

# The Loss of Low Cost Coastal Caravan Parks – Causes, Cases and Social Consequences

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**Abstract:** Caravan parks, camping grounds and cabins have traditionally provided affordable accommodation for holidaymakers, retirees and low-income residents. The conversion of these low cost holiday destinations into either resort style tourist parks or other uses including private housing is an increasing trend along Australian coastlines. Private developers, local councils and state governments are all involved in such projects particularly in high tourism or high population growth areas. Meanwhile controversy often accompanies the planning process and the opportunities for appropriate public input into this redevelopment trend.

This paper explores the main causes and extent of this phenomenon, particularly in NSW. The research reviews relevant literature and presents some preliminary case studies of caravan park redevelopment projects in the Great Lakes and Port Macquarie-Hastings local government areas on the NSW mid-north coast. Initial research indicates the redevelopment of low impact caravan parks into higher uses creates economic benefits and environmental impacts, particularly in fragile coastal areas. However this paper focuses on an analysis of the extensive social impacts that are uncovered. In particular, the impacts for low cost family holidays and longer-term repercussions for the supply and security of affordable housing are highlighted, and some policy implications of these outcomes are explored.

## Introduction

The natural amenity, scenic beauty and climate of the NSW coast make it an attractive destination for holidaymakers and long-term residents. Low cost accommodation providers including caravan parks, camping areas and manufactured home estates are important sources of tourist (short-term) and residential (long-term) accommodation, particularly on the coast. These sites are often located in attractive locations close to beaches, rivers, forests and national parks.

However there has been a marked decrease in the supply of low-cost coastal caravan parks in recent years due to a combination of factors. These include development pressures associated with increased population migration to the coast, the related growth of more upmarket facilities to capitalise on tourist demand and various threats to park viability created by increasing regulation, costs and land values. Between 1996 and 2006, 11 coastal communities in NSW and Queensland lost between 110 and 590 caravan sites each (Howden 2010a, 5). Many parks are converted into residential or commercial uses, or redeveloped into tourist resorts or holiday parks. Their closure and redevelopment raises various economic and environmental issues, however this paper focuses on numerous social impacts. These relate to the loss of affordable tourist accommodation, the displacement of permanent residents and the policy implications involved.

## Methodology

This paper is a conceptual study that explores this phenomenon, mainly through a review of literature, regulation and government policy concerning the causes and impacts of the closure and redevelopment of many coastal caravan parks. To provide an indication of the extent and impact of the issue in a geographic context, two coastal areas north of Sydney, identified as lifestyle destinations, were chosen to investigate the number of sites or park numbers lost in major centres in the region. Unstructured telephone interviews with a council officer, developer, and a park resident representative provided various stakeholder perspectives and supplementary data for the case studies. Information was also collected through visits to existing and former caravan parks and a manufactured housing estate in the selected towns.

### ***Caravan parks, tourism and housing***

Caravan parks span the void between the tourism and housing sectors (Reed and Greenhalgh, 2003). Since the early 1900s they have provided affordable tourist accommodation – often in public reserves near beaches and rivers (Yeo and Grech, 2006) or en-route to holiday destinations (Reed and Greenhalgh, 2003). It was not legal to live in caravan parks prior to 1988, but people have resided in them since the 1930s depression era and councils did not act to prevent this. Permanent resident numbers increased during the 1980s coinciding with reduced housing affordability and the need to cater for construction, mining and itinerant workers (Reed & Greenhalgh 2003; Yeo and Grech, 2006).

Most recently caravan parks have been providing low cost accommodation for groups at risk of homelessness (PAVS, 2002; AHURI, 2004; Marks, 2008; Gurran, Hamin & Norman, 2008). Other demographic groups have sought permanent residence in parks in coastal locations as part of downsizing, lifestyle changes and retirement trends (Gurran, *et al* 2008). Meanwhile increasing tourist numbers have ensured the caravan, motor-home and camping industries have created the fastest growing domestic tourism sector in Australia over the past 12 years (Baillie, 2010, CCIA NSW, 2013).

