

Kadaltilla

Adelaide Park Lands Authority

North Adelaide Railway Station

**Thursday, 28 November 2024
Board Meeting**

Author:

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City Culture

Public

Purpose

The purpose of this report is to update Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) on the tenancy status of the North Adelaide Railway Station (NARS) in Possum Park / Pirltawardli (Park 1) and seek Kadaltilla's comments or advice in relation to this opportunity to grant occupation of land within the Adelaide Park Lands.

NARS is a State Heritage Place and the third-oldest railway station building in the State.

Following an EOI process in 2022 to place a suitable tenant, the preferred proponent withdrew from consideration in August 2024 due to challenges operating their intended business within the Conservation Management Plan.

To ensure all relevant potential users have an opportunity to apply for a lease or licence over the Community Land held at NARS, Administration will conduct a new EOI process to identify a new tenant in the first half of 2025, encouraging proposals that:

- use the premises to enhance visitors' experiences in the Adelaide Park Lands.
- enhance the heritage characteristics of the premises.
- contribute to the cultural values of the Adelaide Park Lands.
- improve access to the premises including the rear 'yard'.

Proposals will be required to align with the Adelaide Park Lands Management Strategy, Adelaide Park Lands Community Land Management Plan and the NARS Conservation Management Plan.

The EOI results will be presented to Kadaltilla and Council for approval to enter into lease negotiations with a preferred tenant.

Placing a new tenant through the EOI process can take between 12 and 24 months depending on the level of fit-out and modification required. In order to avoid the site remaining vacant during this process, Administration proposes to activate the premises in the interim through a 12-month Lease Agreement with Renew Adelaide. Renew Adelaide has previously assisted the City of Adelaide in tenancing commercial properties in areas such as Topham Mall.

Recommendation

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Notes the tenancy status of the North Adelaide Railway Station in Possum Park / Pirltawardli (Park 1) and the proposed approaches to activating the premises in the short and long term.
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Implications

Adelaide Park Lands Management Strategy 2015-2025	Adelaide Park Lands Management Strategy 2015-2025 5.3 Demonstrate best practice in managing heritage assets. This report recommends the utilisation of the North Adelaide Railway Station (NARS), a State Heritage Place.
2023-2028 Strategic Plan	Kadaltilla / Adelaide Park Lands Authority 2023-2028 Strategic Plan Strategic Plan Alignment – Expert Advice Key Action 4.1 - Provide advice on plans, projects, and policies for the Adelaide Park Lands.
City of Adelaide Strategies	This report aligns with the Adelaide Park Lands Community Land Management Plan (CLMP) and 'providing commercial (hospitality) offerings, in the form of a restaurant, golf-course, kiosk and the North Adelaide Railway Station'.
Policy	This report is consistent with the Adelaide Park Lands Leasing and Licensing Policy 2016 and Section 13.1, which stipulates that a new lessee will be selected through an Expression of Interest (EOI) in the case of a vacant building.
Consultation	An EOI process was conducted between March and April 2022, and this report recommends that a new one be conducted in the first half of 2025.
Resource	The leasing of NARS will be managed utilising existing resources.
Risk / Legal / Legislative	A Conservation Management Plan has been commissioned to ensure compliance with relevant planning and heritage regulations regarding future upgrade proposals for NARS. An Expression of Interest (EOI) is a method whereby new or vacant Council/Community Property/Land is made available to an open market for the purpose of leasing in accordance with the <i>Local Government Act 1999</i> Section (202).
Design	The forthcoming EOI for leasing NARS will refer to the NARS Conservation Management Plan and Adelaide Park Lands Management Strategy to inform initial occupation ideas and proposals.
Opportunities	The utilisation of NARS will enable community engagement with a heritage asset and contribute to the diverse experiences offered throughout the Adelaide Park Lands.
City of Adelaide Budget Allocation	Not as a result of this report
Capital Infrastructure Projects	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	This report discusses short-term (12 months) and long-term leasing opportunities.
Ongoing Costs (eg maintenance cost)	In the short term, maintenance responsibilities will remain with the City of Adelaide, and future responsibilities will be negotiated.
Other Funding Sources	The EOI will seek interest from the community to invest in the preservation and enhancement of NARS.

Discussion

North Adelaide Railway Station – Site Context

1. The North Adelaide Railway Station (NARS) is a State Heritage Place (SHP 13657) located in Possum Park / Pirltawardli (Park 1).
2. Opened in 1857, NARS is the third-oldest railway station building in the State and the only surviving original station building on the Adelaide to Gawler line.
3. It is a unique Victorian-style building that combines a four-room cottage with the Station's business functions under one roof.



