



Casuarina Boat Harbour Bunbury

Expressions of Interest - Opportunity to Lease Buildings and Land - Sheds 6,7 and 8



Submissions close: 2pm (AWST) Thursday, 30 May 2024
Please retain this booklet for your information.

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1.0 Introduction

1.1 Summary of the Offer

Casuarina Boat Harbour, nestled just 170 kilometres south of Perth within the City of Bunbury, holds a unique position on the southwestern coast of Western Australia. Located at the western end of the picturesque Koombana Bay, this vibrant site stands as a testament to the region's maritime charm.

Boasting a north-facing shoreline and tranquil waterways, Bunbury is celebrated for its outstanding boating environment, making it an ideal haven for boat enthusiasts. The city's affinity for boating is evident, with a substantial number of boat owners and a thriving community of boat and yacht clubs. Noting the potential for the Koombana Bay Sailing Club to deliver their own marina accommodating at least 150 boat pens at a future date, adding a touch of sophistication to this waterfront paradise.

What makes Casuarina Boat Harbour truly exceptional is its pivotal role in the Transforming Bunbury's Waterfront (TBW) project. This ambitious venture, a collaborative effort between the Department of Transport (DoT), the South West Development Commission (SWDC), and Development WA, is set to redefine the Bunbury waterfront. Stage 3 of this transformative project commenced in 2022 and is scheduled for completion over approximately the next three years.

The development in Casuarina Boat Harbour is set to include the construction of a new breakwater to enhance shelter conditions, an extension of Casuarina Drive, upgraded services and enticing commercial development opportunities. These developments are proposed to include a state-of-the-art boat lifting and servicing facility, catering to the entire region, as well as a modern boat stacking operation.

Casuarina Boat Harbour's strategic location provides convenient access by both sea and road to the TBW project area. In the upcoming year, the new breakwater is scheduled to commence, further expanding the sheltered waters within the harbour. This expansion will accommodate the phased development of up to 400 boat pens, a significant increase from the current 57 pens and 46 swing moorings, both of which boast a high occupancy rate and substantial waitlists.

The future development plan for the new breakwater will include a service wharf and additional vessel moorings, setting the stage for an excellent boating experience in this beautiful coastal haven. Casuarina Boat Harbour represents an exciting opportunity for those who appreciate the allure of the sea, making it a destination of choice for boat owners and maritime enthusiasts alike.

1.1.1 The Opportunity

The Department of Transport (DoT) invites Expressions of Interest (EOI) for the lease of land and structures on that land from entities capable of redeveloping /refurbishing some or all of three sizable industrial sheds/sites within the Casuarina Boat Harbour. Redevelopment proposals may realise the economic potential of the structures within what is proposed to become an increasingly activated community area within an existing maritime precinct. Accordingly, a broad range of compatible uses may be suitable.

The land and structures within the Casuarina Boat Harbour Reserve have the potential to be leased (under the controls of the [Marine and Harbours Act 1981](#)) for a wide range purposes, which given the social and economic value of the harbour to the local community may include (but not limited to):

- Marine support services
- Education and training
- Retail, food and beverage
- Hospitality, tourism development
- Registered marine related clubs, including yachting and sailing clubs
- Boat storage, repairs and servicing
- Fishing industry and related activities.



Image 1 - Sheds shown at right hand centre

These substantial structures, originally constructed circa 1986, have served as storage and processing facilities for bulk materials for over three decades.

The sheds sizes are estimated as follows:

- Shed 6 – Approximately 1,440m²
- Shed 7 – Approximately 3,168m²
- Shed 8 – Approximately 2,772m²

Total Shed footprint Area – Approximately 7,380m² (refer to figure 4)

Total overall leasable site land area available (including sheds) – Approximately 16,931m² (refer to figure 4)

Note: all measurements are estimates only and subject to final survey.

Uses that are not primarily industrial in nature will be favoured as DoT is seeking uses that will contribute to improved activation of the harbour. This could reflect increased community access for tourism, education and training, retail, maritime related commerce and event space, as examples.

The land is currently reserved for Port Installations under the Greater Bunbury Region Scheme and residential and or short stay uses are not supported. The proponent may (at DoT's discretion and subject to conditions) sub-lease part/s of the site for activities that generally support the core function of the lease.

