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Annual Report

2014/2015





Introduction

A LETTER FROM CHAIRPERSON STEVE MARAS & CEO LILY JACOBS

It's been another superb year for Renew Adelaide.

We worked with 12 new property owners during the FY14/15 financial year, and saw 40 new projects and businesses set up across the Adelaide City and down at Port Adelaide.

More than 100 young entrepreneurs were involved in Renew Adelaide projects during the year, and we generated over 150 articles about the positive activity happening in our State.

Deloitte Access Economics completed a Cost Benefit Analysis of the program, demonstrating a positive return to the State in the order of \$2.50 for every \$1.00 spent. There truly are positive benefits to private business, government and entrepreneurs working together.

I'd like to acknowledge the importance of our partnerships with Renewal SA in the Adelaide City and Port Adelaide, and with the Adelaide City Council.

The range of interesting projects we worked on in the last year is just phenomenal. From music bar Vinyl in a heritage building that had been vacant for 20 years, to the series of events held in a warehouse on Waymouth Street that brought life to the West End.

We also expanded our services to repositioning not just individual buildings but precincts or streets – from the 7 shops placed in Regent Arcade to the activation of Topham Mall through 5 small businesses and an engaging redesign of the Mall. We create interesting spaces in order to encourage development in our city.

We saw a number of projects mature and take commercial leases, and others test their idea, pivot, and try something new. What is clear is that everyone who is part of the Renew Adelaide program gets an amazing opportunity to grow their ideas, to learn skills, and to build confidence that they can

Their vision and backing of our work is driving real change in our State and I sincerely thank them for their ongoing support.

I especially want to thank our tremendous volunteer Board, our fabulous operations team, our many great sponsors, pro bono supporters, and everyone else who volunteers and puts in the time and effort into making Renew Adelaide the terrific organization that keeps making Adelaide a better place.

On a personal level, after four and a half years of being involved with Renew Adelaide including two wonderful years each as Deputy Chair and then Chair, I now pass on the baton in the knowledge that Renew Adelaide is in a great place and will continue to drive exciting and progressive change in our great State.

STEVE MARAS

do what they set their mind to.

We've worked closely with our funding partners Renewal SA and Adelaide City Council to deliver on their strategic objectives and be part of the vision for the new Adelaide. It's been very satisfying to collaborate with so many property owners, established members of the business community, entrepreneurs and creative thinkers as part of this vision.

To all our supporters and sponsors, projects, the board and the team – thank you. What an amazing time.

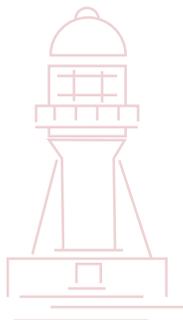
LILY JACOBS

FY1415 Impact & Outcomes



PRECINCT AREAS

- Riverbank to Market
- Rundle Mall
- West End of Adelaide



- St Vincent St & Commercial Rd,
- Port Adelaide Hart's Mill

116

Entrepreneurs supported

24 entrepreneurs were 25 or under.



40

Projects

Creative start-ups spend 10 months on average in our space.



17 Retail



**7 Event/
Performance**



1 Gallery



**7 Bar /
Hospitality / Café**



8 Studio / Office

COMMERCIAL OUTCOMES

5

5 indirect commercial outcomes

4

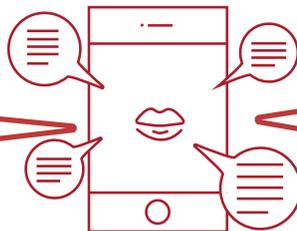
4 commercial conversions into leases

6

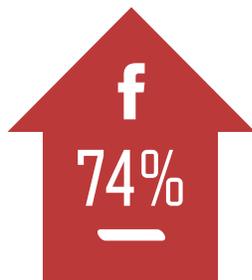
6 commercial assistance into a lease

ENGAGEMENT

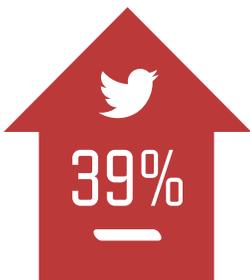
91,377 website visits in 2014/2015 year



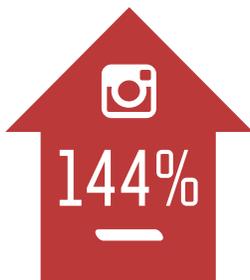
13 531 followers across all social media platforms