4. The site incorporates off-street parking to the north and a large enclosed 'yard' to the south, and is adjacent to the Adelaide Park Lands Trail, North Adelaide Golf Course, Park Terrace Community Garden and Mary Lee Park Activity Hub.



5. NARS functions primarily as a destination location rather than a high-traffic, walk-by site, relying on events, attractions, and amenities to draw people in rather than spontaneous foot traffic.

Previous Leasing Arrangements and Negotiations

6. The last Lease Agreement for NARS was for Red House Vintage, a commercial café and retail store that commenced in 2014 and ceased operations in 2019.
7. In March 2020, Council resolved to lease NARS to the Kaurna Yerta Aboriginal Corporation (KYAC) to establish a Kaurna Community Hub.
8. In August 2021, KYAC wrote to Administration advising that they would not pursue the NARS leasing opportunity.
9. Between March and April 2022, an Expression of Interest (EOI) process was undertaken for leasing NARS.
10. Applications to lease NARS were received from the following organisations:
 - 10.1. Creative Hospitality Group.
 - 10.2. SA 'N' Gauge Society Inc.
 - 10.3. Lighthouse Youth Projects Inc.
 - 10.4. North Adelaide Society Inc.
11. The Creative Hospitality Group was selected as the successful applicant, and Administration worked with the applicant to finalise their business proposal and lease terms and conditions.
12. In September 2023, the City of Adelaide commissioned a Conservation Management Plan (CMP) for NARS. The CMP imposes several restrictions, including limitations on removing walls or altering the building's overall layout.
13. The CMP's findings presented operational challenges for the successful applicant, and in August 2024, the Creative Hospitality Group withdrew from the EOI process.
14. Currently, the City of Adelaide's Horticultural Team is utilising the building for day-to-day operations.

Future Leasing Opportunities – Short Term

15. The Adelaide Park Lands Leasing and Licensing Policy 2016 (Policy) stipulates that a new lessee will be selected through an EOI process in the case of a vacant building.
16. The Policy also enables Administration to grant a lease for up to 12 months without undertaking an EOI.
17. Following the EOI process through to placing a new lessee in NARS is likely to take 12 to 24 months, depending on the level of improvements the successful applicant proposes and the desired length of the lease term.
18. Acknowledging this timeframe, Administration is exploring short-term (up to 12 months) occupation of NARS, including opportunities such as:
 - 18.1. An artist's studio and exhibition space.
 - 18.2. An event space for cultural performances, festivals and workshops.
 - 18.3. A food and beverage / café offering.
 - 18.4. An educational, cultural or interpretation hub.
19. These short-term activations are envisaged as low or no-rent arrangements, providing opportunities for not-for-profits or social enterprises.

Renew Adelaide

20. Renew Adelaide is a not-for-profit organisation that specialises in creating opportunities for emerging businesses to occupy untenanted properties.
21. Renew Adelaide has previously inquired about NARS's tenancy status. Following recent discussions and a site visit, Renew Adelaide has submitted a proposal to enter into a 12-month Lease Agreement with the City of Adelaide to activate NARS. Their proposal is contained in [Link 1](#).
22. Renew Adelaide has previously assisted the City of Adelaide in tenancing commercial properties, and Administration intends to enter into a 12-month Lease Agreement with Renew Adelaide for NARS.

Future Leasing Opportunities – Medium to Long Term

23. In the first half of 2025, Administration will conduct an EOI process in accordance with Policy to identify a suitable medium to long-term lessee for NARS (ie five-year or longer lease terms).
24. Proposals will be required to align with the Adelaide Park Lands Management Strategy, Adelaide Park Lands Community Land Management Plan and the NARS Conservation Management Plan.
25. Proposals will be encouraged that:
 - 25.1. use the premises to enhance visitors' experiences in the Adelaide Park Lands.
 - 25.2. enhance the heritage characteristics of the premises.
 - 25.3. contribute to the cultural values of the Adelaide Park Lands.
 - 25.4. improve access to the premises including the rear 'yard'.

Next Steps

26. Administration will enter into a 12-month Lease Agreement with Renew Adelaide for immediate occupation of NARS.
27. In the first half of 2025, Administration will conduct an EOI process for longer-term occupation of NARS.
28. The EOI results will be presented to Kadaltilla / Adelaide Park Lands Authority and Council for endorsement and approval to enter into lease negotiations with a preferred tenant.

Attachments

Nil

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