



Leasing Policy

Core elements

- This policy guides proponents and the Director of National Parks (DNP) in enabling opportunities on land managed, or jointly managed, by Parks Australia, via leases, subleases or licence agreements.
- Leases, subleases and licences will be used where commercial partners seek the exclusive use of an area to support the delivery of the experience and/or security of tenure for capital investment including the development of low key and low impact infrastructure.
- The policy will guide the assessment of leasing proposals on reserves ensuring benefits and risks are reasonably shared between all parties including the DNP, the private sector, traditional owners and local communities.
- The lease policy aims to enable use of reserves to further research, business development and visitor experience opportunities for enhancing understanding and enjoyment of the culture and natural wonder of the reserve.
- Opportunities can only be realised in tandem with the conservation of natural and cultural values.



Policy

1. Introduction

Parks Australia manages some of Australia's most spectacular and diverse places [LINK].

We want to be amazing destinations that:

- actively contribute to the conservation of healthy environments and support living culture;
- work in partnership with business, researchers and the community to develop visitor experiences and innovative opportunities;
- provide leadership in meeting the highest sustainability standards;
- attract tourism industry investment in new tourism experiences;
- provide opportunities and employment in regional areas;
- provide real benefits and opportunities for the traditional owners of the land; and
- attract funds from private investment via leasing to meet some of the costs associated with conservation and maintenance of the reserve.

This policy refers to leases (and subleases in the jointly managed parks) and occupation licences, where a proponent seeks an exclusive use of an area for either short or long term purposes.

2. Legislation / Regulations

Commercial and other activities are authorised by the Director of National Parks (DNP) via leases, licences and permits, in accordance with the Environment Protection and Biodiversity Conservation Act 1999 (EPBC) and Regulations, and the relevant management plan for the reserve.

Activities must also be consistent with any tourism or other visions and strategies for the reserve. For the jointly managed parks, activities need to be consistent with the Director's leases of Aboriginal land in the Park, and any new sub-leases must be approved by the Board of Management, with consent from the appropriate Land Trust.

3. Guiding Principles

Parks Australia's overall approach to sustainable leasing will be guided by the following principles:

- a. To safeguard the destination's natural heritage and cultural resources.
- b. To provide high quality visitor experiences and use opportunities that are welcoming, engaging and raise awareness of the natural and cultural values of Commonwealth reserves.
- c. To achieve environmental, social and economic benefits by partnerships and commercial arrangements in a positive investment climate.
- d. To achieve social and economic benefits for relevant Aboriginal persons, in jointly managed parks.

4. Evaluation Criteria

Evaluation criteria will apply when proposals for leasing buildings and sites in reserves are considered.

Specific criteria may be developed depending on the circumstances. General selection criteria will be:

- **Sustainability** (economic, social, cultural and environmental) - the proposal should
 - have minimal environmental impacts, utilize sustainable design principles
 - be economically sustainable in the long term



- benefit traditional owners and/or the local community, including options for direct employment and/or training.
- contribute to the conservation of cultural and natural values of the reserve
- **Appropriateness of concept** (guided by the management plan and EPBC Regulations, appropriate to setting and high quality design, enhances visitor experience, protect and promote the values of the reserve).
- **Experience and capability** – proponents need to demonstrate
 - successful track record in proposed activity or similar activities
 - financial ability to deliver the proposed activity
 - an ability to work with a variety of stakeholders (traditional owners, government, tourism industry and local community)

5. Leasing Procedure

Leases will be negotiated in a variety of ways, including via an open competitive expression of interest (EOI) or request for tender process, with evaluation against the criteria specified. Leases may be offered directly to a single proponent, without a competitive process, where we are approached with an innovative idea.

6. Duration of Lease & Terms

Lease terms will be negotiated on a case by case basis and vary depending upon the location and use of the site, the scale of investment and capital improvements and the period needed to provide an adequate return on investment. Lease terms of 25 years and above will be considered.

Options for renewal or extension may be included subject to satisfactory performance against the terms and conditions of the lease agreement.

For jointly managed reserves the term cannot extend past the end date of the lease held by the DNP.

7. Fees

Lease fees will be considered on a case by case basis. They may be a fixed rent based on market valuation for comparable premises/areas, percentage of revenue from business operations, or a combination of both. In determining appropriate financial terms, consideration will be given to:

- level of capital investment by parties;
- potential for growth in the market;
- current commercial rates for leasing of land/buildings based on property valuation;
- potential benefits to traditional owners and other relevant Aboriginals, or local communities;
- establishment costs for new businesses (given challenges of access, seasonality and capital costs in remote protected areas);
- other tangible and intangible benefit as a result of proposed activity/use (eg. contribution to developing visitor market, marketing etc).

In the case of the jointly managed parks a proportion of lease fees or payments will be directed to traditional owners and Aboriginal communities as per the terms of the park lease.



Where possible and according to Government policy approaches, lease fees paid at a particular reserve will be retained to reinvest in maintenance of and development of visitor infrastructure and conservation and the natural and cultural assets of the reserve.

Provision may be made for periodic review of rent, e.g. specified annual increase or increases in line with the Consumer Price Index.

8. Additional Guidance

A special conditions schedule may be used to specify certain levels of service delivery and product standards (e.g opening hours).

Intellectual property contained in a proponents leasing application will remain the property of the applicant and will be protected by staff of the DNP and Members of Boards of Management and any of their advisors.

9. Further Information

Commercial Tourism Licence Guidelines <http://www.environment.gov.au/topics/national-parks/parks-australia/permits-and-licences>

Commercial Tourism Permit Guidelines <http://www.environment.gov.au/topics/national-parks/parks-australia/permits-and-licences>

Expression of Interest Process Guidelines for individual parks (where available)

Reserve Plans of Management and Values Statements <http://www.environment.gov.au/topics/national-parks/parks-australia/publications>