DoT possesses a limited capacity to fund essential infrastructure or amenities, including roads or services, to facilitate the development of land parcels. Proponents should be prepared to undertake the installation of all requisite infrastructure or amenities, particularly where such provisions are not presently in place or being upgraded by DoT as part of the broader TBW project. This commitment to infrastructure improvement is a fundamental aspect of realising the potential of the allocated land.

The estimated costs associated with the refurbishment and repurposing of these sheds depend on the intended uses and their intensity of use. DoT has commissioned an investigation into the condition and essential improvements considered necessary for each shed to provide an indicative guide to their refurbishment. This 2021 consultant report (provided without warranty) is attached to this EOI document at Appendix B. Proponents are encouraged to undertake their own assessment in this regard and must not rely on the report provided.

It is to be noted that the existing incumbent user, through their lease expiring in March 2025 is required to remove all specialised material handling equipment, decontaminate the site and sheds, including the removal of all ilmenite/mineral dust upon the expiry of the current lease.

Preliminary assessments conducted by DoT indicate that the steel structural elements of these sheds may be amenable to refurbishment, potentially facilitating their adaptation for utilisation by local businesses and/or community organisations.

The repurposing of these sheds will necessitate extensive modifications, and DoT is inviting Expressions of Interest (EOI) from proponents who are interested in leasing all or a portion of the sites for commercial and business activities. Additionally, parties interested in using the premises for community-oriented purposes are also encouraged to express their intentions, subject to the availability of the necessary funding.

Proposals will be considered on their individual merits and the proponent's capacity to oversee and redevelop /refurbish the sheds. Eligible entities include individuals, corporations, Local Government, and consortiums, provided they demonstrate the capacity to undertake the redevelopment/ refurbishment works and activate the precinct.

All development and activities on site must meet or exceed relevant environmental standards.

2.0 Terms and Conditions

2.1 Lease Offer and Duration

2.1.1 Statutory Authority

DoT exercises its role in land and water facility management as mandated by the Minister for Transport under the Marine and Harbours Act 1981 (Act). Proposals for the site must align with the powers and functions attributed to the Minister within this Act.

2.1.2 Lease Term

The proposed term of the lease will be determined as part of the negotiation phase with the preferred proponent (should the process progress to that stage). The final lease term will reflect various factors, including:

- The nature, size, and complexity of the proposed refurbishment / redevelopment.
- The necessity for the lessee to amortise its capital investment and attain a commercially viable return, considering the site's existing value; and
- Any agreed initiatives aimed at delivering specific public benefits, services, or facilities.

The length of the lease term will be considered taking into account the following:

- When substantial borrowing is necessary for development, and lending institutions require heightened security of tenure to safeguard their investment;
- When the scale of investment is so substantial that recovery and profitability within the standard lease period are deemed unrealistic;
- For developments that transpire continuously over an extended duration, significantly reducing the timeframe for investment recovery; and
- In cases where the objective is to attract business or industry to an area and a long-term lease can offset factors that might otherwise impede development.

2.2 Financial Return to DoT

Rental rates will generally encompass full market rental for both the buildings and land. These rates will be subject to regular reviews

Additionally, proponents will be required to contribute a Harbour Area Contribution being the greater of 60 cents per square meter per annum or \$500 per annum plus GST. This fee is intended to offset the costs associated with maintaining essential access and services provided by DoT. It should be noted that the Harbour Area Contribution is subject to periodic review.

2.3 Ownership

This site is available for lease only. Freehold title is not available for this site and the site is not available for purchase.

2.4 Standard Lease Terms and Conditions

Except to the extent inconsistent with this document and the terms of any offer to lease, the lease will be documented on DoT's standard commercial lease terms and conditions applicable at the time. The current terms can be accessed through the following link:

https://www.transport.wa.gov.au/mediaFiles/marine/MAC_F_StandardProFormaLease.pdf

Proponents should raise any queries or issues with any lease terms and conditions at the time of their submission.

DoT reserves the right to amend its standard lease terms and conditions from time to time.

2.4.1 Negotiable Lease Conditions

Depending on the specific nature of the use, proposed redevelopment/refurbishment and capital expenditure there may be room for negotiation of additional, tailored lease conditions as part of the lease negotiation phase.