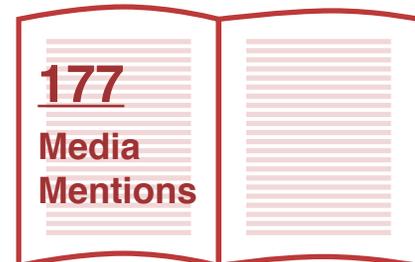
74% increase in Facebook followers



39% increase in Twitter followers



144% growth in Instagram followers



EVENTS

8325 event attendees

5825 attendees at RA launch events
2500 attendees at start-up run events



Case Studies

REGENT ARCADE

Renew Adelaide worked with Ginos Group to activate Regent Arcade in line with their new strategic direction. In late July 2014 we saw the launch of 7 new shops on the Renew Adelaide model – Average Cat (streetwear), Closet Mod (60s style clothing), Created Range (locally designed streetwear and art), Boo&Who (gifts and flowers), Have You Met Charlie? (jewellery and homewares), Potted Thoughts (potted plants) and Sarah Rothe Jewellery. All were Adelaide based boutique stores with locally designed or sourced products. The explosion of life contributed to the change in perception of the Arcade, increased the foot traffic to all the stores, and saw a number of commercial tenants also open up in other spaces. Very quickly the stores grew into a strong community, supporting each other with joint launches and product events to encourage customers into the Arcade. At the end of the financial year 3 had taken commercial leases, with 2 more in negotiation, and Regent Arcade has a new lease on life.



HONEY BEE CYCLES

In August 2014 Honeybee Cycles launched on St Vincent Street, Port Adelaide. With a vision to share her love of cycling culture through bike sales, repairs and community events, Mel Waters has become a great contributor to her precinct. She turned a very drab shopfront into a riot of life and colour, and has continued to look for ways that she can create interesting events in the Port. She held 4 Roll Up Pop-Up Cinema events at the rear of her shop, encouraging people to ride to the Port and see a film, coordinated a number of casual rides around the area that brought people from all over Adelaide, and even held a live music gig – all while running her first small business.



Quotes



**SOPHIE KRESEVIC,
THE FLOWER NOOK IN TOPHAM MALL**

I probably wouldn't have taken the risk of opening up the shop if it wasn't through the Renew Adelaide program. I'm really lucky that I've had the opportunity to do that and it's going really well so far.



**GEORGE GINOS, GINOS GROUP,
(THE ADVERTISER, 21 JULY 2015)**

Given that these are all up and coming Adelaide entrepreneurs it's fantastic to be able to showcase local talent in Regent Arcade.

We could see the immediate appeal of working with Renew Adelaide as an interim measure to help activate the arcade. That many of the projects who started out at Regent Arcade have since converted to commercial lease terms has been an additional benefit of our partnership with Renew Adelaide.



**KERYN JAMES,
ADVENTURESS IN PORT ADELAIDE**

The Renew Adelaide concept is all about 'thinking outside the square' and for creatives that's exactly how we work. There is no other shop with a philosophy or stock like mine in the state and to be able to showcase it in a National Trust building without the pressure of rent and a restrictive lease means I can pursue my dream.

**ADAM LEARMONTH,
ANVIL CAPITAL MANAGEMENT**



"It was great to work with Renew Adelaide on a short term solution for my property prior to redevelopment, and through Renew Adelaide to support local entrepreneurs and start ups"

Deloitte Access Economics

COST-BENEFIT ANALYSIS OF RENEW ADELAIDE'S ACTIVITIES

During the year, Renew Adelaide engaged Deloitte Access Economics to undertake a cost-benefit analysis of its current activities.

