



BEECHWORTH GOODS SHED & RAILWAY STATION

COMMERCIAL TENANCY EXPRESSION OF INTEREST

AUGUST 2021



Introduction

A once in a generation opportunity to develop a foundation enterprise in the heart of one of Victoria's premier destinations is now available. Indigo Shire Council is seeking an exceptional tenant (or tenants) to reimagine the commercial and social potential of the Beechworth Railway Precinct. Council invites ambitious and exciting enterprises that will add value to our community through a creative and compelling commercial offer. Council is excited to work with people who bring new energy and ideas to help create a space for our Community and our visitors to feel connected and inspired. Together, we will create a place of pride for our community and activate a precinct that will be treasured for generations.

The groundwork has been done in preparation for the right operator(s) to establish the Beechworth Railway Precinct as a dynamic community and tourism hub.

The properties on offer provide a ground floor entry point with extensive scope to realise the commercial potential of this as yet untapped, public area. Centrally located and surrounded by established recreation facilities and green field open spaces, Indigo Shire Council is excited to offer two exceptional buildings to activate this precinct. Council will work closely with prospective businesses to identify further support opportunities to optimise enterprise viability and accelerate site activation through your big, bold ideas.

Council is seeking Expressions of Interest from parties interested in leasing key precinct buildings including the recently refurbished Beechworth Goods Shed and the adjacent Beechworth Railway Station. The buildings are offered under independent lease agreements or may be combined within a unified lease arrangement. Council's intention to activate the Railway Precinct as a significant tourism destination would favour expressions that have a clear approach to utilising the building assets to unlock significant tourism and community potential.

Activation of the sites is a key objective of Council's [Beechworth Railway Precinct Masterplan](#). The sites sit opposite one another flanking the popular Murray to Mountains Rail Trail at the trail head of the Beechworth section. The buildings are in close proximity to other active recreation spaces including the Beechworth Croquet Club and Beechworth Skate Park, local Senior Citizens Club and parkland areas.

The extension of the Beechworth to Yackandandah Rail Trail will further enhance the precinct's offer as a key tourism destination, with thousands of cyclists and walkers using the trail each year.

The Beechworth Goods Shed

In 2020, the Beechworth Goods Shed underwent an extensive refurbishment, with the Federal Government and Indigo Shire contributing almost \$600,000 to the project.

The shed is a historically significant building, with the capacity to support a number of uses, including community, commercial and cultural activities.

The building has a floor area of approximately 314 square meters (refer Appendix 3 – Site Plan). The land is zoned PPRZ (Public Park and Recreation Zone) for planning purposes and applicable for continued commercial use subject to the type of commercial use proposed. The property is also subject to a Heritage Overlay (HO388). It is serviced by town water, sewerage and electricity.

The Beechworth Railway Station Building

The former Beechworth Train Station is a timber and steel building of approximately 86m² bounded and 72m² unbounded (verandas) in Harper Avenue Beechworth, Victoria 3747.

The building is located on land covered by the provisions of the Public Park and Recreation Zone (PPRZ). Details of the provisions of this zone are contained within Clause 36.02 of the Indigo Shire Planning Scheme.

The building is supported by a 4.7kW solar power system.

Both buildings are located on Crown land reserved for Public Purposes (Rail Trail) and is under the management of Council. Any lease would require the consent of the Crown which would require the proposed use to be for public purposes.

Some proposed uses may require a planning permit. In most cases, where a Planning Permit is required to use land in the PPRZ, the use must be associated with the public use of the land.

The entire site is also subject to Heritage Controls and includes site specific overlays, as well as Aboriginal Cultural Heritage Sensitivity. This may be relevant if the internal or external building modifications are proposed.

Council is seeking EOIs from parties proposing a business or activity that will complement the precinct, activate the spaces and create jobs.

Council will work closely with the successful applicant to help achieve their objectives and realise the full potential of the site. Council will enter into discussions with the preferred applicant to ensure an amicable approach to lease terms are supportive of an innovative and progressive use of these buildings. Council may assist by identifying and facilitating further funding opportunities through Council and other State or Federal Government departments and agencies. Lease arrangements will be supportive of a sustained enterprise.

Lease Terms & Conditions

Council is open to any lease term and options that support a best value return to Council.

Council is the committee of management and formal land manager on behalf of the Crown under the Crown Land Reserves Act 1978.

As such, Council may consider the issue of a lease under the Crown Land Reserves Act 1978. Any lease would require approval of both Council and the Minister of Department of Environment, Land, Water & Planning (DELWP). In-principle support from DELWP for the Expression of Interest (EOI) process has been received in writing.

Any proposed use would need to be in accordance with the purpose of the crown land reservation and Council's Planning Scheme.

All outgoings such as power, water, telecommunications, garbage charges, contents insurance and minor maintenance costs to be met in full by the tenants.