### ***Changes in the caravan park industry***

Australia has 2,700 caravan parks with a third (900) located in NSW (CCIA NSW, 2013, 7) and the majority in coastal areas (DOP, 2010, 1). While 30% of NSW caravan parks are on Crown lands, most are family businesses and 15-20% are owned or managed by councils. Corporate interests are acquiring top end coastal parks for between \$10-25 million with returns on capital over 10% (CCIA 2012, 5). The recent return of many council managed Crown land parks to the state capitalises on the rising demand for quality tourist accommodation. Although many are being upgraded rather than sold, the number of Crown land caravan parks appears to have dropped recently from 300 (LPMA, 2009, 5) to 270 (LPMA, 2010, 67) and more recently 260 (Hembrow, 2011, 2). Overall caravan park numbers in NSW have decreased by 10% over the last decade with about 50 park closures in the past five years (CCIA, 2012, 5, 8).

Caravan and holiday parks provide a range of accommodation options from basic to resort standards and include short-term and permanent sites. Short-term occupation involves powered or unpowered sites for camping or caravans, self contained cabins or private caravans often owned by long-term casuals who have occupancy rights up to 180 days per year. Long-term sites are occupied by permanent residents who rent the site and either own or lease their home (or caravan and annex) (CCIA NSW, 2013). Some parks cater for tourists and permanent residents and other estates and parks have only long-term residents. The industry identifies different categories of parks including tourist parks, general caravan parks and manufactured home estates (MHEs) or communities (CCIA NSW 2013). There are currently 483 residential land lease communities housing long-term residents across NSW including caravan parks, MHEs, mobile home villages and relocatable home parks (NSW Fair Trading, 2013, 1).

### ***The regulatory framework for caravan parks and manufactured home estates***

In NSW, caravan and mobile home parks and their residents are regulated by various legislation, policies and government agencies. Development approval for caravan parks, camping grounds or additional long-term sites requires council consent and is regulated under the relevant local environmental plan (LEP) and under *State Environmental Planning Policy 21 – Caravan Parks (SEPP 21)*. *SEPP 21* defines caravan parks as land (including a camping ground) on which caravans or moveable dwellings can be placed. Under Section 79C of the *Environmental Planning and Assessment Act, 1979 (EPA Act)* approval requires consideration of relevant matters including the location and character of the land; whether tourist accommodation will be displaced by the permanent use of sites; local availability of low cost housing and accessibility of community facilities to park occupants. Approval under the *Local Government Act 1993 (LG Act)* and regular (5 yearly) renewal is also required to operate caravan parks or camping grounds.

The *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005 (LG Regulation 2005)* sets standards for permanent dwellings and the estates or caravan parks where they are installed. The Regulation requires that sites be designated either long-term (permanent residential) or short-term (holiday) sites.

*SEPP 36 – Manufactured Home Estates* was introduced in 1993 to establish well designed and serviced manufactured home estates (MHEs) in suitable locations and provide affordability and some security of tenure for residents. *SEPP 36* does not apply in Sydney or on Crown land (NSW Government, 1993 and DOP, 2010) and proposals on land with various environmental constraints (such as habitat corridors, open space or sites subject to flooding or coastal erosion) are not permitted. Interestingly, such restrictions are not automatically imposed for approvals of the more permanent strata-titled residential and tourist developments that often replace existing caravan parks.

The draft *Residential (Land Lease) Communities Bill 2013* is proposed to replace the *Residential Parks Act 1998* which governs tenancy agreements for permanent residents of caravan parks and residential estates (NSW Fair Trading, 2013). The bill aims to improve governance and processes for rule making, disclosure and house sales for residents (O’Flynn, 2011). A recent controversial amendment to the proposed legislation, applicable to future park residents, enables park owners to obtain a share in the capital gain of a mobile home, or a share in the home – instead of rent increases (Needham, 2013, 4).

## **Causes of Caravan Park Redevelopment**

### ***Vulnerability to development pressure***

Developers are attracted to the site and location attributes of freehold caravan parks in prime positions in rapidly developing coastal areas (Severns, 1998; Reed and Greenhalgh, 2003; Nelson and Minnery, 2008; CCIA, 2012). In the real estate market, caravan parks are perceived as low cost, low value, temporary uses of land (Fuller, 2007). They are usually in single ownership, have existing services and few buildings or structures requiring removal. Coastal parks are often in high amenity locations close to services and tourist attractions like beaches and waterways. Reed and Greenhalgh (2003) note many caravan parks include large level land parcels on main roads with high exposure. These attributes often result in their redevelopment for retail outlets, bulky goods or medium to high density development. They also note declines in caravan park numbers are greater in areas undergoing population increases and development pressure. This coincides with high migration rates to coastal areas where population growth is over 60% higher than the national average (National Sea Change Taskforce, 2010, 1).

