

North Adelaide Railway Station Review

Strategic Alignment - Our Community

Public

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City Community Services and Culture Committee

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EXECUTIVE SUMMARY

The purpose of this report is to update Council on the tenancy status of the North Adelaide Railway Station (NARS) in Possum Park / Pirltawardli (Park 1).

NARS is a State Heritage Place and the third-oldest railway station building in the State. Following an Expression of Interest (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 in the first half of 2025 in accordance with the Adelaide Park Lands Leasing and Licensing Policy (2016). Proposals will be encouraged 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 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. To avoid the site remaining vacant during this process, Administration may, under delegation, activate the premises in the interim through a 12-month Lease Agreement. This report proposes a 12-month lease for the North Adelaide Railway Station to Renew Adelaide, subject to Administration considering the impact on city residents prior to approving any sub-leasing proposals. Renew Adelaide has previously assisted the City of Adelaide in tenancing commercial properties in areas such as Topham Mall.

A report on this matter was presented to Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) on 28 November 2024. At this same meeting, Kadaltilla received a deputation from a city resident who expressed concerns relating to the use and condition of NARS. These concerns will be assessed and addressed prior to entering into a short-term Leasing Agreement.

RECOMMENDATION

THAT THE CITY COMMUNITY SERVICES AND CULTURE COMMITTEE

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.
2. Notes that Administration will conduct an Expression of Interest process in 2025 for the long-term leasing of the North Adelaide Railway Station as per the Adelaide Park Lands Leasing and Licensing Policy (2016).
3. Notes that in the interim, Administration will grant a 12-month lease for the North Adelaide Railway Station to Renew Adelaide, subject to Administration considering the impact on city residents prior to approving any sub-leasing proposals.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Community An inclusive, equitable and welcoming community where people feel a sense of belonging.
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. This requirement does not apply to leases granted for 12 months or less.
Consultation	An EOI process was previously conducted between March and April 2022. This report recommends that a new EOI be conducted in the first half of 2025.
Resource	The leasing of the North Adelaide Railway Station (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 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 Local Government Act 1999 Section 202.
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.
24/25 Budget Allocation	Not as a result of this report
Proposed 25/26 Budget Allocation	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.
24/25 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	The City of Adelaide is responsible for maintaining NARS regardless of its use. Once leased, the Lessee will be responsible for all outgoings (e.g. electricity and water use).
Other Funding Sources	Rental income and potential third-party investment in a community asset will be considered in future long-term leasing proposals.

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. The unique Victorian-style building was designed to incorporate 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. This requirement does not apply to leases granted for 12 months or less.
16. The process of conducting an EOI and 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.
17. Acknowledging this timeframe, Administration is exploring short-term (up to 12 months) occupation of NARS, including opportunities such as:
 - 17.1. An artist's studio and exhibition space.
 - 17.2. An event space for cultural performances, festivals and workshops.
 - 17.3. A food and beverage / café offering.
 - 17.4. An educational, cultural or interpretation hub.
18. These short-term activations are envisaged as low or no-rent arrangements, providing opportunities for not-for-profits or social enterprises.

Renew Adelaide –Leasing Opportunity (12 Months)

19. Renew Adelaide is a not-for-profit organisation that specialises in creating opportunities for emerging organisations to occupy untenanted properties.
20. Their strategy typically involves acquiring a 12-month lease over a property, during which time they sublease spaces to tenants seeking to test the viability of their business or community ideas. This approach supports short-term activation while fostering opportunities for long-term tenancies.
21. Renew Adelaide has previously expressed interest in the tenancy status of NARS. Following recent discussions and a site visit, they formalised their interest by submitting a proposal to the City of Adelaide for a 12-month Lease Agreement. As part of this proposal, Renew Adelaide intends to sublease the premises, which would use the opportunity to trial a business or community initiative at the site. Renew Adelaide's proposal and an example of a potential sub-letting arrangement is provided at [Link 1](#).
22. Renew Adelaide has successfully partnered with the City of Adelaide in the past to activate commercial properties.

Future Leasing Opportunities – Medium to Long Term

23. Concurrent to the short-term leasing arrangement with Renew Adelaide, Administration will commence an EOI process in the first half of 2025, in accordance with Policy, to identify a suitable long-term lessee for NARS (eg five-year or longer lease terms).
24. Proposals submitted through the EOI process 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 (CMP).
25. Proposals will be encouraged to:
 - 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'.
26. All EOI submissions will be presented to Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) and Council for the approval of a preferred applicant.

Kadaltilla / Adelaide Park Lands Authority

27. On 28 November 2024, Kadaltilla received a deputation from a city resident who expressed concerns relating to the use and condition of NARS.
28. At this same meeting, Administration presented a report to Kadaltilla on the proposed approaches to leasing NARS.
29. In considering this matter, Kadaltilla resolved:

'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.*
 2. *Notes concerns expressed in a Deputation to Kadaltilla.'*

Response to Concerns Raised

30. Following the deputation, Council's Facilities Maintenance team conducted an inspection of NARS. The team identified minor maintenance issues, which have since been addressed. Overall, the building is in good condition, with no concerns regarding its structural integrity. A detailed report on the inspection is available at [Link 2](#).
31. Administration will ensure that any sublease proposed by Renew Adelaide for NARS complies with the following requirements, under City of Adelaide Planning Code:
 - 31.1. The permitted use of NARS
 - 31.1.1. Retail, including the sale of food and beverages
 - 31.2. The approved hours of operation for NARS
 - 31.2.1. 7.00am to 6.00pm Saturday to Wednesday
 - 31.2.2. 7.00am to 9.00pm Thursday and Friday
 - 31.3. Environmental and noise management standards.

Next Steps

32. Administration will enter into a 12-month Lease Agreement with Renew Adelaide for immediate occupation of NARS.
 33. In the first half of 2025, Administration will conduct an EOI process for longer-term occupation of NARS.
 34. The EOI results will be presented to Kadaltilla and Council for endorsement and approval to enter into lease negotiations with a preferred tenant.
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DATA AND SUPPORTING INFORMATION

Link 1 – Renew Adelaide Proposal

Link 2 – North Adelaide Railway Station Property Inspection – December 2024

ATTACHMENTS

Nil

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