

# Kadaltilla

## Rymill Park / Murlawirrapurka Kiosk

Thursday, 28 September  
2023

### Board Meeting

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Public

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## Purpose

Following a major landscaping project to upgrade Rymill Park / Murlawirrapurka (Park 14) between 1958-60, the Rymill Park Kiosk (the Kiosk) has operated as a commercial service.

In 2019, after an Expression of Interest process, Council resolved to commence lease negotiations with the successful proponent, Creative Place Hospitality Group (CPH Group).

In 2022, following Kadaltilla support, Council supported in-principle a proposal to enhance the Rymill Park Kiosk accompanied by a 21-year lease agreement.

As a result of rising construction costs, the proponent has revised the concept plans resulting in a more modest enhancement proposal for the Kiosk.

Council recently endorsed works to be undertaken to the Rymill Park Lake Renewal Works (the Lake works) with the contractor to complete these works by April / May 2024. It is proposed that the Kiosk works will dovetail the Lake works, with the opening of the newly renovated Kiosk scheduled for March 2025 (at the same time as the commencement of the 2025 Adelaide Fringe Festival), subject to approvals.

The purpose of this report is to seek Kadaltilla's support for the revised concept plans for the Kiosk prior to an application being submitted for Development Approval, and support for the negotiated draft lease agreement prior to community consultation being undertaken.

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## Recommendation

### THAT THE ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

#### That the Kadaltilla / Adelaide Park Lands Authority:

1. Supports the revised concept plans for the Rymill Park Kiosk, as per Attachment A to Item 6.2 on the Agenda for the meeting of the Board of Kadaltilla / Adelaide Park Lands Authority held on 28 September 2023.
2. Supports the draft 21-year commercial Park Lands lease agreement between the Corporation of the City of Adelaide (Lessor) and Creative Place Hospitality Group (Lessee) for the Rymill Park Kiosk, as per Attachment B to Item 6.2 on the Agenda for the meeting of the Board of Kadaltilla / Park Lands Authority held on 28 September 2023 subject to:
  - 2.1. community consultation on the draft lease agreement undertaken in accordance with the *Local Government Act 1999 (SA)* and Council's Communication and Public Consultation Policy.
  - 2.2. lease fees being informed by an independent market assessment and taking into account the level of capital investment by the proponent.
3. Notes that results of the community consultation will be presented back to Kadaltilla / Adelaide Park Lands Authority in February 2023.

## Implications

<p>Adelaide Park Lands Management Strategy 2015-2025</p>	<p><a href="#">Adelaide Park Lands Management Strategy 2015-2025</a></p> <p>'Key Move' for the East Park Lands Precinct is to:  <i>'Re-Imagine the centre of Rymill Park as a large hub including a consolidated playspace in closer proximity to the existing Kiosk and away from the O-Bahn. Improve access and amenity surrounding the Kiosk and re-configure it to address the park as well as the lake, including increased seating opportunities'</i></p> <p><u>Dynamic, Active + Tranquil Places</u></p> <p>Strategy 1.3 – Promote the Park Lands as a visitor and tourist destination:          1.3.4 Design attractions to be accessible and welcoming to tourists and visitors with an appropriate standard of supporting infrastructure.</p> <p>Strategy 1.4 – Support activation of the Park Lands by upgrading and enhancing buildings and structures responsive to their Park setting.          1.4.1 Enhance visitor experience at activity hubs          1.4.4 Ensure that public toilets are provided at key locations across the Park Lands, such as activity hubs and gateways.          1.4.5 Permit commercial services to operate where they provide community benefit and support outdoor recreational use of the Park Lands.</p>
<p>2020-2025 Strategic Plan</p>	<p><a href="#">Adelaide Park Lands Authority 2020-2025 Strategic Plan</a></p> <p><u>Strategic Plan Alignment – Advice</u></p> <p>4.1 Provide advice on plans, projects and policies for the Adelaide Park Lands</p>
<p>Policy</p>	<p><u>Draft Community Land Management Plan (April 2023):</u>          Support the upgrade, renewal and maintenance of park features and infrastructure (including Kiosk and lake), consistent with the purpose for which the land is held and the Rymill Park / Murlawirrapurka (Park 14) Master Plan as endorsed by Council.</p> <p><u>Adelaide Park Lands Lease and Licence Policy</u>          Expression of interest undertaken and draft lease agreement negotiated in accordance with this Policy.</p>
<p>Consultation</p>	<p>Community consultation on the lease will occur over a three-week period.          Event organisers associated with Rymill Park will be engaged as part of community consultation on the draft lease agreement.</p>
<p>Resource</p>	<p>Community consultation will be undertaken utilising existing resources.</p>
<p>Risk / Legal / Legislative</p>	<p><u>Local Government Act 1999 (SA) (LG Act 1999)</u>          Community consultation on the lease will occur over a three-week period.</p>
<p>Opportunities</p>	<p>Council has an opportunity to engage with a third party to deliver aspects of the Master Plan for Rymill Park and improve accessibility in and around the Rymill Park Kiosk through a commercial lease arrangement.</p>
<p>City of Adelaide Budget Allocation</p>	<p>Community consultation – approximately \$2,000          Co-contribution to building compliance - \$200,000</p>
<p>Life of Project, Service, Initiative or (Expectancy of) Asset</p>	<p>Life of the lease – 21 years.          Asset to return to Council at end of lease</p>
<p>Ongoing Costs (eg maintenance cost)</p>	<p>All infrastructure contained within the boundary of the Lease Plan be maintained by Lessee for the life of the lease (including capital and structural items).</p>
<p>Other Funding Sources</p>	<p>The Lessee will be funding the enhancements to the Rymill Park Kiosk.</p>