Its findings, presented below, were based on a survey of the creative enterprises Renew Adelaide supported in the previous two financial years. With 27.2% of the 2013 enterprises and 31.8% of the 2014 enterprises, the survey sample was not statistically significant, but the data informed a lower bound estimate of benefits.

COSTS AND BENEFITS OF RENEW ADELAIDE

Renew Adelaide's activities deliver benefits to three key groups: creative enterprises, commercial property owners and the South Australian community. The benefits considered in the analysis are:

- Creative enterprises being enabled to operate: 27 creative enterprises stated that they would not have commenced operating without Renew Adelaide's support. They earned profits and paid wages worth \$392,323 in financial year 2014 dollars
- Commercial property leases: 16 creative enterprises negotiated leases with commercial property owners after being able to test their ideas at a physical location generating \$1,094,431 in income for those owners
- Exposure of creative enterprises and commercial property: Creative enterprises and commercial property increase their exposure to the public by being associated with Renew Adelaide and its marketing activities
- Mitigation of blight: Renew Adelaide enables creative enterprises to undertake activities in commercial properties that would otherwise be empty. This reduces blight – the effects of urban decay, which include increased crime rates and reduced value of nearby properties
- Minor capital improvements: Renew Adelaide

funds some minor capital works to enable creative enterprises to operate in properties that are not compliant with Building Code requirements. This benefits creative enterprises who can undertake revenue-generating activities, and property owners where the capital works increase the value of the property

- Improved commercial outcomes: Renew Adelaide assists creative enterprises in complying with regulatory requirements, improves the speed at which the creative enterprises can operate and, for creative enterprises paying market rents, allows commercial property owners to generate income sooner
- Avoidance of lost exposure: Commercial precincts with poorly maintained properties have smaller amounts of customer traffic due to a diminished consumer experience. This leads to tenants also vacating adjacent properties as their earning potential diminishes.

During financial years 2013 and 2014 Renew Adelaide also made a significant contribution to realising the then strategy and objectives set out in the Adelaide City Council's Strategic Plan 2012-16 and the Government of South Australia's Seven Strategic Priorities. One of the priorities in both documents is to create a vibrant city. Renew Adelaide assists in this by activating spaces that would otherwise be empty. The report also notes that Renew Adelaide's current activities contribute to a number of other current government priorities.

The primary cost of Renew Adelaide's activities is the financial cost of its operations, which is funded by various government organisations. The total cost of Renew Adelaide was \$228,522 in 2013 and \$379,012 in 2014 or \$607,534 in total in 2014 dollars. No other significant costs were identified.

Table A.1: Summary of monetised costs and benefits

TABLE A.1 SUMMARY OF MONETISED COSTS AND BENEFITS

	FY14	FY 15	TOTAL
Benefits			
Creative enterprises operating	218,547	173,776	392,323
Commercial property income	306,209	788,222	1,094,431
TOTAL BENEFITS	524,756	961,998	1,486,754
Costs			
Financial cost	228,522	379,012	607,534
TOTAL COSTS	228,522	379,012	607,534
Net benefit (cost)	296,234	582,986	879,220
Benefit-cost ratio	2.3	2.5	2.4

CONCLUSIONS

The net benefit of Renew Adelaide’s activities in financial years 2013 and 2014 is estimated to be \$879,220 in 2014 dollars. The primary beneficiaries are creative enterprises (and their staff) and commercial property owners.

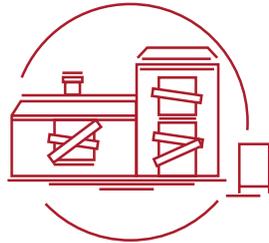
The key cost is the financial cost of operating Renew Adelaide, meaning that the primary cost is borne by those who fund the Government of South Australia and Adelaide City Council. However, benefits accrue to South Australians who interact with the Adelaide CBD and Port Adelaide, as described above.