2.5 Cost Responsibilities

Proponents should be aware that the expenses associated with the preparation of formal lease documentation, including establishment and legal costs, will be the responsibility of the lessee.

Furthermore, security for performance of the lessee's obligations under the lease will be required for a sum equivalent to at least twelve (12) months' rent and outgoings plus GST.

2.6 Development Responsibilities

2.6.1 Approval Obligations

The selected proponent(s) must obtain all necessary development approvals, building approvals, licences and permits for the leased land from the Western Australian Planning Commission (WAPC), the City of Bunbury (City) and the other relevant regulatory authorities at their own risk and cost. In so doing, the selected proponent(s) will be responsible for commissioning any specialist consultant input required, the production of planning, architectural and building permit design drawings, and payment of all necessary application and other fees.

2.6.2 Selected Proponent(s) Commitments

The selected proponent(s) will be solely responsible for financing, undertaking and managing all use and development undertaken on the site. Financial obligations include holding suitable liability, indemnity, work cover and workers' compensation insurances whilst in possession of the site.

2.7 Leasing Guidelines

A copy of DoT's Leasing Information Guidelines can be found at the link below:

https://www.transport.wa.gov.au/mediaFiles/marine/MAC_P_LeasingInformationGuidelines.pdf

2.8 Selection Criteria

Lodged proposals will be assessed against the following Selection Criteria. Information should be provided for all criteria to allow DoT to properly consider the proposal. Diagrams and details of individual sheds is attached at Appendix A.

Potential proponents are required to outline the proposed use and development of the site and address the selection criteria below:

2.8.1 Development Capability and Lease Commitments

1. Provide a statement relating to your experience in providing similar land uses to that proposed and, in particular emphasising any experience in the South West Region.
2. Provide details of the range of services that will be provided from the site/s and how they will support activation of the harbour and benefiting Bunbury and the adjacent Region.
3. Outline your financial capacity to successfully undertake the proposed development, satisfy all use and development approval conditions and honour all on-going lease commitments.
4. Explain your capability to activate the site/s in a timely manner and comply with any forecast timeframes inclusive of obtaining all necessary approvals and developing the site;
5. Detail your relevant experience relating to land and/or maritime development and the redevelopment/refurbishment of buildings/sites;
6. Detail your experience relative to the business/s to be conducted on the site/s;
7. Detail any current or recent works and/or contracts undertaken by you within the State.
8. Describe how the development will benefit the wider community particularly with regard to jobs, goods and services; and
9. Describe how the development will support greater activation and economic growth in the Harbour and adjacent Waterfront.

DoT's preference is for a single proponent to take control and redevelop/refurbish the whole site before any potential sub-leasing of individual tenancies can be considered. Such a proposed arrangement by the proponent always remains subject to formal DoT approval in accordance with any relevant conditions of the lease. DoT will consider expressions from multiple proponents subject to arrangements being put in place to govern overall development coordination and management over the period of the lease.

2.8.2 Indicative Development Concept

Proponents seeking to redevelop/refurbish and/or occupy the site are to provide a detailed and functional concept for the site/s that will be supported by the following detail;

- Evidence of the proponent's experience and expertise in the proposed industry;
- General plans for redevelopment or refurbishment of the buildings/sites Including elevations and renderings;
- Any proposed arrangements, facilities or proposals for sub-tenancies;
- Power requirements (capacity and indicative locations);
- Any other Service needs;
- Vehicle entry and exit points including traffic flow management adjoining and external to the site;
- Security and fencing requirements including gate types, sizes and dimensions;
- Hardstand / pavements locations and specifications;
- Details on the Environmental Management Systems proposed to meet or exceed contemporary standards sufficient to secure the necessary environmental approvals;
- Details relating to access and parking;
- Details of the development approvals that will be sought and associated construction timeframes;
- the proposed hours of operation;
- the preferred term of lease (see Section 2.1.2);
- A detailed cost schedule (listing by items) the total investment proposed by the proponent.
- Proposed annual rent.

