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- Attachment 1 - Design Concept Plan, Detailed Site Plans, Building Floor Plans, Elevations, Other Plans and Images (Please refer to separate A3 folder)
- Attachment 2 - Preliminary Fire Investigation and Ecological Advice Report
- Attachment 3 - Business Case Plan
- Attachment 4 - Risk Assessment & Insurance Coverage

1.0 INTRODUCTION

This Proposal document is submitted by Reg and Donna Cocking, and Chris and Ornella Sialtsis to address the **Request for Proposal** relevant to the tourism development opportunity (RPF1/2016) for the Lancelin South Caravan Park at Lot 31 Hopkins Street, Lancelin.

The developers and operators, the subject of this Proposal (Reg and Donna Cocking and Chris and Ornella Sialtsis) are appropriately credentialed to redevelop and manage the Lancelin South Caravan Park. Such credentials were outlined in the original “Expression of Interest” document which outlines that the proponents already own and successfully operate parks as follows.

Mr. Christopher and Mrs. Ornella Sialtsis own and operate the Perth Central Caravan Park and Wanneroo Caravan Park and Mr. Reginald and Mrs. Donna Cocking own and operate Mandurah Caravan and Tourist Park. The proponents combined have over 60 years of experience in tourism businesses in particular dedicated to the caravan park industry. As indicated in Attachment 3 ‘Corporate Profiles including Financial Referrees’, the Proponents demonstrate active commitment through ability, passion, experience, expertise and knowledge to ensure the Lancelin South Caravan Park evolves into one of the most visited tourist caravan parks in WA.

Examples of park development and management experience are provided below:

Perth Central Caravan Park

Purchased 2002

2002	47 permanent sites 7x 1 bedroom cabins, 8 tourist sites, 4 unpowered tent sites, 4 overflow sites Connect Caravan Park up to town sewer
2003	Addition of New Swimming pool and Camper’s Kitchen
2004	Purchase of park homes
2006	Upgrade all pipes to prevent any leakages within the park
2008	Installation of 4 new cabins
2011	Renovation of 8 x 1 bedroom cabins

2017 Installation of FREE WIFI system throughout the caravan park

Wanneroo Caravan Park

Purchased 2012

2013 Upgraded all underground water pipes

2014 Installation of Permanent Park homes

2016 Total Renovation of Ablution Block

Mandurah Caravan and Tourist Park

Purchased 1996.

1996 85 sites – 30 long stay, 20 camping and 24 annual sites, 11 tourist sites, 5 brick chalets and 3 cabins (non ensuite)

2017 115 sites (increase of 30 sites) – 7 long stay sites, 20 camping sites, 20 annual holiday sites and 48 tourist sites – includes 12 ensuite tourist sites and 36 powered tourist sites.

Major works Installation and development:

Swimming pool, jumping pillow, playground, camp kitchen, BBQ gazebo, coffee area with vending machines and park WIFI system.

Installed 8 cabins and 9 park homes for short and long stay tourism.

2003 Installed eco max effluent system to operate new development of 8 ensuite sites, family bathroom and unisex toilets and showers with KMAC power heads to meter all sites.

2016 Installed 2 cabins renovated 2 ablution blocks and 4 Ensuities

2017 Program to install a new park wastewater system to cater for park extension and further cabin development.

The above demonstrates the credentials and abilities of the proponents and the tourism directed adjustments that have already been made to caravan parks in Western Australia.

It is noted that Lot 31 ('the site') is crown land vested to the Shire of Gingin under management order to be used for the purpose of "caravan park" and for purposes ancillary or beneficial to that designated purpose only. The Shire of Gingin have also indicated adjoining Lot 762 is part of the area available.

“Positively, interest in camping and caravanning is on the up – it has become the fastest growing domestic accommodation in Australia, increasing 5% year-on-year since 2011. The caravan and camping sector is already a major economic driver for Australia, and this is likely to increase, which is particularly important for our regional centres. For every \$1 of revenue, \$1.38 is contributed to the local community.”

Caravan Industry Association of Australia, 2016.

In response to many local governments examining the feasibility of implementing non-commercial caravan parks centrally located within town areas, a recent report “Non-Commercial Camping and the Tourism System” was conducted by Caravan Industry Association of Australia using a case study approach to analyse the impacts of local government provided low-cost campsite facilities on a local tourism system. These sites, often marketed as a means to increase visitation and expenditure in destinations, provide ‘free’ or nominally charged short-stay accommodation for the self-contained recreational vehicle market.

*The findings support the development of sustainable commercial outcomes based on strong policy development, planning and strategic analysis as opposed to the provision of emotive judgements presented without full consideration of the issues at hand. Further it determined that a range of perspectives which should be considered in addition to consumer purchasing decisions when local Government is considering how to boost economic activity within their localities. “When is a Dollar Not a Dollar?” **Stuart Lamont 2017***

This Proposal incorporates a full design for the redevelopment of the Lancelin South Caravan Park and an Operational Plan for the consideration of the Shire of Gingin and stakeholders. Through careful planning and targeted ‘best practice’ the quantum effect will be an economic boost the town of Lancelin and surrounding areas. The **Design Concept Plan** is included at **Attachment 1** along with plans of buildings proposed.

The **Design Concept Plan** meets the requirements, criteria and objectives of the **Request for Proposal**.

The principle objective is to develop the park into a high quality tourist park.

The Proposal and plans are explained in the following sections.



Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

The 'Letter of Intent', below, was submitted with the original Expression of Interest documents. The sentiment encapsulates the dedication these Proponents have made previously and the commitment they 'intend' to commit to this Project.

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

Mr Jeremy Edwards
Chief Executive Officer
Shire of Gingin
PO Box 510
GINGIN WA 6503

28/10/16

RE: Statement of intent

With over 60 years' of combined experience in tourism businesses, in particular, dedicated to the caravan park industry, Christopher and Ornella Sialtsis, owners of Perth Central Caravan Park & Wanneroo Caravan Park and Reg and Donna Cocking, owners of Mandurah Caravan & Tourist Park, (the Proponents) demonstrate the ability, passion experience, expertise, knowledge and commitment to ensure the Lancelin South Caravan Park evolves into one of the most visited Tourist Caravan Parks in WA.

Whereas other more lucrative offers will be tabled through the process of the Expressions of Interest, the dedication and immediacy brought to the table by this investment group will see action and incredible results from day one, if previous track records are to be taken into account.

Over the past 10 years, larger companies with more upfront capital, have purchased into the industry with intentions to spend millions of dollars and bring promised resources only to find themselves at stalemate, some years following. Several developments in WA have halted midway, or not even not commenced, because the operational aspect of these 'lifestyle' businesses clouds the landscape. Human resourcing and management becomes problematic, particularly for larger companies, which operate top heavy as mini bureaucracies. However, these upfront issues are commonplace for those of us with 'skin' in the game. Operational matters can be easily resolved because of past record achievements and familiarity with issues that would ordinarily confront those not adaptable to the fast pace changes that occur with regularity.

This management group has a proven track record in owning, residing in, and managing parks. The applicants are well networked at Regional, State and National levels. Such agility will enable us to hit the ground running and combat the overall issues that have impeded progress at Lancelin South Caravan Park.

Our small team is responsive and focussed. We have sound management policies and practices – which can 'plug and play', and be implemented from day one, thus alleviating many of the initial operational difficulties. Decisions can be made immediately, and resourcing is just as efficient and as effective as those of larger companies, that may have more disposable income at hand, but not necessarily familiar with the efficient allocation of time and resources for a guaranteed result.

The longevity of our own customers, our business models and highly regarded business reputations in the industry is a testament to the integrity and honesty which we display, both within our companies and through our external relationships.

Through this statement of intent, the proponents guarantee to undertake a development that is underpinned by a sustainable enviable business model.

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1.1 CURRENT PARK FACILITIES AND ACCOMMODATION

To gain a full appreciation of the Proposal and improvements to be made, it is important to understand the current park characteristics. The current Lancelin South Caravan Park provides very limited opportunities for tourists. This is due to the fact that a large number of sites within the park are currently occupied by annual or permanent park users. The current park plan provides that there is a total of 187 sites plus some unpowered camping areas in dune hollows. There are currently no chalets or built accommodation available for the public. The breakdown of current sites is as follows:

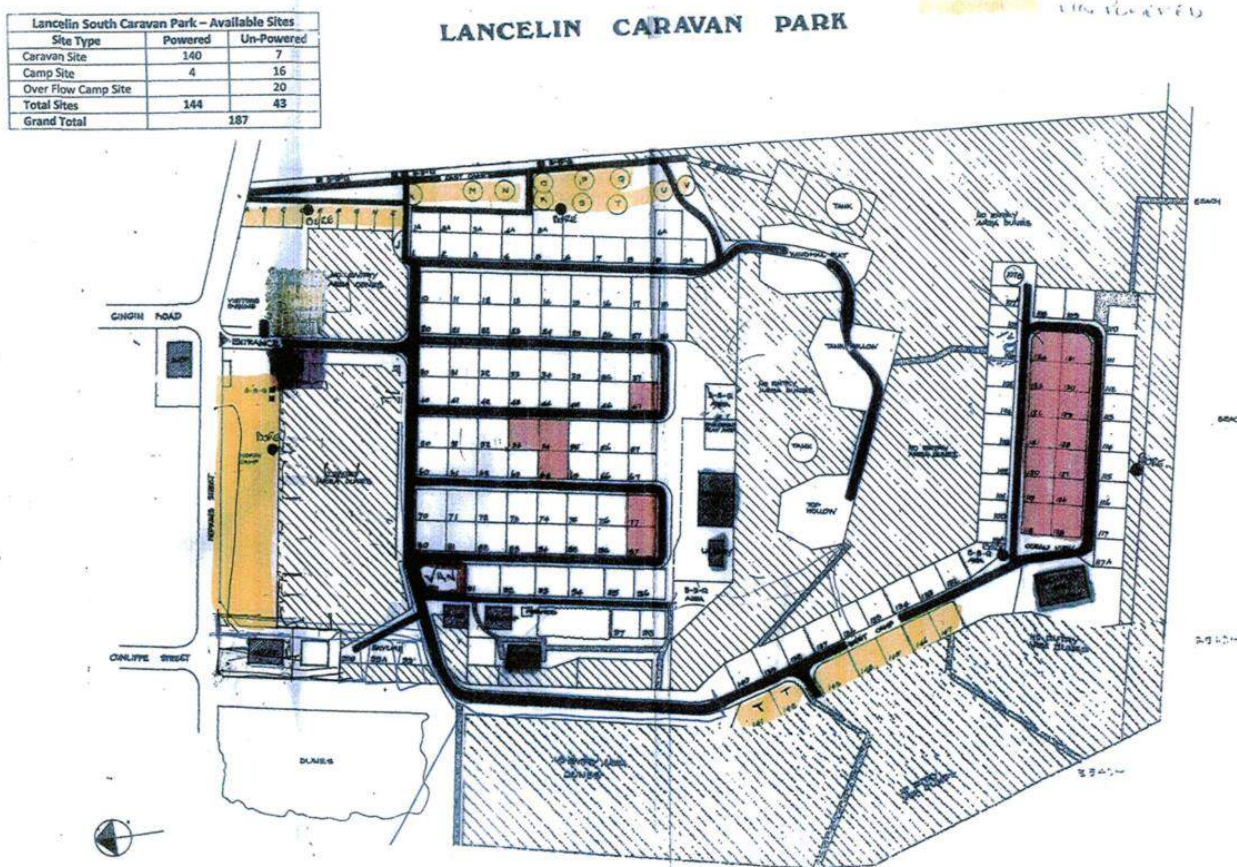
Caravan site powered	140
Caravan site unpowered	7
Camp site powered	4
Camp site unpowered	16
Overflow camp site powered	0
Overflow camp site unpowered	20
Total camp sites powered	144
Total camp sites unpowered	43
Overall total sites	187

Plus, the overflow camping areas known as Windmill Flat, Tank Hollow and Top Hollow.

The plan below indicates the current location of available tourist sites and this graphically demonstrates the sites are limited and available, generally, in peripheral locations across the park. In the coastal location to the South West there are only 21 sites available. There are a further 6 powered caravan sites interspersed with the annual sites in the centre of the park available for tourists.

The Current Park Plan indicates sites marked in yellow are unpowered and those in red are powered sites.

Figure 1 – Current Park Plan



There are approximately 22 unpowered sites for campers in the North Eastern part of the park along with overflow camping across the frontage of the site at Hopkins Street. This therefore presents a very limited availability of quality tourist sites.

There has also been some open camping areas in the dunal system to the South of the annuals area known as the Windmill Flat, Tank Hollow and Top Hollow.

There are three existing ablution blocks and it is noted that some camp sites are located at a non-compliant distance from these (eg over 90 metres). The ablution facilities are generally aged and in need of upgrading. A laundry facility and limited BBQ area is also provided close to the annuals.

The main entry is currently situated close to the intersection of Gingin Road and Hopkins Street with visitor parking across the frontage. In some cases, the internal road networks are non-compliant, in particular,

accessibility is impacted due to the widths being less than 4 metres. Sub-standard finish to pavements provides for a less than adequate movement system, which is a concern for fire and safety management.

Limited recreation facilities indicate the park is lacking adequate holiday infrastructure.

The site is connected to power, bore water is used, town water is available, however, sewer is not connected.

Many of the annual sites contain structures that may not necessarily comply with the Caravan and Camping Regulations.

An appreciation of the overall park as it stands presently is that it is primarily utilised by annuals with limited provision for tourists with outdated facilities and no recreation or amenities of substance. The road networks are also generally substandard and non-compliance with the Caravan and Camping Regulations is a notable element in various aspects.

2.0 PROPOSAL PLANS

The **Design Concept Plan** is contained at **Attachment 1** and outlines the proposed improvements and adjustments within and adjacent to the park to achieve conversion to a high quality tourist park. Also contained at Attachment 1 are proposed floor plans of buildings / structures and elevations and infrastructure elements relevant across the site. Some of these plans are very likely to be what is developed however some aspects are still indicative due to time constraints and therefore subject to final adjustments in liaison with the Shire of Gingin.

The **Design Concept Plan** incorporates the following elements as Installation Phases, with each stage costed according to a baseline budget of approximately 1,500,000 per annum, which tapers down to \$1,100,000 in the final stage. Inherent in each stage is a calculated strategy to ensure resources allocated are maximized to create the most dramatic transformation. In particular, Stage 1 establishes the entry statement and the majority of the recreational infrastructure.

2.1 DEVELOPMENT AND STAGES

For ease of cross referencing between the **Design Concept Plan, Attachment 1** the **Gantt Chart Attachment 4** and the Installation of Phases, indicators are colour coded accordingly.

INSTALLATION PHASE – STAGE 1 (PINK)

INSTALLATION PHASE – STAGE TWO (BLUE)

INSTALLATION PHASE – STAGE THREE (MAUVE)

INSTALLATION PHASE - STAGE FOUR (JADE GREEN)

EXISTING (LIME GREEN)

FUTURE CONSIDERATION (YELLOW)

INSTALLATION PHASE – STAGE 1

The frontage of the park which is currently utilised as overflow camping area is to be converted to create the entry statement 'Holidays Begin at Lancelin'. The flagship of the feature along Hopkins Street will be a magnificent recreation area with an indoor, fully enclosed 25m x 8m swimming pool to be made available for

public use, particularly for school swimming lessons. To the best of our knowledge, this facility would be the only enclosed 25 m heated swimming pool and lap pool within a caravan park setting in WA.

The pool will have a fully enclosed cover for all year-round protection with two lanes and the depth adequate for Lancelin School swimming lessons and carnivals. Public access will occur via a turnstile with pay per use for the Lancelin community and general public. Perspex roller doors will be openable for ventilation when the conditions are not windy. The skillion roof is proposed to be North facing and has been designed to account for solar panels to harness the sun. The entry ramp is to slope down from 0 to 1.2 m and the lap pool slopes from 1.2 m down to the level 1.6 m. All pool buildings will be structured to comply with the WA Department of Environmental Health and Aquatic Facilities Legislation.

Due consideration will be given to treat the pool with O-Zone with a back-up chlorination system however this will be dependent on further investigation. Solar will be used to power an electric heating system to heat the swimming pool all year round. Pool fencing in accordance with Legislation will ensure that no outside entry to the building is attainable when the roller doors are open. Toilets and change rooms will also be provided.

In keeping with a nautical theme, adjacent to the pool area, an adventure playground 10m x 10m will be constructed with separate swings, rockers, a double slide, rock wall climbing, a lookout tower, rope climbing and the largest jumping pillow in the State with a colourful shade sail for protective cover. Ten commercial quality pedal carts will be housed in a mobile racing depot with racing flags and signage to encourage patrons to keep to the roadways when in use.

A new entry is proposed in the North-West to provide a modern express check-in, which is an unprecedented level of customer service - never before seen in a Caravan Park WA, Visitor parking, a new office, an undercover area and games room/meeting room with kitchen and toilet facilities will be purpose built to accommodate two way traffic. The meeting room will be designed to have multiple uses, including small functions, meetings, such as local playgroups, club AGM's, which will encourage caravan and sporting clubs and also provide indoor cover for activities when weather is inclement. Adjacent to the games room a tour bus parking bay will accommodate transport of larger groups.

This structural change to the frontage of the park is purposefully intended to make an immediate impact showcasing the major improvements. This will send a direct message to the community and tourism market that the park is undergoing significant tourism related improvements.

The new entry and internal road system will be bitumised and provide road networks to link to the existing entry which will become the exit.

A large 25 m x 8 m shed for undercover storage is proposed along with a security enclosed yard for storage of ATV's, boats, jet skis, water sports equipment etc. This feature will be marketed to attract visitors that wish to recreate with such equipment, as they can be assured of the security and safe storage within this compound

A full loop road system is proposed around the central water tank so that the existing camping areas known as Windmill Flat, Tank Hollow and Top Hollow will no longer be one way but fully accessible and link back through camping areas to the main road network. Designed to assist with compliance and improve fire management, this improvement will effectively form a trafficable fire break also protecting the Northern area of the park.

The existing South Western and Central ablution blocks and laundry will be upgraded and enclosed, wind, protected drying areas will be provided.

In the North East of the site, two "economy (econo) lodges" are proposed which will include five self-contained 1 bedroom chalets. This budget-style accommodation will be accessible for disabled use and also accommodate singles and couples for tourist use or lodgings for longer stays for those working in the area. In particular, the Proponents wish to make this accommodation available for business operators requiring lodgings to establish tours and tourism related businesses. The road network associated with this will link to an emergency gate in the North East.

The coastal camping situated in the South West of the site (where there are currently some annual sites), marked as existing, being sites numbering 1-39, will be converted to tourist sites as soon as possible to provide further options for caravanning and camping. This will include upgrading of the roads, installation of brushwood windbreaks and specifically native vegetative landscaping. A fully enclosed campers' kitchen with

stove, oven, BBQ facilities, fridge, microwave, tables and chairs will be built in the South West of the park to service this prime tourist location.

To cater for new facilities, upgrading of services including connection of sewer and upgrades to water, power and WIFI are also proposed.

These improvements total an investment of \$1,787,656 to be completed by the end of June 2018.

INSTALLATION PHASE – STAGE TWO

Eight two bedroom chalets positioned in close proximity to the recreational facilities will provide immediate impact and be highly attractive for families wishing to utilize the recreation facilities in the protected frontage of the park.

In addition, a new ablution building, campers' kitchen, BBQs, wind protected drying area and laundry is proposed in the Eastern section of the park to support the existing camping areas at this location as they are currently located at a notable distance from the central ablution facility. This will result in a relatively even distribution of ablution facilities across the park.

