

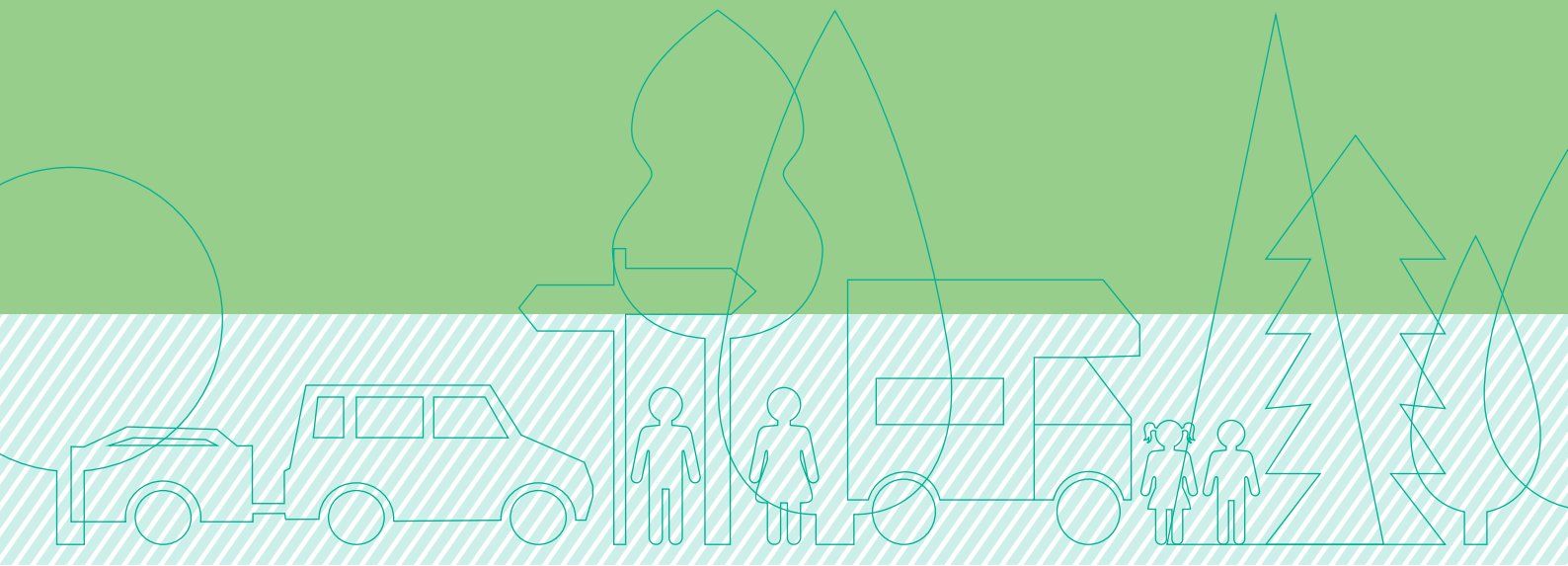
Prepared by Southern Cross Parks
for Towong Shire Council
August 2014

TALLANGATTA HOLIDAY PARK PLANNING STUDY



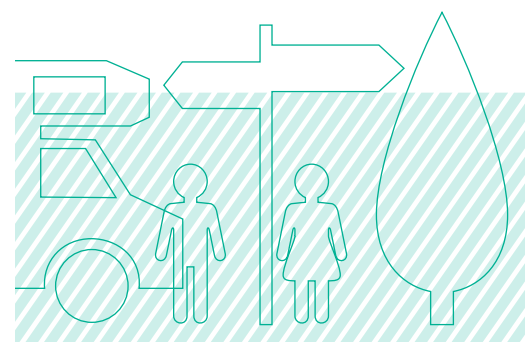
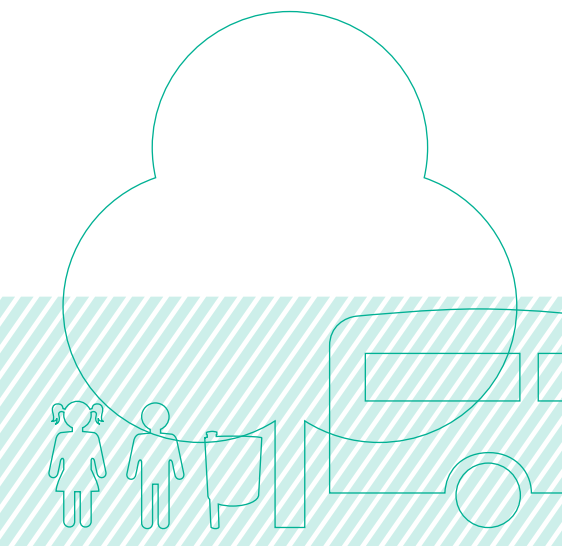
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Executive Summary