### ***Reduced viability of parks coupled with rising land values***

The reduced viability of caravan parks is a frequently cited reason for closures (Severns, 1998; Nelson and Minnery, 2008 and Bunce, 2010). Increasing coastal land values and associated costs of land tax, rates and insurance all reduce returns on capital investment (CCIA, 2012). The balance between a park’s capital value as an on-going business and its land value is important in determining its future. The highest and best use of an operating caravan park may not be its existing use, particularly for older, smaller parks with lower occupancies (Reed and Greenhalgh 2003). Current average occupancies are less than 50% (Baillie 2010) although occupancy levels are highly seasonable. However the value of land and easily redeveloped sites in coastal areas remains high (Sheehan, 2013).

### ***Costs of maintaining or establishing new parks***

Most caravan parks in Australia were constructed prior to 1979 to cater for the holiday expectations of that era (Reed and Greenhalgh, 2003). Consequently their infrastructure often needs updating. Regional councils supply and charge for water, sewerage, drainage, stormwater and waste management services. Headworks costs in particular, often inhibit the creation or expansion of parks (LGA&SA NSW, 2007).

In addition, rising compliance costs due to increased regulation, influence decisions to sell (Reed and Greenhalgh, 2003 and CCIA 2012). The Caravan and Camping Industry Association (CCIA, 2012, 8) claims there have only been two new caravan parks established in NSW in the last decade due to the lack of suitable land and the 'hurdles created by state and local government for development approval'. Interestingly, Crown land for future caravan park development may become available on a leasehold basis (CCIA, 2012) presumably as part of current government policy to generate income from public land assets (discussed more fully below).

### ***The focus on short-term tourist opportunities***

'Caravan and tourist parks tap into middle market baby boomers who cannot afford million-dollar beach houses. Caravan park facilities will continue to be significantly redeveloped as holiday makers demand better facilities and a wider array of accommodation options' (Bernard Salt cited by ACCI, 2013, 6).

Caravanning and camping contributed \$1.5 billion to the NSW economy in 2012, with \$1.38 spent at local stores for every dollar spent at a caravan or camping site (Souris, 2013). The growth in the tourist industry has seen many park operators focus on more profitable short-term tourist opportunities – resulting in upmarket tourist parks. These holiday or destination parks are often located in pristine environments close to national parks and beaches. They provide a range of accommodation options including cabins and safari (pre-erected) tents. Activities and facilities offered include water parks, resort style pools, kids clubs, mini golf, group entertainment, internet access, shops, restaurants and cafes (TIC NSW, 2013 and CCIA, 2013).

Coastal parks in prime positions in particular, have responded to consumer preferences for better standards and accommodation geared particularly for families and couples (38% of visitors to parks in NSW) and seniors over 55 or grey nomads (28%) (CCIA, 2013, 3). Over the last 15 years, coastal holiday parks have introduced self-contained cabin accommodation (one to three bedrooms) ranging from 3.5 to 5 (AAAT) stars. Cabins with at least 4.5 stars can achieve up to \$400 per person per night in peak season (CCIA, 2012, 6) effectively competing with standard motel accommodation (CCIA NSW 2013). While site fees have not increased enough to assist park viability, the potential yields from cabin occupancy could balance this (CCIA, 2012). Private, corporate and public caravan park operators have followed this path resulting in a reduction of permanent residential sites in the remaining parks.

### ***Crown lands policy change***

NSW Crown land assets total 43.7 million hectares, or 47% of the state (Ling, 2009). Crown Lands is the largest owner of caravan parks in NSW (NSW T&I, 2011) providing over 10,000 holiday van sites (DOL, 2005, 81). Due to their often exceptional locations, Crown land caravan parks provide a significant source of highly desirable holiday accommodation – supplying the majority of tourist sites in many areas (LPMA, 2009). Approximately half (150) of NSW Crown land caravan parks are on the coast and two thirds of these are governed by Reserve Trusts – usually managed by the local council (LPMA, 2009, 5). The remaining coastal parks are commercially leased to private operators usually with a 25 year term (LPMA, 2009, 13). However, the state has determined that many Crown land caravan parks are not meeting their full potential (Hembrow, 2011). Consequently a new government strategy to realise the commercial and redevelopment value of Crown land assets has been 'quietly ushered in' over the last decade (Besser and Munroe, 2007, 1). The state now takes a proactive interest in the management, improvement and development of its caravan park portfolio (LPMA, 2009). By late 2010, the Land and Property Management Authority (LPMA) had resumed management control of 14 caravan parks from councils in NSW to respond to 'tourist demands for improved services' which is considered 'beyond [the] expertise' of some councils (Howden, 2010a, 5). Council run parks in Forster-Tuncurry and Port Macquarie were included in this group. Howden suggests the takeovers have raised fears that the 'traditional egalitarian beach holiday – and cheap housing for pensioners – will be swept away by park redevelopment, making access to the most popular holiday beaches the preserve of the rich' (2010a, 5).