The central areas of camping are proposed to be sequentially converted to tourist sites with the first section being in the Western part at Stage 2, being Sites numbering 90-97. This will allow compliance objectives to be followed in stages including setbacks, road widths with movement systems vastly improved.

Such improvements will show a further investment of \$1,374,000 by December 2018.

INSTALLATION PHASE – STAGE THREE

Stage three will include further development of chalets near the frontage of the site. Eight additional chalets including a range of three, two and one bedroom accommodation will be elevated approximately 0.5 m and positioned to maximize the views. Ample parking will also be provided adjacent. A central BBQ and recreation area will be installed in this vicinity to complement the community atmosphere.

Opposite in the central part of the park further conversion of annual sites to tourism sites is proposed, being Sites numbering Sites 50-87. This transformation will be subject to liaison with current occupiers. It is also anticipated that 8 long term sites, be converted to ensuite sites. Additional recreational opportunities are also to be provided in high ground in the centre of the park near the existing water tank with walk paths, nature playground, a ropes courses etc.

This stage is aimed to be completed by December 2019 and will comprise a further investment of \$1,053,000.

INSTALLATION PHASE - STAGE FOUR

Stage Four includes the Western frontage of the site (adjacent to the access road to the beach) is to be established with a further nine chalets; four, 1 bedroom chalets across the front and four 3-bedroom/2-storey chalets behind to the East along with one 2-bedroom chalet. This addition will provide further accommodation options with panoramic views to the beach.

The intention is also to expand tourism camping areas Eastward within the existing annuals area and convert the remaining sites to tourism; subject to successful liaison with the occupants and due process.

This Stage will complete the major improvements to the park towards conversion to a high quality tourist park with a significant further investment over \$1,500,000 to be completed by December 2020.

FUTURE CONSIDERATIONS

Future consideration will include further improvements to provide quality camping in the back of park area (within the dunes), additional playground equipment, flying fox and nature play area, mini golf and an additional two exclusive 2 storey cabins. Goals for completion are by December 2022 with investment of over \$1,100,000.

Indicated on the **Design Concept Plan** is an area in the South West, on higher ground behind existing tourism sites, earmarked as a potential site for establishment of further luxury chalets with panoramic views to the coast. This will require further detailed planning including consideration of access, landscape values and fire

management, in particular. Advice of a bushfire planning consultant is that a 15m minimum separation from bushfire risk needs to be achieved and this can be incorporated into this detailed planning.

Another aspect of the plan which is inherent throughout the staging is the objective to stabilise dune systems and use brushing from pruning within the park and other coastal rehabilitation methods to maintain and stabilise the foreshore area in collaboration with the Shire of Gingin. The plan indicates objectives to formalise access to the beach and three prime locations which will reduce unorganised traverse of the dunes and associated erosion.

The intention is also to seek grant funding with the Shire of Gingin to assist with coastal management to protect the asset for the proponent and the Shire of Gingin as well as protecting coastal assets (eg Sea, Search and Rescue), the nearby dwellings and the Lancelin community.

Constant grounds improvement through landscaping, pruning, retention of significant trees, and planting with appropriate species, cognisant of fire management objectives with structural plant recommendations have been made including utilising various species of eucalyptus, casuarina, hibiscus, grevillea and shrubs.

The objectives of the **Design Concept Plan**, the layout and content are further explained in the balance of this document.

2.2 DEVELOPMENT OBJECTIVES

It is recognised that development objectives have been agreed upon by the Shire of Gingin and Tourism WA and this Proposal has been prepared having regard for and to address these objectives. These are examined, as follows:

2.2.1 HIGH QUALITY TOURIST ACCOMMODATION

The Proposal presents an opportunity to design and build a modern tourist park in Lancelin which will meet key objectives. There will be a carefully managed and balanced move towards provision of more tourism sites respecting the current annuals and providing options to achieve this. The park will supply a variety of accommodation for tourists providing affordable holidays with consideration to a variety of budgets.

The objectives are discussed as follows:

2.2.1.1 Sets a standard in terms of quality and amenity

The Proposal intends to set a high standard in terms of quality and amenity by undertaking the following:

- Introducing new facilities such as swimming pool, jumping pillow and playground area available to patrons and accessible to the public.
- Upgrade of existing ablution facilities, including a new purpose built unisex ablution block, camp kitchen and laundry facility.
- Upgrade of camp kitchen facilities, with the building of additional fully enclosed camp kitchen, a BBQ and recreational area adjacent to chalets.
- Provision of new entry and express check in facilities.
- Installation of a number of quality tourist accommodation chalets including disabled access facilities compliant with Regulations.
- Provision of secure facilities for storage of boats, ATV's and other recreational equipment.
- Upgrading of services including sewer and scheme water for potable use. The existing bores will continue to support toilets as a sustainable option.
- Recognising landscape quality and vegetation and maintaining an attractive setting.

- Increasing the number of tourist accommodation sites by providing a balanced move towards conversion to tourist caravan and camping sites respecting the current annuals with a managed approach to the rescinding of sites.
- Increasing the variety of tourist sites including smaller sites, for motorhomes, single person tents; larger sites, for RVs, and to cater for family sized equipment sites with ensuites and providing weather protection and screening particularly from southerly winds.
- Providing a convention/meeting room and conference facilities with a fully equipped kitchen to support group bookings such as clubs, associations and corporate visitors.
- Providing a tourist information on display at the check-in facility with express check-in and tour bus parking area.
- Bitumen sealing of roads.
- All built infrastructure will be new construction with colours, materials and design to be modern and reflective of the coastal environment.

Quality and amenity is demonstrated by the plans included at **Attachment 1**. The description of improvements and changes as outlined in the Proposal section clearly indicate the significant changes that will be made quickly to ensure the park is taken to another level as a showcase of tourism product and services for Lancelin.

2.2.1.2 Contextually appropriate for the local climate

Consideration of the local climate is obviously important to the Proposal. It is recognised by review of Bureau of Meteorology data that Lancelin receives on average around 600mm of rain with around 75% of this received within the months of May through to September. This therefore provides that from October to April very low rainfall is experienced.

With respect to temperature an average maximum of around 20 degrees is experienced during winter and in summer, the average temperature is around 29 degrees celsius. Minimum temperatures range from around 10 degrees during winter to average of around 17 degrees minimum during summer.

With respect to wind, although there are seasonal changes, it is noted that winds average between around 18 to 20 km per hour in the mornings and 19 to 26 km per hour in the afternoon. Further, as a generalization

winds are more likely to be between the South and the East in the mornings and South to South West in the afternoons.

When compared to Perth, Lancelin is approximately 5 to 7 km per hour windier on average and winds are more consistent. Lancelin also receives around 125mm less rain than Perth and more moderate temperatures that is generally warmer in the evenings and not necessarily as hot in the afternoons.

These characteristics generally present that Lancelin has a relatively pleasant climate with moderate rainfall, favourable temperatures but recognised windy conditions particularly in the afternoons from the South and South West. Given the coastal and sandy location of the site and the town generally, the movement of sand and prevailing winds is an obvious local climatic factor that needs to be taken into account. The design aspects incorporated into the Proposal acknowledge these conditions including:

- Protected camping areas.
- Chalets with windows to enable views from indoors in more exposed locations.
- Consideration of landscaping to manage erosion and provide for wind buffers.
- Installation of wind shields with materials sympathetic to the environment.
- Provision of an undercover solar heated swimming pool area (the only one North of Perth to Geraldton, operational all year round).
- Recommended foreshore management practices to assist in maintaining the dunal system adjacent to the park. Ideally the harvesting of weed washed up on the shore could be used to stabilize the sand dunes directly opposite existing site #32 on the **Concept Design Plan**. This would assist to control the buildup of odour from rotting seaweed, which could present an issue for patrons at the park.
- Sheltered balconies to be provided.
- Resurfacing roads to minimise dust and sand blowing.
- North facing roofs to take advantage of solar capture.
- Plantings to provide shade and wind protection.
- Retention of substantial trees that already provide protection such as in the North of the site.
- Utilising materials that will be appropriate within the landscape such as timber frame and high quality to withstand the salty environment (such as ultra Colourbond © for walls/roofing).

- Development with temporary structures to allow movement in the event of sea rising or retreat over time dependent on the success of ongoing rehabilitation, coastal protection (if implemented) possible changes in climate and to address relevant policy.
- Orienting buildings for passive energy and protection.

The park design responds to the locational climatic influences through provision of protected camping sites, well oriented chalet accommodation types, and protected recreation facilities which offer wider options and greater use throughout the year.

2.2.1.3 Meets tourism markets expectations both now and in the future

Escapism is the new term for those wishing to toss aside the fast pace world and go on an adventure. The connection we make with nature enables us to recharge reconnect with family and friends and be at one, relaxing. Technology and advancements in design enable low cost shelters and cabins to be replaced with low or zero environmental impact, which would be ideal for the Lancelin location.

Renovations to the park will convert the existing facility; being limited capacity, quality and amenity, through a managed approach, into a high quality tourist park, that accounts for technological and manufacturing trends now and into the future. Towed product in particular is ever changing in size and design. It is imperative that any redevelopments address market expectations and account for the additional caravan manufacturing features such as onboard washing machines, dishwashers and increased requirement for electrical consumption.

Currently there are approximately 50 pieces of accommodation in Lancelin mainly in the form of holiday houses. With the development of 12 x 1 bedroom chalets (including Econolodges), 12 x 2 bedroom chalets, 6 x 3 bedroom chalets over the next 5 years and also the opportunity to expand with an additional 10 x 2 & 3 bedroom cabins in the hollows overlooking the Western point, this project will result in an 80% increase in built accommodation in Lancelin.

“Tourism Australia (TA) research has identified that Australia’s biggest competitive strength is its world class nature, which is well regarded by all key target markets. An Australian caravanning and camping holiday provides an experience that is unrivalled in terms of closeness to nature.

The combination of strong inbound tourism growth and demand from international visitors for Australia's nature experiences provides a significant opportunity for the Australian caravanning and camping industry to grow its international business." **Stuart Lamont, CEO, Caravan Industry Association of Australia.**

It is timely that the Caravan Industry Association of Australia has embarked on an International Strategy to capture this target market. A review of the visitors to the Shire of Gingin, which includes Lancelin, Ledge Point, Seabird, Guilderton, Gingin, and other areas reports that the majority of visitors are domestic with 127,000 overnight stays during 2015 and 302,000 day visits. There were also 7,000 international visitors.

It is observed that generally international visitors stay slightly longer with an average stay of around 11 days and domestic stay around 2 days. This therefore illustrates that international visitors are generally moving slowly through the area whereas domestic visitors are coming for short stints, probably weekends.

International visitors are generally spending more funds in the area but sometimes seek a more affordable range of accommodation.

Within the market there is scope to improve overnight stays for domestic users, particularly, and improve adventure experiences for the inbound markets through additional tours and activities in the local area. Recreational facilities that are targeted at both domestic and international markets will no doubt contribute to higher occupancy and greater yield at the Lancelin South Caravan Park.

The Proponents have wide experience in caravan park operations and understanding the markets that are available. The park currently has limited tourist accommodation and sites for visitors, more likely to be:

- Regular visitors to the Lancelin area that frequent the park annually or more regularly.
- Grey nomads, windsurfers and surfers, fishermen, adventure sports participants and 4WD/off-road enthusiasts.

The intention is to provide facilities that will expand the interest of such users but also attract others. This would include:

- Providing conference and meeting facilities to attract groups, clubs, schools and corporate visitors for destination based activities, meetings, AGM's and the like.

- Provision of more sites available for grey nomads with ensuite sites, larger sites in protected areas where nomads will be attracted to stay for longer.
- Presenting more family oriented facilities and recreational opportunities such as heated, covered swimming pool, playground facilities, games room, jumping pillow, nature play area, ropes course, mini golf, walk trails, pedal carts etc.
- Chalets are to be located close to recreational amenities which will be attractive to families that may wish to holiday in off peak or in shoulder season. The opportunity to take advantage of more affordable holiday options, with indoor, onsite recreational activities will assist to build occupancy throughout the year.
- Providing higher end accommodation to take advantage of the panoramic views will also target a new market of perhaps, couples or travelers wanting to visit the area but demanding higher quality accommodation with views. Elevated locations within the park will maximise the coastal views with quality facilities and modern amenities/equipment.
- To encourage adventure sports, 4-wheel drive and off-road enthusiasts and ATV owners to the park as well as fishermen it is also intended to provide a parking area and facility for accommodation and secure parking for 4-wheel drive, off road vehicles, boats, jet skis and the like. This will therefore promote and provide a secure facility for such visitors. Larger sites are also proposed so that persons with boats or such vehicles may also be more easily accommodated.
- Ensuite sites will be provided for grey nomads or families with children at a distance from the toilet facilities so there is more convenience with respect to camping but also in an appropriate location where visitation to ablution blocks may be less comfortable in the off season.
- Varying accommodation types are to be provided ranging as follows:
 - Small campsites for small motorhomes, such as Maui or Britz vans;
 - Medium size sites for typical / regular campers;
 - Larger sites for grey nomads, larger families, those with boats or recreational vehicles;
 - Single bedroom chalet accommodation units for couples or singles;
 - Two and three bedroom chalets for larger groups with weather protection, attractive outdoor areas and modern amenities;
 - Cabins style rooms to be provided for workers or persons wishing a slightly longer stay to establish a business or to work for short periods within the area.

Other facilities are to be provided including improved ablutions with renovations, new ablution block, upgraded camp kitchens, laundry facilities, so that campers are attracted to the park in general with much better facilities overall.

The above improvements respond to identified markets and provide accommodation and facilities to cater for this into the future.

2.2.1.4 Reflective of a coastal environment

The proposed **Design Concept Plan** will provide complementary development with aesthetically appealing chalets and architecture of a contemporary design including some skillion and colours and materials to be suitable within the landscape. Where caravan and camping activities are occurring, weather protection and in particular wind protected areas will be utilised and enhanced to provide a better amenity so that the coastal experience can be maximized. Where more open areas to the wind are to be developed chalets will be carefully located so as to allow an appreciation of a coastal environment from internal spaces and outdoor spaces can be located in a situation where they are shielded from the wind and bad weather that prevails generally from Southerly directions.

Local and coastal species will be used in landscaping wherever possible or coastal species incorporated that are suitable to the environment and will be seen as appropriate in the context adding to the coastal experience.

Coastal rehabilitation and access to the beach will be controlled and a co-joint arrangement will be pursued with the Shire of Gingin to assist in managing dune restoration with brushing and other methods typical to coastal dunal protection so as to enhance the maintenance of the foreshore recognising retreating coastline due to rising sea levels and storm inundation that will present in decades to come.

Designated tracks to the beach will be formalized and others that are not desirable will be removed and closed off in liaison with the Shire of Gingin so as prevent further erosion of dunal areas by unmanaged traverse of visitors.

Roofs will be North facing wherever possible to obtain access to solar and planting will be provided throughout the park for shade and wind protection.

Retention of trees will be a feature in the North of the park given they are established and provide an existing wind buffer.

Materials used in construction will be suitable in the coastal environment. For example, Colorbond roofs will be of the ultra standard so as to withstand the salt, paints that are more likely to withstand coastal environments will also be used.

Buildings will also be oriented for solar passive benefits.

The result will be sheltered accommodation with the ability to view the coast sitting within the landscape respecting its characteristics.

With respect to the retreating coastline due to rising sea levels and storm inundation that are evident with information as provided by the Shire of Gingin, it is recognised that in time there is a reasonable chance that parts of the park particularly in the West and possibly less so in the South may become affected by ocean erosion. As a result, all structures to be located within areas that could be affected by 2070 will be of a temporary nature therefore easily removed and managed as part of a retreat from the retreating coastline due to rising sea levels and storm inundation as is recommended by State policy.

2.2.1.5 Incorporates the environmentally sustainable design/climate sensitive design initiatives

The design aspects incorporated into the Proposal (some aspects being evident on the **Concept Design Plan**) respond to sustainable and climate sensitive design initiatives including:

- North facing roofs will be a feature to support solar panels and therefore energy efficiency.
- Solar lighting will be provided throughout the park.
- Energy efficient lighting will be utilised within buildings.
- Solar access to windows and passive design will be a feature.
- Sheltered deck viewing areas will be provided.

- Drainage will be directed to sumps and roadways and also to landscaped areas to enhance the growth of plants of these areas and replenish groundwater via raingardens.
- Bores will be used for landscaping and toilets therefore reusing water that has been directed to the ground water table via drainage within the park in appropriate areas therefore putting less impact on the Water Corporation's scheme.
- Recycling will be included as a feature with bins provided for glass, paper and general wastes.
- Water wise facilities will be installed in toilet blocks such as appropriate shower heads and taps.
- Natural planting will be utilised wherever possible with lawn areas only placed where needed.
- Solar hot water systems will be installed in the ablution facilities.
- Consideration of flora and fauna will be a feature guided by investigations by a qualified ecologist.

Throughout design and construct consideration will be given to the overall objectives of efficient use of resources and environmentally sensitive initiatives are pursued.

2.2.1.6 Provides a range of additional facilities and infrastructure that will provide improved levels of service and attraction

As explained previously the Proposal incorporates the following wide variety of additional facilities to improve the range of facilities and infrastructure to provide improved levels of service and attraction.

- Undercover swimming pool, jumping pillow and playground area within the frontage of the site for the benefit of guests and the local community. School swimming lessons will be accommodated and the pool is designed to cater for such use.
- Provision of new chalets in prominent locations to take advantage of the high tourist amenity and views to the coast. There will be a variety of chalets styles and sizes in various locations as well as adequate provision of disabled access units at each stage. Eg 1 provided between 4 and 10 chalets and another between 11 and 40 chalets. One disabled access visitor parking bay is also provided.
- Managed decrease in long stay caravan and camping sites over time towards provision of a large number of short stay caravan and camping sites.
- Upgrading of all ablution, 2 new camp kitchens and BBQ area and other amenity buildings for caravan and camping guests.
- Provision of new ablution facilities in the East of the park.

- Provision of new office, express check-in and convention meeting room facilities with kitchen.
- Upgrading with new entry with improved check in and parking facilities.
- Improved landscaping.
- Nature based play area and ropes course.
- A variety of chalet types and sizes in different locations about the park.
- Rehabilitation of degraded areas and better and formalised access to the beach.
- Provision of accommodation for seasonal visitors who may wish to stay for longer term either working in the area or perhaps establishing a small business.
- Provision of a secure and well managed parking area for boats, ATV's and other recreational equipment.
- Thoughtful landscaping and brush screening to improve the amenity but also provide wind buffers.
- Improved driveway networks and removing dead end situations, providing emergency exits for better fire management and addressing road widths and improved loop road systems.
- Providing an 'economy lodge' type accommodation which are small single rooms that would be suited to seasonal workers or slightly longer stays for persons establishing businesses or working in the area.
- Providing a tourist information centre within the office exhibiting attractions and other businesses within the region that could be frequented by the tourist visitors.
- Providing environmental interpretive trails, nature playground areas, ropes, courses etc.
- Facilitating bird watching and providing relevant ecological and environmental information.
- Providing tour bus parking.
- Providing ensuite sites location at the most distant sites from existing and proposed ablution blocks.
- Providing WIFI facilities.
- The project will employ local contractors, where possible for installation of power, water, sewerage and roads.

It should be noted that most of the above infrastructure will be implemented within the first 5 years with over \$7,000,000 to be invested.

2.2.1.7 Compliance with Caravan and Camping Ground Regulations 1997

The following summarises the existing situation with respect to compliance with the Regulations and the response as a result of the Proposal and actual compliance that will be achieved over time.

Internal roads are currently under width in some locations however upgrades will be undertaken to ensure one way roads are a minimum of 4 metres and two-way will be predominantly 6 metres with one section at 5 metres.