2.9 Contract Process and Protocols

2.9.1 Evaluation Methodology

Subject to the acknowledgement provisions mentioned below, evaluation of submitted proposals will involve:

- Evaluating proposals in accordance with the selection criteria;
- Short listing interested parties;
- Requesting short listed parties to submit more detailed information (if required);
- Assessing proposals and selecting a preferred proponent(s); and
- Undertaking formal lease negotiations.

All submitted proposals will be evaluated by an evaluation panel established by DoT Maritime and may include other parties at DoT's discretion, considered suitable. There is no guarantee that negotiations with a potential proponent will result in a formal agreement.

2.9.2 Protocols to be Observed During the Process

Any party wishing to submit a proposal must refer all requests for further information McGees Property utilising the contact information and address provided in clause 2.12.

Proponents must submit any questions concerning the EOI to the contact person listed above before the closing date.

The proponent may request that a question remain confidential on the basis that it and any answer contain commercial in confidence information. The proponent must provide justification for its request.

DoT will review such a request. If DoT agrees, it will notify the proponent and any response will not be promulgated to all registered proponents.

If DoT does not agree, the proponent will have the opportunity to withdraw its question. If the proponent does not withdraw its question, DoT may promulgate any response to all registered proponents.

2.10 Acknowledgements by the Parties

Each party acknowledges and agrees that:

- a) Nothing contained in this document restricts DoT from accepting or discussing any proposal of any type or description from any party regarding the site/s being offered for lease.
- b) There is no obligation on DoT to disclose to, or discuss with, any party any concept that another party proposes or discusses with DoT, or which DoT by its own initiative seeks to examine with any party.
- c) Nothing contained or implied in this document or any communications, either oral or in writing, or the provision of any information in any form whatsoever by DoT to any party is intended to create any binding agreement between DoT and any other party.
- d) Any communications between the parties referred to above, whether oral or in writing, are for the purposes of facilitating further dialogue between DoT and any party involved.
- e) DoT is at any time during discussions with any party pursuant to this proposal document entitled to withdraw from further negotiations with that party.
- f) Each party enters discussions with DoT at its own risk, cost and expense. On termination of discussions between a party and DoT, neither shall have any claim against the other in respect of any costs, expenses, claims or damages the party claims to have suffered or incurred by reason of the negotiations between the parties and their termination.
- g) DoT may amend any basic criteria or concepts outlined in this proposal document from time to time and will use its best endeavours to notify all parties who have responded to it of such changes.
- h) DoT reserves the right not to accept any of the proposals submitted in response to this document and may terminate the process at any time in which case all parties will be advised as soon as is reasonably possible. In the event of the process being cancelled, the provisions of paragraph f) above will apply.
- i) DoT reserves the right to accept alternative proposals that do not conform to elements of the selection criteria and there is no certainty that any negotiations will result in a formal agreement.
- j) The selection of a preferred lessee(s) may involve the lodging parties being invited to make a presentation to DoT. There is no obligation on DoT to make such a request and no obligation on the selected lessee to make a presentation.
- k) DoT may, if it so wishes, select one or more interested parties and commence lease negotiations at any time during the proposal process but is under no obligation to finalise those negotiations.
- l) The granting of leases negotiated by DoT is subject to Ministerial approval.

- m) While every effort has been made to do so DoT cannot guarantee that all unknown services have been successfully located.
- n) No representation or warranty, expressed or implied, is given by, or on behalf of, DoT or the Minister for Transport or any other person as to the provisions and other information included in this document (including any appendix or attachment to this document) as to the suitability of the premises for the proponent's proposed use or business, the condition of the premises or the accuracy or completeness of the provisions or information contained in this document (including any appendix or attachment to this document). Proponents must make their own enquiries and consult their legal, tax and other professional advisors.
- o) The Proponent's proposal is subject to the Freedom of Information Act 1992, the Financial Management 2006 and the Auditor General's Act 2006 and may be disclosed by the DoT or the State under a court order or upon request by Parliament or any committee of Parliament or any committee of Parliament or if otherwise required by law.