Policy changes in 2004 introduced a Public Reserves Management Fund to collect levies from Crown coastal caravan parks to fund ongoing harbour works and river dredging projects that were traditionally funded from general revenue (DOL, 2005). The Land and Property Management Authority (LPMA) (previously the Department of Lands) works in an integrated way with councils to promote local economic opportunities through development projects on foreshore lands to increase funds (Ling, 2009). To secure increased market returns from the commercial use of Crown land, high quality infrastructure and accommodation for tourists is promoted through the development and improvement of existing and new tourist facilities (Department of Lands, 2007).

Apart from economic returns, the policy rationale promotes multiple rather than exclusive use of public recreation reserves. Further justification includes a recognition that most Crown land caravan parks were established to serve the tourist and recreational needs of the public (DOL 2007). Therefore current policy for caravan parks on Crown lands is to provide short-term holiday or tourist accommodation and to convert long-term sites to short-term sites. Consequently permanent residents are gradually removed from these parks. However the state notes that *other* Crown land is reserved for permanent accommodation such as retirement villages and manufactured homes (DOL 2008).

### **Growth of Manufactured Home Estates (MHEs) and Residential Parks**

The demand for more affordable retirement living in high-amenity locations and the displacement of permanent residents from a decreasing stock of caravan parks have contributed to the growth of MHEs. Middlebrook (2010) notes manufactured home estates supply a source of self-care retirement housing not always available in traditional 'bricks and mortar' housing. He suggests that compared to retirement villages, MHEs provide various advantages including lower cost homes and no stamp duty, entry or exit fees or deferred management fees on departure. They allow a form of home ownership to continue into retirement (albeit one that excludes the land). Moreover government rent assistance for site fees is available for pensioners who qualify. The redevelopment of general caravan parks into MHEs and their availability for displaced residents from other parks indicates the growth of MHEs is both a cause and a consequence of caravan park closures.

## **NSW Case Studies**

### ***Changes to Caravan parks on the NSW mid north coast***

Forster-Tuncurry and Port Macquarie are two of the areas where commercial redevelopment projects on crown land foreshores have been proposed for beachfronts and sensitive open spaces (Besser and Munro, 2007). These two non-metropolitan centres are categorised as 'coastal lifestyle destinations' as they are predominantly tourism and leisure communities, known for their natural amenity, tourism or lifestyle appeal and are located more than three hours drive from a capital city (Gurran, *et al* 2008).

### **Great Lakes local government area (LGA)**

The Great Lakes council area on the coast north of Newcastle includes the twin towns of Forster and Tuncurry. It covers a triple lake system that is popular with retirees and holidaymakers. The area is considered one of the most socially vulnerable communities to climate change impacts in coastal Australia as it includes lower than average median incomes, higher age groups and a high proportion of renters (Gurran *et al*, 2008, 49). Recent changes in caravan parks in the towns include the loss of various private parks and the return of council managed parks to the state.

In 1990, the 174-site *Nelangra* caravan park was redeveloped into 69 residential villas and houses covering four streets in Tuncurry. Located on Wallamba inlet, the site needed dredging and filling to reach the 2.2 metre 1:100 year flood level. The developer was required to purchase the affected oyster leases, contribute \$34,000 towards traffic infrastructure including a main road roundabout, and provide a 20 metre wide landscaped waterfront reserve that links with pathway access to the town centre (Peterson, 2013, pers comm).