The report understates the benefits of Renew Adelaide’s activities for two reasons. Firstly, the benefits and costs which accrue to those creative enterprises which did not provide sophisticated financial information to the analysis were not considered. Secondly, the approach to calculating the benefits has been conservative with benefits calculated for the exposure of creative enterprises and commercial property owners being a lower bound estimate. Other significant benefits such as the effect of Renew Adelaide’s activities on mitigating blight, creating a vibrant city and branding for South Australia have not been monetised due to a lack of data. In aggregate, the net benefit of Renew Adelaide is likely to be higher than stated.

Renew Adelaide also notes that the figures for financial year 2015 are likely to be considerably higher in terms of both revenue for creative enterprise, for a similar outlay and we’re proud of our continuing development.



Benefits of the Renew Adelaide Program



BENEFITS TO LANDOWNER

- No opportunity cost or loss of commercial viability
- Renew Adelaide manages the tenant; no additional work for the owner
- Legal, insurance and management dealt with by Renew Adelaide
- Minor capital works and improvements undertaken to make property compliant

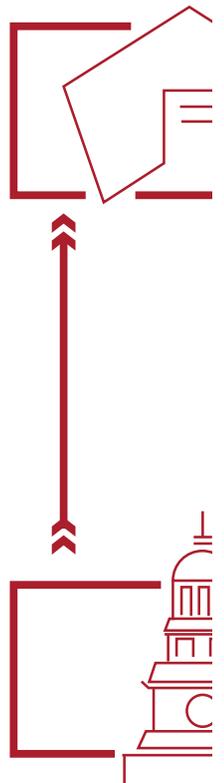
PROPERTIES

Properties that wouldn't otherwise be used are opened up to help stimulate new ventures, mitigate blight and reduce the lost exposure of vacant buildings. Renew Adelaide projects encourage foot traffic, make properties look more attractive to commercial tenants and reduce the appearance of vacancy.



ACTIVATIONS

Renew Adelaide fosters creative enterprise in vacant space to bring cities alive. By bringing these ideas to life in physical locations, cities become more vibrant and continue to stimulate cultural and business activity. We actively encourage unique activity, support creative marketing, and develop networks for all projects.





BENEFITS TO ENTREPRENEUR

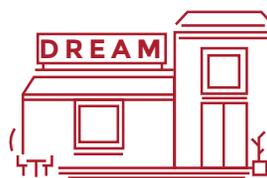
- Renew Adelaide deals with regulatory and development issues
- Start up can communicate with Renew Adelaide on property issues
- No long term commitment or significant capital required
- Legal, insurance and property management dealt with by Renew Adelaide so entrepreneur can focus on developing their idea

CULTURAL AND ECONOMIC DEVELOPMENT

Renew Adelaide creates interesting places to stimulate community and economic development. By encouraging unique and local businesses and emphasising the importance of creating memorable experiences, Renew Adelaide adds to positive perceptions of areas. By providing opportunity for people to test and seed ideas without long term commitment, Renew Adelaide encourages diversity and innovation in the creative and start up sector. By activating Renew Adelaide reimagines vacant properties and helps transform them into productive assets.

IDEAS

Entrepreneurs have a low cost, low risk way to test their ideas, many of them learn skills through the practical experience they obtain, and most wouldn't get started without the support of the Renew Adelaide program.



