

9.1.16 LATE ITEM: Mount Hawthorn Hawker's Market – Expression of Interest: Operations and Management

Ward:	North	Date:	19 September 2016
Precinct:	Precinct 2 - Mt Hawthorn Centre	File Ref:	SC1243
Attachments:	1 – Expression of Interest Documentation: Mount Hawthorn Hawker's Market Operations and Management Confidential Attachment: Review Panel Summary		
Tabled Items:	Nil		
Reporting Officer:	G Lawrence, Place Manager J O'Keefe, Manager Policy & Place		
Responsible Officer:	J Corbellini, Director Development Services		

That Council **AUTHORISES** the Chief Executive Officer to negotiate a licence agreement with Heart Inspired Events to operate and manage the Mount Hawthorn Hawker's Market at Axford Park, Mount Hawthorn subject to the following conditions:

1. the licence agreement shall be for a maximum term of 24 months;
2. the Market operator paying any relevant fees in accordance with the Schedule of Fees and Charges 2016/2017;
3. all requirements outlined in the Expression of Interest document as shown in Attachment 1;
4. all relevant default, penalties and indemnity clauses; and
5. any other conditions deemed to be appropriate by the City.

PURPOSE OF REPORT:

For Council to authorise Administration to enter into a licence agreement with Heart Inspired Events to operate and manage the Mount Hawthorn Hawker's Market.

BACKGROUND:

History:

Date	Comment
7 October 2014	Council resolved to grant a temporary permit to Local Arts and Community Events Inc. (LACE) to hold a one-off Mount Hawthorn Hawker's Market on Friday 7 November 2014 from 5:00pm to 9:00pm.
2 December 2014	Council resolved to approve LACE to hold the Mount Hawthorn Hawker Markets on Friday evenings in Axford Park from 5:00pm to 9:00pm from 5 December 2014 through to 27 March 2015. Council also resolved to waive the associated Axford Park hire fees.
October 2015	The City were notified that LACE no longer intended to operate the Mount Hawthorn Hawker Market.
27 August – 15 September 2016	The Mount Hawthorn Hawker's Market – Operations and Management Expression of Interest was advertised for a period of three weeks.
September 2016	A Development Approval in line with the City's Policy No. 4.1.5 – Community Consultation for non-residential was approved.

Previous Reports to Council:

The Minutes of the previous reports to Council are available on the City's website.

DETAILS:

In August, Administration commenced an EOI process for the operations and management of the Mount Hawthorn Hawker's Market. This EOI process ran for three weeks and concluded on 15 September 2016. The EOI documentation is contained in **Attachment 1**.

On 2 September 2016, during the EOI process, Administration facilitated a site inspection for prospective respondents to inspect Axford Park and ask technical questions. A total of three prospective respondents attended the site inspection and all questions were able to be addressed on the day.

At the conclusion of the EOI process three submissions were received to operate and manage the Mount Hawthorn Hawker's Market. Submissions were received from:

- Heart Inspired Events;
- Market Mouse; and
- pSquared Communications.

A Review Panel convened on 16 September 2016 to discuss and review the submissions in detail. Each panel member provided an independent evaluation of the submission against the selection criteria in the EOI documentation. The score of each panel member was combined and the submissions ranked. Heart Inspired Events was ranked as the preferred candidate on the strength of their submission and ability to meet the selection criteria.

A summary of the review is contained in confidential **Attachment 2**.

Should Council accept Administrations recommendation the next step will be for Administration to prepare a service agreement for further refinement and discussion with the preferred operator for a 24 month period. The operator will then begin planning and preparing for the Market to open by the end of 2016 following the execution of the contract.

CONSULTATION/ADVERTISING:

The EOI was advertised for a three week period on the City's website, social media platforms and in the local newspaper.

LEGAL/POLICY:

- Policy No. 2.1.7 – Parks, Reserves and Hall Facilities – Conditions of Use and Hire.