2.11 Registration Form

I/We the undersigned wish to submit a proposal for the lease of:

within the Casuarina Boat Harbour and agree to be bound by the terms of this Expression of Interest document

Signature

Signature

DETAILS OF PERSON / CORPORATION SUBMITTING AN EXPRESSION OF INTEREST

Name:
Signature:
Business Name:
ABN:
Address:
Business Phone:
Mobile Phone:
Email Address:
Contact Person:

2.12 Submitting a Proposal

Applicants must submit their proposals to the lodgement address listed below. Conditions regarding the submission of proposals (including late lodgement and mishandling) are contained in the Request Conditions. You are requested NOT to permanently bind the proposal i.e. in plastic or metal spiral or other binders. Stapling is the preferred method (plastic, vinyl or cardboard folders are other suggested methods of presentation). A4 size proposals are preferred.

Each proposal shall be submitted in writing, duly completed, signed and dated for and on behalf of the lodging party and must be delivered to DoT in the manner mentioned below:

Submissions close: 2.00pm AWST, Thursday, 30 May 2024

Proposals submitted after this time will **not** be accepted.

A. Delivery in person

Please ensure that your proposal submission includes:

- Two complete copies of your proposal.

Proposals to be lodged at:

McGees Property Level 2, 26 Clive Street
WEST PERTH WA 6005

In a sealed envelope and clearly marked:

**“EOI - Opportunity to Lease Buildings & Land Sheds 6,7 and 8
Casuarina Boat Harbour**

Strictly Private and Confidential

Attn: Mr Peter Duffield - Commercial Director

OR

B. Delivery by email

Please ensure that your proposal submission includes:

- One complete copy of your proposal.

Proposals to be emailed to: PDuffield@per.mcgees.com.au

With **“EOI - Opportunity to Lease Buildings & Land Sheds 6,7 and 8 – Casuarina Boat Harbour”** in the subject heading.

For both options, please allow ample time for travel and/or any technical issues that may arise, as late submissions will **not** be accepted.

For further information, please contact:

Peter Duffield – Commercial Director

McGees Property

Mobile: 0418 926 296

Email: PDuffield@per.mcgees.com.au

2.13 Information to be provided:

Sufficient information must be provided by the Proponent to enable the evaluation panel to assess submissions in accordance with the selection criteria.

Appendix A – Supporting Information

A1 – Legal Description

These premises are located on a portion of proposed Lot 509 on Deposited Plan 422176 currently being part of Lot 10 on Deposited Plan 420603 in Certificate of Title Volume LR3173 Folio 595 (Proposed Lot 509), and features three large sheds, identified as Sheds 6, 7, and 8, as shown within the area with a dashed red outline on Figure 4 further below and also shown in the photograph in Figure 5.

Proposed Lot 509 is currently in the control and management of the Southern Ports Authority and is in the process of being vested in The Minister for Transport as a body corporate pursuant to the Marine and Harbours Act. The Department of Transport acts as the responsible agency for this Act.