Southern Cross Parks was engaged by the Towong Shire Council to prepare a planning study for the Tallangatta Holiday Park which currently includes 45 annual, 5 permanent, 75 powered sites and 25 camp sites.

The land within the park is owned the State of Victoria and its management and control is vested in the Goulburn Murray Water Authority (GMW). The park's future is somewhat uncertain and is the subject of a strategic review by GMW. Given the importance of the park to the town of Tallangatta and the region as a whole, the Towong Shire Council would like to look at future management and redevelopment options for the park.

The planning study identifies a number of key trends in the caravan and camping industry including:

- › Caravanning visitor night numbers have declined over the past decade, despite caravan registrations growing.
- › 50% of caravanners are 35–54 years of age, while a further 25% are active seniors 55–70 years of age.
- › The number of domestic overnight visitors to Tallangatta (which is part of the Murray East region) has declined over the past five years. The domestic overnight market share of caravan parks has grown strongly for the same period and makes up approximately 14% of all accommodation visitor nights in Murray East. The majority of these visitors are either on a short trip or alternatively a longer trip of 15 or more days.
- › Caravanning guests are seeking better quality facilities, drive-through sites and ensuite cabins.
- › Many caravan parks have replaced powered sites with cabins to improve profitability and service new markets including corporate organisations, sporting groups, families and 'Grey Nomads'.

With the exception of Christmas and Easter, the park experiences poor occupancy and the facilities at the Tallangatta Holiday Park are well below industry standards. Therefore, significant improvements are needed to deliver a quality and consistent guest experience.



Most caravan park visitors are adult couples (43.8%)

As part of the report, extensive consultation was undertaken with stakeholders and guests (past and present) to ascertain what improvements could be made to the park. Suggestions included new toilets, new cabins, level drive-through sites, new camp kitchen, installation of a playground and overall better presentation of the park.

The consultants also identified some issues that future management would need to resolve before moving forward including the number of sites, their location and also the fees currently paid by the annual site holders. Furthermore, it is mandatory that the park complies with the Department of Sustainability and Environment Policy Statement – Improving Equity of Access to Crown Land Caravan and Camping Parks.

Against this background Southern Cross Parks prepared the following strategic development vision for the park:

‘To conserve and enhance the unique location of the park through the provision of a range of unique accommodation and guest facilities that cater for current and future guests’ needs and, at the same time, maximise the return to the local community’

The vision for the park is supported by a series of management objectives, a change in the site utilisation to include more onsite accommodation options, new relocatable amenities/camp kitchen, drive-through powered sites and a master plan which includes a range of capital works improvements such as:

- › Improvements to the presentation of the front of the park including landscaping, pull-in bays and a new office/deck
- › Installation of new onsite accommodation including lakefront villas, safari tents and ensuite sites
- › Installation of a new amenities block/camp kitchen/laundry
- › Installation of new amenities block/laundry
- › Renovation of a redundant building to use as camp kitchen
- › Installation of extra BBQs, landscape fencing around the perimeter of the park and removal of excess road pavement in order to create a more sustainable park.

Southern Cross Parks has also reviewed management options for the park and recommends Towong Shire Council pursue a leasing model for future park management following the installation of a range of communal/common facilities. Furthermore, Southern Cross Parks recommends that the Council partner with a suitable Lessee who would be responsible for the installation of onsite accommodation.

Research undertaken by Southern Cross Parks shows the model would provide a Lessee with a suitable rate of commercial return in the medium to long term. Moreover, the report suggests that there are number of management couples who would express interest if the park was to be tendered out. Likewise, the consultants are of the view that this option offers the best model for both current and future guests, and also the broader community.

