

10 June 2021

Joanne Soderlund  
Acting Chief Executive Officer  
Shire of Cocos Keeling Islands  
PO BOX 1094, WA 6799

Dear Joanne,

**PROPOSAL TO LEASE LAND HELD IN TRUST UNDER THE LAND TRUST 1984 PART LOT 18 HOME ISLAND RETAIL PRECINCT – GIFT SHOP**

We wish to enter into a lease agreement with the Cocos (Keeling) Islands Shire Council for the below listed land.

**SITE AND LOCATION**

Part Lot 18 Home Island Retail Precinct. The purpose for this retail space is a Gift Shop with a total area of 22.8m<sup>2</sup>.

**LEASE TERM REQUESTED**

"Sweet As Gifts" wish to lease this parcel of land for a period of **3** years with an renewal option of a further **3** years.

**WASTE MANAGEMENT**

The rubbish we will generate will only be packaging. Any cardboard will be taken to the cardboard recycling along with any other recyclable waste.

**ECONOMIC AND SOCIAL OUTCOMES**

Sweet As Gift will employ local residents to run the store. Initially we will employ 1 local and as the business continue, we may require more staff particularly to assist with collection of Freighter as well as delivering and unpacking boxes.

As we will be selling local artwork this will create opportunities for the local craftsman. This will also attract tourists into our store for these unique items.

At the moment other local stores on Home Island also sell gifts however our store will also have other services such as the printing and scanning services, snorkel and mask hire and outdoor goods that can potentially be hired to tourists. We will ensure to provide other gifts that the other stores do not have on their shelves. We are also working on being able to stock a variety of plants either from the mainland or from Christmas Island which will attract many customers.

**RETAIL OUTLET PLANS**

We would appreciate if the Shire can provide us any assistance to either build or purchase and fit out of the shop with shelving and display cases and counters. We acknowledge this will remain the property of the Shire. We are also prepared to install this ourselves.

**OUTCOME BASED MILESTONES TO INCLUDE IN THE LEASE**

N/A

**MARKET VALUATION**

We acknowledge the Shire uses the market value as determined by an independent register valuer to determine the lease fee considering our additional requests for the retail space. We will be informed once the Shire receives the valuation prior to any finalisation of the lease.

**OTHER REQUEST / INFORMATION**

As previously mentioned in our initial application, we would ask the Shire for assistance in building and or purchasing shelving and display cases for the retail space. I have included some quotes for Council's consideration.

I have also attached a copy of the expression of interest if you wish to refer to the specifics of the products and services we will offer.

If you require any further information please do not hesitate to contact us.

Kind regards,

Thomas Batchter & Ummerah Dollar

## **UPDATED Expression of Interest Home Island Retail Centre: Retail Space**

### **Product expansion and financial modelling:**

I am aware that our initial up front cost with setting up a business such as this will be quite high. I am anticipating that within 8-12 months I will start to see a good return on our initial investment. This will also depend on the cost of the lease and utilities which may extend or retract this period depending on their cost. This is also based on what I believe we can sell coupled with other services we can provide for the community and small business which would be at a fee also. As well as making sure that the products we stock are in line with the needs and wants of both residents and tourists. We understand things will sell at different speeds and that is why I would like to offer things that are constantly being used here e.g. ice and gifts for different occasions but also things that tourists are using like mask and snorkels.

I have added some extra detail into the products I would be looking at selling and services we would like to offer

- locally made arts and crafts- we have several talented craftsman on island that I would aim to work with in having a wide variety of different hand-made arts and crafts
- gifts for all ages (variety men's, women's, children's) relevant to time of year and trends visible in the community and also on the mainland
- printing and scanning services for a fee (stock picture frames and potentially photo printing)
- snorkel and mask hire
- ice machine (ice available in bags for purchase, currently there is no pre bagged ice here on Home Island)
- tourist information and local knowledge specific to Home Island and activities here
- fishing equipment and outdoor goods for locals and potentially hire for tourists (fishing equipment hire, kayaks)
- goods such as sunscreen, bug repellent, plasters, drink fridge (stock cold drinks and water)
- Cocos styled clothing and apparel (fishing shirts, popular local imagery, local sports team apparel)
- Flower arrangements/ bouquets for purchase (using local in season flowers for events or occasions)
- Working in with business operators on Home Island for relevant services they may require e.g. pick up/drop off hire vehicles if successful we would aim to work with as many businesses and organisations as possible to diversify our income stream but also to provide valuable services to the community.

Our products and services would not be limited to this but we believe this would be a good starting point and I understand we would have to be able to be flexible with our product

range as the market changes. Also promoting the range of services we offer through social media and the other outlets we have here on Island to ensure we have as much exposure and traffic as possible.

I would like to also ask the Shire for assistance in building and or purchasing shelving and display cases for the retail space.

Thank for taking the time to consider these detail expansions and please feel free to contact me if you have any questions

Kind regards

Thomas Battcher & Ummerah Dollar