

Kadaltilla

Adelaide Park Lands Authority

Exemption from EOI Process – BBQ Buoys

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Board Meeting

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Public

Purpose

A requirement under Section 13.1 of the Adelaide Park Lands Leasing and Licensing Policy 2016 (the Policy) is to undertake an Expression of Interest (EOI) process to select a new lessee over vacant land and/or buildings in the Park Lands unless there are exceptional circumstances, in which case a Council resolution is required. This report outlines for Kadaltilla / Adelaide Park Lands Authority (Kadaltilla), the rationale to exempt BBQ Buoys Pty Ltd (BBQ Buoys) from the EOI process.

BBQ Buoys have held a Park Lands Commercial Licence Agreement with the City of Adelaide since 2016, and undertook an EOI process in 2018 to secure a five-year agreement.

The existing agreement for BBQ Buoys, which facilitates public hire of recreational boats on the River Torrens / Karrawirra Pari from Tarntanya Wama (Park 26), will expire on 30 June 2024. Administration has identified exceptional circumstances that apply and warrant consideration for an exemption. The exceptional circumstances are the uniqueness and ownership of the equipment as vessels on the River Torrens / Karrawirra Pari and that operation of the service does not preclude the community or other organisations from accessing the Park Lands.

Activities pertaining to BBQ Buoys are consistent with the Adelaide Park Lands Management Strategy and the Tarntanya Wama (Park 26) Adelaide Park Lands Community Land Management Plan (CLMP).

BBQ Buoys offer a unique dining experience. The business has established itself as a popular destination for locals and tourists alike, with its distinctive combination of outdoor dining and leisurely boat cruising along the River Torrens / Karrawirra Pari.

An exemption from the EOI process will allow BBQ Buoys to continue providing this unique experience while contributing positively to the local economy and tourism industry. Given their proven track record and popularity, BBQ Buoys has demonstrated that they are an appropriate Park Lands licensee.

Granting an exemption does not alter any other legislative provisions and process related to the granting of leases and licenses within the Park Lands.

Exemption from the Policy's requirement to undertake an EOI process will enable licence negotiations for a new five-year Park Lands Commercial Licence Agreement with BBQ Buoys to progress at the expiration of their current agreement with the City of Adelaide, in June 2024.

Negotiation of a licence agreement will include parking and vehicle placement, waste management, and sustainability to ensure best practice and alignment with City of Adelaide plans and policies.

Recommendation

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Supports the granting of an exemption to the requirements of Section 13 of the Adelaide Park Lands Leasing and Licensing Policy to select a new tenant by way of an Expression of Interest, for BBQ Buoys in Tarntanya Wama (Park 26) and the River Torrens / Karrawirra Pari.
 2. Supports the approach for Council through the Acting Chief Executive Officer (or delegate) to enter into licence negotiations with the existing Licensee of BBQ Buoys for a new five-year Park Lands Commercial Licence Agreement in Tarntanya Wama (Park 26) and the River Torrens / Karrawirra Pari.
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Implications