Setbacks are to be compliant with the Regulations including between chalets, caravans and annexes and roads. Generally this is 3 metres between structures and 1 metre from a road. This is illustrated on the approval plans submitted previously with the Shire of Gingin.

Parking is to be compliant including all caravan and camping sites to have parking for two vehicles. Two (2) or three (3) bedroom chalets will be provided with two parking spaces and single bedroom chalet 1 space commensurate with use and typical Scheme requirements.

Sixteen (16) visitor bays are provided which is adequate under the Regulations for caravan and camping sites as a minimum of 4 is to be provided with a ratio of 1 per 20 sites. With caravan/camping 160 sites proposed this requires 8 spaces. With 30 chalet buildings proposed the Scheme generally requires 1 visitor space per 4 units and as such 8 visitor spaces are required. This Proposal has correctly addressed the minimum requirement for visitor onsite parking.

Under Division 3 Section 11 of the Caravan Parks and Camping Grounds Regulations 1997 buildings situated on a facility are addressed. Buildings within a park can include a manager's house, office, restaurant, shop, recreation facilities, a class 10A building (shed or the like) or any other building approved. The Proposal incorporates all of the above aspects except for a restaurant and the kiosk will be a very small scale operation thus not competing with other retailers within the vicinity. Other approved buildings that can be within the caravan park could therefore be a chalet as can be approved under the Town Planning Scheme.

Residential buildings are not proposed and storage sheds on the site can be brought into compliance through the compliance process outlined in this documentation. Compliance of buildings generally situated on sites will be dealt with through the audit and compliance process.

With respect to firefighting equipment, Division 10 of the Regulations applies. It is noted that hose reels are to be situated such that the nozzle end of a fire hose when the hose is fitted is to be within reach of all sites. This is to be complied with along with requirements with respect to fire extinguishers under Section 35 of the Regulations. Liaison with the Shire of Gingin with respect to use of fire extinguishers in the absence of adequate fire hoses may also be investigated.

Fire equipment at the facility is to be accessible and ready for use at all times and maintained in accordance Australian Standard 1851 – Maintenance of Fire Protection Equipment. Attention to such is given elsewhere within this documentation.

A **Fire Management Plan** is also to inform development with an **Evacuation Plan** included. (refer to **Attachment 2** for preliminary information).

With respect to supply of electrical, water and telephone service, sewer is to be connected as part of phase one of the redevelopment along with establishment of chalets. Electrical supplies will be extended and upgraded and a telephone service is already available with phone box in the site frontage. There will also be WIFI services provided and mobile coverage exists.

The following table outlines the consideration of the general requirements of the Caravan Parks and Camping Regulations 1997 and in particular performance criteria at Schedule 7. This indicates how road widths and setbacks are to be made compliant and indicates the huge increase in active recreation from 1.5% to 10.01%. There are also large areas of undeveloped open space that provides amenity to the park and protection of dunal systems in the South East.

Proposed Tourist Development Opportunity

Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

CARAVAN PARKS & CAMP GROUNDS REGULATIONS 1997 - WESTERN AUSTRALIA PERFORMANCE CRITERIA - SCHEDULE 7 CARAVAN PARK AND CAMPING GROUNDS		
CRITERIA	MINIMAL PROVISION	ACTUAL PROVISION
Distance between any site structure & facility road	1m	1m
Setback to Lot Boundary	1m	Min 1m
Entrance road width	6m	12m
Internal road width (2 way)	6m	6 - 7m
Recreation Area (10% of total area) Existing	79179m ² 10%	1.5% (1255m ²)
Proposed	79179m ² 10%	10.1% (7928m ²)
No. Caravan/Camping Sites Existing	No Min	46
Proposed	No Min	160
No. Chalets w/ ensuites Existing	No Min	0
Proposed	No Min	30
No. Long term Caravan Sites Existing	No Min	116
Proposed	No Min	0
Total Site No. Existing		162
Proposed		190
Location of Ablutions	90m of each site	90m of each site
No. of Showers Existing	12M/12F	14M/12F
Proposed	12M/12F & 1 Disabled	14M/12F & 1 Disabled
No. of Toilets Existing	9M 4.2m urinal/12F	12M 3.6m urinal/14F
Proposed	9M 3.6m urinal/12F & 1 Disabled	12M 3.6m urinal/14F & 1 Disabled
No. of Hand Basins Existing	12M/12F	13M/15F
Proposed	11M/11F	13M/15F
Laundry Facilities	1 per 50 sites	1 per 50 sites
Camper Facilities - washing up facilities	1 per 20 Camp sites	1 per 20 Camp sites
Provision of Car parking Existing	1 space per 20 sites (min 4)	10
Proposed	1 space per 20 sites	15 & 1 Disabled

All sites will be located within 90 metres of each ablution block and the total number of showers, toilets, hand basins, laundry facilities, camp kitchen and parking is all compliant.

As evident, careful consideration has been given to the numbers of facilities required and the relevant aspects of the Caravan and Camping Regulations 1997.

Matters required to be addressed under the Scheme are addressed in a later section.

2.2.2 INCREASE IN ACCOMMODATION CHOICE AND SHOULDER SEASON VISITATION

Redevelopment of the park is targeted to meet the needs of the tourism market and the accommodation types/facilities required for segments of the market such as families, grey nomads, international visitors and the following design elements and improvements are to be made to achieve such targets:

- Decrease in the number of annual/long stay caravan sites and conversion to short stay tourism sites.
- Allocation of a variety of sites so these are suitable for:
 - Families located close to recreation facilities
 - Larger sites that will be suitable for grey nomads staying for longer timeframes with generally larger vans and associated facilities.
 - Provision of a parking area for recreational vehicles and boats thus supporting the recreational users of the area including 4-wheel drive/recreational vehicles and boating enthusiasts.
 - Providing small caravan and camping sites for typical international travellers such as Maui or Britz vans, small tents and pop up campers.
 - Provision of recreation facilities such as indoor swimming pool, playground facilities, renovated ablution blocks, improved and compliant camp kitchens and BBQ areas.
 - Improved movement systems throughout the park.
 - New office and entry which is better designed, multi-laned and well located with express check-in.
 - Provision of meeting/convention room facilities adjacent to the reception building so that groups can hold functions or activities within the park thus attracting other potential guests with such intentions.

- Upgrading services such as connection to sewer, upgrade of power and water.
- Improving landscaping and brushing/windscreens/breaks throughout the park to assist in mitigating impacts from wind and blowing of sand from coastal areas and provide better shelter in a coastal environment.
- Working with the Shire of Gingin to improve coastal management and manage erosion through dunal rehabilitation.
- Provide chalets in prime locations with panoramic viewing opportunities to the coast.
- Chalets will be a variety of sizes for varying clientele such as couples, families, larger groups. Chalets will be designed so that views can be taken from internal areas so that guests need not be located on a windy balcony to take in the coastal vista.
- Accommodation for longer staying guests in a lodging house format to be provided for persons that may be working in the area or looking to establish a small business thus requiring affordable accommodation to establish themselves within the area and assist with providing accommodation for employees within the town.
- Support music and other festivals.
- Provide value options for off peak stays.
- Provide tour bus package deals.
- Utilise the “Top Parks” affiliation and network.
- Encourage visitation to the Gravity Discovery Centre at Gingin Observatory.
- Seek club bookings for wind ups or group congregations off peak.
- Support local tours and promote cluster stays combined with tours.

2.2.2.1 Strategies will be employed to therefore increase visitation to the area as follows:

It is anticipated that a predominantly steady customer base would comprise the key traditional markets such as, Baby Boomers, Grey Nomads and Families. However, attraction of other markets such as Millennials (Up and Coming) Hipsters (Art & Culture) and Dedicated Discoverers (University Students, Ornithologists, Environmental Research Students, Clubs, and School Camps) and Adventure Seekers (Wreck Diving, Fishing and 4WD) will be pursued.

Strategies include:

- Engagement with and further development of local festivals and events, such as the Buskers Festival and the Windsurfing Competition by the addition of park based extensions to these.
- Clustering with other businesses and sharing of peer to peer economy to develop packages of 1 hour, ½ day and full day trips which radiate from Lancelin will encourage inbound bus companies to stop over for Aussie BBQ lunch or activities, all the while encouraging an increase in overnight stays. The Proponents envisage built accommodation will provide lodgings in off peak for new businesses to establish, such as surf kite hire, wind surfing, dune bike and buggy hire, tours, fishing charters etc, all utilizing the backdrop of the park which will increase exposure and dovetail into the marketing strategy to put Lancelin on the map as the 'Adventure' playground in WA.
- Seeking grant funding for events and the opportunity to showcase the coastal experiences of Lancelin.
- The Proponents have vast experience in the operation of tourism events, such as the Perth Caravan and Camping Show and view the town of Lancelin as an ideal location for a future 'Crayfest' or 'Seafood Fest'. Such festivals and events prove to be of great advantage to spearhead a large volume of potential patrons in one location, whilst also promoting the products and services available in the surrounds and highlights all year round activities.
- The Proponents bring to the table their association with one of Australia's most successful branding and marketing chain in Top Parks Australia. For a modest investment there would be an immediate boon and membership benefits at the very basic entry level which would secure up to 4 times the marketing value through networked promotion at the National level. The National referral network will map out itineraries and naturally assist to boost local economy through tours, attractions and visitation and patronage of other local businesses.
- For more than 30 years, Top Parks have been giving the traveller the opportunity to tour this great country by offering family friendly caravan and holiday parks where they are welcomed by a smile and every endeavour to make your stay as pleasant as possible. Each of the member parks reflect the environment in which they are located and offer the traveller a vast range of options. Top Parks

is Australia's largest group of holiday parks in Australia and offers choice for travellers with three styles of parks – Top Caravan, Holiday and Resort Parks.

- The intention is to build a busy park but not compete with the businesses within and around Lancelin so that greater business strength exists and more choice and experience is available for tourists. Down the line we see huge potential with a major company building a resort style hotel in the town to capture the full potential of the direct flights from London and Guanzhou.
- To build a brand, Lancelin South Caravan Park will be marketed online and offline, maximizing local avenues and networks across Regional, State and National platforms. Blogging and interaction through social influencers, strategically placed media releases, competitions and referral networks will assist to build marketing database.
 - Outreach Emails, Social Communication Platforms, Newsletters to Target Markets – social media hashtags, content blogs, RSS feeds and content aggregation sites
 - Build and track referrals – social media polls and competitions
 - Customer Retention and Recognition – Top Parks club card discount – rewards, thank you, consistent messages and touchpoints - 'Hi!'
 - Brochures/Business Cards – Visitor Information Centre display and networking events

Strategies of marketing are also indicated in the example marketing budget below:

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

MARKETING BUDGET

CAMPAIGN TYPE	PROJECTED COST PER UNIT	COMMENTS
Online Travel Agents	\$1200.00	
Booking.com, Agoda, Stayz	% Commission	
TripAdvisor Listing	\$ 1,200.00	\$100 per month
Public Relations	\$ 4,000.00	
Public Events	\$ 1,000.00	
Press Releases/Local Newspaper	\$ 1,000.00	
Sponsorships /Subscriptions	\$ 2,000.00	
Social Media / Online	\$ 900.00	
Twitter, Facebook, Instagram, Google Plus	\$ 400.00	Set up costs - MeetEdgar Scheduling
Blog	\$ 200.00	Local Attractions
Email Newsletter - Benchmark	\$ 300.00	\$75 per quarter x 4
Advertising	\$ 2,500.00	
Brochures	\$ 2,000.00	
Print Advert Cook's Tours	\$ 1,000.00	
Print Advert Experience Perth	\$ 1,000.00	
Local Radio	\$ 500.00	
Web	\$ 5,000.00	
Development & SEO	\$ 5,000.00	
Market Research/Campaigns	\$ 500	
Online Survey / Facebook Polls	\$ 500.00	
Memberships - Promotion	\$ 13,130.00	
Caravan Industry Association WA (CIAWA)	\$ 780.00	
Caravan Industry Association Aus (CIAA)	\$ 1,100.00	Includes Caravan Industry Accreditation
Corporate Branding - Top Parks Australia	\$ 6,500.00	
5 X Visitor Information Centres	\$ 1,000.00	
Tourism Council	\$ 1,000.00	
Regional Tourism Organization	\$ 700.00	
Business Cards	\$ 50.00	
Signage	\$ 2,000.00	
TOTAL	\$ 27,830.00	

Other marketing strategies include:

- Local Search Engine Optimization
- Local directories and Maps

- Review sites such as Booking.com, TripAdvisor, Agoda, Google Plus, WikiCamps
- Mobile-Friendly version of your Website – SEO and link building
- Mobile Marketing and Mobile Apps – video marketing
- Email and Newsletter Communication
- Coupons and Special Promotions
- Measurement of website traffic and conversions from Social Media marketing on Facebook, Twitter, and Instagram

Provision of a wider range of facilities and accommodation will be targeted at increasing visitation as follows:

- Provision of convention facilities.
- Provision of more and significant recreation activities for family.
- Provision of chalets.
- Opening up camping for tourists by providing more protected and landscaped areas directed at providing shade and windbreaks.
- Providing accommodation for those that may be temporarily employed wishing to establish themselves in the area with a small business or working locally for short periods

2.2.2.2 Direction in relation to the tenure of current long term site holders within the park.

It is understood from preliminary discussions, the Proponents will be held responsible for developing a strategy to account for the known, structural, non-compliance throughout the park.

It is noted, a substantial number of the structures placed on long stay sites do not comply and breach site setbacks and encumber road widths. The Proponents will endeavour to rectify the non-compliance via a systematic Compliance Management Strategy to ensure these areas are either refurbished to meet current requirements under the Caravan & Camping Grounds Act 1995 and Regulations, 1997, or, at an appointed time, removed from the Lancelin South Caravan Park to allow for the full development to a reputable 'Tourist and Holiday Park'.

Conversely, the Proponents will also endeavour to uphold the rights and responsibilities for tenants under the Residential Parks Long Stay Act 2006 and Regulations 2008.

COMPLIANCE MANAGEMENT STRATEGY

Whilst it is desirable to require 'vacant possession' of the Lancelin South Caravan Park, it is not practical nor fair for those patrons who have a long-associated family history with the township and the surrounding areas. It could also trigger a great deal of unnecessary angst and result in detrimental brand exposure and reputation for the Shire of Gingin, the previous Lessee, and the new Lessee. More importantly, dealing with the angst of unreceptive patrons will impact on resources and take focus away from the priorities at hand.

Due consideration must allow for a timely transition, that engages with those patrons and encourages them to improve, relocate to another site location, and/or remove structures in accordance with clearly defined parameters that reflect, tenants' rights and responsibilities.

The Proponents will, always, demonstrate sound business practice and good corporate social responsibility.

The Compliance Management Strategy will echo the ethos of the Shire of Gingin, being, to promote the region as a wonderful place to explore, work and live. Proponents will endeavour to protect and uphold the **History**, enhance the **Beauty**, whilst our community at the park will be supported, and catered for, to ensure **Prosperity**, for all.

A thorough Risk Assessment has been conducted, which has identified the following risks.

FINANCIAL VIABILITY

It is estimated the long stay sites generate approx. \$330 000 p/a, which is currently the main income for the park. Whilst redeveloping prime areas across the park, it is ideal for Bank valuations and borrowing capacity to continue to maintain a stable source of income, which provides trading figures to borrow against and accounts for the day to day operations of the park.

It is recommended to reduce the amount of long stay sites to no more than 50% within the first 6 -12 months of the new term. This measure provides some operational income, but does not impact the development of higher end tourist areas, which inevitably, once developed, will create long term financial sustainability.

OPERATIONAL IMPACT

It is the Proponents experience that many developers make the fatal error of requiring vacant possession, up front, which has proved to be unnecessary in most circumstances. For example:

- Peninsula Caravan Park closed 4 years before any redevelopment commenced.
- Palm Beach Caravan Park, Rockingham, was placed on the market 2013 and rumoured to be closing for redevelopment. The park formally sold in May 2014 and residents were required to leave by July 2014. Development did not even commence, until late 2016.
- Aqua Caravan Park closed 2010: Lucky Caravan Park closed in 2011: neither have been redeveloped since.

LEGAL, SOCIAL AND ETHICAL RISK

Although land, vacant, provides greater flexibility for higher more profitable developments to be progressed, in most case, entire greenfield is not necessary. Whilst the main priority is to 'develop' the park into a highly reputable tourist amenity, if all risk was eliminated for total redevelopment by invoking vacant possession, the Proponents foresee greater risk, short term. With 130 sites to relocate, the focus of resources would be wholly to legal, ethical and social matters which would impede other activities and detrimentally impact on marketing, brand and the reputation for all parties concerned. It is possible to allocate prime areas to redevelop without entering acrimonious matters with existing tenants and deal with these matters ad hoc.

The dismantling of a van and rigid annexe structure takes approximately 2 days to remove from site. This fact coupled with short term, fixed tenancies, aligned to pricing increases, structural improvements and/or relocation, provides greater surety for all parties and creates greater flexibility by more precise management of the risks.











Therefore, mitigation of overall risk is recommended, by invoking a transitional timeframe and removal on an ad hoc basis rather than a blanket notice for removal of all structures.

PROCESS FOR COMPLIANCE MANAGEMENT

1. Conduct a thorough Compliance Audit via a checklist of requirements, as per the spreadsheet below, to review issues and apply legislative framework in accordance with the Caravan and Camping Grounds Act 1995 and Regulations 1997.

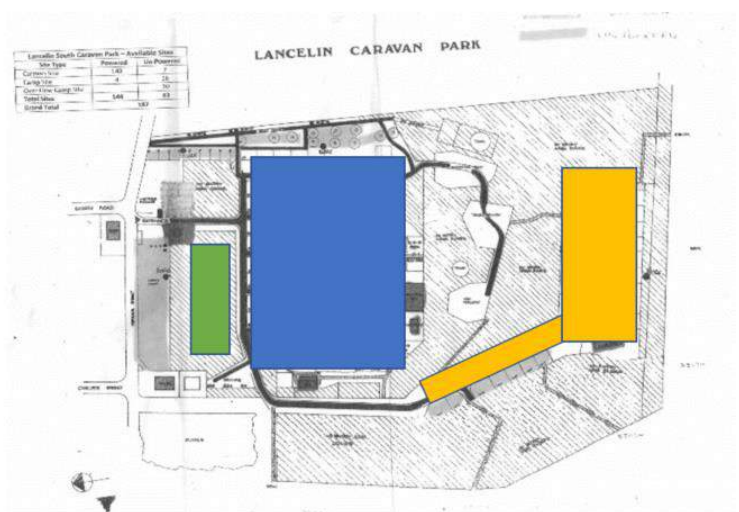
Manipulation of spreadsheet fields will identify streets or areas which are required to be redeveloped due to Health and Safety, Amenity, Fire Risk etc.

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APPEARANCE				COMPLIANCE					ADDITIONS						ACTION KEY	
Site Location #				Structure Condition	Setbacks Comply	Road Width	Waste Removal	Parking	Rigid Annexe	Flexible Annexe	Carport	Awning	Enclosures	Other Protrusions	 Refurb	 Unsatisfactory
Tenant Name	Van Size -	Annexe Size													 Relocate	 Minor Issues
Photographic Evidence															 Remove	 No Issues
Site # 39 Mrs Jones		6.0m	5.75m		X 2.5m	N	Y	Y	Y	/	Y	Y	Y	Aircon		

- The priority is to revitalize the Southern end as prime tourist sites as this land has the best views of the natural amenity. Therefore, Proponents will formally write to all current long stay tenants, including those in the priority area, to outline the compliance matters and to request building approvals for past work undertaken at each site. This will begin a process for elimination of compliance matters. The below illustrates locations of key management areas in the first 6-12 months.

