



CITY OF PALMERSTON LIBRARY CAFÉ

FOR LEASE BY EXPRESSION OF INTEREST

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INTRODUCTION

City of Palmerston invites Expressions of Interest (EOI) from qualified and experienced operators interested in leasing the café space located at Lot 12964, The Boulevard, Palmerston, adjacent to the City of Palmerston Library.

This is an exciting opportunity to establish or expand a café business in a central and vibrant location within the Palmerston community.





EOI for leasing the Palmerston library café space (Lot 12964) with City of Palmerston.

- Release Date: Friday 6 June 2025
- Submission Deadline: 5pm ACST Monday 30 June 2025

EXECUTIVE SUMMARY

The Lease Opportunity

Located in a prime position being annexed to the City of Palmerston library, an innovative entrepreneur will have the opportunity to be part of the City of Palmerston's exciting future.

City of Palmerston is seeking EOI's from individuals or businesses looking for an outstanding opportunity to contribute to, and benefit from, the activation of the Palmerston CBD.

The premises is considered a prime location for a café due to its proximity to key amenities, however the central business zoning allows a significant number of commercial and other uses. A café at this location can meet the high demand for dining and coffee options, particularly during peak office hours, benefitting office workers, residents and library visitors. Exploring business models, balancing commercial viability and community benefit is crucial, including leasing to a private operator or social enterprise to address local needs.

Lease

Council has endorsed that a standard commercial lease will be offered as follows:

- Three by three-year lease term.
- Rental income payable to be a minimum of \$33,000 p.a.
- Preference given to hospitality business.
- A social enterprise be offered up to a 50% discount on rental and/or profit-sharing arrangement.
- Annual rental increase being CPI capped at 3%.
- Minimum operating hours, if a café or similar hospitality use, being Monday to Sunday, 7am–3pm.

The Opportunity

The location of Lot 12964, the Boulevard, Palmerston, offers a unique opportunity for the establishment of a hospitality business, particularly a café. Situated near a variety of government department offices, a library, a recreation centre and a hotel complex, the area experiences a steady flow of foot traffic throughout the day.

The café space was leased from July 2020 to 31 July 2024, and City of Palmerston is seeking a new lessee to operate a café that complements the library and surrounding business precinct.

While the site holds potential as a commercial enterprise, there is an option for the establishment of a social enterprise which not only fosters economic activity but also prioritises social impact and community empowerment.



City of Palmerston seeks to:

- Enhance the vibrancy and activation of the area around the library.
- Provide a high-quality café experience that aligns with the needs and preferences of library users, residents, local businesses, and visitors.
- Ensure the café operates with hours that align with the library's operations and community demand.
- Create a vibrant economy which is a key component of Council's Community Plan, making Palmerston a destination city for employment and as a place where businesses are encouraged to set up and grow.

KEY INFORMATION

Premises Name

The successful operator will have the opportunity to propose a name for the café. To ensure alignment with the character and values of City of Palmerston and the library precinct, Council requests that the operator submit a shortlist of up to five (5) potential names for consideration. Council will work collaboratively with the operator to agree on a final name prior to the commencement of operations.

Address

The café is located at Lot 12964, The Boulevard, Palmerston, adjacent to the City of Palmerston Library.

Lease Area

Indoor area of approximately 60m², covering both kitchen and customer seating area indoors. There is also undercover seating outside in the terrace (refer to Appendix 2 – Floor Plan).

Lease Term

The lease is offered for a period of three (3) by three (3) year lease term with the potential to negotiate a right of renewal.

Lease Fee

Rental is subject to negotiation as part of the EOI process. Council is looking to achieve a fair commercial return on this building with a rental income minimum of \$33,000 p.a.

A social enterprise be offered up to a 50% discount on rental and/or profit-sharing arrangement.

Annual rental increase being CPI capped at 3%.

Commencement Date

Council anticipates the tenant to commence occupancy from 1 October 2025. This date can be further negotiated by the successful applicant.

Permitted Use

Café and catering business operating within the premises.

Trading Hours

Hours are to be a minimum of 7am to 3pm daily. Further extension to these hours will be considered favourably.

Cuisine

The café is expected to offer a range of fresh, high-quality food and drinks that appeal to a variety of customers. Options should cater for both takeaway and dine-in patrons, with a mix of meals, snacks and beverages.

Liquor Licence

There will be no liquor licence available.

Toilets

The site is located adjacent to public amenities, including a toilet facility which meets current accessibility standards. These facilities are maintained by City of Palmerston.

Fixtures/Fit-Out

The café space is currently in the process of being renovated. Please refer to the proposed plans attached for more information.

The initial refurbishment includes:

- Removal of internal linings; new ceilings, freshly finished floors and painted wall linings.
- Newly established connection with the main library space.
- Basic commercial kitchen including electric cooktop, rangehood and grease trap.
- Café to meet all standards, codes and regulations.

City of Palmerston is committed to delivering a functional and well-presented café space. The premises will initially be delivered as a *soft shell*, featuring a comprehensive wiring upgrade and a modern ventilation system to ensure the space is ready for further fit-out.

Any further adjustment to the existing fit-out, or any additional fixtures, features and amenities, including the installation of a commercial kitchen, will be at the operator's instigation and expense, with Council approval required.

Following the selection of a successful operator, Council will discuss further investment and upgrade opportunities in the completion of a functional café space, including a full kitchen fit-out, with the successful operator. While the operator may have limited input into the final kitchen design and internal layout, Council will work collaboratively to ensure the space meets operational needs.