Suggested steps to achieve this outcome and a possible time line are included within the report.

‘To conserve and enhance the unique location of the park through the provision of a range of unique accommodation and guest facilities that cater for current and future guests’ needs and, at the same time, maximise the return to the local community.’

1: Introduction

1.1: BACKGROUND TO THE SITE

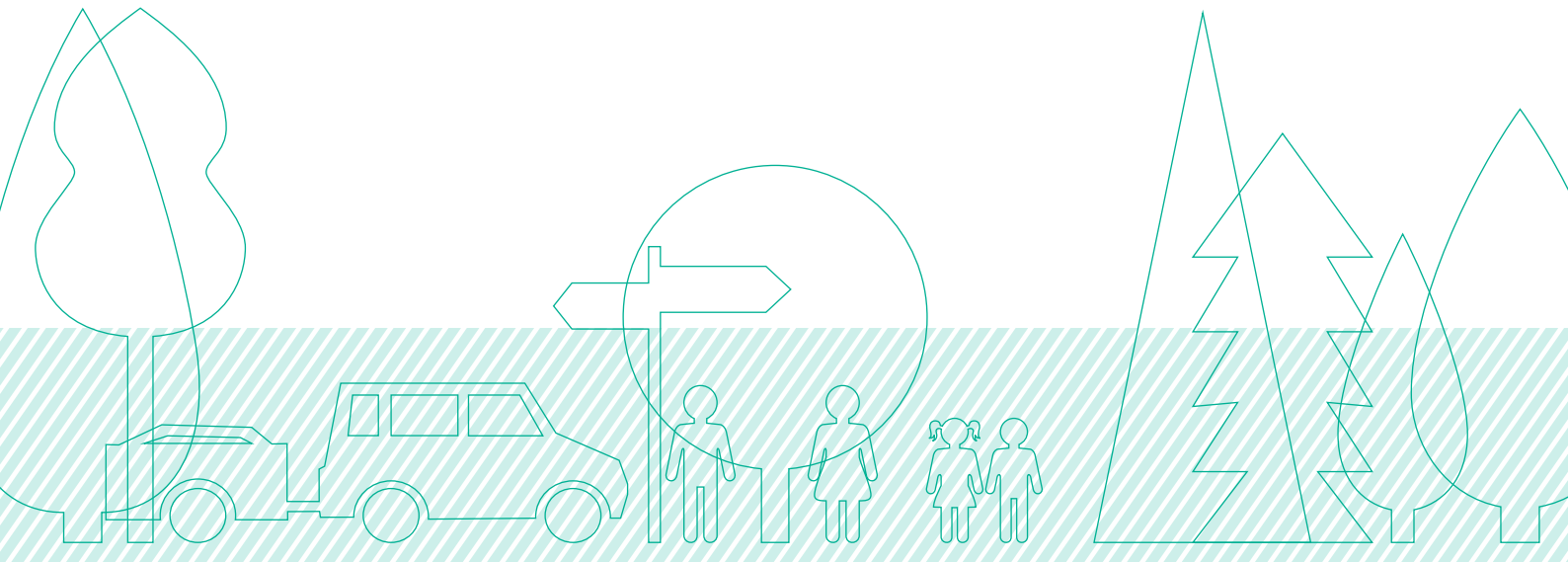
The Tallangatta Holiday Park is located on the southern banks of Lake Hume. The park is a short walk from the centre of the town of Tallangatta and located 370km north-east of Melbourne and is 40km south-east from the regional centres of Albury/Wodonga.

The park is currently owned by Goulburn Murray Water who have operated the park under management for the last 2 years.

The park is currently managed by a caretaker who is employed by Goulburn Murray Water. The park had previously been leased out; however, it became unviable for the previous lessee due to fluctuating guest numbers directly related to water levels within Lake Hume.

The park currently contains:

- › Office
- › Manager's residence
- › 1 x main amenities block with male and female toilets/showers and laundry
- › 1 x smaller amenities blocks with male and female toilets/showers
- › 2 x older style ensuite amenities blocks with male and female toilets/showers
- › 1 x park shelter/camp kitchen
- › 1 x redundant building that in the past has been used as a meeting place/camp kitchen
- › Park lights and internal sealed roads.