-  Tourist Sites Stage 1 - Priority Area
-  Compliance Management Process
-  Cabin Development



- 1st July – 1st December 2017 long stay tenants, other than those located on the Southern end of the park, will be provided with a short term fixed lease, conditional on commitment to structure upgrades, compliance with management policies and agreement to a site rent increase. It is anticipated the compounding effects of the increase costs of compliance and site rental increase will invoke a natural attrition for those who do not wish to upgrade or improve. It will be noted; the new Lessee will require co-operation with all patrons to fulfil their commitment to the redevelopment of the existing park into a highly reputable tourist amenity.

4. 1st December 2017, notification will be served to those who decline to co-operate with the listed requirements. Many long stay sites will be required to relocate, either to another site, or remove structures from the park, to cater for redevelopment.
5. It is understood that these long-term patrons love Lancelin and the park location and serve as 'word of mouth' ambassadors for the town, the park and surrounding areas. It would be foolish business practice to undervalue the passive marketing these patrons generate. Overall, a commitment to a fair and equitable process will serve a purpose, because those who cooperate with the redevelopment could be incentivised to encourage family and friends for future stays, at a discounted rate, during off peak times, to holiday at the new amenity. This will leverage existing patrons into being advocates rather than acrimonious previous tenants.
6. Parallel to these activities, the installation phases for new park facilities, such as swimming pool, playground area and a diverse tourist cabin development will commence. The cabin development will accommodate a variety of budgets, with some, highly attractive for longer stay use over the off-peak periods. Those long stay tenants who are required to vacate to account for the redevelopment of areas around the park and the implementation of infrastructure will be offered an opportunity to relocate to the budget type cabins for 6-9 months of the year at a reduced price per week in recognition of their long-term patronage. Or alternatively, stay in new high end holiday cabins for a discounted rate as a gesture of appreciation for their long-term patronage
7. It is anticipated in the first 6 -12 months, approximately 50% of the long stay sites will be removed or relocated to account for up to 70 new sites in the prime tourist areas, which is a considerable increase in site capacity for the Shire of Gingin. Each year, it is intended to reduce the number of long stay sites. This is mainly because as the park expands and tourist patronage grows, these sites will be priced out of the market.
8. In the interim, the Proponents intend to engage positively and invite all interested parties to an information session about the **Design Concept Plans** for the Lancelin South Caravan Park.
9. The Proponents will conduct professional business practices, which values all patrons.

2.2.3 TIMELY DEVELOPMENT

The **Design Concept Plan**, as contained at **Attachment 1** will be lodged as a planning application as soon as practicable should for Proposal be successful. All appropriate documentation will be submitted with the application including consideration of fire management, ecological issues, coastal and retreating coastline due to rising sea levels and storm inundation and with consideration of the Caravan and Camping Regulations 1997, amongst other relevant policy requirements.

An application may need to be lodged with the JDAP if redevelopment costs are in excess of \$10 million. Alternatively, a choice may be made to lodge such an application with JDAP with costs being in excess of \$2 million and less than \$10 million. Upon approval, the intention is to commence modifications and improvements to the park immediately.

Ideally, development is to commence in mid/late 2017 with staging as explained in the Proposal Section 2.1.

The following **Gantt Chart** has been developed to explain timing and costing, illustrating significant investment of over \$7,000,000 in the first 5 years.

Quotations for works as described in the **Gantt Chart** are included at **Attachment 3** to this document.

The financial capacity of the Proponents to ensure a 'Timely Development' is further established in the **Business Case** contained within the following documents at **Attachment 3**.

Risk Assessment Plan – for Quality Management (Attachment 3)

Section E – Economic and Financial considerations, in particular, reference is made to identify economic and financial risks to ensure a 'timely development'.

Compliance and Long Term Leases (Attachment 3)

It is highly recommended the Proponents address the known non-compliance through a transitional timeframe. Requirements to redevelop should not necessarily impact on the delivery of new products and services within the park.

Business and Marketing Plan (Attachment 3)

The associated prepared Draft Budgets for 5 years demonstrate financial restraint and a dedicated strategy for continual reinvestment which will ensure the proposed 'Installation Phases' are able to be achieved in a timely manner.

The financial investment, cash at hand, proposed to be invested, up front by the Proponents, will focus on immediate infrastructural improvements and amenities, which are non-income bearing but will in turn increase the current value of the park.

Commercial Return to Shire of Gingin and Leasing Arrangements (Attachment 3)

The Proponents are amenable to developing a sustainable business model which endeavours to address and satisfy the objectives of all stakeholders, which includes a strong commitment to deliver this Project on time and on budget. It should be noted that a 'timely development' is contingent of the establishment of the Lease and the approvals of works to be completed by State and Local Government Departments as soon as practicable.

The Proponents acknowledge approval from the Principal must be obtained prior to commencement of **Installation Phase – Stage 1, Design Services**, **Installation Phase - Stage 2 Construction Services**, or at the completion of each Stage of works and prior to commencing the next Stage.

2.2.4 QUALITY PARK MANAGEMENT

The following **Risk Management Assessment Plan** to ensure quality park management outlines the management structure that will be employed within this park and this includes examples of similar management structures that have been employed.

RISK MANAGEMENT ASSESSMENT PLAN – QUALITY PARK MANAGEMENT

MANAGING THE DIVERSE RANGE OF RISKS

Caravan Parks, just like any other business, operate within a range of diverse areas, and risks increase as the range of facilities and services offered by parks, increases. This **Risk Management Assessment Plan**

(Attachment 3) recognises risk and aims to develop methods to both minimise and manage or eliminate the risk to ensure quality management.

The process is designed to identify, prioritise, control and monitor risk exposures. Risks will be assessed against the likelihood of them occurring and the severity or amount of loss or impact which may result if they do happen.

Likely Risks, include but are not limited to:

1. **Market risks** from competitors broadly that compete for customers and their business.
2. **Financial risk** such as rising interest rates, rising petrol prices, rising insurance premiums, or overall, increased costs.
3. **Natural Disasters** and **Environmental Hazards**, such as wind or sand storms, salt spray, fires, floods, drought, either directly damaging assets, diverting resources, requiring higher insurance premiums, or undermining the attractiveness of the property.
4. Risks related to **Duty of Care**, obligations both internally and externally.
5. **Management Risks**, such as appointment of unsatisfactory staff, contract management, not having processes in place to ensure legislation is complied with.
6. **Customer/Guest Risks** of not complying with rules and regulations established for the benefit of all. Policies to be developed to deal with unruly or dangerous behaviour by guests or visitors to the park.
7. **Compliance Risks** - holding appropriate licenses, legislated procedures.
8. **Human Resource Risks**, ensuring staff are trained in managing particularly, potential risk situations.
9. **Geographical/Locational Risks** Adherence to local by-laws for playgrounds, swimming pools, health, hygiene and food handling, as well as legislation regarding the local environment.
10. Adequate Signage for **Informational/Educational Risk**
11. Business Practices and/or Delivery **Method Risks, Products or Services Risks**
12. **Work Health and Safety Risks, Emergency Procedures and First Aid** – satisfactory logging of incidents where an injury or an accident has occurred.

MEASURE AND ASSESS


1. Likelihood

Frequency	Likelihood of a Risk
Very likely	Almost certain: it will probably occur several times a year
Likely	High probability it will happen once a year
Unlikely	Unlikely, but not impossible

2. Impact

Consequence	Impact
Major	Huge consequences – major damage or effect.
Moderate	Moderate level of money laundering or terrorism financing impact.
Minor	Minor or negligible consequences or effects.

3. Risk Matrix

Threat Level	Very likely	Medium 2	High 3	Extreme 4
 Likelihood	Likely	Low 1	Medium 2	High 3
	Unlikely	Low 1	Low 1	Medium 2
	What is the chance it will happen?	Minor	Moderate	Major

Impact - How serious is the Risk?



Policy Documentation

The process of documenting a Risk Management Policy is essential for ongoing protection and is paramount to governance and sound record keeping.

PESTELO Analysis

Conducting a PESTELO analysis has established how the Proponents intend to address the systemic issues with the Lancelin South Caravan Park in conjunction with the development guidelines, for Shire of Gingin, the Caravan & Camping Grounds Act 1995 and Regulations 1997.

- P - POLITICAL AND REGIONAL PRIORITIES**
- E - ECONOMIC AND FINANCIAL**
- S - SOCIAL AND COMMUNITY**
- T - TECHNOLOGICAL AND INFRASTRUCTURE**
- E - ENVIRONMENTAL AND DESIGN**
- L - LEGAL**
- O - ORGANISATIONAL AND OPERATIONAL**

P - POLITICAL AND REGIONAL PRIORITIES

Identified Political and Regional Risks to be Reduced or Eliminated

- The opening of the Indian Ocean Drive has provided a perfect opportunity to maximise visitation to the township and surrounding area which enables the caravan park to be the lifeblood that builds the local economy for other small businesses.
- Attracting genuine and sustainable investment in regional communities throughout the State is highly competitive, but not beyond the scope of what is required for the town of Lancelin and surrounds. The Tourism WA promotion of 'Destination Perth' and the spin off from this marketing strategy will lead to the clustering of destinations for promotion and visitation, spotlighting the coastal communities North of Perth. There is no doubt that Lancelin can be built into a must-see destination as a direct result of this Tourism WA strategy.
- It is crucial for the Lessees to work collaboratively with State and Regional priorities. The Proponents commitment is to develop 'high quality' tourism facilities, with an optimum mix of accommodation types with state of the art services and products, to reflect Lancelin, WA is 'open and ready for business'!

E- ECONOMIC AND FINANCIAL

Identified Economic and Financial Risks to be Reduced or Eliminated

As indicated by the documents submitted, the Proponents are well placed to undertake this development and demonstrate a commitment through their financial capability to build a sustainable asset for the Shire of Gingin.

As per the **Gantt Chart** summary (**Attachment 3**) an initial investment will account for the installation stages of new facilities, playground, jumping pillow, an enclosed 25m swimming pool, spa, BBQ facilities, Camp Kitchen, refurbishment of the Southern ablution block, 8 x two bedroom cabins and tourist sites at the Southern end. The overall cost of these changes to the infrastructure of the park, will be measured against the increase in income, as in accordance with the submitted **5 year Draft Budgets** included at **Attachment 3**.

The existing income derived from tourist and long stay sites, estimated to be \$330 000 p/a will sustain the operational maintenance for the park whilst other areas are being redeveloped. Following on from the initial investment, consistent trading figures will qualify for bank finance to complete Installation Phase Stage 2 and Installation Phase Stage 3.

The risks identified in the **Compliance for Long Term Leases** management strategy at **Attachment 3** will be overcome, overtime, as there is a genuine need to transition long stay sites without entering into legal or operative matters.

Overall, there is a financial risk with any redevelopment, however, the Proponents are buoyed by the latest release of Tourism Research Australia (TRA) statistics which indicates key increases in domestic and international visitation. The data compares visitation across several key indicators using the latest year-end December 2016 statistics. Domestic Overnight Annual Visitors has risen 14.23% from 548,000 y/e 2015 to 626,000 while International visitor numbers rose 18.31% from 28,314 to 33,501.

National Caravan Industry research also indicates tourists staying in commercial caravan holiday parks spend more per location, more per day, and stay longer at each location than campers staying at non-commercial locations. It is anticipated that through strategic development and sound management, the Lancelin South Caravan Park will bring a much-needed boost to the local economy and within a 5 year period the upfront investment will result in a financial sustainability.

S - SOCIAL AND COMMUNITY

Identified Social and Community Risks to be Reduced or Eliminated

Lancelin has been underdeveloped and under marketed. The town lacks a sense of identity and a unique selling proposition and yet it is poised ready to be developed by commercial investment. Natural beauty, environmental issues, sand degradation, rising tides, protected flora and fauna all have resulted in restricted development, which in recent times has been met with public outcry. The township needs substantial investment and the Lancelin South Caravan Park could be the catalyst for an economic boost to the surrounding business in the township.

There are several iconic tourist destinations, both natural and built that would be advantaged by an influx of visitation. But the natural beauty, and aspect of the park's location is second to none and this should bear the focus of key strategic investment, which will then ripple across into other opportunities, particularly for the caravan park patrons.

It is not the intention of the caravan park to replicate or initiate other business ventures, but rather to cluster together these resources and promote them to a captive audience of patrons that will stay to enjoy the additional experiences on offer.

In 2012, Lancelin was identified as one of the state's top three places most urgently needing a new holiday park, to cater for short term accommodation needed to support the region's growing reliance on tourism, away from the fishing industry. High quality, short stay options are limited in the town. The inclusion of facilities that can be utilised by the town's people as well as patrons to the park will increase capacity and drive greater economic outcomes

It is anticipated that a predominantly steady customer base would comprise the key traditional markets such as, Baby Boomers, Grey Nomads and Families. However, we intend to attract other markets such as Millennials (Up and Coming) Hipsters (Art & Culture) and Dedicated Discoverers (University Students, Ornithologists, Environmental Research Students, Clubs, and School Camps) and Adventure Seekers (Wreck Diving, Fishing and 4WD).

Engagement with and further development of local festivals and events, such as the Buskers Festival and the Windsurfing Competition, by the addition of park based extensions to support these events.

The clustering with other businesses and sharing of peer to peer economy will assist to develop packages of 1 hour, ½ day and full day trips, which radiate from Lancelin, which will encourage inbound bus companies to stop over for Aussie BBQ lunch or activities, all the while encouraging overnight stays. Grant funding for events and the opportunity to showcase fresh produce with the backdrop of coastal theming could result in the park operating with a retreat/spa or as a wedding convention centre in the future.

The applicants bring to the table their association with one of Australia's most successful branding & marketing chain in Top Parks Australia. For a modest investment, there would be an immediate boon and membership benefits at the very basic entry level which would secure up to 4 times the marketing value through networked promotion at the National level. The National referral network will map out itineraries and naturally assist to boost local economy through tours, attractions and visitation and patronage of other local businesses.

T-TECHNOLOGICAL AND INFRASTRUCTURE

Identified Technological and Infrastructural Risks to be Reduced or Eliminated

Technology and advancements in design enable low cost shelters and cabins which can be installed with low or zero environmental impact, which would be ideal for the Lancelin location in the future. Although 'Escapism' is desirable, patrons also require state of the art communications and technology.

Other such major infrastructure, including systemised technologies would include consideration to land usage for:

- Park WIFI system or town hotspot
- Renewable energies – solar panels
- Roads – kerbing, signage
- Fire and Emergency Equipment
- Electrical Installations – maximise capacity
- Recharging station made available for travelling 'smart' vehicles would encourage more visitation to the town as travellers will need to recharge when on regional routes. Self-drive itineraries are maximised by subscription to the RAC WA Electric Highway.
- Headworks – sewerage
- Town internet /gift shop/tourism centre/ laundromat



E- ENVIRONMENTAL AND DESIGN

Identified Environmental Risks to be Reduced or Eliminated

A recent visit highlighted the opportunities for expansion, enhancement and assessment of potential risk factors that need to be addressed to ensure the park design compliments the natural environmental landscape.



- High fuel loads will require clearing away debris, half fencing, rocks, and clear road sides– anything that can be transported in windy elements or present a fire risk. Fencing needs to be improved and replaced but in certain areas this is irrelevant as the implementation of natural landscaping and vegetative buffers would form protective barriers whilst enhancing the natural amenity.
- It is intended to build attractive assets considering the topography in relation to the wind factor, erosion and inundation, as major environmental issues.
- Draft mapping in relation to rising sea levels in 30-50 years is not relevant to this development as structures can be relocated within significant timeframes.
- Low natural gullies formed in the sand dunes provide opportunities for protected camping. Heights should be maximised for holiday cabins to maximise the views. It is evident that the existing ‘tank hollows’ lend themselves as secure, protected camping spots. However, they present a high fire risk with only one point of access. Another exit point should be added to ensure safety of passage.
- Elevated Southern end should be the area to be established as the first stage for travelling vans. Building an enclosed campers’ kitchen for patrons would enhance this area and encourage more use of the site by the added protection from the elements.
- Entry roads and the car park are in good repair, but sealing the main roads and landscaping will create some attractive areas with minimal cost. The creation of a new sealed road entry with a new office location is warranted to bring travellers past the new facilities and safely along a dual carriage roadway.
- A chalet development in the dunes and along the main thoroughfare is ideal for 2 storey structures with a protective top deck for viewing scenery is paramount. A bottom deck living area would account for inclement weather and give rise to greater usage out of peak/ideal seasons.

L – LEGAL

Identified Legal Risks to be Reduced or Eliminated

It is anticipated the rights and responsibilities for legal matters will be identified and negotiated through the lease.

The Proponents are well versed in the Caravan and Camping Grounds Act 1995 and the Residential Parks Long Stay Act 2006. Having operated 3 caravan parks, they are also aware of the necessary permits, by-laws and Regulations associated with the operational aspects of Caravan Parks of all types, and sizes.

O – ORGANISATIONAL AND OPERATIONAL

Identified Operational Risks to be Reduced or Eliminated

Management - Staffing

The Proponents are well versed in staff being capable of multi-tasking with training procedures to ensure all staff can operate all aspects of the business and step into roles required at any given time.

Policies & Procedures

As the example here demonstrates, we will operate under the industry best practice guidelines with systemised reporting to ensure all employees, at all times, are fully aware of their rights and responsibilities.

Accessibility

Cloud based Technology and Software allows efficient off site management as well as the ability to dial in to cameras, for security and maintenance checks. The Reservation Management Systems (RMS) operated by our existing parks will enable bookings to be made 24/7 and can easily cater for the extension of the Lancelin site.

Industry Benchmarks

Mandurah Caravan and Tourist Park Implementation of Workplace Housekeeping Codes of Practice, Policy and Procedure	
Employee's Name _____	
I have a clear understanding of the Mandurah Caravan and Tourist Park's Anti Discrimination Policy and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____	I have a clear understanding of the Mandurah Caravan and Tourist Park's Herbicides and Pesticides Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____
I have a clear understanding of the Mandurah Caravan and Tourist Park's Armed Hold Up Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____	I have a clear understanding of the Mandurah Caravan and Tourist Park's Needle Stick Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____
I have a clear understanding of the Mandurah Caravan and Tourist Park's Behavioural Code of Conduct and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____	I have a clear understanding of the Mandurah Caravan and Tourist Park's Manual Lifting Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____
I have a clear understanding of the Mandurah Caravan and Tourist Park's Fire Emergency Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____	I have a clear understanding of the Mandurah Caravan and Tourist Park's Controlling on Site Hazards Policies and Procedure and acknowledge as required within my employment contract that I will follow and meet all that is required by the Policy in my daily work duties. Signature _____ Date ____/____/20____



As per the Occupancy % Report below, the current high occupancy levels at the existing parks of Mandurah and Perth will serve to boost visitation to Lancelin. The cross promotion will enhance the numbers at the park and refer travellers to visit through a natural business network.



Occupancy % Report - July 2015 - June 2016				
Accommodation Type	Mandurah Caravan & Tourist Park	Perth Central Caravan Park	National Average	WA Average
Cabins	65.14% (14 Cabins/Chalets)	59.08% (22 Cabins)	53.16%	48%
Powered Tourist Sites	72.23% (37 Sites)	86.80% (35 Sites)	31.83%	44%
Tent Sites	29.4% (16 Sites)	76% (4 Sites)	11%	27%

Competing Accommodation

Investigation in and around Lancelin suggests visitors are mainly being offered budget – motel style and holiday homes, which provides ample opportunity to expand the park’s range into mid-level and luxury accommodation.