The anticipated works will commence after the operator's appointment, with a completion timeline of approximately three months. Upon handover, the operator will be responsible for providing all necessary non-fixed assets, including but not limited to:

- Tables and chairs.
- Coffee machines.
- Point-of-sale systems.
- Decorative or branding elements, subject to Council approval.

Any adjustment to the existing fit-out, or any additional fixtures, features and amenities, including the installation of a commercial kitchen, will be at the operator's instigation and expense, with Council approval required.

Storage

Minimal internal storage will be available within the café space. Additional dry storage is not included as part of the initial agreement. However, Council is open to discussing storage needs with the successful operator. Options for additional storage may be considered in consultation with the operator to support operational requirements.

Security

Installation of a security system will be at the operator's expense.

Internet

Operator to arrange own business Wi-Fi, including any requirements relating to POS/EFTPOS.

Insurance

It is the responsibility of the operator to ensure that they have current insurance policies for public liability of \$20m.

Outgoings

All outgoing relating to the premises are the responsibility of the operator.

Building Maintenance

General building maintenance is the responsibility of City of Palmerston. Repair of damages caused by the operator, or its subcontractors, will be the responsibility of the operator.

Cleaning and Waste Management

Cleaning of the premises (including access pathways) and removal of waste is the responsibility of the operator.

Food Safety/WHS

Operator is required to meet all legal requirements for environmental health inspections and food and safety regulations, including food registration certificate, and maintain a safe workplace.

Fire Safety

The operator is also responsible for maintaining fire and safety equipment within the premises, in line with legislative requirements.

Car Parking

Public car parking is available within approximately 50m of the site. Loading bays are available adjacent to the library and recreation centre. The lease will not include specified car parking bays.

Guarantees

Council provides no commercial guarantees in relation to the premises or lease.

Bond

A security bond will be negotiated, in line with normal commercial practice.



PROCESS

Interested parties are invited to submit their interest in leasing the café space under the following conditions:

- Location: the café is located at Lot 12964, The Boulevard, Palmerston.
- Lease term: the lease term is negotiable but is expected to be for an initial period of three (3) by three (3) year with potential options for renewal.
- Fit-out: the café space is equipped with basic fixtures suitable for a food and beverage operation. The lessee will be responsible for any additional fit-out requirements.
- Operating hours: minimum of 7am to 3pm daily to align with library's operations and community activity.

Submission Requirements

Interested operators must provide the following information in their EOI submission:

- Business proposal: outline the concept, menu offerings, and vision for the café.
- Experience: provide details of relevant experience in operating similar business.
- Financial capability: demonstrate financial capacity to undertake and sustain the lease. E.g. 3-year cash flow forecast or financial statements (if an existing business).
- Operating plan: include proposed operating hours, staffing, and marketing strategies.
- References: provide at least two professional references.

Evaluation Criteria

Council endorses the key factors to be considered for the assessment of offers to align with [Councils Lease of Council Property Policy](#), and include the following commercial considerations:

- Type of offering.
- Local economic impact.
- Support of community plan outcomes.
- Value add proposition.
- Alignment with the objectives outlined in this document.
- Quality and viability of the business proposal.
- Relevant experience and track record.
- Financial capacity to deliver the proposed service.
- Proposed operating plan and its alignment with community needs.

Submission Process

All submissions must be received by 5pm ACST on Monday 30 June 2025. EOIs must be submitted electronically to ecodev@palmerston.nt.gov.au or delivered in hard copy to:

City of Palmerston

Civic Plaza, 1 Chung Wah Terrace, Palmerston

For any enquiries or further information, please contact Matthew McNamara, City Activation Manager on 08 8935 9922.



APPENDICES

Appendix 1 – City Snapshot

Palmerston – A Place for People

Palmerston is a major regional city in the Territory hosting approximately 15% of the Territory's entire population. ABS Census 2021 data show Palmerston's population at 39,405, and projects an increase to 49,109 in 2030-31. Palmerston is one of the fastest growing local government areas in the Territory.

Economic analysis by Deloitte Access Economics identified key advantages in Palmerston, presenting economic opportunities for Palmerston across local, regional and national economies. The chart below indicates these key advantages.



The Palmerston economy is predominantly small to medium businesses, making up 97% of all business registrations in Palmerston.

With over 50% of Palmerston's registered businesses being sole operators, a focus on business development and capacity building services and support is an important strategy for developing the local economy.

Appendix 2 – Floor Plan



Appendix 3 – Registration Form

EOI REGISTRATION FORM

Contact Details

Company Name: _____

Company Address: _____

Contact Name: _____

Email Address: _____

Phone Number: _____

Summary

Outline your food and beverage business concept.

Response To Criteria

What's your vision and ambition for the activation of the library café?

How does your type of activity and available offering/s complement the library café?

What is your previous food and beverage experience?

What will be your food and beverage offering? Please provide approximate pricing

Supporting Documentation

Please attach financial capability to demonstrate financial capacity to undertake and sustain the lease. E.g. 3-year cash flow forecast or financial statements (if an existing business).

Please attach at least two professional references.

Please specify any other documentation attached to your EOI submission.

I/We confirm that I/We have read and accepted the terms and conditions for the City of Palmerston Library café.

Name:

Date:

Signature:

Special Conditions Required If Any:

Disclaimer

City of Palmerston reserves the right to accept or reject any or all submissions, and to negotiate with any party as it sees fit. This EOI process does not constitute a tender or offer of any kind.