The use of land owned in freehold by the City of Vincent (Axford Park Reserve) is subject to the provisions of the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996*.

The Hawker's Market is considered an exempt disposition of property under Clause 30(2)(e) of the *Local Government (Functions and General) Regulations 1996* which states that:

“(2) A disposition of land is an exempt disposition if:

- (e) it is the leasing of land for a period of less than 2 years during all or any of which time the lease does not give the lessee the exclusive use of the land.”

Therefore the Hawker's Market is exempt from the application of Section 3.58 of the *Local Government Act 1995* because the service agreement is intended to be for less than a 24 month period and will not result in the exclusive use of the land as a Hawker's Market.

RISK MANAGEMENT IMPLICATIONS:

There is a low risk that the limited number of responses may not have provided a large enough comparison of operators to properly assess the strength of Heart Inspired Events. Administration is comfortable that Heart Inspired Events can deliver a high quality and financially sustainable Hawker's Market that meets the requirements of the EOI.

STRATEGIC IMPLICATIONS:

The City's Strategic Plan 2013 – 2023 states:

"Community Development and Wellbeing

3.1 *Enhance and promote community development and wellbeing;*

3.1.3 *Promote and provide a range of community events to bring people together and to foster a community way of life."*

SUSTAINABILITY IMPLICATIONS:

The City's Sustainable Environment Strategy 2011 – 2016 states:

"Encourage the incorporation of sustainable design principles and features in existing and new development within the City as standard practice".

The following tables outline the applicable sustainability issues for this proposal:

ENVIRONMENTAL
The adaptive alternative use of this existing space has a lower environmental impact than the creation of a new space for the market.
SOCIAL
The Hawker's Market at Axford Park will provide a unique experience, bring local residents together in a public setting and provide patrons the opportunity for social interaction.
ECONOMIC
The Hawker's Market will continue to attract patrons to the Mount Hawthorn Town Centre and provide a wider clientele base for local businesses.

FINANCIAL/BUDGET IMPLICATIONS:

In line with the Fees and Charges 2016/2017 the operator will be required to pay a hire charge fee of \$35.00 per hour and a power charge of \$60.00 per market. This equates to \$305.00 per market. In addition to these fees, the City will charge a bond of \$1,000 (inc. GST) at the start of the Market season to insure against any damage to the reserve. The respondent demonstrated an ability to pay these fees in their EOI response.

Stallholders participating in the market will be required to obtain a Food Stallholders – Event Based Permit in line with the Fees & Charges 2016/2017.

The prescribed fees are intended to contribute to the ongoing maintenance and upkeep of Axford Park.

COMMENTS:

The Hawker's Market previously operated for four months on the same site and demonstrated its popularity by drawing locals on a regular basis. The City has since invested in additional power outlets and is now better equipped to facilitate a successful Hawker's Market and provide an enhanced user experience for patrons.

The City received eight responses to the public consultation on the development application for the Mount Hawthorn Hawker's Market. Development approval for the Hawkers Market was recently issued by Administration under delegated authority from Council (as per Item 6.12 of the City's Delegated Authority Register).

The City received three EOI submissions, to operate and manage the Hawker's Market- all in support of the market. Following the review process, Administration's preferred respondent is Heart Inspired Events.

Heart Inspired Events have proposed to run the Hawker's Market every Friday night from November/December 2016 through to March 2017 from 5:00pm to 9:00pm. Final operating dates and times will be included in the licence agreement.

Heart Inspired Events are experienced market operators who currently operate and manage the Kyilla Community Farmers Market and the Fremantle Truffle Festival.

Pending Council's decision, the next task for Administration is to enter into a licence agreement with the preferred operator. The operator will then begin planning and preparing for the Hawker's Market to open in November 2016, following the execution of the licence agreement.

It is recommended that Council authorises the Chief Executive Officer to enter into a licence agreement with Heart Inspired Events to operate and manage the Mount Hawthorn Hawker's Market.