The proposed increase of accommodation choice with a range of facilities provide diverse offering for a range of budgets. The Lancelin site boasts plenty of space, which enables larger sites, with generous setbacks to accommodate a range of products from tenting, ensuited facilities, and more importantly, to accommodate the expanded products now attractive for the family market. Short term ensuited reverse-air chalets – will cater for the shoulder seasons, particularly the winter months away from wind. High end resort style accommodation will maximise top dollar in peak season and attract patronage from otherwise neglected markets.

Lancelin South Caravan Park		
Example: Quality Management Procedures		
The Managers of this park are committed to implementing risk management procedures for the business to ensure a safe working environment for staff, a safe holidaying experience for customers, and security and safety for residents. We encourage and train our staff in Workplace Health and Safety procedures to ensure they accept and adopt requirements as a matter of course in their day to day routine		
Risk element	Policy/Procedure	Date & Staff Assigned
Swimming Pool Drowning Slippery Surfaces Appropriate Behaviour	<p>The Park Managers are committed to the safe and responsible use of the park's swimming pool and surrounding area</p> <ul style="list-style-type: none"> The swimming pool area is fully fenced according to government regulations All gates leading into the pool area are sanctioned child proof locks and self-closing Signage demonstrating CPR (Cardio Pulmonary Resuscitation) techniques and emergency phone numbers are prominently displayed according to government regulations Slippery surface signage is prominently displayed at the entrance of the pool and within the pool area Signage is prominently displayed relating to the rules of the pool, which include: 	
 		

<p>Children's play areas</p> <p>Injuries sustained by falls/ equipment misuse or failure/ non-supervision of children.</p>  	<p>The Park Managers are committed to the safe and responsible use of the park's children play area</p> <ul style="list-style-type: none"> • All play area equipment complies to the standards relevant by state and local authorities • Loose fill or synthetic rubber is used in play areas to minimise the impact of falls and/or impact in landing areas (such as slides) or areas where a fall may occur • Supervision by an adult is required for any children using the areas • Signage is erected in a prominent area displaying the risks of improper use of the play area equipment • Misuse of equipment may result in people being removed from the play area, continuous disregard for the rules may result in eviction from the park with no refund • 	<p>Signage at Playground</p> <p>Pedal Kart Guardian sign off sheet</p> <p>Guest Information Booklet</p> <p>Tenancy sign offs sheets for Safe use of Equipment</p> <p>General Regulations</p>
<p>Walkways and Roads</p> <p>Slip hazards/ potholes/ overhanging branches</p> 	<ul style="list-style-type: none"> • The Park Managers will endeavour to identify risks relating to the park's walkways and roads through regular inspections • Signage will be erected to risk areas prone to slippery surfaces that cannot be reasonably alleviated by park staff through normal maintenance and inspections • Overhanging branches from trees and shrubs will be pruned and maintained to alleviate the risk of injury • Road surfaces will be kept under repair ensuring potholes, loose gravel or other risks are minimised and signage displayed until the risk is repaired • Maintenance schedule is kept on any repairs or on-going maintenance needed 	<p>Speed Humps Painted Regularly</p> <p>Trees Lightly Pruned on a regular basis</p> <p>Vegetative Maintenance Plan</p> <p>Maintenance Sheet & Grounds Diary</p>

		Pictures Task & Staff sign off checklists
<p>Use of chemicals and power tools</p> <p>Spillage/ poisoning/ storage/ injury or property damage</p>	<p>Any chemical usage by staff or contractors of this business will be in accordance with the Workplace Health and Safety policy adopted by the business</p> <ul style="list-style-type: none"> • Material Safety Data Sheets (MSDS) are kept on all chemicals and hazardous substances used in the park • Storage of chemicals is in accordance with the MSDS and Workplace Health and Safety policy of the park • Chemicals used in conjunction with cleaning and maintenance are used in compliance with the Maintenance Procedures • LPG bottles are safely stored and current regulatory standards are in place for both storage and decanting of the LPG • Should a chemical spill occur staff will ensure the clean-up complies with the MSDS and the organisations policy and procedure on chemical spills, including erecting of temporary signage to minimise risk of injury until clean-up can occur • Hazardous substances will be properly disposed of in accordance with Workplace Health and Safety policy and appropriate licensed services employed • This business is committed to ensuring no occurrence of poisoning will occur in this park. This will be achieved with proper storage of chemicals in a locked area. Should poisoning occur, staff who have first aid training will attend to the injured and contact the emergency department appropriate • The use of power tools owned or leased by the park will only be undertaken by fully trained staff or contractors of the business skilled in the proper use, care and storage of said tools. These tools will not be available for use under any circumstances by guests or residents of the park 	<p>MSDS File</p> <p>MSDS Picture Wheel</p> <p>First Aid Kit</p> <p>To be updated and all equipment checked every 3 months</p> <p>Tenants to sign Insurance Policy and Procedures</p> <p>Training & Certificates to be Attained</p> <p>Senior First Aid</p> <p>Aquatic Rescue Certificate</p>
<p>Lighting</p> <p>Security at night/ trip hazard</p>	<ul style="list-style-type: none"> • Adequate lighting is provided to all areas of the park to ensure the safety and security of staff, guests and residents • Lights on walkways and around amenities are inspected regularly to ensure defective bulbs are replaced • Poorly lit areas of the park which may affect the safety or security of staff, guests and residents are identified and recorded in the 	<p>e.g.</p> <p>Site Numbering with glow in dark paint</p>

	maintenance plan for rectification work	Solar Lighting
Emergency and Evacuation	The Park Managers and staff are committed to the safety of all employees, guests and residents of the park.	EEC & Muster Points Identified in Guest Information Brochures
Fire/ Flood/ Storm	<p>Emergency contact and evacuation procedure plans will be prominently displayed at reception and throughout the park</p> <ul style="list-style-type: none"> In the case of a fire within the park, all staff are trained in the use of fire hoses and fire extinguishers Emergency services are contacted and the evacuation plan is activated at the outset of a fire. No staff member or customer is expected to put their safety at risk. If the fire is beyond the capabilities of staff to fight with fire hoses and/or extinguishers available, or they fear for their safety, they must adhere to the evacuation procedures in place. In the event of flood owner/managers will be in contact with local emergency services as to when evacuation may be required and if so activate the Flood Evacuation Plan If advance notice of a severe storm is forthcoming to owners/managers of the park all attempts to secure any items which may become projectiles in high wind will be made. Additionally, if sufficient notice of the storm is obtained, staff will attempt to inform all park guests and residents asking them to stay indoors until the storm passes and pass on any safety instructions from emergency services. 	<p>Staff Induction Training identifies appropriate procedures for</p> <p>Wearing of PPE</p> <p>Manual Lifting</p> <p>Safe Chemical Handling</p> <p>Needle Stick Injury</p> <p>Snake Bite Treatment</p>

2.2.5 COMMERCIAL RETURN TO THE SHIRE OF GINGIN

The proposed lease period is 21 years plus a 21 year option. As this period exceeds 21 years, a **Business and Marketing Case Plan** with associated **Draft Budgets for 5 years** is included at **Attachment 3**.

Indicative, non-binding commercial terms, for the lease and development rights of the site, including justification for a lease term extension beyond 21 years.

The Proponents are amenable to developing a sustainable business model which endeavours to address and satisfy the objectives of all stakeholders.

Such collaboration would consider an agreed percentage of turnover, varying between 10-12.5% over the course of the first 21 years, subject to the achievement of performance indicators. It is understood that a figure of 12.5% of turnover, paid as rental to a Lessor is a fair rent in most Caravan Park leases.

Commercial Rental Return

Budget Estimate - 10% of turnover - Years 1-5
Year 1: \$62 618p/a
Year 2: \$66 014 p/a
Year 3: \$97 785 p/a
Year 4: \$126 196 p/a
Year 5: \$186 918 p/a

As per this table, the prepared Lancelin South Caravan Park, **(5 year) Draft Budgets** present conservative pricing conditional on building the brand over time. It is suggested the amount of rent to be paid is determined as a percentage of turnover, as this is a commonly used practice.

Example: 12.5% of turnover - Year 6: \$201 871 p/a

Details of when and how the lease payments will be aligned to market prices:

It is proposed that the lease payments be payable, a month in advance, on the first day of every month.

Net present value calculation

As at Year 1, we determine the net present value calculation to the Shire of Gingin to be \$62 618 p/a, based on 10% of turnover. The amount of \$5218.16 is payable, monthly in advance, aligned with the yearly increase in turn over.

As the value of the business is determined on the terms and conditions contained within the lease, the net current market value of the business is not quantifiable at this stage.

Terms of Lease

- 21 years plus 21 years - subject to the graduated implementation infrastructure.
- Allowance for rental review as a percentage increase will be negotiated in the lease terms and contingent on increased turnover. From Years 7 – 21, we predict at least a 10% increase in turn over, year on year, as we anticipate demand for sites and cabins will outstrip supply.

Preferred terms to be negotiated in construction of the new lease

Approvals

- Fast tracked Local Government approvals by September 2017 with adequate infrastructure in place before December 2017 to take advantage of the first peak season.

Asset Management

- We acknowledge responsibility to maintain the Shire of Gingin Assets, listed below, to a satisfactory standard in accordance with the Caravan and Camping Grounds Act 1995 and Regulations 1997
3 x Ablution Blocks, Laundry & Machines, Roads, Signage, Office and Maintenance Shed, Boom Gate, Lighting, Power and Water Outlets, Underground Infrastructure – Drainage, Sewerage, Fencing, Paving and Hard Surfaces, Landscaping, Trees, Retaining Walls

New Infrastructure

- Any goods owned by the Lessee, e.g. Cabins, subject to any rights of the Bank under Security will not be treated as fixtures to the premises.

For example:

- a) The Parties acknowledge and agree that the Tenant has installed several portable cabins on the Land at its own cost ("the Cabins").
- b) At the expiry, or sooner determination of the Term, the Tenant must:
 - I. Remove the Cabins from the Land;
 - II. Cap and make safe all pipes, plumbing, electricity and any other services to the Cabins;
 - III. Reinstate all necessary caravan sites on the area that the Cabins are located on, including installing a concrete pad, power boxes and any other necessary services so that there are at least 'X' powered caravan sites suitable for caravan parking and accommodation.
- c) In the event, the Tenant does not remove the Cabins and make good and reinstate the Leased Premises, strictly in accordance with clause 'X', then the Landlord may undertake such works. The cost of such works will be payable by the Tenant to the Landlord on demand. "

Assignment

- Right to assign and/or sell the lease.
- It is recommended that the Proponents be granted a lease of 21 years, plus 21 year option due to the amount of infrastructure that has been proposed.
- Council should consider, if the current Lessee ever chooses to sell, then the offer of a new lease to a prospective purchaser would generate continual improvements and ensure the groundwork and commitment has been recognised, and that the Lancelin South Caravan Park would be continually enhanced and remain a caravan park.

Assignment of Whole of Leased Premises

For Example:

- a) The Tenant shall not assign any part or portion of the Leased Premises, and may only assign the whole of the Leased Premises or this Lease or any estate or interest in this Lease with the prior written consent of the Landlord (which consent must not be unreasonably withheld or delayed) and subject to the due compliance with clause 'X', hereof.
- b) If the Tenant wishes to assign the whole of the Leased Premises and all of the Tenant's estate or interest in this Lease, the Landlord is entitled to withhold its consent to the same only on reasonable grounds, however, it is reasonable for the Landlord to insist on the following conditions being met before consent is given.

Consent

- Right of Entry – (Business and Goods) Consent and Agreements by Lessor and Mortgagee for the nominated Bank to exercise rights over Security to enter premises to rectify and make good any defaults

Infrastructure – Years 1 – 21 - subject to Local Government approvals

- 2017 – 2018 Installation of 2 x Econolodges (3 x 1 Bedrooms, 2 x 1 Disabled)
- Develop areas to a suitable standard in accordance with Caravan & Camping Ground Act 1995 & Regulations, 1997.
- Landscaping to provide windbreaks and improve aesthetic appeal and maximise the natural features and visual landscape.

- Office Equipment – ICT to improve efficiencies. Featuring an information bureau for brochures from local businesses.
- Roads, Kerbing, Signage.
- Systemise Utilities – Power heads to sites with Ortomate – automatic power reading
- Protective BBQ Shelters, 2 x Camp Kitchens, Laundry and Sheltered Clothes Drying Area
- Install sewerage – to account for ensuite sites and cabin infrastructure – including a Dump Point facility.
- Install an enclosed 25m Swimming Pool, Spa, Jumping Pillow, Playground
- Tree lopping program implemented – full planning and strategic maintenance schedule
- Theming and Entry Statement- Utilise the existing office as an interim measure; with the endeavour to install a New Office in a new location to maximise the amenity and accessibility points to the Southern end of the Park.
- Express Check in Bay with separate Exit access.
- Cabin development to account for Backpackers/Single accommodation for tour buses and studio accommodation for 1 – 2 patrons and 2 storey luxury accommodation.
- Tour Bus Parking and extensive Visitor Parking areas.
- Lock up Storage Shed and Compound Area for patrons' quads, jet skis etc
- 2018 – 2019 Installation of 8 x 2-bedroom Holiday Cabins
- 2019 – 2020 Installation of 2 x 1 Bedroom Cabins
 Installation of 4 x 2 bedroom Cabins
 Installation of 2 x 3 Bedroom Cabins
 Replacement of Ablution Block East to 8 x Unisex Toilets and Showers, a Laundry and Camp Kitchen.
- 2020 – 2021 Installation of 4 x Superior 3 Bedroom – 2 storey Cabins
 Installation of 4 x 1 Bedroom Cabins
- 2021 – 2025 Mini Golf, nature Playground with rope maze and flying fox.
 Review the design and infrastructural development requirements.
 Maintenance of existing infrastructure.
 Review of the sustainability of the business model.
 Analysis of turnover and future direction.
 Assess the existing infrastructure, with the intention of replacing, renewing and revitalising the dedicated areas.

Details with respect to maintenance and renewal of fixed and non-fixed assets are explained in the section below within the **Asset Management Plan** for the caravan park as follows:

ASSET MANAGEMENT PLAN

There will be a demonstrated strong commitment to enable a safe, well maintained range of infrastructure and overall assets in accordance with our service delivery objectives and in association with compliance under the 1996 Caravan and Camping Grounds Act and Regulations 1997.

Improved operating efficiency in maintaining, renewing and replacing existing assets will optimise life cycle costs and address the impacts of future demands through business growth.

We will Identify and manage risks associated with asset failure and provide required services from infrastructure and strive for continuous improvements in asset management practice.



ASSET MANAGEMENT PLAN FRAMEWORK

The Asset Management Framework comprises the following, and will determine:

SERVICE REQUIREMENTS

Identify specific service requirements to be provided for Fixed and Non-Fixed Assets

FUTURE DEMAND

Identify future demand impact on delivery of current services and account for increased growth over a given period

RISK ASSESSMENT PLAN

In accordance with the overall **Park Risk Management Plan (Attachment 3)** an assessment has been undertaken to develop sound policies and procedures in accordance with the prioritisation via a PESTELO Framework.

FINANCIAL FORECAST SUMMARY

Identify funds required to maintain current and future assets

LIFE CYCLE MANAGEMENT

Ascertain how assets are be amortised.

Maintenance programs will be implemented to ensure the lifetime of the asset is maximised

POLICIES AND PRACTICES

Identify who will be responsible for the Plan and implementation

COLLATE & REVIEW

Determine what value can be placed on current assets

Identify and describe assets, condition assessments, performance monitoring, review data and implement an improvement plan.

IDENTIFIED FIXED ASSETS

UNDERGROUND INFRASTRUCTURE

Water Corporation Underground Asset

A critical water pipeline in the vicinity will require liaison with the Water Corporation before any ground work is committed. See attached documents for instructions and notification required of intention to work near Water Corporation Pipelines.

Western Power Network Assets

Network Asset Classification Transmission line 66kV, 132kV, 220kV and/or 330kV Distribution line 6.6kV, 11kV, 22kV and/or 33kV 240V/415V (insulated / uninsulated) Communication cable and other cables communications, pilot cables and fibre optics We note it is the duty of care of persons planning to work or develop around Western Power's network to comply with the requirements of these statutory obligations and any other legislation, standard or guidance relevant, as per attached instructions.

Waste Water Infrastructure

It is noted several sets of septic tanks and leach drains account for the infrastructure for waste removal. The Proponent has requested current maps for septic systems, sullage points, power supply lines and both bore and scheme water pipelines, however, due to the lack of records for this infrastructure it will be necessary to undertake a full examination of operating areas and any areas up for redevelopment which will occur on an as needs basis. The results of such intense examination will require appropriate risk mitigation or removal to enable development. It is anticipated a ground radar system will determine the location of specific assets and this data will constitute the ongoing maintenance plan for waste management.

Natural Amenity

Landscaping the natural setting in accordance with water wise initiatives and responsible management of flora and fauna. Sustainable management of resources. Renewable energy through solar power.

Responsible management of dune erosion and coastal habitat is also factored into the **Design Concept Plan**.

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

Plant & Equipment

Current Buildings	
Ablution Block #1	<i>Estimated Value in Asset Management Schedule</i>
Ablution Block #2	<i>Estimated Value in Asset Management Schedule</i>
Ablution Block #3	<i>Estimated Value in Asset Management Schedule</i>
Laundry	<i>Estimated Value in Asset Management Schedule</i>
Transportable Office/Residence	<i>Estimated Value in Asset Management Schedule</i>
Shed	<i>Estimated Value in Asset Management Schedule</i>
Office, Advertising & IT	\$13,988.21
Service and Repairs (Fencing, Demolition, Plumbing & Electrical Work, Tree Lopping)	\$37,063.60
Capital Goods (Air-conditioner, Camp Kitchen Building & Fit-out, Boom Gate)	\$37,495.33

Building assets will be adequately maintained to all statutory and technical requirements to ensure health, safety, security and reliability are met within available resources.

Risks will be minimised through the implementation of maintenance policies and procedures.

A yearly, comprehensive Maintenance Audit Program will review, record and support strategic asset management decisions, based on age; condition; value; deferred maintenance and functional quality; and performance to support the delivery objectives. For Example: Roofs and Gutters Cleaned, Door Locks, Runners, Tiling, Plumbing Fixtures, Fencing

Plumbing & Electrical Fixtures and Fittings

No underground infrastructure mapping exists and therefore, the Proponents will 'ground truth' and assess accordingly.

Egress Infrastructure

Roadways, car parks, walkways, paved and hard surfaced areas.

Further construction of roads will incorporate ease of access and will prioritise egress, for improved fire management, as much as traversable networks, which enhance user-friendliness around the park.

Office & Current Equipment

Boom Gate, Security Equipment, Internal Lighting, External Lighting, Air Conditioner, Gas, Ice Machine, BBQ station, Telephony, Laundry Equipment, IT Equipment, Shade Sail, Picnic Setting. 147 Caravan Bays, 11 Camp Sites.

Future Buildings and Equipment

Camp Kitchen x 2

BBQ Area & Shelter

New Office Roads and Entry Statement

Games & Conference Room

29 Park Cabins (variety of Econolodges, Disabled Accommodation and 1, 2 and 3 bedrooms)

Storage Shed & Compound Area

Pool Enclosure, Jumping Pillow and Playground Facility

12 x Ensuites

Other recreation facilities

Fire and Emergency Equipment

Firehose Reels, Hydrants, Bore Equipment will be maintained in accordance with relevant legislation. Conduct 6 month appraisals of fire equipment to be undertaken by a local provider will include service and inspection of fire blankets, extinguishers, hose reels and hose reel covers, anti-tamper seals and metal record tags. Where any equipment is, damaged or missing, the appropriate repairs and replacement will be undertaken according to priority.