For a commercial tenant, an insurance policy against loss or damage to the premises by fire, storm and/or tempest must be kept current for the term of any lease. A public risk policy of not less than ten million dollars (\$10,000,000) must also be kept current for the term of any lease. The policy must indemnify the Council against actions, suits, claims or demands of any kind.

Depending on the successful application, maintenance responsibilities would vary and be subject to negotiation. All maintenance of a major or structural nature will be the responsibility of Council.

A commercial lease on a property may create a rateable assessment where rates are payable including garbage and Fire Service Levy. However, community based not-for-profit organisations are generally exempt from the general rate. Council will consider what rates and charges would apply in consideration of particular proposal.

What you need to do

Provide a response to the following:

1. Proposed lease agreement including term of lease and annual rent. If your intention is to rent both premises then please combine your proposal as a single submission.
2. Proposed usage and how usage supports:
 - a. Employment in Indigo Shire
 - b. Council plans and strategies including:
 - i. Beechworth Railway Precinct Land Management Plan
 - ii. Economic Development Strategy (2018/19 - 2022/23)
 - iii. Destination Game Changer 2023 Tourism Strategy
3. Proposed capital improvements (as required) and approach to:
 - a. Managing heritage considerations at lease entry and exit
 - b. Self-funding or attracting government funding (as required)
4. Evidence of tenant's capacity to sustain the proposed tenancy including letters of support or any other supporting documentation relevant to the EoI.

What Council will do:

1. Provide a key for inspections
2. Provide further information upon enquiry
3. Short list preferred tenant(s)
4. Interview shortlisted tenant(s) to determine a recommended tenant for Council endorsement
5. Manage Council endorsement process
6. Develop a commercial lease with the preferred tenant subject to Council endorsement
7. Handle all property matters with the new tenant and on behalf of DELWP

EOI Evaluation

Council will form a selection panel to evaluate all submissions to select the preferred tenant for recommendation to Council; based upon the following weighted criteria:

Best value to Council

Council seeks to maximise financial return with regard to annual rent and lease duration. It is noted that a concessional agreement may be entered into by negotiation to derive a desirable mutual outcome.

Economic value add

Qualify the operation’s contribution to Indigo’s economy in terms of new jobs created, strengthening local supply chains, investment and financial outputs or other economic measures.

Capital Improvements

With consideration to heritage and statutory guidelines, any sustainable and valuable capital improvements to the building(s) that improve market value and are delivered through a sound funding model will be favoured.

Experience

Demonstrated experience in operating and sustaining an enterprise that is similar to that proposed or other relevant experience and credentials.

Supporting Council plans and strategies

Demonstrate how the proposed enterprise supports Council’s efforts to deliver the following:

- Beechworth Railway Precinct Land Management Plan
- Economic Development Strategy (2018/19 - 2022/23)
- Destination Game Changer 2023 Tourism Strategy
- Environment Strategy 2019

Scores will be weighted as:

- | | |
|---|-----|
| • Best value to Council | 20% |
| • Economic value add | 20% |
| • Proposed Capital improvements | 20% |
| • Experience | 20% |
| • Supporting Council plans and strategies | 20% |

Council will accept EoIs for lease Agreements for individual buildings or as a unified Agreement for both buildings. Council will favour proposals that best satisfy the evaluation criteria to activate the Railway Precinct as a tourism and recreation destination with respect to the buildings’ heritage and cultural significance and in accordance with relevant statutory compliance. Council is committed to achieving an exceptional outcome for the precinct and reserves the right to withhold appointing a tenant throughout this process in pursuit of the best outcome for our Community.

Establishment Details

Organisation name:	Indigo Shire Council
EOI title:	Expression of Interest – New Commercial Tenant for Beechworth Goods Shed

Organisation Contact

Contact Person	
Name:	Guy Wilkinson
Position title:	Economic Development and Investment Coordinator
Contact details:	Phone: 5728 8058 Email: guy.wilkinson@indigoshire.vic.gov.au

Alternative Contact Person	
Name:	Paul McLachlan
Position title:	Manager Assets & Property
Contact details:	Phone: 1300 365 003 Email: paul.mclachlan@indigoshire.vic.gov.au

Closing time for EOI

Australian daylight saving time	5pm, Friday 15 October 2021
---------------------------------	------------------------------------

Lodgement Details

Softcopy lodgement only	
email address	info@indigoshire.vic.gov.au
Information to be in title of email	All email applications must be titled with "EOI – New Commercial Tenant for Beechworth Goods Shed"

Acceptance of Expressions of Interest

Council at its absolute discretion will select the preferred tenant(s) for interview.

A resolution of Council is required before Council will enter into a lease arrangement with the preferred tenant.

Council reserves the right to not accept any or all EOI's that may be submitted.