Exactly half of the 8.5 million domestic caravan and campground visitors in Australia were aged 30 to 54 years.

Existing site utilisation within the park is as follows:

- › 45 x Powered annual sites
- › 4 x Permanent sites
- › 73 x Powered sites
- › 25 Camp sites
- › These figures equate to 147 total sites*

* The park is licensed for 150 sites; however, three sites have been removed as part of CFA compliance.

Goulburn Murray Water have recently invested in risk mitigation works at the park, including new fire hydrants and testing and upgrade of power heads. The park is now fully compliant with all CFA requirements.

The park receives solid visitation from older couples and families during the Christmas/New Year and Easter period and park occupancy rates can be up to 100% at these times. For the remainder of the year, the park receives low visitation.

1.2: REPORT OVERVIEW

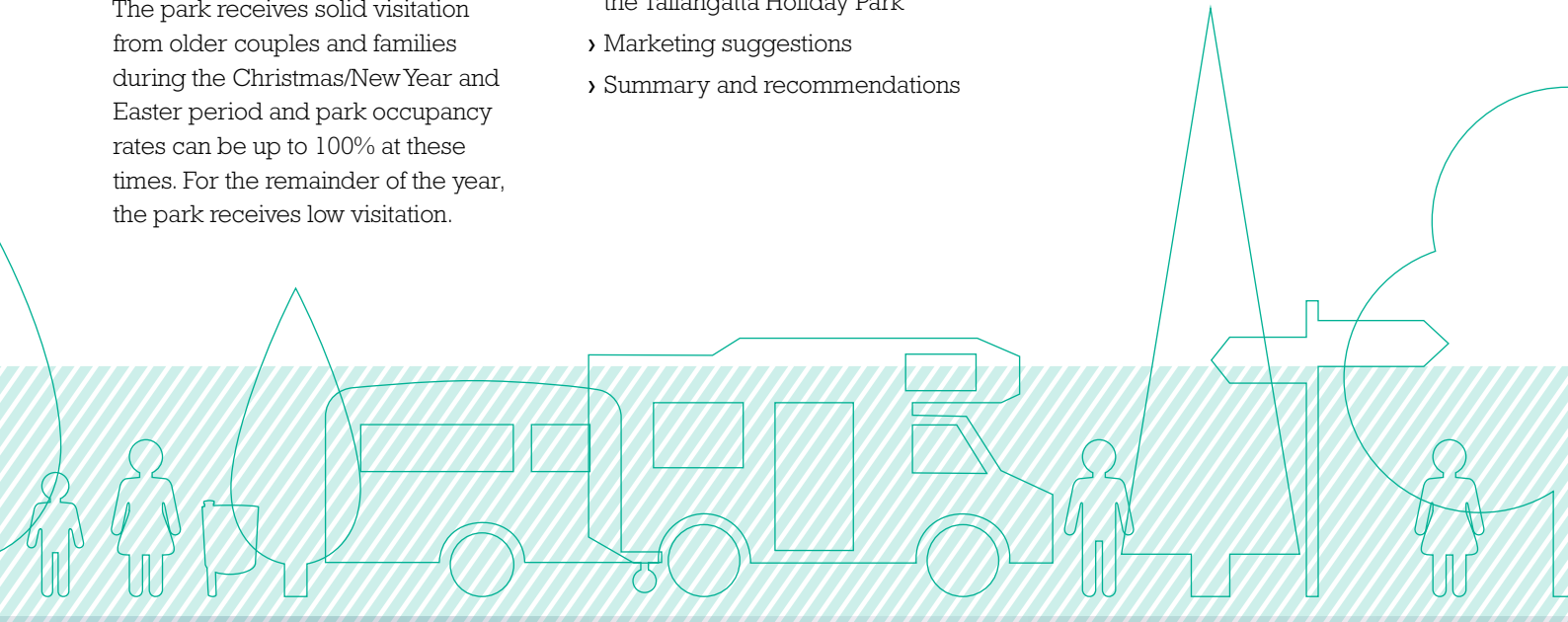
This report has been prepared by Southern Cross Parks for the Towong Shire Council in response to a tender for a comprehensive plan for the sustainable development and operation of the Tallangatta Holiday Park.