Subscriptions and Licences

It is the endeavour of the Proponent to uphold any agreements previously made with vendors, wholesalers and local companies, where this can be achieved in accordance with the best outcome. However, it will be noted that due to the adoption of a new lease we reserve the right to scrutinise all agreements and contracts made to ensure propriety and best practice and service as is befitting a commercial arrangement and maximise such to the benefit of all parties.

Such licences include; security & safety systems; electrical services; fire protection systems; boundary walls/perimeter fencing/gates; and communications & data systems.

Details on renewal and maintenance programming and how this is to be achieved in the financial model is addressed under the **Asset Management Plan (Attachment 3)** and is explained in the **Risk Assessment Management Plan – Quality Park Management, (Attachment 3)** and the **Lancelin South Caravan Park Business Plan (Attachment 3)**

3.0 PROPONENTS OFFER

3.1 Form of Proposal

The necessary completed form is displayed on the following page.

Page 66 - replace and insert signed page here

4.0 SELECTION CRITERIA

4.1 COMPLIANCE CRITERIA

4.1.1 COMPLIANCE CRITERIA	
DESCRIPTION OF COMPLIANCE CRITERIA	
a) Proponents are to provide acknowledgment that your Proposal is submitted in accordance with the Conditions of Proposal including completion of the Offer Form in the format required by the Principal. (Refer to Section 3.0 – Proponents Offer)	YES
b) Compliance with the Specification [Part 3] contained in the Request	YES
c) Compliance with the Delivery Date	YES
d) RISK ASSESSMENT A risk assessment has been prepared in accordance with the selection criteria, below.	YES
<p>Company/organisational structure profile</p> <p>Currently, the Proponents operate individual businesses under independent company structures. However, due to the terms and conditions of a lease, not being available prior to the submission of final tender documents, the Proponents reserve the right to view the lease and then seek independent advice, accordingly, as to the best structure under which to formalise a new company structure.</p> <p>The Proponents intend to invest substantially in the redevelopment of the Lancelin South End Caravan Park, and retain the lease for as long as is permitted by the Minister of Lands to ensure the park remains a ‘highly reputable’ tourist park. Therefore, due consideration of the most appropriate business structure for this venture will allow us to adequately consider asset protection and business risk management strategies.</p> <p>The terms of the lease usually impact the extent to which asset protection and business risk management strategies will be effective and, as such, play a key part in determining the most appropriate business structure. Further to this we will have the opportunity to optimise our tax</p>	

position using tax effective business structuring, which in turn will allow for greater 'post-tax surplus' to be available for reinvestment into the business.'	
i) An outline of your organisational structure inclusive of any branches and number of personnel.	<p>Current Company Structures</p> <p>Proponent #1 COM HOLDINGS PTY LTD T/A Perth Central Caravan Park T/A Wanneroo Caravan Park Number of Personnel: 9 (FTE)</p> <p>Proponent #2 BAYSCOPE PTY LTD as TRUSTEE for BAYSCOPE TRUST T/A Mandurah Caravan & Tourist Park Number of Personnel: 15 (FTE)</p>
ii) If companies are involved, attach their current ASIC company extracts search including latest annual return.	<p>Attachment 4 Item (A) – ASIC Company Extract for Proponent #1 Com Holdings PTY LTD T/A Perth Central Caravan Park T/A Wanneroo Caravan Park Attachment 4 Item (B) – 2016 P&L for Proponent #1 Com Holdings PTY LTD Attachment 4 (C) – ASIC Company Extract for Proponent #2 Bayscope PTY LTD T/A Mandurah Caravan & Tourist Park Attachment 4 Item (D) – 2016 P&L for Proponent #2 Bayscope PTY LTD</p>
iii) Provide the organisation's directors/company owners and any other positions held with other organisations.	<p>Proponent #1 Director Christopher Sialtsis Share Holder Ornella Sialtsis Proponent #2 Director Reginald Cocking Director Donna Lee Cocking Share Holder Laura Cocking</p>

	Share Holder Jack Cocking
iv) Provide a summary of the number of years your organisation has been in business.	Proponent #1 15 years Proponent #2 20 years
v) Attach details of your referees. You should give examples of work provided for your referees where possible.	Attachment 4 Item (E) Corporate Profiles, including Financial Referees for Christopher Sialtsis Ornella Sialtsis Reginald Cocking Donna Cocking
vi) Are you acting as an agent for another party? If Yes, attach details (including name and address) of your principal.	Proponent #1 & #2 NO
vii) Are you acting as a trustee of a trust? If Yes, give the name of the trust and include a copy of the trust deed (and any related documents); and if there is no trust deed, provide the names and addresses of beneficiaries.	Proponent #1 NO Proponent #2 YES – BAYSCOPE TRUST Attachment 4 Item (F)– Bayscope Trust Deed
viii) Do you intend to subcontract any of the Requirements? If Yes provide details of the subcontractor(s) including; the name, address and the number of people employed; and the Requirements that will be subcontracted.	Proponent #1 & #2 NO
ix) Will any actual or potential conflict of interest in the performance of your obligations under the Contract exist if you are awarded the Contract, or are any such conflicts of interest likely to arise during	Proponent #1 & #2 NO

the Contract? If Yes, please supply in an attachment details of any actual or potential conflict of interest and the way in which any conflict will be dealt with.	
x) Are you presently able to pay all your debts in full as and when they fall due?	Proponent #1 & #2 YES
xi) Are you currently engaged in litigation as a result of which you may be liable for \$50,000 or more? If Yes please provide details.	Proponent #1 & #2 NO
xii) In order to demonstrate your financial ability to undertake this contract, include a profit and loss statement and the latest financial return for you and each of the other proposed contracting entities, together with a list of financial referees from your bank and/or accountant.	Attachment 4 Item (E) Corporate Profiles, including Financial Referees for Christopher Sialtsis Ornella Sialtsis Reginald Cocking Donna Cocking
Proponents are to supply evidence of their insurance coverage including, insurer, expiry date, value and type of insurance. If Proponent holds "umbrella Insurance" please ensure a breakdown of the required insurances are provided. A copy of the Certificate of Currency is to be provided to the Principal within 5 days of Council's resolution of determining the proposals.	Attachment 4 Item (G) for Proponent #1 Certificate of Currency - Com Holdings PTY LTD T/A Perth Central Caravan Park T/A Wanneroo Caravan Park Attachment 4 Item (H) for Proponent #2 Certificate of Currency - Bayscope PTY LTD T/A Mandurah Caravan & Tourist Park Attachment 4 Item (I) – Quote for Insurance for Non-Current Assets Attachment 4 Item (J) - Quote for Insurance for Replacement of Non-Current Assets

4.1.2 QUALITATIVE CRITERIA

These include:

- High quality tourist accommodation development
- Capacity of the Proposal to increase accommodation choice
- Redevelopment in a timely manner
- Quality park management
- Commercial return to the Shire of Gingin

The above criteria have been adequately addressed within this documentation and the relevant attachments.

5.0 LOCAL GOVERNMENT LEGISLATION

5.1 SHIRE OF GINGIN LOCAL PLANNING SCHEME NO.9 (LPS9)

Under LPS9 the subject site is zoned 'Tourism' as evident at Figure 2 below.

Figure 2 – Excerpt Local Planning Scheme No.1



The objectives of the tourism zone are to:

- a) *Promote and provide for tourism opportunities*
- b) *Provide for a variety of holiday accommodation styles and associated uses, including retail and service facilities where such facilities are provided in support of the tourist accommodation and are of an appropriate scale where they will not impact detrimentally on the surrounding or wider area.*
- c) *Allow limited residential uses where appropriate.*

- d) Encourage the location of tourist facilities so that they may benefit from existing road services, physical service infrastructure, other tourist attractions, natural feature and urban facilities.*
- e) Ensure that short stay tourist and holiday accommodation are the predominant land uses in the zone; and*
- f) Encourage tourism development that is generally sympathetic to the natural and built features of the surrounding area.*

Currently the Lancelin South Caravan Park provides limited tourism accommodation opportunities with most sites being held for long stay use. The Proposal will incorporate a variety of short stay options including chalets of various sizes and styles, more caravan and camping sites of a variety of sizes and locations and tourist facilities such as recreational features and improved amenities. The Proposal is therefore in keeping with the objectives of the tourism zone.

Within the tourism zone, caravan park and chalet are permitted uses 'P' and other uses such as convention room, recreation facilities etc can be considered ancillary to the caravan park use.

Table 2 of the Scheme outlines the site requirements and within the tourism zone the following is applicable:

Front setback	5 metres
Side setback	nil
Rear setback	6 metres
Maximum plot ratio	0.5
Maximum site coverage	50%
Minimum land scaping	50% of all setback areas

As evident on the **Concept Design Plan** contained at **Attachment 1**, all of the relevant site requirements have been met with new Proposal relevant to the site. It should be noted that a rear setback variation already applied to caravan and camping sites adjacent to the foreshore.

Table 3 of the Scheme outlines parking requirements and specifies for a caravan park that 1.5 spaces per camp site must be provided. Evident on **Attachment 1** all caravan/camping sites have been provided with 2 parking spaces.

Parking for chalets is not specified within Table 3 however 2 parking spaces per chalet have been provided. Parking dimensions have also been modelled in accordance with Table 4 of the Scheme.

Clause 4.8.7 of the Scheme outlines provisions relevant to the tourism zone. These clauses are as follows:

“4.8.7 Tourism Zone

4.8.7.1 Development within the Tourism Zone will comprise a range of land uses set out in the purpose and objectives of the Zone and in the Zoning Table. Dependent upon the use proposed, sites for such developments will normally be identified within or in close proximity to established settlements.

4.8.7.2 Development Proposals will be considered by the local government with particular regard to the impact of the proposed development on visual and natural amenity, the availability of reticulated sewerage and/or the suitability of the land for on-site effluent disposal, the provision of sufficient landscape buffers and the density of the development.

4.8.7.3 Those areas of the site providing the highest tourism amenity, e.g. the beachfront, shall be retained for tourism purposes, and not designated for residential use. The maximum proportion of residential units shall be such that the site retains a dominant tourism function and character, and shall be determined by the local government between zero and 25 per cent inclusive. AMD 14 GG 08/04/16

4.8.7.4 Where tourism development with no permanent or semi-permanent residential units is proposed, local government may at its discretion vary the maximum plot ratio imposed. AMD 14 GG 08/04/16

4.8.7.5 Where strata titling is proposed, appropriate management arrangements in a management statement which ensures that all units will be let out for tourism.

4.8.7.6 The maximum percentage of residential units/development on site shall comply with the following at all stages of the development:

(a) the proportion of residential units relative to the total number of accommodation units on the site shall be equal to or less than the approved percentage.

(b) the site area occupied by the residential units, and any areas designated for the specific use of occupiers of those units, relative to the area occupied by the short-stay development shall be equal to or less than the approved percentage. In calculating the area occupied by the two development categories, those facilities available for common use shall be excluded from the calculation.

(c) that any individual residential unit and as a whole any residential component of such a development shall be of a design and scale that is clearly subsidiary to the tourism component of the development such that the tourism component remains dominant in all aspects.

4.8.7.7 Proposals for offices and reception centres in the Tourism Zone will only be considered where they are incidental to, and support the proposed tourism use on the site.

4.8.7.8 Tourism development that incorporates accommodation and/or reception facilities shall include provision for an onsite manager.

4.8.7.9 Proposals for subdivision and development for Residential land uses in the Tourism Zone will be determined in accordance with Residential R12.5 code unless combined with a Tourism Proposal.

4.8.7.10 In considering Proposals in the Tourism Zone, local government shall have regard for the zone objectives, the scale and bulk of the Proposal and its integration with surrounding land uses. AMD 14 GG 08/04/16

4.8.7.11 Local government may, at its discretion, require proposed shared facilities in tourist developments to be established in the first stage of development. AMD 14 GG 08/04/16

4.8.7.12 To reduce the likelihood of tourism accommodation being used as permanent or semi-permanent accommodation, a maximum length of stay provision of three months in any twelve month period should apply to the tourism units on all developments."

Taking into the account the above provisions, it should be noted that the Tourism Zone allows for a range of land uses as set out in the purpose and objectives of the zone and the zoning table. Therefore the Scheme allows for caravan park use along with all proposed incidental and ancillary uses and chalets which can be interspersed within caravan parks as is a common exercise. It should also be recognised that the lease for the land identifies the use for caravan park and appropriate other uses.

Regard for visual and natural amenity, provision of reticulated sewer and suitability for effluent disposal as well as landscape buffers and density development are all considerations. The Proposal has strong regard for utilising areas which are appropriate within the landscape, involves the connection of reticulated sewerage and maintenance and enhancement of landscape buffers whilst recognising fire risks.

It should be noted that high tourist amenity at the beach front should be promoted rather than residential use which is a feature of the Proposal. The office and reception centre uses which could function within the meeting room facility along with tourist development will be supporting the tourism use of the site and an onsite manager will be present therefore compliant with such provisions.

The scale and bulk of development is designed to have regard for the characteristics of the area utilising colours and materials to blend in with the landscape and utilise areas interspersed within existing developed areas for a caravan park use primarily. Again this demonstrates regard for the provisions of the Scheme relevant to the tourism zone.

The above appreciation shows that the Proposal is one that takes into account Scheme provisions relevant to the zone applicable to the site.

5.2 SHIRE OF GINGIN LOCAL PLANNING STRATEGY

The Shire of Gingin Local Planning Strategy was endorsed in February 2012 to support the Local Planning Scheme Review and provide longer term directions for land use and development.

With respect to the Lancelin town site key issues identified included:

- Potential impact of climate change and sea level rise.
- Infill (density) residential development is subject to overcoming servicing constraints in particular drainage solutions.
- Competition between tourism, short stay and permanent residential accommodation.
- Limited opportunities for commercial space and large scale retail within the Lancelin town centre.
- Protection/rehabilitation of coastal dune systems.
- Lack of tourist quality caravan parks.

These key issues are noted and in particular the issue of consideration of climate change and sea level rise, protection rehabilitation of coastal dunes and the enhancement of the caravan park would therefore be in keeping with the identified issues for the town.

At Section 2.5.6 tourists and regular visitor issues are addressed and it was recognised that tourists and visitors from nearby Perth or further afield are attracted to the coastal recreational opportunities and diverse rural environment and particularly the diverse active recreational possibilities offered by the Lancelin environment (windsurfing and off road driving/riding). The Proposal responds by catering for such visitors.

It is recognised that visitors provide added economic dimension to the Shire of Gingin with opportunities in all of the coastal towns. Planning for tourism and recreation should include maximum use of existing services and infrastructure near town sites ensuring rural landscape character and lifestyle values are not compromised.

Key issues of relevance to the subject Proposal include:

- Tourism as a growing industry which is strongly based on the coastal environment and rural landscape qualities. The natural resources supporting tourism should continue to be protected and the quality of the tourism product improved and diversified.
- Increasing the profile of the Shire of Gingin as a tourist destination will require the improvement of goods, services, leisure facilities and accommodation for tourists.
- Tourist recreational demands have the potential to threaten the very environment that provides the visitor attraction.
- The unique natural attributes of the Shire of Gingin, including the coastal environment, river environs and diverse and dynamic rural landscapes are economic assets worthy of management.

The Proposal responds to these issues by supporting the tourism industry and provides quality leisure and accommodation for tourists. The Proposal also recognises the importance of the coastal environment and serves to protect it and manage activity so that the coastal areas that inter relate with the site are appropriately managed in liaison with the Shire of Gingin.

Section 2.6.9 also identifies key issues with respect to environmental aspects such as protection of natural resources, flora and fauna of significance and coastal environs. The Proposal is supported by a preliminary ecological investigation of the site and this confirms that areas proposed to be enhanced for use unlikely contain any environmental aspects of significance and again coastal environs are to be enhanced.

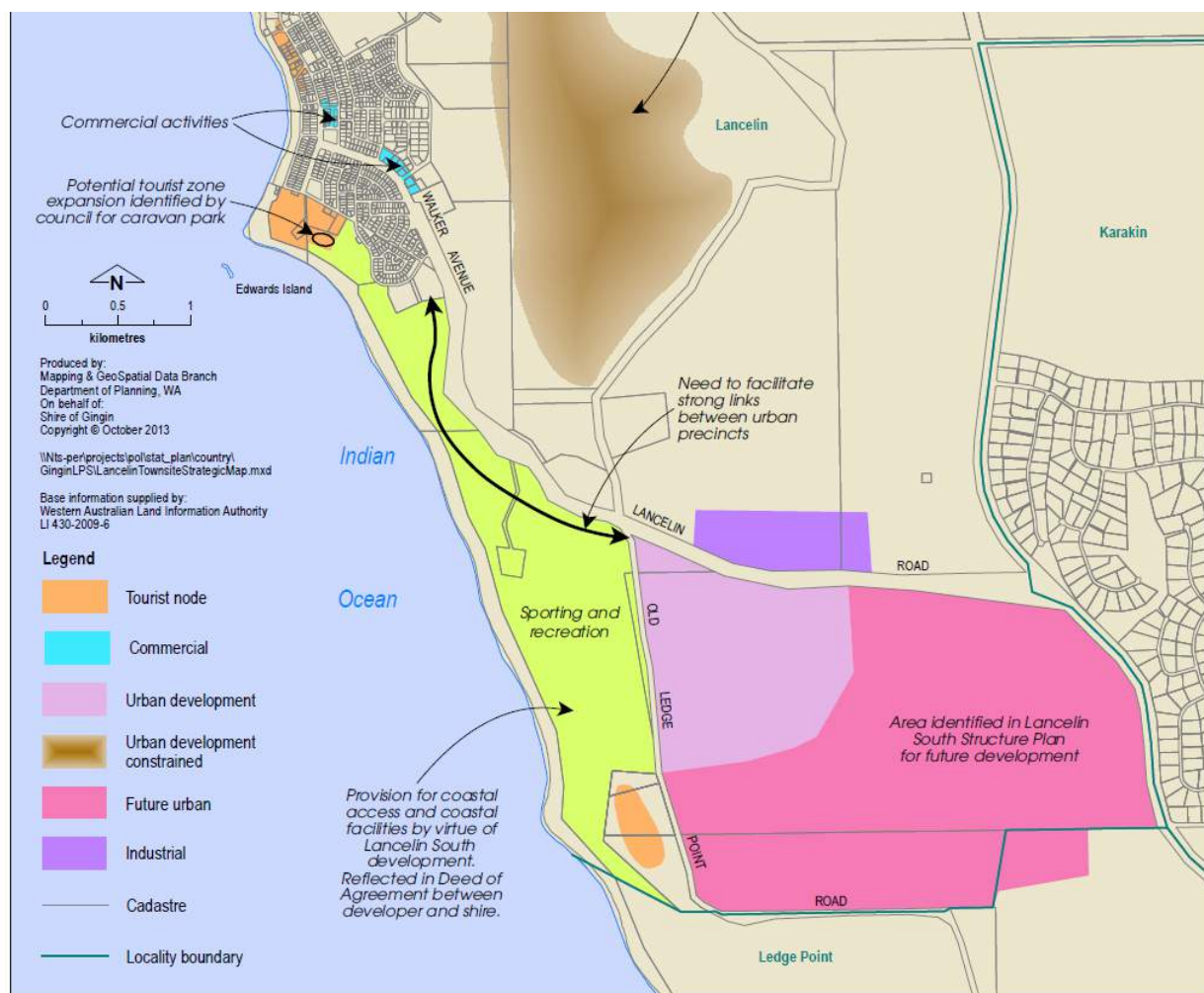
At Section 3.3.3 Lancelin has objectives identified and this includes recognising, promoting and continuing to accommodate the tourism value of Lancelin. Recognising tourism and the tourist activity nodes was also identified as a high priority with investigation of the development of suitable caravan park sites, reviewing zoning of tourist precincts, encouraging and supporting tourism and short stay accommodation opportunities were considered to be an ongoing policy position.

