging from \$6,000 to \$15,000 per event). Should a greater level of activation delivered through Council be desired additional funding would be required.
Proposed 19/20 Budget Allocation	To be determined.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not in relation to this report.
18/19 Budget Reconsideration (if applicable)	Not in relation to this report.
Ongoing Costs (eg maintenance cost)	Not in relation to this report.
Other Funding Sources	Not in relation to this report.

DISCUSSION

Background

1. On 11 December 2018 Council adopted the following Motions on Notice:

That Council:

- 1) *Notes the ongoing Expression of Interest process for the development of Eighty-Eight O'Connell Street and the imperative to keep the site activated throughout this process;*
- 2) *Requests for administration to prepare a report on how a temporary activation, similar to a box park concept, can be established on the Eighty-Eight O'Connell Street site to attract complementing and non-competing operators to North Adelaide.*
- 3) *Requests for this report to be returned no later than February 2019.'*

and

That Council:

- 1) *Notes the recent closure of multiple businesses on O'Connell St and the impact this has had on the community;*
- 2) *Requests administration look for ways to open the Car Park at 88 O'Connell Street, North Adelaide, immediately and especially for the Christmas trade.*

2. In May 2018, the City of Adelaide undertook an engagement process to gather input from the community about their aspirations for the short-term activation and long-term development of 88 O'Connell Street.
3. The engagement comprised a series of community sessions, and an online survey. The comments received indicated a strong desire to see the site activated in the short term.
4. A development application in late 2018, provided approval for a program of activation events with associated car parking, thus allowing car parking to occur where it is in association with events occurring on the site. The development application allows for a range of community and civic event for up to two (2) years with associated car parking for up to sixty (60) cars.
5. The car parking associated with this approval was assessed as limited and intermittent in nature, and on the understanding that car parking associated with an event would ensure dedicated management of the car park.
6. A range of successful events that have taken place on the site can be viewed here [Link 1](#)

Expression of Interest:

7. An EOI would allow Council to call for interested groups or individuals to take control of the site via a lease or licence (with a minimum fee) to manage and curate an activation program in accordance with a set of predetermined guidelines.
8. Advantages of an EOI process include the ability to activate the site on an ongoing basis as opposed to an event basis and the ability to test the market for new and interesting offerings. There have been some informal approaches from potential operators.
9. Implementation will be dependent upon what is proposed, and the timelines associated with a new development application.
10. As there are events scheduled for the coming months, it is anticipated that the site could be made available to a third party from September 2019, however this will be dependent on the level of submissions and the level of capital investment and activation.
11. The outcomes from an EOI process would be presented back to Council for approval.
12. If Council is unable to secure an operator, then Council could continue to curate and lead an activation program.

A Public Car Parking:

13. Consideration has been given to the implications of Council pursuing an 'at grade car park' that is not ancillary to an approved or existing use firstly as it is a non-complying form of development in the Main Street (O'Connell) Zone, and secondly, whether the current surface is suitable for a continuous public car park for the next two (2) years.
14. Council has as a policy position prevented the development or use of similar temporary at grade car parks on other sites. It is important to note that there could remain a risk of perceptions of inconsistency, bias or predetermination which may be associated with a development of an 'at grade car park' on this site.
15. However, if Council was to support such a service it is recommended that the car park operation aligns with current changes to on-street parking within North Adelaide, that is, not encouraging commuter car parking.
16. The development application process would involve:
 - 16.1. Submitting a 'Statement of Support' including specialist engineering advice in relation to car parking layout, traffic management, drainage and lighting matters;
 - 16.2. Council's DA Planners requesting that State Commission Assessment Panel (SCAP) be determined as the relevant authority rather than Council Assessment Panel (CAP) to remove appearance of any bias;
 - 16.3. In the first instance the SCAP (or CAP) will need to determine whether to proceed or not with an assessment of the application;
 - 16.4. A decision not to proceed – there are no appeal rights;
 - 16.5. A decision to proceed – the applicant will need to provide a 'Statement of Effect';
 - 16.6. Public notification (Category 2) potential representations and responses;
 - 16.7. SCAP/CAP to determine application – If refused, there are no appeal rights for Council, but appeal rights exist for representors if an application is approved;
 - 16.8. If CAP is the relevant authority, concurrence from SCAP will be required;
 - 16.9. The assessment of the development application is likely to take three (3) to four (4) months. If concurrence is granted and the application is approved, there is a sixty (60) day period in which a representor can lodge an appeal.
17. Should Council wish to pursue a greater intensity of car parking at 88 O'Connell Street (above and beyond that delivered through an EOI process), and should it choose to progress a development application for a temporary public car park, a layout plan can be prepared.
18. RLB Quantity Surveyors have provided a cost estimate for establishing a fully sealed car park (as shown in the Link) which is in the order of \$1.2 million.
19. This estimate includes components such as civil works, landscaping, services, ticketing and gates. It also includes a construction contingency, professional fees and statutory charges.
20. As part of operating a public car park, Council would need to consider the following risks in the design of the car park:
 - 20.1. Potential for dust and noise complaints from nearby residents;
 - 20.2. Achieving planning approvals and compliance with Australian Standards;
 - 20.3. Costs to prepare car park and/or maintain unsealed surfaces;
 - 20.4. Appropriate disability access provisions.
21. Should Council wish to incorporate paid parking, consideration should be given to the appropriate mechanism and equipment to satisfy that requirement (e.g. solar power parking ticket machines).
22. A cost estimate of approximately \$50,000 has been obtained for a simpler spray sealed surface treatment, however a design for this approach has not been prepared.
23. Further refinement/consideration of the surface treatment could occur following an EOI process based on the proposed frequency and intensity of use including the option to utilise a spray seal.
24. An alternative option, should Council resolve to do so, is to formally write to the Minister requesting that he undertake a Ministerial Development Plan Amendment (DPA) that allows car parking on the site on an interim basis, to be assessed as a Category 1 development application.

25. In any event, as part of the EOI noted above, an approach to ancillary car parking would be requested within submissions.

ATTACHMENTS

Nil

- END OF REPORT -