# Discussion

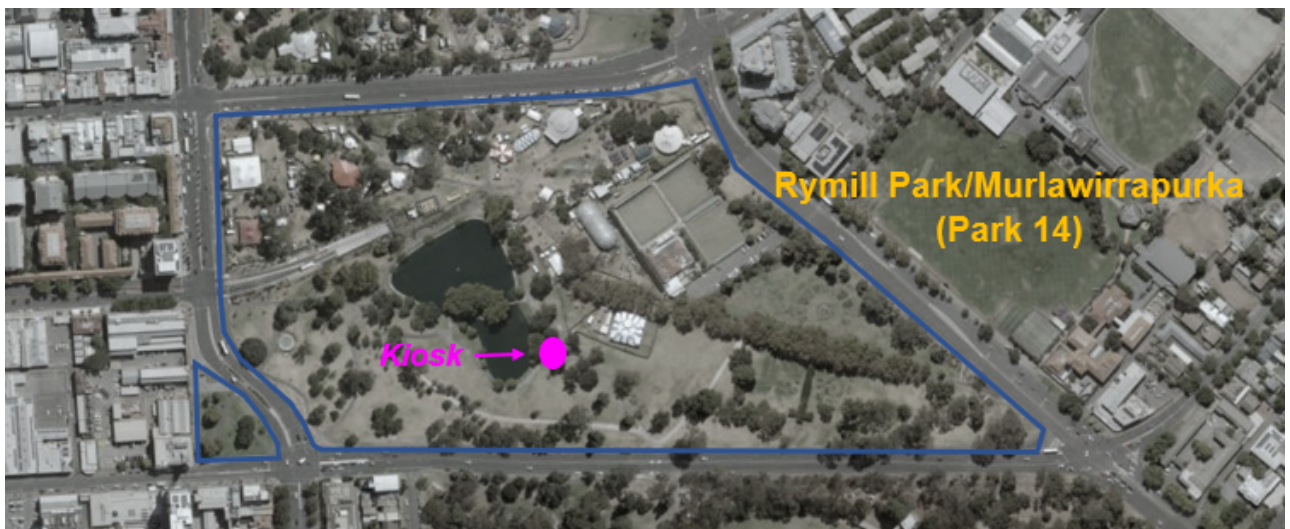
## Commercial Context

1. Within the Adelaide Park Lands, the City of Adelaide has 13 commercially leased properties, of which three are kiosks.
2. One similarity that all Park Lands commercial properties share is that they experience low foot-traffic compared to city-based hospitality venues. They rely heavily on guests' pre-bookings, which requires significantly higher investment in marketing, advertising and online promotion.
3. Additionally, kiosks compared to other Park Lands commercial properties, are unique in their offering and trade is usually influenced by the weather. They can be impacted by events that traditionally occur during the warmer months and school holidays, and they also rely on a subsequent use (such as playground and rowboats) to attract visitors into the park.