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin

The conversion of the Lancelin South Caravan Park to a high quality tourist park with caravan and camping sites as well as built accommodation with significant recreation facilities is in keeping with such tourism policies and actions identified in the Local Planning Strategy.

The Lancelin town site and strategic map contained at Figure 3 within the Local Planning Strategy (see below) confirms the subject site as an important tourist node. Given the sites limited availability for tourist use presently, it has been identified as an important part of the Proposal to convert the site to tourism and open up the accommodation options for visitors to the area at this key location. This therefore serves to carry out a key objective of the Local Planning Strategy.

Figure 3 – Lancelin Townsite Strategic Map



Lancelin townsite strategic map

6.0 STATE PLANNING POLICY

6.1 STATE PLANNING POLICY 3.7 – PLANNING IN BUSHFIRE PRONE AREAS

In December 2015 the WAPC introduced an updated policy informing and guiding consideration of fire planning within Proposals. The subject site falls within an area identified as bushfire prone and therefore bushfire management planning is an essential element of any planning for the site. The use of caravan parks, chalets and other associated uses are deemed vulnerable or high risk land uses.

Areas that exist or are currently utilised for tourist accommodation and caravan and camping purposes are generally not affected by the policy as it is not meant to apply retrospectively. Notwithstanding this any new development within the caravan park area should be considered in the context of a policy and bushfire management planning is relevant. Given the Proposal is seeking support to effectively win a tender a full Bushfire Management Plan has not yet been prepared. Notwithstanding this, a **Preliminary Fire and Environmental Investigation and Advice Report** has been prepared by Gary McMahon of Ecosystem Solutions Pty Ltd. This is to ensure the Proposal is adequately informed and is included at **Attachment 2**.

In summary, with respect to fire management, the report prepared by Gary McMahon (Level 3 Fire Consultant) assesses the details of the site with the Proposal in mind and assesses the vegetation and slope. It is noted that the vegetation type is generally classified as Class C Shrubland (less than 2 metres) and most of the vegetation will be Flat or Upslope from the areas of camping or caravans. Within the site and the surrounding landscape some areas are excluded from classification as these are non vegetated areas such as existing buildings, roads and other areas.

Based on the classification of vegetation advice is provided to achieve relevant BAL levels and based on BAL29 which is generally the minimum accepted a separation of between 9 metres and 15 metres is required dependent upon slope. This has been incorporated into the design for new development areas and is therefore cognisant of the BAL29 requirements. A map has been incorporated within the report which indicates the areas that are within the BAL29 classification prior to removal of vegetation as part of the Proposal. It was also noted the chalets were to be developed in the higher parts of the site then a minimum of 15 metres of hazard separation between vegetation and the walls of the structure may apply to achieve BAL29.

It will be necessary also to develop an emergency evacuation plan and alternate access and egress routes for all sites will be given. It was identified as being prudent to provide at least two (2) egress routes for all residents within the park and this has been incorporated on the plan with four (4) methods of entry/egress provided.

The preliminary bushfire report and subsequent plan have due regard for the bushfire management planning and SPP3.7 as requirements and advice has been received that the plan is appropriate and an adequate bushfire management plan and evacuation plan could be produced to support the Proposal plan.

6.2 STATE PLANNING POLICY 2.6 – STATE COASTAL PLANNING (SPP2.6)

SPP2.6 is primarily referred to under the Act as being a relevant consideration when preparing new Town Planning Scheme or making amendments to Schemes. Notwithstanding this, it is prudent to consider the aspects of the Policy when considering land use. As such, the Shire of Gingin's Planning Department have suggested consideration of this issue. Along with consideration of this Policy the Shire of Gingin has also provided copies of plans that have been prepared indicating the potential issues associated with ocean rising and this will be discussed in this section in the context of the State Policy that applies. As noted under the Town Planning Scheme, the site is identified for caravan park use and is currently utilised for such purposes in the Southern or Western parts already in the areas that are potentially to be affected by coastal influences.

The Policy objectives are to:

- i) *Ensure that development and location of coastal facilities takes into account coastal processes, land form stability, coastal hazards, climate change and biophysical criteria;*
- ii) *Ensure the identification of appropriate areas of the sustainable use of the coast for housing, tourism, recreation, ocean access, maritime industry, commercial and other activities;*
- iii) *Provide for public coastal foreshore reserves and access to them on the coast; and*
- iv) *Protect, conserve and enhance coastal zone values, particularly in areas of landscape biodiversity and ecosystem integrity, indigenous and cultural significance.*

The general policy measures include the need for development applications and foreshore management plans to comply with policy measures. Such measures where relevant should also be read in conjunction with Schedule 1 and the Coastal Planning Guidelines prepared and endorsed under the Policy.

Section 5.2 of the Policy encourages urban development to be concentrated in and around existing settlements particularly those with infrastructure and services. Further development of the Lancelin South Caravan Park is consistent with this requirement.

The Policy also requires ensuring that when selecting development location regard is given to infrastructure capacity and existing infrastructure to be upgraded and improved. This is given with consideration of existing utilised areas and possible changes within existing areas primarily towards a more tourism focussed use and provision of sewer as a feature.

The policy aims to ensure that when identifying areas suitable for development consideration is given to coastal access and commercial development dependent on foreshore activity. Access issues are addressed in the Proposal.

It is also important to ensure that use of the coast for recreation, tourism, ocean access and other appropriate activities as relevant is sustainable and located in suitable areas. Further, land use and development including roads adjacent to the coast should be to complement and enhance the environment, its visual amenity, social and ecological values.

Finally, significant and permanent negative impacts on the environment on or off site should be avoided.

Due consideration to these objectives have been included in the Proposal including generally utilising areas already disturbed and utilised for caravan park purposes except where additional use is interspersed within existing caravan park spaces. Temporary structures are also to be utilised in areas closer to the coast where most risk is envisaged.

Section 5.3 of the Policy refers to water resources and management. Coastal development should manage water resources and maintain and restore pre-existing or desirable environmental flows and foreshore reserves. Stormwater flows from development should comply with Stormwater Management Manual for Western Australia and there is a general presumption against the use of coastal foreshore reserves for management of wastewater.

The Proposal is essentially utilising existing road networks which are generally internal to the site where managed drainage can occur within the site in the existing porous soils. The Proposal intends to direct drainage to existing recreation or grassed areas, raingardens or via sumps to replenish the groundwater table and therefore have no additional impact on the foreshores adjacent to the site.

Section 5.4 of the Policy refers to the requirements for building height and this should apply to developments generally within 300 metres of the shoreline. A check of planning scheme requirements reveals there are no specific height limits for the site and this has been confirmed with Shire planners. Notwithstanding this, the majority of development proposed is of a single storey nature and a very small number of two storey buildings are proposed in sympathetic locations generally where either in an urban street setting (eg. swimming pool) or where protected by dunes or generally hidden within the development and therefore not intrusive within the landscape.

Perhaps the most relevant section of the Policy to this Proposal is Coastal Hazard Risk Management and Adaptation Planning. Adequate Hazard Risk Management and Adaptation Planning should be undertaken where coastal hazard is identified. Levels of risk should be assessed and new development should be avoided in areas of coastal hazard and planned or managed retreat or relocation or removal of assets within an area identified as likely subject to risk of damage from coastal hazards over the planning timeframe should be considered. Justification can be provided for not avoiding development of land that is at risk that would involve design and management strategies to manage coastal hazards. Coastal protection works may be proposed.

Further comments with respect to the relevant guidelines are explained later in the section.

With respect to infill, new development should be located in the East vulnerable portion of the site and where development is likely to be subject to coastal hazards over the planning timeframe, Section 5.5 of the Policy should be implemented to reduce risk over the full planning timeframe.

Section 5.7 outlines coastal protection works and suggests that new coastal protection works are not permitted except where such works are considered only after all other options for avoiding and adapting the coastal hazards have been fully explored.

Existing coastal protection works that require significant upgrade or maintenance should be considered as new coastal protection works and therefore should only be supported where it is demonstrated there are no significant impacts on the adjacent environment and in conjunction with appropriate funding arrangements for construction and ongoing care. Coastal works where necessary and justified should be adequately considered and planned as part of the decision making process, primarily proposed in the public interest to ensure they maintain a coastal reserve and evaluated to take into consideration the future protection requirements of adjoining development.

Section 5.8 of the Policy refers to adequate opportunities for the coastal communities to be involved in the planning process and Section 5.9 outlines the importance of coastal foreshore reserves to accommodate a range of functions, ensure land is set aside and identifies a clear demarcation between private and public land.

Coastal strategies and management plans are also promoted and Proponents should be responsible for implementation of the Foreshore Management Plan.

The precautionary principle of the Policy is that where serious or irreversible damage or lack of certainty exists this should not be used as justification for a Proposal. Further, the onus is on the Proponent to show that a development has not posed serious or irreversibly harm to the environment and to show that harm can be managed. Given this Proposal is essentially for the purposes of seeking support for the tender for the land and therefore the future opportunity to develop, a full strategy for coastal management has not yet been developed. Notwithstanding this, consideration has been given to the potential risks and therefore the strategies to be employed along with justification for the Proposal having regard for the fact that coastal processes are obviously an important factor. In summary, a coastal hazard risk of management and adaptation planning process is outlined below.

The context of the site is obviously determined to be one that is situated adjacent to the coast with a section of foreshore reserve between the caravan park to the West and South. This therefore illustrates the potential risk for impact on the usability of the park and the impact on coastal reserves to the West and South. The location of the site within this coastal context is evident at Figure 4 below.

Figure 4 – Coastal location of the site – Landgate December 2015

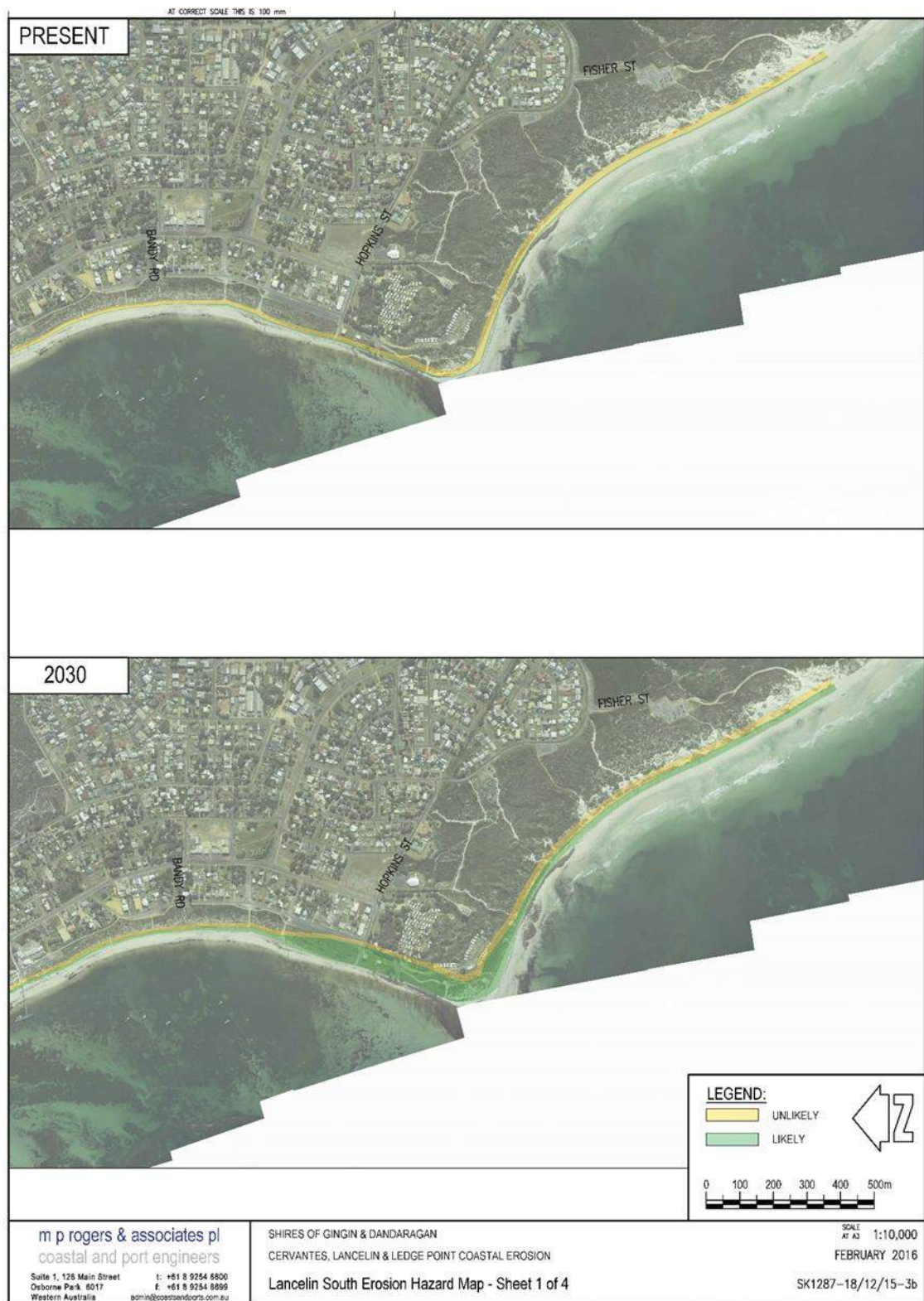


Coastal hazard risk identification is necessary given the location adjacent to the coast both on the West and South sides. Plans have been provided by the Shire of Gingin which indicate an assessment by MP Rogers and Associates Pty Ltd – Coastal and Port Engineers. This mapping is included at Figure 5 below. This indicates erosion hazard mapping that is likely and unlikely within the present timeframe, at 2030, 2070 and 2110.

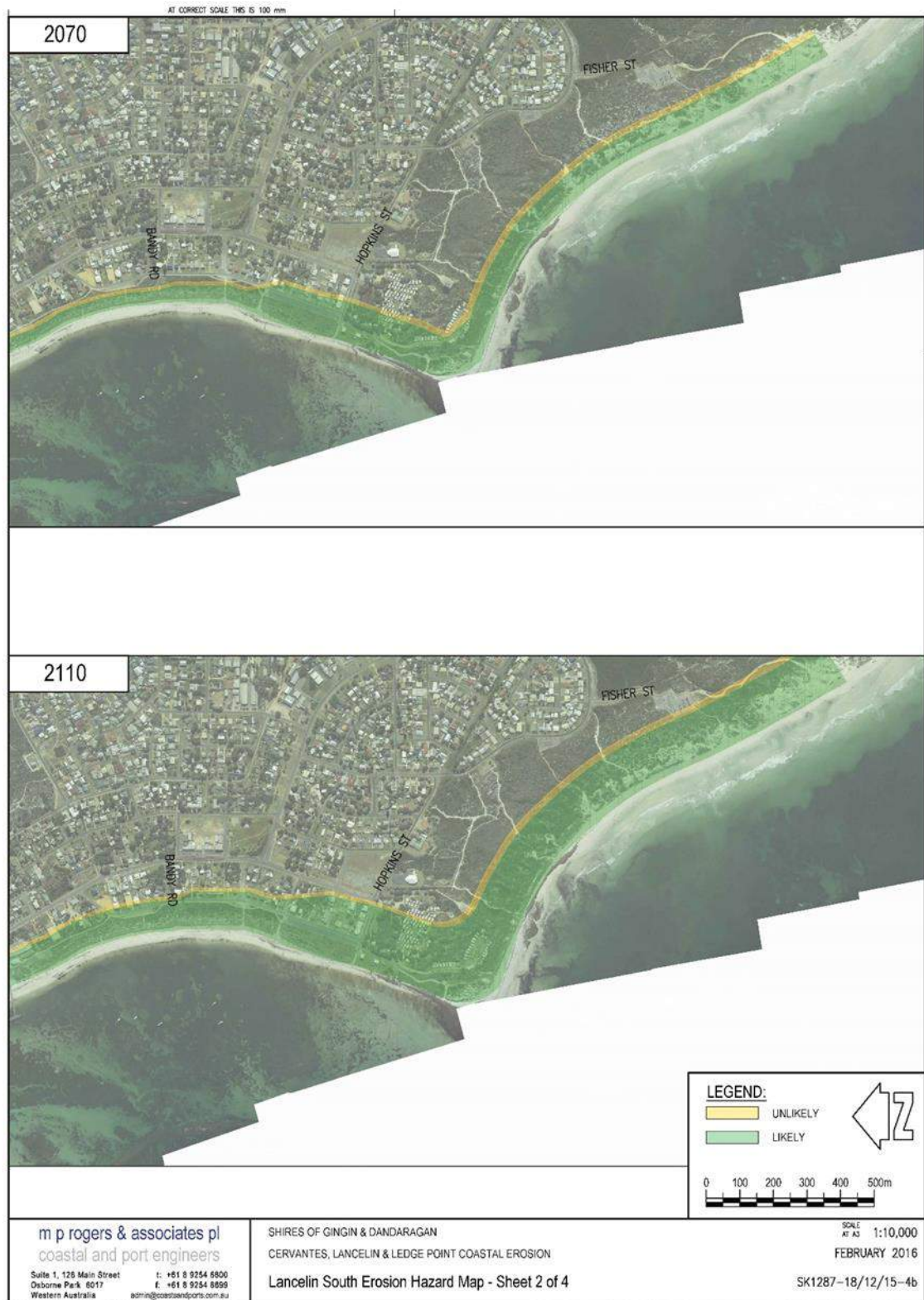
Figure 5 – Coastal erosion hazard mapping

Source: Shire of Gingin

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin



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As evident on the Figures above it is clear that even by 2030 it is possible there will be impacts fringing the Western and Southern parts of the park along with decimation of the existing foreshore reserves, associated community buildings such as the Sea, Search and Rescue, ablutions, foreshore shelters, grassed areas and some coastal car park areas /roads. This therefore indicates that the threat by 2030 is a matter that the Shire of Gingin should not only be concerned about with respect to the caravan park but even prior to this with respect to public infrastructure and other dwellings nearby (North of the park).

By 2070, it is possible that a large section of the park could be affected by retreating coastline due to rising sea levels and storm inundation as well as public roads, dwellings, commercial enterprises and particularly those areas close to the caravan park. This further demonstrates the Shire of Gingin is likely to be faced with this issue not only with respect to the park but also the broader neighbourhood at this location.

A further basic analysis has also been undertaken of potential impacts on the coast from a review of aerial photography obtained from Landgate which is publicly available between 1999 and 2016. From a review of this aerial photography, it is noted that changes between winter and summer are generally experienced around the sand spit immediately to the South West of the caravan park. This is a popular recreation use point. It appears there is a general expanding of sand spit during the summer periods with accumulation of sand particularly in the South West stretching outwards towards Edward Island. In the winter time there has been experiences of removal of sand spit to a narrow beach. This shows that there is obviously a significant movement of sand within this area and particularly to the West of the park.

One noteworthy observation is that with the increase and decrease of sand at the spit to the South West of the park at various times of the year, there seems to be a general impact on dunal systems immediately to the West of the park and in particular to the West of the Sea, Search and Rescue building. A photograph below taken from the year 2000 (June) shows a wide grassed area to the West of the Sea, Search and Rescue building and some sand spit area to the South West even though this is a winter photograph.