Three more parks have been sold or redeveloped within the last ten years. In 2003-4, the 113-site *Suncoast* caravan park near Wallis Lake in Forster closed. It had 42 long-term van sites, 46 short-term sites and 25 camp sites. It is now a two street subdivision of 30 dwellings. Around the same time, the *Ocean Pines* park in Tuncurry closed. It had 42 long-term holiday van sites, 5 short-term sites and 1 camp site (Dougherty, 2013, pers comm). The land has since been subdivided into 11 sites for villas and houses that are currently being marketed.

More recently, the 185-site *Shangri-la Village* park in Tuncurry was converted to *Crystal Waters Estate*, a lifestyle village for over 50s living. The caravan park included a motel and 153 long-term holiday van sites and 32 short-term casual van sites (Dougherty, 2013, pers comm). It now has 170 permanent sites only, with 135 already filled. New and existing homes are available, with new homes starting at \$130,000. Current weekly site fees are \$147.20 (Crystal Waters Estate, 2013).

The closure of these four parks has meant the loss of over 500 caravan and camping sites in the area including at least 84 long-term sites, although there are now 170 new permanent sites in the area. The towns have eight parks still operating including the *Tuncurry Beach* and *Forster Beach* 'holiday parks'. These two parks, along with three others in the Great Lakes area were transferred from council management back to Crown lands in 2011. The other parks include *Jimmys Beach*, *Hawks Nest Beach* and *Seal Rocks* caravan parks.

### **Port Macquarie Hastings LGA**

Port Macquarie is located on the Hastings River almost midway between Sydney and Brisbane and is one of Australia's longest established holiday destinations. The LGA has a coastline of 84 kilometres and includes sand dunes, coastal wetlands, floodplains, forests and mountains. The town is historically significant and has an active koala colony. The population totals 74,600 with a younger demographic than Forster and Tuncurry and a growth rate of 1.62% pa which is higher than both NSW (0.8%) and the mid north coast (1.1%) (GPMT, 2013).

In Port Macquarie, two caravan/cabin parks have been sold in the last decade, although a major battle was fought over a third one. The *Gateway at Port Macquarie* caravan park, located near the river on the Oxley Highway is being redeveloped for commercial uses. This park was rundown and the developer worked with the Affiliated Residential Park Residents Association (ARPRO) to compensate and rehouse all six of its permanent residents (Wakeling, 2013, pers comm).

The attempt to redevelop *Taskers Residential Village* at Flynn's Beach was much more contested. A developer acquired the park in 1996 purchasing 13 of the homes. In 2008, a development application (DA) for a \$28 million 122 unit apartment development was withdrawn (Tisdell, 2008) after the council advised the loss of low cost housing had not been addressed (Wakeling, 2008). However, the withdrawal of the DA extinguished resident compensation rights. Meanwhile disclosure requirements regarding current or potential DAs meant residents were unable to sell their homes while the park owner considered alternative options (Tisdell, 2008). The site was eventually declared a koala corridor giving the residents some security of tenure. Port Macquarie-Hastings Council has been active in proposing changes to the *Residential Parks Act 1998* to require appropriate zoning of residential parks to ensure tenure security for all permanent park residents (Wakeling, 2008).

In 2010, the council determined caravan park management was not its core business and transferred parks at Bonny Hills and North Haven back to Crown Lands. In addition, an attempt to sell the *Port Macquarie Holiday Cabins* near Flynn's Beach received no expressions of interest, and the 14 cabins were sold individually after the park closed to realise the council's 2003 capital investment in the site (Port Macquarie-Hastings Council, 2012). Suggested future uses include a medium or low density residential project such as a cluster, villa or townhouse development.

Caravan park closures and their redevelopment for mainly residential uses in Forster-Tuncurry and Port Macquarie illustrate some of the stakeholder issues involved. In both areas, local councils have retreated from park management and ownership with the return of Crown land parks to state management and the sale of council owned cabins at Port Macquarie. Attempts by private owners to sell parks for redevelopment were successful in Forster and Tuncurry, with mixed results in Port Macquarie where consideration of the limited options for rehousing long-term residents was a factor. In Tuncurry, the conversion of one park to long-term residential living may have assisted in relocating displaced residents from redeveloped parks. Notably, the *Taskers* case in Port Macquarie demonstrates the importance of council policy regarding park closure, rezoning and redevelopment where social or environmental issues are of concern.