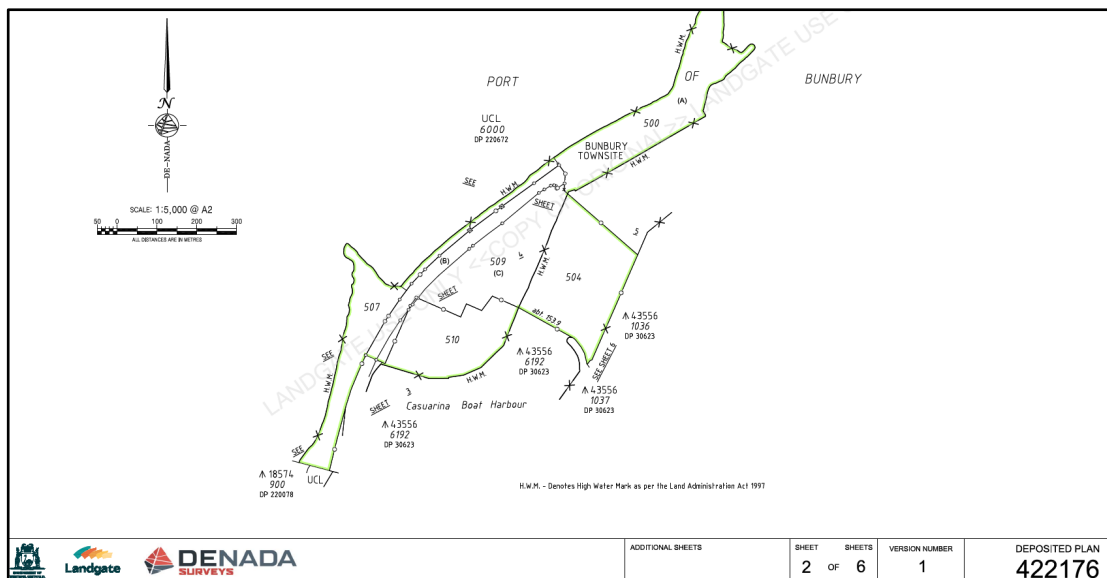


Figure 1 – Deposited Plan 422176

A2 – Location and Site Details

The site and shed structures were originally located within an operating Port which has had a long industrial history. The sheds are currently used by a mineral resource company to store mineral sands.

DoT understands the present occupant of the site will undertake remedial decontamination works on the site at the completion of their mineral sand operation.

Proposed Lot 509 is part of Lot 10 on Deposited Plan 420603. Lot 10 on Deposited Plan 420603 has a Contaminated Sites Act classification of “Possibly Contaminated – Investigation Required”. A Basic Summary of Records Search result is attached at Appendix C.

DoT understands that the Department of Water and Environmental Regulation (DWER) may reclassify Proposed Lot 509 as “Contaminated – Restricted use”.

Consequently, proponents submitting an Expression of Interest for the site/s and associated structures should satisfy themselves that their proposed activity is compatible with the classification of suitable uses or be prepared to undertake their own work to remove the restricted classification over their lease area.

For further information on the contamination status of Proposed Lot 509, proponents are encouraged to contact DWER and if necessary, obtain independent professional advice.