## History of Rymill Park Kiosk

4. Located within Rymill Park / Murlawirrapurka (Park 14) adjacent the Rymill Park Lake and situated within the east Adelaide Park Lands (Image 1), the Rymill Park Kiosk (Kiosk) was constructed as part of a major landscaping project to upgrade the eastern Park Lands between 1958-60.

**Image 1:** Location Plan Rymill Park/Murlawirrapurka (Park 14)



5. The Kiosk was constructed from local South Australian Carey Gully stone. This same stone also features in low garden walls throughout the park. In 1999, the two footbridges connecting the lake island were renovated with a similar stone to match existing design elements of the park.
6. The renovated park opened in 1960 and since this time, the Kiosk has been subject to various commercial lease agreements for the purpose of providing a hospitality and rowboat services to park visitors.
7. The Kiosk was leased by Arnie Rossis between 1998 and 2011 and later in 2014, Mr Rossis' daughters leased the Kiosk up until 2018.
8. In 2018, Administration commenced negotiations with various 'pop-up' and 'event specialists' to activate the Kiosk. Short term Kiosk activations have occurred from 2018 until now with varying success.

## Expression of Interest Process

9. In accordance with Council's Adelaide Park Lands Leasing and Licensing Policy, Council undertook an Expression of Interest (EOI) process between March and April 2018 to seek a new lessee for the Kiosk.
10. Council considered the EOI submissions in August 2018, however the successful applicants later withdrew their application.
11. This triggered a review of the remaining EOI submissions that had been received and applicants were provided an opportunity to resubmit their proposals. In 2019, Council resolved to commence lease negotiations with the successful proponent, Creative Place Hospitality Group (CPH Group).
12. The proposal received from CPH Group demonstrated a strong understanding of the site and the unique policy setting that accompanies a commercial lease in the Park Lands. The business offering promoted the continued use of a kiosk/café and to maintain the rowboat hire. The business proposal included the

integration of functions and events, and to create a 'Hire Shop' for picnic baskets, lawn games (bocce) and kites.

13. High level infrastructure upgrades were identified which included an internal reconfiguration of the Kiosk, new toilets, improved/extended 'back of house' area. Other improvements included a deck to the front of the Kiosk, roof over that deck to provide year-round serviceability and improved lighting and paving around the Kiosk.
14. From 2020 to 2021, progress by the proponent stalled because of COVID-19 and an unstable economic climate.
15. In June 2022, Kadaltilla considered a long-term lease and development proposal by CPH Group to enhance the Kiosk.
16. In July 2022, Council resolved to enter long-term lease negotiations (not exceeding 21 years), noting that certain elements of the project required further investigation and that revised concept plans and draft lease agreement would be presented back to Kadaltilla and Council prior to the lodgement of plans for Development Approval and community consultation on the draft lease agreement.
17. Since this time, CPH Group have actively pursued developing their proposal. However, progression of the Kiosk project was contingent on the final design of the Rymill Park Lake Renewal Works. This was to ensure the seamless delivery of two capital works projects and that design outcomes of both projects were aligned.
18. Noting the investment to be made by CPH Group, this report is being presented after Kadaltilla and Council after their consideration of the Rymill Park Lake Renewal Works to ensure these projects cohere.