## **Consequences of Caravan Park Upgrades, Closures and Redevelopment**

The 1960s and 1970s saw the growth of coastal caravan parks (Reed and Greenhalgh, 2003) and the beginning of the sea change phenomenon that further intensified in the 1980s and 1990s in NSW as retirees sought a seaside lifestyle (Gurran, Squires and Blakely, 2005). Population growth in many coastal areas is currently equivalent to or higher than growth in metropolitan areas. As the baby boomer generation retires, coastal migration is predicted to rise further (Gurran *et al*, 2005).

The loss or redevelopment of these caravan parks responds to apparent current tourism and lifestyle change demands. This results in benefits and threats to coastal areas. With an annual turnover in Australia estimated at \$60million (Buckely, 2008, 125), tourism provides customers and increases local jobs. However it can also promote uncontrolled development; escalating land and housing prices; privatisation of attractive locations; environmental damage; social disruption and loss of cultural heritage (Wheeler and Beatley, 2009). Some noticeable social impacts arising from the caravan park conversions that are part of these lifestyle trends are outlined below.

### ***Main social impacts***

#### **Lost character, social cohesion and sense of place**

Lazarow, Smith and Clarke (2008) suggest Australia's attachment to the coast shapes the cultural values and identity of coastal visitors and residents. Caravan parks provide cohesive communities, shared spaces, camaraderie, a sense of place and links to important environmental assets. Fuller (2007) argues the flexible nature of caravan parks helps define coastal communities and their loss or redevelopment significantly reduces 'communal inheritance'. Green (2000) suggests the sense of place and local character is more likely to be overwhelmed by the scale and pace of new residential and tourism developments in smaller coastal communities where the homogenising effect of increasing suburban character undermines the unique beauty and natural attractions of the area. As noted by Gurran *et al* (2005) planning tools to preserve and enhance important attributes of place are inadequate.

#### **Loss of affordable housing**

NSW planning legislation (the *EPA Act*) obliges state and local government to *encourage* the provision and maintenance of affordable housing. Councils regulate and influence the supply of housing in terms of cost, type, location and amenity through planning tools and development approval powers. Coastal communities experience affordable housing supply problems as lower income families leave cities in search of low cost accommodation. The attraction of the coast for sea changers and retirees intensifies this shortage (Gosford City Council, 2009, 9). Gurran *et al* (2005) report that coastal caravan parks and manufactured homes are important sources of housing for low income earners and retirees. However, gentrification is apparent in some coastal lifestyle destinations as demand for new housing and holiday accommodation reduces affordable housing options and creates seasonal shortages.

### **Caravan parks, MHEs, affordable housing and security of tenure**

Manufactured Home Estates (MHEs), where residents own or rent relocatable homes on leased sites, can be separate or integrated into caravan parks. With house prices under \$200,000, MHEs provide an important affordable housing option (DOP, 2010, 1). However, security of tenure can be an issue as the park owner retains land ownership. MHE and park residents are vulnerable to homelessness in a different way to other homeowners (Forrest *et al*, 2004), given that park owners are potential developers (Wakeling, 2008). Residential *site* agreements (applying to residents in parks prior to December 1994) allow subletting and limit termination circumstances available to park owners. However termination rights are greater under residential *tenancy* agreements (those made after 1994). As noted in the *Taskers* case, requirements to inform potential manufactured home purchasers of any (lodged or potential) development applications involving a MHE or park, protects buyers but decreases home values and sale opportunities for current residents (Wakeling, 2008). Proposed legislation allowing park owners to share capital gains from residential sales (noted earlier) would create further financial uncertainty as park residents sell up and move to retirement villages or nursing homes.

### **Reduced low cost holiday options**

Fuller (2007) suggests caravan parks provide local shortcuts, social connections and affordable shared summer holiday values. Redeveloping parks into apartments formalises the landscape, replacing vegetation with permanent, inflexible strata titled development, while new caravan park sites are found on cheaper land with reduced amenity. Meanwhile, Howden (2010b) notes many long-term casual caravan owners have left Crown owned parks due to rising fees (up to 60% over 6 years). Crown land policies to remove permanent sites means owners are unable to sell vans on site and high removal costs (around \$1500 including foundations) prevent sales for use off-site. In this case, Shoalhaven council still manages the park and is losing money by not requiring residents to sell.