Projects

PROJECT TITLE	ADDRESS	PROPERTY OWNER	DATES
NEW PROJECTS FY15 - ADELAIDE CITY			
<i>Fakery Bakery</i>	<i>Central Markets</i>	<i>Central Markets</i>	<i>July 2014 - Oct 2014***</i>
<i>Have You Met Charlie</i>	<i>S30, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont*</i>
<i>Average Cat</i>	<i>S4, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont*</i>
<i>Sarah Rothe</i>	<i>S29, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont*</i>
<i>Boo & Who</i>	<i>S40, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont</i>
<i>Created Range</i>	<i>S13, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont</i>
<i>Closet Mod</i>	<i>S16, Regent Arcade</i>	<i>Ginos Group</i>	<i>July 2014 - cont***</i>
<i>Galleria Innocente</i>	<i>L1, S13 Rundle Place</i>	<i>Rundle Retail Invstmts</i>	<i>August 2014 -</i>
<i>Dream to be Delicious</i>	<i>L1, S9 Rundle Place</i>	<i>Rundle Retail Invstmts</i>	<i>October 2014</i>
<i>Format Festival</i>	<i>Basement 187-195 Rundle St</i>	<i>Malcolm Reid Pty Ltd</i>	<i>October 2014</i>
<i>Potted Thoughts</i>	<i>S38, Regent Arcade</i>	<i>Ginos Group</i>	<i>November 2014 -</i>
<i>Percussions</i>	<i>222-230 Waymouth Street</i>	<i>UniSA</i>	<i>August 2014</i>
<i>Finsart</i>	<i>222-230 Waymouth Street</i>	<i>UniSA</i>	<i>December 2014</i>
<i>Tobiah</i>	<i>222-230 Waymouth Street</i>	<i>UniSA</i>	<i>December 2014</i>
<i>Typemaster</i>	<i>222-230 Waymouth Street</i>	<i>UniSA</i>	<i>December 2014</i>
<i>Sparkspitter</i>	<i>222-230 Waymouth Street</i>	<i>UniSA</i>	<i>December 2014</i>
<i>Vinyl</i>	<i>20 Gilbert Place</i>	<i>Andrew Ly</i>	<i>Jan 2015 - May 2015</i>
<i>DelaLiff</i>	<i>L1, S9 Rundle Place</i>	<i>Rundle Retail Invstmts</i>	<i>January 2015 -</i>
<i>Meet the Maker Fair</i>	<i>Rundle Mall</i>	<i>Rundle Mall Management Authority</i>	<i>February 2015</i>
<i>Hungry Hippo</i>	<i>196 Hindley (BBQ Inn)</i>	<i>UniSA</i>	<i>April 2015 - cont</i>
<i>Restless Socks</i>	<i>268 Waymouth Street</i>	<i>Real Projects Adelaide Pty Ltd</i>	<i>April 2015 - cont</i>
<i>Co.Lab</i>	<i>1 King William Street</i>	<i>Anvil Capital Mgmt</i>	<i>April 2015 - cont</i>
<i>Booknook & Bean</i>	<i>S19, Topham Mall</i>	<i>Adelaide City Corporation</i>	<i>June 2015 - cont</i>
<i>The Flower Nook</i>	<i>S8, Topham Mall</i>	<i>Adelaide City Corporation</i>	<i>June 2015 - cont</i>
<i>TRANSFORM</i>	<i>S11, Topham Mall</i>	<i>Adelaide City Corporation</i>	<i>June 2015 - cont</i>
<i>The Coco Stop</i>	<i>S14, Topham Mall</i>	<i>Adelaide City Corporation</i>	<i>June 2015 - cont</i>
<i>The Beigelry</i>	<i>S18, Topham Mall</i>	<i>Adelaide City Corporation</i>	<i>June 2015 - cont</i>
CONTINUED PROJECTS - ADELAIDE CITY			
<i>People Planet Purpose</i>	<i>S2, Charles St Plaza</i>	<i>Peregrine Corp</i>	<i>May 2014 - cont</i>
<i>The Rabbit Hole</i>	<i>S13, Charles St Plaza</i>	<i>Peregrine Corp</i>	<i>May 2014 - Dec 2014***</i>
<i>The Town Local</i>	<i>13 King William Street</i>	<i>Anvil Capital Mgmt</i>	<i>Nov 2013 - Jan 2015**</i>
<i>Small World</i>	<i>S14, Charles St Plaza</i>	<i>Peregrine Corp</i>	<i>May 2014 - Dec 2014</i>
<i>Ancient World</i>	<i>116 Hindley St</i>	<i>Mastracorp</i>	<i>February 2014 - cont*</i>
<i>Adelaide Fashion Revolution</i>	<i>L1, 303 Pulteney St</i>	<i>Duke Group</i>	<i>March 2014 - cont*</i>