### Revised Concept Plans

19. As a result of economic market influences and rising construction costs, the concept plans considered by Kadaltilla and Council in 2022 have now changed significantly and can be viewed in **Attachment A**.
20. The concept plans that now form the basis of this report, present a proposal that is smaller in scale while still maintaining linkages to the 2019 EOI submission.
21. The current Kiosk (unimproved) building footprint is 110m<sup>2</sup>. The proposal increases the building footprint to 181m<sup>2</sup> (as defined by the Adelaide Park Lands Building Design Guidelines (APLBDG)).
  - 21.1. Internal floor area: 110m<sup>2</sup> (existing)
  - 21.2. Toilets and service area: 71m<sup>2</sup> (new)
  - 21.3. Kiosk deck: 106m<sup>2</sup> \*\*

*\*\*not included in building footprint calculation as it is not an enclosed area (criteria of APLBDG).*
22. Below is an Administration assessment of the revised Concept Plans undertaken against the APLBDG:

**Table 1: Assessment of Final Design against APLBDG**

<i>Item</i>	<i>Assessment</i>
<b>Car parking and vehicle access.</b> <i>Objective 3.3</i>	<ul style="list-style-type: none"> <li>• Deliveries and access to the Kiosk will be managed by access from Bartels Road.</li> <li>• Visitors and staff will make use of existing car parking opportunities in and around Rymill Park.</li> <li>• Lessee will be provided with two parking permits to access the Rymill Park Car Park.</li> </ul>
<b>Tree protection</b> <i>Objective 2.3, 5.3</i>	<ul style="list-style-type: none"> <li>• Early engagement with CoA Horticulture team to ensure the health, amenity and any risks associated with the trees are considered during the design process – this is a special condition in the lease agreement.</li> <li>• The installation of the deck anticipates being a positive enhancement for the trees, by removing hard surfaces around the tree bases.</li> <li>• A small tree at the back of the Kiosk will be removed as part of this proposal.</li> </ul>
<b>Maintain history associated with the Kiosk and Lake</b> <i>Objective 4.2</i>	<ul style="list-style-type: none"> <li>• Front servery proposed to be demolished, to provide greater use of the space.</li> <li>• Paving to be installed in the same location to pay homage to the unique design and shape of the 1960's Kiosk.</li> <li>• Proposal seeks to maintain relationship with rowboats on the lake.</li> </ul>
<b>Toilets</b> <i>Objective 4.4</i>	<ul style="list-style-type: none"> <li>• Kiosk toilets will be available to Kiosk customers and Park Lands users during Kiosk opening hours.</li> </ul>

<b>Access and DDA Compliance</b> <i>Objective 4.4</i>	<ul style="list-style-type: none"> <li>Design to complement the adjacent inclusive playspace (QKIP) with supporting infrastructure to provide an overall experience for Park Land visitors.</li> </ul>
<b>Front Deck</b> <i>Objective 2.3, 3.1, 3.2</i>	<ul style="list-style-type: none"> <li>Constructing a deck in front of the Kiosk will remove tripping hazards and impermeable bitumen surfaces, allowing for greater water absorption for surrounding trees.</li> <li>The new deck will ensure 106m<sup>2</sup> of space already used as outdoor dining is accessible to all.</li> </ul>
<b>CPTED (Crime Prevention Through Environmental Design)</b> <i>Objective 4.4</i>	<ul style="list-style-type: none"> <li>Open a minimum five days a week for breakfast, lunch, and evening service, which will create passive surveillance by being open regularly.</li> <li>Outside of their use, the use of a lighting design suite to highlight the building out of hours will be implemented.</li> </ul>
<b>Building Footprint &amp; Floor Area</b> <i>Objective 3.3, 3.4 5.1, 5.2, 5.3</i>	<ul style="list-style-type: none"> <li>Current Kiosk measurements: <ul style="list-style-type: none"> <li><i>Building footprint 110m<sup>2</sup></i></li> </ul> </li> <li>Proposed Kiosk measurements: <ul style="list-style-type: none"> <li><i>Building footprint: 181m<sup>2</sup> (110m<sup>2</sup> + 71m<sup>2</sup> back of house service area)</i></li> <li>The front deck of 106m<sup>2</sup> has not been included in the building footprint calculation as it is not an enclosed area (criteria of APLBDG).</li> </ul> </li> <li>New back of house storage space allows the current building footprint to be adapted for other uses, inclusion of waste/recycling, public assessable toilets, and staff access amenities.</li> <li>Presents a Park Lands friendly back of house. Hides bin storage and protection from elements.</li> <li>Rooftop extension provides protection to ground front deck from inclement weather. This allows great flexibility to be opened more regularly throughout the year.</li> <li>The Kiosk is located in the lower sunken tier of Rymill Park and the bulk and scale of the proposal sits comfortably within the context of the tree canopy, surrounding elements and provides a balanced approach to the intended use of the building.</li> </ul>
<b>Change of Land Use</b> <i>Objective 3.2, 3.4</i>	<ul style="list-style-type: none"> <li>Proposed Use – kiosk, café, event/function space</li> <li>More services offered from the Kiosk will attract a diverse range of clientele.</li> <li>Park Lands visitors are destination focused, greater variety of offering from the Kiosk, will capture the 'experience seeking' market.</li> <li>Provides a unique space to support events– i.e. Fringe, 3 Day events and Motorsport Board Car Race.</li> <li>Proposal seeks to activate Kiosk for other events at other times of year.</li> <li>Rowboats and other games/toys such as bocce and kites to be available to hire as part of overall activation.</li> </ul>
<b>General site planning requirements:</b> <i>Theme 3: Cultural significance, artistic expression, and interpretation</i>	<ul style="list-style-type: none"> <li>The design seeks to maximise opportunities to create internal and external spaces for artistic expressions and cultural celebration.</li> </ul>
<b>Specific building type requirements:</b> <i>Café and restaurants</i>	<ul style="list-style-type: none"> <li>The proposals architectural form is open to the park setting, whilst still providing shade and shelter throughout the seasons.</li> <li>The roof extension will provide year-round weather protection to ground level of deck.</li> <li>Proposed land use and design aims to activate during key events, with internal and external spaces catered towards small and medium events or performances.</li> <li>Consideration has been given to addressing CPTED principles during trading and non-trading hours.</li> <li>Consideration has been given to recycling and waste management.</li> <li>Toilets will be connected to Glenelg Adelaide Pipeline (GAP) recycle water system.</li> </ul>