### **Growth in alternate/illegal camping**

The widespread upgrades of remaining caravan parks reduces the supply of affordable camping sites and increases costs for growing numbers of travellers and grey nomads in caravans, motor homes and tents (CCIA, 2012). In response, 'RV (recreational vehicle) friendly towns' provide access to land for camping (such as showgrounds) at little or no charge (Baillie, 2010). Travellers in self-contained motor-homes seek a cheap place to park without upmarket facilities. While show people have traditionally camped this way, granting official access, providing 'dump points' and increasing camper numbers raise issues for legitimate caravan parks subject to the compliance standards outlined in the *LG Regulation 2005*. The caravan industry argues council provision of non-compliant camping sites unfairly competes with and threatens the viability of 'approved caravan parks' (Baillie, 2010; CCIA, 2012). The state is currently investigating appropriate compliance requirements to ensure competitive neutrality.

## **Discussion and Policy Implications**

A range of issues and public and private stakeholders are involved in the supply, demand and management of caravan parks and manufactured housing estates (MHEs). The developer perception of caravan parks as low cost, temporary uses of land means they play a changing and significant role spanning the tourism and residential sectors. The complexity of the issue and ongoing pressure for the closure, rezoning and redevelopment of many parks presents major challenges for policy and governance in this area. More research is required in various areas to clarify trends and outcomes, however some preliminary comments are provided below.

## **Main areas of concern for policy**

### **Recognising the role of caravan parks and MHEs in affordable housing**

Greater recognition of the increasing role of caravan parks and MHEs in the provision of affordable housing is needed at all levels of government. Policies and processes involving land use change in these parks should reflect this and require (rather than encourage) consideration of displaced residents' needs. To date, policy response in this area has been minimal at the state level. The *Taskers* case demonstrates outcomes depend largely on the response of individual councils and their concern for social or environmental issues. In response to rising community concerns over redevelopment pressures and the threatened closure of some residential parks in the Gosford LGA, the council developed an affordable housing strategy to preserve a range of housing types. The council's attempt to rezone existing residential parks to 'Special Purpose' use to prohibit other uses was initially rejected by the state government, although a revised plan was later approved. It was tested and upheld in the Land and Environment Court (LEC) when the Court dismissed an owner's appeal over a refusal to rezone a residential park (Gosford City Council, 2009). This example demonstrates policy change in this area is achievable. It also reflects a National Sea Change Taskforce campaign (2011) for greater control over the rezoning of affordable housing sites such as caravan parks and MHEs and the retention of a portion of these housing options for permanent residents.

### **Government and the provision of new caravan and residential parks**

The shortfall in the provision of new parks in NSW due to land supply issues and development approval 'hurdles' needs further examination. One third of NSW parks are on Crown land and while a commercial approach to managing valuable public land assets is beneficial to the state, consideration of the impacts of this policy is important. The narrow focus on short-term tourism for high returns that displaces longer-term residents appears contrary to the principle of encouraging the multiple use of Crown lands. State government intentions to allow park development on a leasehold basis on Crown lands are yet to be implemented and are likely to provide tourist, rather than residential accommodation. However, the integrated approach of the state government in developing foreshore Crown lands with councils could be extended to include provision of affordable housing on appropriate Crown land. State support to develop such housing on council land is another option.

While caravan parks located on or near beaches, river floodplains and fragile environments are often easily rezoned for more permanent, higher impact strata titled development projects, the environmental standards for approval of MHEs appear to be far more stringent than those for other residential development forms. The blending of tourism and residential developments raises numerous issues for planning policy. As noted by Buckley (2008) property developers are using tourism as a means of acquiring, developing and selling real estate. Caravan and residential parks in coastal settlements under development pressure should not be subject to piecemeal planning decisions. An integrated approach that ensures consistency in impact assessment, security of tenure for aging or low income residents and long-term security for populations vulnerable to climate change impacts should define planning policy and development assessment in this area.

### **Final Comments**

The hidden values of traditional coastal caravan parks in providing a sense of place, character and identity are emerging now that communities are in danger of losing them. Current trends to upgrade facilities should not overwhelm the need for a range accommodation options for residents and the travelling public. In coastal towns, these parks provide solace, community, networks, access to beaches and reserves, remnants of vegetation or habitat and tourist and permanent accommodation. Consideration of the significant contribution these 'temporary' spaces provide is important for retaining the amenity of our coastal areas. Development pressures responding to tourist demand and the sea change phenomenon are driven by our attraction to the coast and policy adjustment is needed to ensure this valuable coastal amenity is not lost.

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