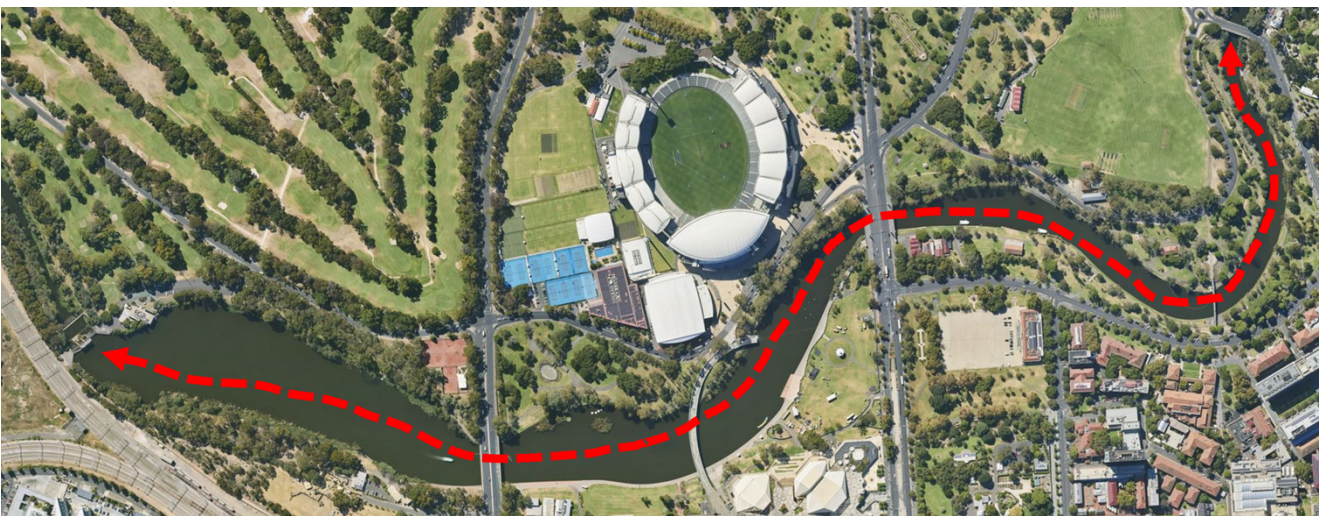
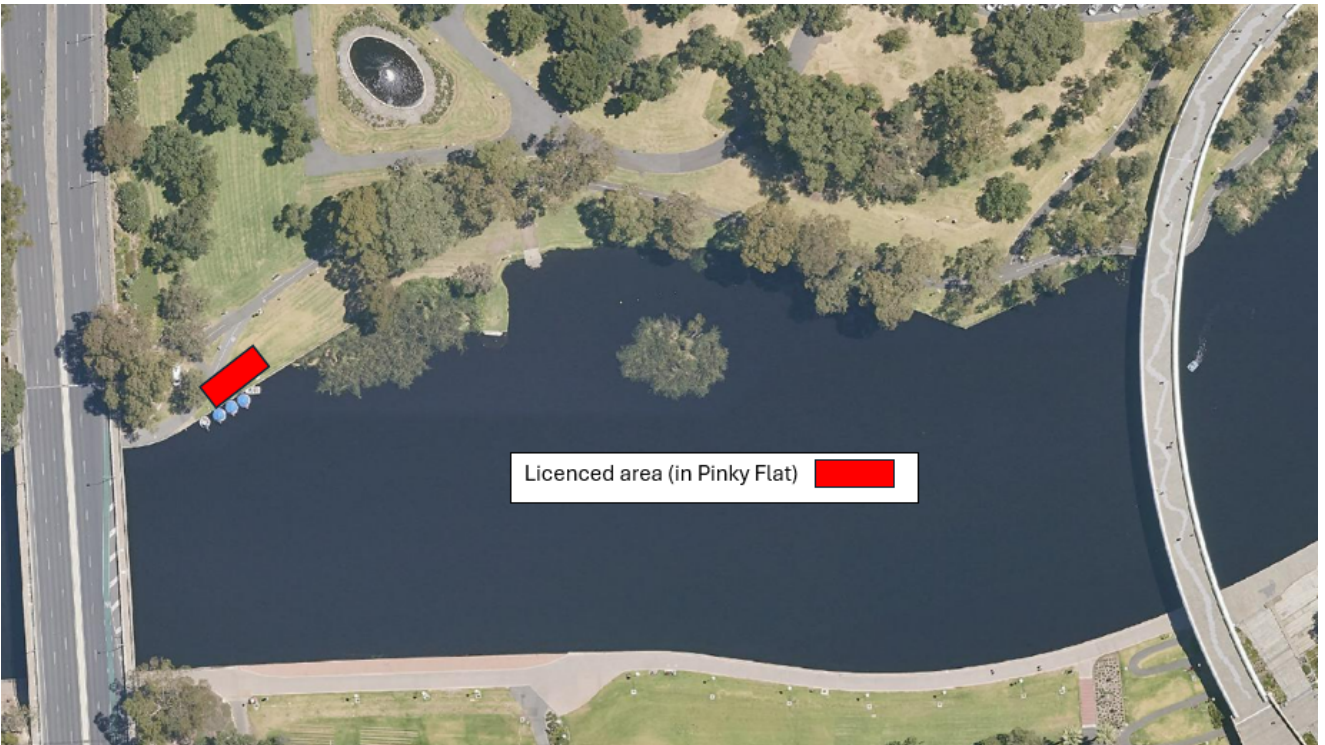
<p>Adelaide Park Lands Management Strategy 2015-2025</p>	<p>Adelaide Park Lands Management Strategy 2015-2025</p> <p>Activities pertaining to BBQ Buoys are consistent with the Adelaide Park Lands Management Strategy, in particular:</p> <p>Strategy 1.2 - Create places and attractions that set the Park Lands apart.</p> <p>Strategy 1.3 - Promote the Park Lands as a visitor and tourist destination.</p>
<p>2023-2028 Strategic Plan</p>	<p>Kadaltilla / Adelaide Park Lands Authority 2023-2028 Strategic Plan</p> <p>Strategic Plan Alignment – Expert Advice</p> <p>Function as the peak advisory body for policy, development, heritage, and management of the Park Lands based on sound data and evidence.</p>
<p>Policy</p>	<p>Adelaide Park Lands Leasing and Licensing Policy (Policy)</p> <p>A new Park Lands Commercial Licence Agreement will be negotiated in accordance with the Policy.</p> <p>Adelaide Park Lands Community Land Management Plan (CLMP)</p> <p>The CLMP states that the purpose of land held within the River Torrens / Karrawirra Pari is to provide ‘a resource for aquatic-based, boating recreation’.</p>
<p>Consultation</p>	<p>Not as a result of this report</p>
<p>Resource</p>	<p>The negotiation of a Park Lands Commercial Licence Agreement will be undertaken within current resources.</p>
<p>Risk / Legal / Legislative</p>	<p>The Policy allows Council to make exemptions to the Policy where exceptional circumstances exist. The test is subjective and dependent on the individual circumstances. The primary risk relates to public perception of preferential treatment given to organisations being exempted from the requirement to submit an EOI. This report details reasons for the applying an exemption.</p>
<p>Opportunities</p>	<p>Partnering with a commercial entity to support community use and enjoyment of the city’s river environment.</p>
<p>City of Adelaide Budget Allocation</p>	<p>Licence fees for the five years will be informed by an independent market assessment.</p>
<p>Life of Project, Service, Initiative or (Expectancy of) Asset</p>	<p>Five-year licence agreement.</p>
<p>Ongoing Costs (eg maintenance cost)</p>	<p>Maintenance of the licensed assets will be undertaken by the Licensee.</p>
<p>Other Funding Sources</p>	<p>Not as a result of this report</p>