## Draft Lease Agreement

23. In 2022, Council agreed in principle to proceed with high level lease conditions which included a proposed lease term not exceeding 21 years. The following section itemises elements that are bespoke to this draft lease agreement as shown in **Attachment B**.

24. Lease Term: 21 years, to be captured as 7+7+7 year lease agreement where the Lessee has the option and right of renewal to commence the next seven-year term. However, if the Lessee does not complete the project and open the Kiosk within 18 months from the Lease Commencement Date, the Lessee will not be entitled to the Renewal Terms, and the lease will revert to a seven-year lease only.
25. Permitted Use: Kiosk, café/restaurant, event/function space combined with prescribed trading hours. This has been designed to allow flexibility of trade and ensure that there are minimum hours of operation to ensure that the Kiosk remains open to the general public and is not closed during the day as a result of private function. This includes remaining open and accessible for all Park Lands users on Fridays, Saturdays, Sundays and Public Holidays between 8:00am and 2:00pm.
26. Rent and Rent Reviews: A market rent assessment will be undertaken by an external independent valuer to determine the annual rent, which will take into consideration the capital investment made by the Lessee. Rental valuations are not captured by this report as they are commercial in-confidence.
27. Rowboats and Lake Access: The Lessee has indicated their desire to maintain the former Rymill Park Lake rowing boats. While the Lessee will manage use of the rowboats on the lake, the lease does not provide for exclusive use of the lake by the Lessee.
28. Council and State Events: The lease agreement (Clause 11.6) acknowledges that the Kiosk is located in an area of the Park Lands that is used regularly for public, major or special events which may limit or restrict the use of and/or access to the Kiosk. It is also acknowledges Council's limitations to influence public, major or special events in or affecting the Park Lands (and the Leased Premises) that are described as a declared event under the *South Australian Motor Sport Act 1984* or *Major Events Act 2013*.
29. To minimise impacts to the Lessee and event organisers in Rymill Park going forward, it is proposed that:
  - 29.1. The draft lease agreement includes a requirement for Council Administration to provide 11 months' notice of any event planned for Rymill Park, where practical.
  - 29.2. The City of Adelaide's Adelaide Events Guidelines is amended to:
    - 29.2.1. minimise event fencing intrusion
    - 29.2.2. preserve line of sight of Kiosk from Bartels Road
    - 29.2.3. maintain access for deliveries from Bartels Road
30. Tree Protection: located on the western side of the proposed leased area, are three Plane Trees. They are not classified as Regulated or Significant Trees; however, their protection is an integral component of the final design and future use of the Kiosk. The lease recognises this, and that Council will remain responsible for all maintenance and that the Lessee will report any damage caused to trees or request for maintenance.
31. Toilets: as part of the proposal, publicly accessible toilets will form part of the overall building footprint. While they will be publicly accessible toilets when the Kiosk is open, they will not be classified as Council public toilets. The Lessee will remain responsible for these toilets including opening/closing, cleaning, servicing and stocking of supplies (toilet paper, soap, handtowel / hand-dryer) to a standard acceptable by Council. The toilets will be plumbed to the Glenelg Adelaide Pipeline (GAP). Council public toilets are located within the adjacent playground (east of Kiosk).
32. Green elements: an integral part of the final design is to incorporate vertical greening around the structure. The Lease recognises that the Lessee is responsible to maintain these elements for the life of the lease.
33. The proposed new facilities will attract significant attention and provide a stronger offering to enable trade not only during the summer seasons but also through winter and cooler days. This should allow the operator to trade at a higher, more consistent level than any previous lessees.