Figure 6 – Photograph of June 2000

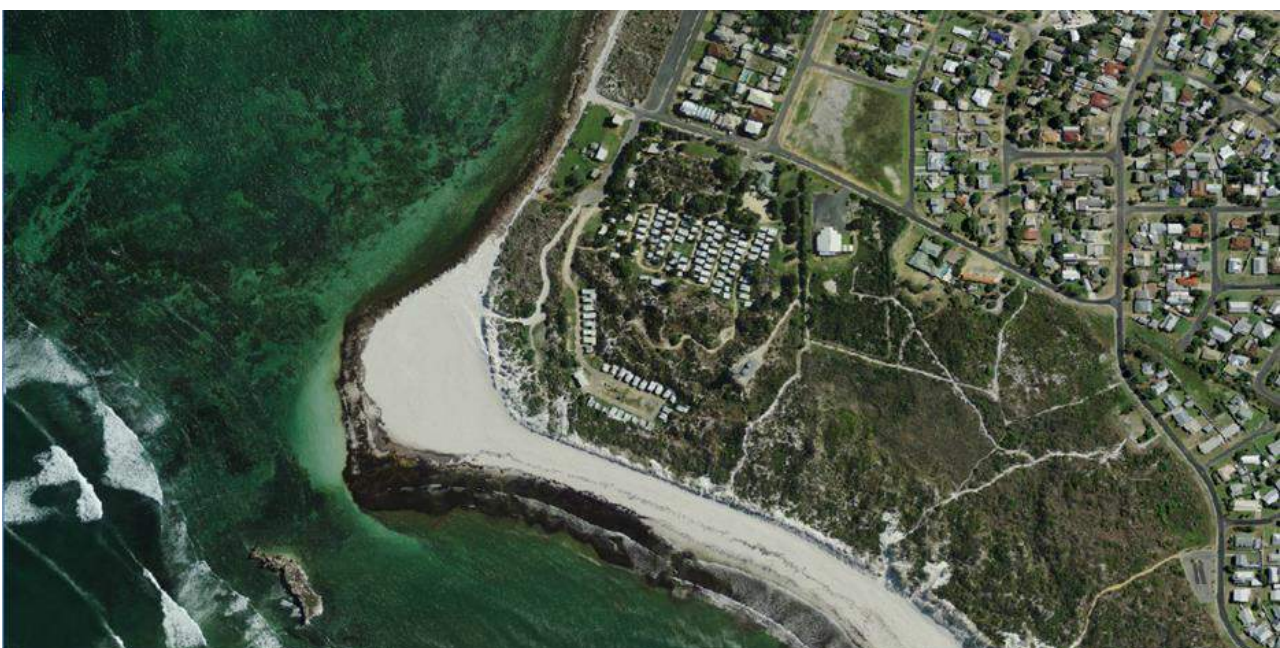
Source Landgate



Another photograph taken in March 2011 shows a wide sand spit however a change in landscape has begun to occur immediately West of the park particularly in the North West and a new access track has been established to the sand spit which a popular location for recreation. This was likely to replace the previous access across the beach frontage that was available. Interestingly, the dunal systems to the South of the park appear to have been hardly affected during this time.

Figure 7 – Photograph of March 2011

Source Landgate



The latest photograph from September 2016 shows a winter configuration of sand spit however more impact to the North West of the park has occurred with erosion now getting closer to the Sea Search and Rescue building. Over the 17 year period shown in these photographs, it is calculated that approximately 50 metres of foreshore has been lost particularly to the West/North West of the park. During this time impact in the Southern parts appears to be minimal.

Figure 8 – Photograph of September 2016

Source Landgate



This basic analysis suggests that perhaps the most risk to the Lancelin South Caravan Park from ocean erosion could be initially from the West and if the same rate of erosion occurs perhaps could be impacting the boundary of the park within 15 to 20 years. Notwithstanding this, if this occurs as stated previously, existing Council infrastructure and buildings on the foreshore such as Sea, Search and Rescue buildings, grassed areas and coastal shelters and public ablution blocks, car parking facilities and roads, will also be affected and potentially lost. Houses to the North of the park could also come under threat. It is therefore envisaged that the Shire of Gingin will need to consider the value of such assets in the short term and determine whether it wishes to forego this foreshore with limited attempts to retain it and the infrastructure buildings it contains or whether it wishes to attempt to protect this area more substantially such as with rock walls like those that have been established in other parts of the state (eg. along the frontage of the Dongara Denison Beach Holiday Park at Port Denison). The matter of impact of coastal erosion on the Lancelin South Caravan Park is

therefore not only a concern for the park, but also the Shire of Gingin, its infrastructure and within time other dwellings immediately to the North.

The result of the assessment of the above information indicates there is a risk of impact on the park probably somewhere between 2030 and 2035. If unmanaged, this would continue and incrementally impact on the park most likely in the Western parts but also potentially in the South.

Given this potential risk, a management plan is to be developed which would identify risks and recommend methods of attention to this for the benefit of the park but also for the immediate community and the Shire of Gingin.

It is noted that significant efforts have been employed by the Shire at Seabird. In other locations (such as the City of Busselton) similar significant efforts and grant applications have already been sought to undertake forward planning of coastal stabilisation to try and minimise impact before this happens and therefore protect the coast.

With respect to the **Design Concept Plan**, it should be noted that the areas at risk are already utilised for caravan park activities including camp sites, ablution blocks and other infrastructure such as road access adjacent to the Western and Southern parts. The Proposal intends to utilise these existing areas for some new development including new office, check-in facilities, meeting/conference room, mini golf, a small number of chalets and conversion of existing camp site for tourism. The development proposed however could be considered either re-use of existing areas or infill development in accordance with Section 5 of the State Coastal Planning Policy Guidelines.

It should also be recognised that the type of activity and the buildings proposed are all intended to be transportable buildings including the office, meeting room, chalets and other related structures. Other use within this area will either be caravan/camping ground, recreation facilities or access roads. As such, should the choice not be made to undertake significant works within the foreshore and work with the Lancelin Caravan Park to manage such impacts then a managed retreat of such infrastructure and removal of portable structures and closure of the camping grounds could be facilitated.

As stated previously, a management strategy is to be developed and the salient points that will inform this are generally described as follows:

- Work with the Shire of Gingin to ascertain in more detail the likely impacts of retreating coastline due to rising sea levels and storm inundation more specifically to the subject area/site through liaison with experts.
- Identify with the Shire of Gingin the priorities with respect to protection of the foreshore itself and other related infrastructure between the caravan park and the coast.
- Work with the Shire of Gingin to develop a Foreshore Management Plan which would focus on coastal dune stabilisation for activities within the park including brushing and maintenance of dune systems with vegetation and further investigation of more significant methods of coastal protection including rock walls or other hard infrastructure (subject to expert advice).
- Depending on the motivation of the Shire of Gingin, grant applications could be presented to the State Government for development of significant coastal strategies making recommendations with respect to coastal processes and possible solutions for protection of the foreshore given the risk has the potential to impact on community infrastructure and other private residential accommodation nearby.
- Working with the Shire of Gingin to apply for grants to install any infrastructure if deemed necessary and if in keeping with the will of the Shire of Gingin.
- Should the objectives or investigations not move towards a strong protection of the coast in this locality for whatever reason then acknowledgement of the risk is embodied in the Proposal and a clear understanding that a managed retreat may be necessary such that any infrastructure installed within proximity of the Western and Southern boundaries may not necessarily be usable by around 2030/2035.

It is considered that this brief appraisal of the Coastal Planning Policy, the information made available by the Shire of Gingin and other basic investigations of coastal movements through analysis of aerial photography provides a reasonable understanding of the potential risk and identifies the need to consider this issue further and work with the Shire of Gingin to understand its priorities and therefore the need to develop a strategy as to how to deal with this issue both for the Proponents and the Shire of Gingin. It is however clearly acknowledged by the Proposal that areas to the West and South of the park are at risk and the infrastructure to be installed may have a shorter life within the context of the overall

proposed lease timeframe. Better use of the park area in the meanwhile could be considered infill development.

7.0 ECOLOGICAL ISSUES

As is necessary with Proposals that involve potential impact upon vegetation, a Preliminary Ecological Investigation was also conducted by Ecosystem Solutions Pty Ltd refer to report at **Attachment 2**. The vegetation within the site was recognised as being mainly of scattered Tuart trees with the main shrub being *Spyriedium globulosum*, *Callitris preissii*, *Melaleuca lanceolata*, *Acacia littorea*, with some scattered *Eucalyptus cornuta* on the Western road side. The under storey is dominated by grass weeds in particular *Pype grass* and *Marram grass*. Some native species include *Acanthocarpus preissii*, *Lepibosperma gladiatum*, *Atriplex cinerea*, *Dodonaea aptera*, *Leucopogon parviflorus*, *Olearia axillaris*, *Rhagodia baccata* and *Scaevola crassifolia*.

The report informs that from an ecological perspective there were no species of significance found within the site although a spring flora survey was not conducted. The species present are common and consistent with the typical floristic diversity along the coastal area. The vegetation within the site is classed as 'good' to 'completely degraded' and this classification is mainly due to the lack of structural diversity and the dominance of weeds in the under storey. This information provides preliminary advice that no significant impediments to establishment of some development in dunal areas exist. Rare or priority species were researched within 5 km of the site and whilst a seasonal and targeted survey was not conducted, none of these species were found within the site. It was noted that the adjoining property was found to contain a threatened ecological community however this was a damp wetland community and if this was in the site would be near water points in the South of the area and this area is not to be affected by development. If disturbance was proposed in this area a formal survey would be required.

The only species of fauna that was identified as potentially presenting within the site was Quenda however again this was more likely to be located in the wetter parts of the site with dense areas of vegetation.

In summary, the vegetation within most of the site appears to be common coastal types and vegetation clearing and modification should not be difficult to achieve.

The investigation therefore serves to inform the Proposal and that it is unlikely difficulties will arise with respect to flora/fauna factors. Notwithstanding this, most of the proposed adjustments to the park are located within areas that are already affected by development and only three parcels of land where

vegetation exists are proposed to be the subject of some modification. This includes an isolated patch of vegetation near the frontage of the site, small sections close to the Western ablution facility and a top the hill near the water tanks where recreation facilities are to be provided. Future development that may present with luxury chalets along the South Western part is subject to further detailed investigation and is not specifically part of this initial Proposal.

8.0 ABORIGINAL HERITAGE

8.1 SOUTH WEST NATIVE TITLE SETTLEMENT

The Proponents acknowledge the land known as the 'Lancelin South Caravan Park', Lot 31, Hopkins St, Lancelin, has been vested to the Shire of Gingin, by the State of WA Ministry of Lands. As such, this land can be leased to a successful Tenant to operate a Tourist Caravan Park, under the Caravan Parks and Camping Grounds Act 1995 and Regulations 1997.

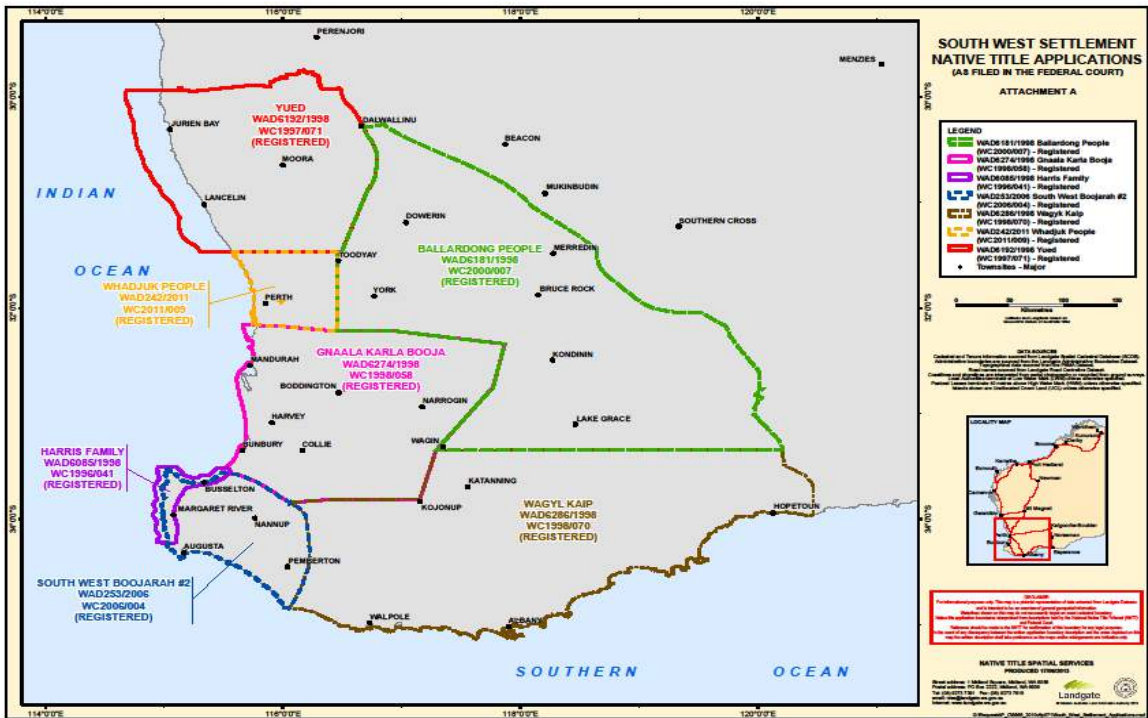
The proponents have investigated any Heritage or Indigenous titles that may affect the operation of the park, and with careful due diligence note the following as their understanding of such titles that may or may not impact the conduct of business.

The said land falls with the Yued Native Title boundary and as such the Premier and Cabinet saw fit in 2016 to finalise demarcated areas under the proposed South West Native Title Settlement.

This agreement sought to deliver greater certainty over land management to business and government and provide the Noongar community with greatly improved opportunities for cultural, social and economic development.

It has not finally been determined if any further impediments apply but we are confident such disclosure would have been made by the State and Local Government if this was the case.

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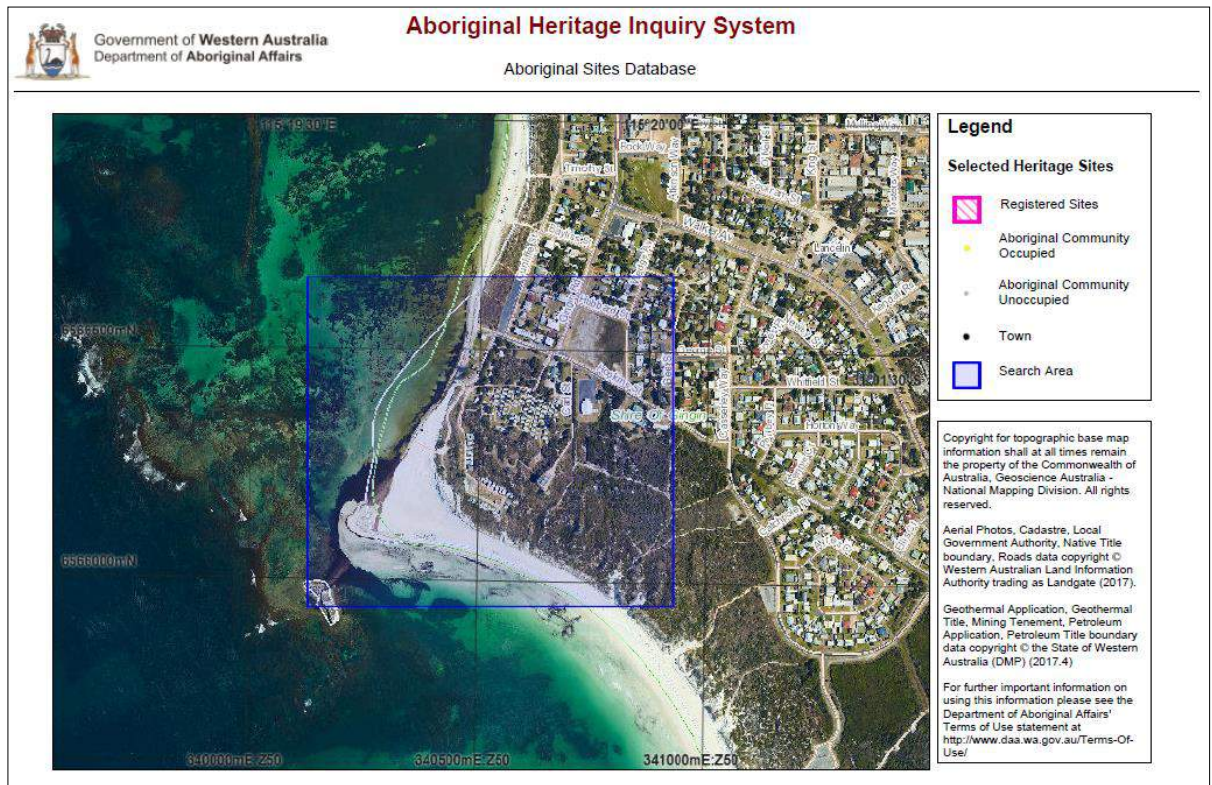
8.2 ABORIGINAL HERITAGE SITES

Review of indigenous heritage matters has also included an Aboriginal Heritage Inquiry via the Department of Aboriginal Affairs to determine if any known sites exist that should be clearly taken into account.

The inquiry via the Aboriginal Sites Data Base returned no results of any sites within an area encapsulating the Lancelin South Caravan Park and its immediate surrounds. The area investigated is provided in the Figure below.

Figure Indicating Aboriginal Sites Search Area

Proposed Tourist Development Opportunity Lancelin South Caravan Park, Lot 31 Hopkins Street, Lancelin



The findings above provide a sound level of confidence that no issues with respect to Aboriginal Heritage Sites are likely to arise as part of the formal assessment of the proposal.

9.0 CONCLUSION

This Proposal document has been prepared with significant consideration of the relevant issues applicable both as outlined within the “Request for the Proposal” but also within relevant legislation taking into account typical issues that are relevant for such sites. Prior to preparation of this information the Proponents along with various experts assessed the site, its characteristics and obtained preliminary information to assist in making balanced decisions towards preparation of a **Design Concept Plan**. Meetings and discussions were also held with Shire of Gingin officials to ensure that the pertinent issues that are relevant to the preparation of the plan are also covered.

The result is that the Proposal for the Lancelin South Caravan Park addresses clearly the selection, compliance and qualitative criteria and provides justification for the Proposal and its relevant content. Due consideration has been employed to address all aspects of the objectives of the Shire of Gingin and Tourism WA for the site and this has been informed by investigations such that the Shire of Gingin is given the confidence that the plan is achievable.

The Proponents are highly experienced in development of caravan parks within Western Australia and have the experience, financial capacity and commitment to take the Lancelin South Caravan Park to another level with the intent to be a fully operational tourism park, envisaged to be the best of its kind along this coast. The location of the site is a huge asset and although there are some risks associated with the site such as coastal erosion and fire management, amongst other matters, it is clearly a site that has enormous potential and a managed strategy to implement change from the more long term use of the site to short stay is what is required.

The Proponents benefit from having previous knowledge and experience at other parks, which demonstrates over time the transformation is achievable. They seek to become an integral part of the Lancelin community working with local businesses and community members, to improve and enhance, not only the park, but also other businesses and activities, whilst undertaking responsibility to provide additional facilities that support the community. The park will supply much needed community facilities and with local support will be promoted to tourists. This Proposal is therefore most likely to be welcomed by the community as a locational asset, from which both the Proponents and the town of Lancelin/Shire of Gingin will mutually benefit.



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The park has the capacity to accommodate well over 1000 people at peak and if this use is maximised this has the potential to have a great impact on the town and further “kick-start” the tourism growth and economy of the town. With a resident population of 600 people the Lancelin South Caravan Park has the potential to have a large and positive impact on the town when fully operational.

A significant investment is proposed with improvements to be made as soon as possible. Such additional benefits managed on an annual basis for the first five years will fulfil the objectives of the Shire of Gingin and Tourism WA so that the Lancelin South Caravan Park becomes a drawcard for the area showcasing the town and the Shire of Gingin.

It is respectfully requested that the Proponents be accepted as the Preferred Lessees for the park.