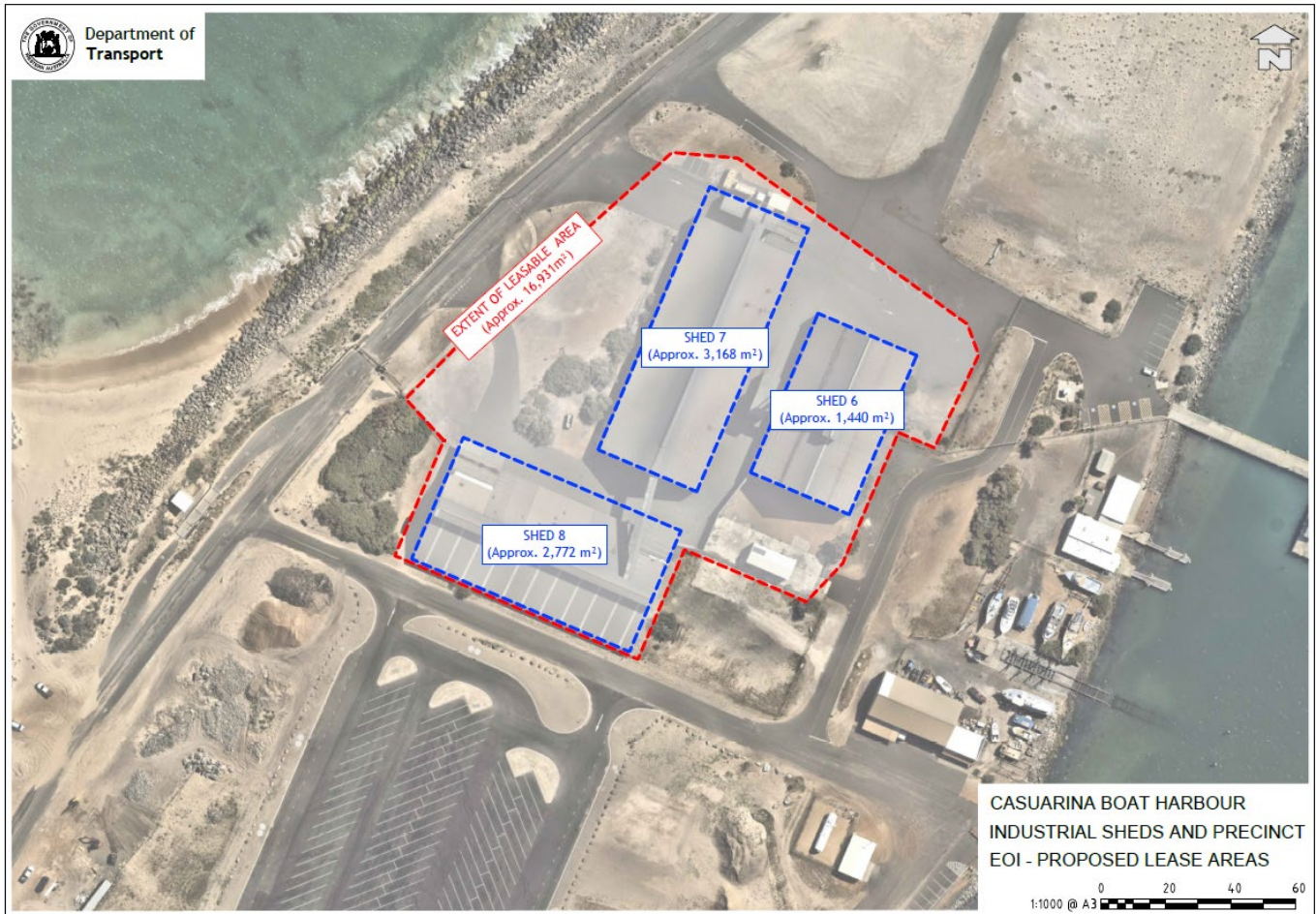


Figure 4 – Indicative lease areas



Figure 5 – Sheds overview

Information Relating to the Sheds

Shed 6

- Steel-framed bulk product concentrate storage building
- Dimensions: Approximately 30m wide x 48m long (1,440m²)
- Features part concrete bunded walls (approximately 18m high)
- Equipped with electric roller access doors
- Illuminated interior with lighting fixtures
- Built on a concrete pad foundation



Image 2 - Shed 6

Shed 7

- Steel-framed bulk product concentrate storage building
- Dimensions: Approximately 48m wide x 66m long (3,168m²)
- Features part concrete bunded walls (approximately 2.8m high)
- Equipped with electric roller access doors
- Illuminated interior with lighting fixtures
- Built on a concrete pad foundation



Image 3 - Shed 7



Image 4 - Shed 7 (interior)

Shed 8

- Steel-framed bulk product concentrate storage building
- Dimensions: Approximately 42m wide x 66m long (2,772m²)
- Features part concrete bunded walls (approximately 1.8m high)
- Equipped with electric roller access doors
- Illuminated interior with lighting fixtures
- Built on a concrete pad foundation



Image 5 - Shed 8



Image 6 - Shed 8 (interior)

A3 – Land Use and Development Requirements

A3.1 Relevant Legislation, Policies and Guidelines

In addition to other statutory approvals, any development activity within the Facility will be required to comply with the intent and requirements of the:

- Marine and Harbours Act 1981.
- Shipping and Pilotage Act 1967.
- Jetties Act 1926.
- Australian Standards.
- General Requirements and Conditions for Land Leases in DoT Boat Harbours.

A4 – Servicing Requirements

Requirements to service the subject land including network extensions, upgrades and connections required will be determined based on the land use mix and development arrangement.

The costs involved in the design, approval and installation of required services will be negotiated with the selected lessee(s).

Services in the broader Casuarina Boat Harbour precinct are currently being designed by DoT and will be delivered progressively over approximately the next 2 years. DoT will work with the proponent/s to confirm the service capacities available to support the proposed developments and to ensure alignment with new services across the broader development.

A5 – Approvals Requirements

The proponents must obtain all necessary development approval, licences and permits that may be required by the City and other regulatory agencies including planning applications lodged at the City's Town Planning Department and Building Permit applications with its Building Department. The site is reserved as Port Installation under the Greater Bunbury Regional Scheme (GBRS). Therefore, under the provisions of the GBRS approval is required from the Western Australian Planning Commission (WAPC). To ensure a streamline approval process it is recommended that the proponent engage early with the WAPC via the Department of Planning Lands and Heritage (DPLH) Bunbury Office and the City of Bunbury. Refer to the Development Application process in the table below.

In so doing, the proponent, at their cost, will be responsible for commissioning any specialist consultant input required, the production of planning, architectural and building permit design drawings, and payment of all necessary application and other fees.