#### **Parallel Council Projects and Major Events in Rymill Park**

34. Since 2019, there have been other Council projects occurring in Rymill Park that have been running in parallel to the leasing of the Kiosk, they include:
  - 34.1. Reimagine Rymill Master Plan (funded in-part by State),
  - 34.2. Updating the revised Community Land Management Plan (CLMP) for Rymill Park, and
  - 34.3. Rymill Park Lake Renewal Works.
35. The timing of the Rymill Park Lake Renewal Works has played a vital role in finalising lease and development negotiations with the CPH Group. This is for two reasons, that being:
  - 35.1. Need to understand final design of the lake works so that CPH Group can align their design to compliment these works, and

- 35.2. An awareness that opening the Kiosk before the lake works, would more than likely shut down a commercial operator (after significant third-party capital investment) for 8-12 months. The premature closure would have a devastating impact on the Lessee.
36. As the design of the Rymill Park Lake Renewal Works has been finalised with Council, and contractor engaged, it is anticipated that the progression of the lease and development negotiations will dovetail this project, with the renovated Kiosk planned to commence in May / June 2024 (subject to receiving all relevant statutory approvals).
37. The below table (Table 2) highlights significant milestones and events to be considered as part of the wider project.

**Table 2: Project Milestones**

November / December 2023	Draft Lease Consultation
February 2024	Consultation Results to Council
March - June 2024	Lease laid before both Houses of Parliament
April / May 2024	Rymill Park Lake Renewal project complete
April 2024	Adelaide Equestrian Festival
May / June 2024	Kiosk ground works commence
July 2024	Sign Lease
February / March 2025	Kiosk works complete

38. Administration is working closely with CPH Group to ensure their works align with the Rymill Park Lake Renewal Works and scheduled events.
39. Council's event team are managing relationships with external event organisers during the project.
40. CPH Group are aiming to open for the 2025 Adelaide Fringe Festival.

#### **Next Steps**

41. In November 2023, subject to Kadaltilla support, Administration will seek Council's:
- 41.1. endorsement of the draft Commercial Park Lands Lease Agreement so that community consultation may be undertaken, and
- 41.2. endorsement of the concept plans for the enhancement of the Kiosk, so that an application for Development Approval may progress.
42. Following Council's endorsement of draft Commercial Park Lands Lease Agreement, consultation will be undertaken in accordance with the LG Act 1999 and Council Consultation Policy.
43. Community consultation is proposed to commence on 24 November 2023 and conclude on 14 December 2023.
44. A further report outlining the results of consultation will be presented to Council in February 2024.

## **Attachments**

**Attachment A** – Concept Plans for Kiosk

**Attachment B** – Draft Commercial Park Lands Lease Agreement