Discussion

1. The current Policy was endorsed by Council in January 2016. A requirement of the Policy (Section 13) is to select a new lessee of vacant land and/or building through an EOI process unless there are exceptional circumstances, in which case a Council resolution is required.
2. The Policy provides discretion to Council to determine an exemption from the EOI process.
3. Exempting the need to undertake the EOI process does not alter any other requirements of the Policy, *Local Government Act 1999 (SA)* and the *Adelaide Park Lands Act 2005*.

BBQ Buoys

4. Occupying a space in Pinky Flat (part of Tarntanya Wama (Park 26)) during operating hours and utilising the River Torrens / Karrawirra Pari (between the Weir and Frome Road) for recreational boating and storage, the City of Adelaide has provided a Park Lands Commercial Licence Agreement for the operation of BBQ Buoys since September 2016 (see site map below).



5. BBQ Buoys consists of four floating vessels and one recovery dingy (that forms part of their safety management system). The four vessels were originally purchased and imported from Germany.
6. In June 2021, the Park Lands Commercial Licence Agreement for BBQ Buoys was assigned to the operator of The Popeye and Captain Jolley's Paddleboats, which they continue to operate on the River Torrens / Karrawirra Pari.

7. Each BBQ Buoy vessel can carry up to ten people (one has a maximum of eight) and the hiring of vessels is typically limited to a two-hour period.
8. The current Licence Agreement enables BBQ Buoys to operate every day of the year from 9.00am to midnight. Peak usage occurs in the warmer months (October to April) and during daylight hours.
9. The vessels are operated by customers (drivers licence required) and come with either a BBQ or central table. Food and drinks can be pre-purchased and consumed on the vessels.
10. The current Licence Agreement for BBQ Buoys expires on 30 June 2024.

Exemption Rationale

11. BBQ Buoys offer a unique experience by combining the enjoyment of outdoor dining with a leisurely cruise along the River Torrens / Karrawirra Pari. What sets BBQ Buoys apart is their floating BBQ experience, where patrons can barbecue while floating on the river, enjoying scenic views of the cityscape. These customer operated vessels add an element of adventure and independence to the journey. BBQ Buoys capitalise on the picturesque surroundings, offering views of the city skyline, parks, and wildlife. Overall, BBQ Buoys provide a unique blend of casual outdoor dining and leisurely boat cruising, appealing to both locals and tourists.
12. Noting that the existing BBQ Buoys Licensee is operating the business in accord with other river users (eg rowing clubs) and the Park Lands environment and is compliant with their existing Licence Agreement, an exemption from the EOI process is proposed due to:
 - 12.1. the existing Licensee owning all the equipment required to operate BBQ Buoys
 - 12.2. operation of BBQ Buoys not precluding the general public, community organisations or other commercial businesses from accessing Pinky Flat or the River Torrens / Karrawirra Pari
 - 12.3. the uniqueness of the vessels, noting their circular shape with capacity for up to ten people, a centrally located barbecue and no boating licence required to operate
 - 12.4. Evidenced performance under the current lease and sound safety management system.

Next Steps

13. Subject to Council's consent, the Acting Chief Executive Officer (or delegate) will be authorised to negotiate a new five-year Park Lands Commercial Licence Agreement with the existing Licensee for BBQ Buoys in Tarntanya Wama (Park 26) and the River Torrens / Karrawirra Pari.

Attachments

Nil