The following chart is provided by DoT as an indicative development sequence.

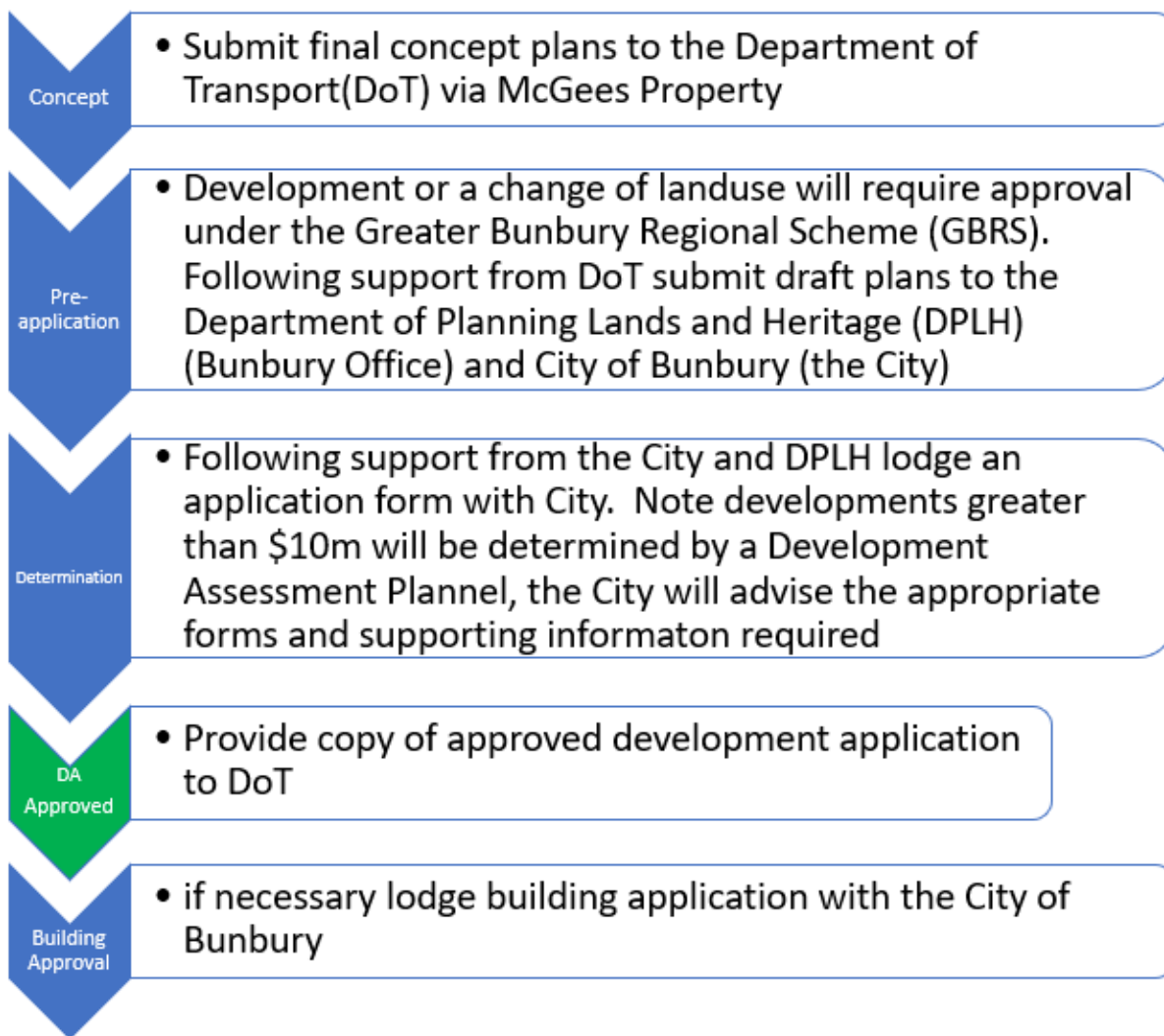


Chart 1 – Indicative development approval sequence

Appendix B – Structural Assessment of the Sheds (WML Report)

Appendix C – Basic Summary of Records – Contaminated Sites Act