NEW PROJECTS FY14 PORT ADELAIDE			
<i>Honeybee Cycles</i>	<i>166 St Vincent Street</i>	<i>Cohen Group</i>	<i>Aug 2014 - cont</i>
<i>One Seed</i>	<i>168 St Vincent Street</i>	<i>Cohen Group</i>	<i>Aug 2014 - cont</i>
<i>Peas and Beans</i>	<i>3/70 Commercial Road</i>	<i>Housing SA</i>	<i>Aug 2014 - Nov 2014</i>
<i>The Backyard</i>	<i>116 Lipson Street</i>	<i>Janess and John McLachlan</i>	<i>Nov 2014 - March 2015</i>
<i>Cats in the Loft</i>	<i>L1, 168 St Vincent St</i>	<i>Cohen Group</i>	<i>March 2015 -cont</i>
<i>Hart's Collective</i>	<i>The Annexe</i>	<i>Renewal SA</i>	<i>February 2015 -cont</i>
<i>Maarten Daudeij</i>	<i>79-81 Commercial Road, Suite 2</i>	<i>Milenko and Mira Babic</i>	<i>June 2015 - cont</i>
<i>Shake & Style</i>	<i>79 - 81 Commercial Road</i>	<i>Milenko and Mira Babic</i>	<i>April 2015 - cont</i>
<i>Adventuress</i>	<i>116 Lipson Street</i>	<i>Janess and John McLachlan</i>	<i>May 2015 - cont</i>
<i>Vanessa Burton Photography</i>	<i>79- 81 Commercial Road, Suite 1</i>	<i>Milenko and Mira Babic</i>	<i>June 2015 - cont</i>
CONTINUED PROJECTS PORT ADELAIDE			
<i>The Forge Warehouse</i>	<i>168 St Vincent Street</i>	<i>Cohen Group</i>	<i>Dec 2013 - Oct 2014</i>
<i>Poppy and the Wallflowers</i>	<i>168 St Vincent Street</i>	<i>Cohen Group</i>	<i>April 2014 - cont</i>
<i>Film Buff Central</i>	<i>Shop 6, 202 St Vincent St</i>	<i>Housing SA</i>	<i>January 2013 - cont*</i>
LEASING SUPPORT PROJECTS			
<i>Tether</i>	<i>S32, Regent Arcade</i>		<i>July 2014 -</i>
<i>Finsart</i>	<i>Level 4, Tattersalls Building</i>		<i>Oct 2014 -</i>
<i>Format</i>	<i>80 Hindley Street</i>		<i>June 2015 -</i>
<i>Cupboard Love</i>	<i>154 St Vincent Street</i>		<i>July 2014 -</i>
<i>LaserTat</i>	<i>St Vincent Street West</i>		<i>July 2014 -</i>





Board and Staff

BOARD

Steve Maras (Chair)

Lilly Bukva (Deputy Chair)

Richard Harris (Treasurer)

Kieren Chester (Secretary)

Philip Rundle

Evan Jackson

Jennifer Greer-Holmes

Matt Stuckey

Mateus Nolasco

Nick Reade

STAFF

CEO - **Lily Jacobs**

General Manager Property Projects – **Julie Thomas**

Communications & Marketing Manager – **Chloe Reschke-Maguire (c.October 2014 -)**

Project and Operations Coordinator - **Kate Grieve**

Port Adelaide Project Manager – **Tim Richardson (c.August 2014 – f. May 2015)**

Project and Media Coordinator – **Matt Thomson (f. August 2014)**

FUNDING PARTNERS



PRO BONO SUPPORTERS



EVENT PARTNERS



PROPERTY PARTNERS

- 4MB Construction
- Adelaide Central Markets Authority
- Anvil Capital Management Pty Ltd
- CBRE
- The Corporation Of The City Of Adelaide
- Cohen Group
- Duke Group
- Ginos Group
- Government of South Australia
- Jones Lang LaSalle
- Karidis Corporation
- Knight Frank
- LJ Hooker Commercial
- Maras Group
- Mastracorp
- McLachlan & Martin
- Peregrine Corporation
- Pacific Development Group
- Pontos Investments
- Precision Group of Companies
- Real Projects Adelaide Pty Ltd
- Rundle Mall Management Authority
- The University of South Australia
- Renewal SA
- Milenko Babic

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