The Tallangatta Holiday Park Planning Study includes:

- › An overview of the caravan and camping industry
- › Review and report on condition of park facilities
- › Review of reference group reports, opinions and guidelines
- › Strategic Development Vision for the Tallangatta Holiday Park
- › Marketing suggestions
- › Summary and recommendations

The report and its recommendations are based on extensive consultation, industry experience and financial modelling, and is supported by guest focused solutions. The recommendations are designed to provide realistic and practical outcomes that can be realised within five years.

At the same time, the aim of the report is to provide an operational model that will maintain a sustainable and operational presence at the Tallangatta Holiday Park for the next 21 years.



2: An overview of the caravan and camping industry

2.1: CARAVAN AND CAMPING IN AUSTRALIA

2.1.1: What are the recent trends?

Total nights number of accommodation in Australia for international and domestic caravan and campgrounds was 45.3 million nights in 2011. This represents around 10% of all visitor nights in Australia. Total visitor nights using this form of accommodation is currently lower compared to a decade high of 48.6 million nights in 2003.

Most nights in caravan and campground accommodation in Australia were domestic visitors, with around 41 million nights in 2011, or around 91% of caravan and camp ground nights. (Source TRA Caravan and Camping Snapshot 2012)

2.1.2: What did they purchase?

In 2012, visitors staying in commercial caravan parks and campgrounds spent \$576 per location (excluding accommodation cost); this compares to \$213 for non-commercial campers.

Average daily spend of visitors (excluding accommodation cost) was \$73 per day, compared to \$53 per day for non-commercial campers. (Source BDO Economic Contribution Report of Commercial Camping 2012 13)

2.1.3: Who were they?

Exactly half of the 8.5 million domestic caravan and campground visitors in Australia were aged 30 to 54 years, while around one quarter are active seniors aged 55 to 70 years. This sector (active seniors) grew rapidly in 2011, with visitors increasing by 12% to 2.6 million. Compared to 2000 estimates, trips by active caravan and campground seniors were up 90% while accommodation nights were up 23% and expenditure was up 77% (in nominal terms).

The profile was very different for the much smaller international visitor segment, with nearly half (46%) of all international caravan and campground visitors aged 20 to 29 years in 2011. However, this group also contributed to a higher proportion of visitor nights (67%). (Source TRA Caravan and Camping Snapshot 2012)



2.1.4: Where did the international visitors come from?

Around two thirds (67%) of international caravan and campground visitors were from Europe, with visitors from the United Kingdom (19%) and Germany (15.7%) holding the highest share. Of the other leading international tourism markets, New Zealand (with 9.5% share) and the United States (6.3%) were significant international markets for the industry. (Source TRA Caravan and Camping Snapshot 2012)

2.1.5: Where did they stay in Australia?

One-third (or 14.7 million nights) of the 45.3 million nights by visitors using caravan and campground accommodation in Australia were spent in New South Wales. The next highest share of caravan and campground visitors were recorded for Queensland (21%), Victoria (18.5%), and Western Australia (12.1%).

Overall, around 90% of the total caravan and campground nights were by visitors who stayed in caravan and campground accommodation outside Australia's capital city tourism regions. This statistic emphasises the importance of the caravan park sector to regional areas.

2.1.6: How did they research their trip?

The majority (81%) of international caravan and campground visitors used the internet to book their travel to Australia. The internet was also the primary source of information prior to their visit, with 61% of international visitors using this source.

One-fifth (20%) of domestic caravan and campground visitors used the internet to book their trip, with 38% using the internet in seeking information for their trip, while 18% also referred to 'own experience from previous visits' to assist with trip planning. (Source TRA Caravan and Camping Snapshot 2012)

2.1.7: Caravan and Campervan Data

From March 2008 to January 2011, registration of campervans and caravans across Australia rose by 14.56%.

From March 2008 to January 2011, the number of registered campervans and caravans across Australia increased by 60,337, up to 474,806.

Between 2008 and 2011, the ratio of caravans to campervans registrations has stayed the same, with campervans comprising 11% and caravans comprising 89% of total registrations.

Victoria has the largest fleet of caravans and campervans in Australia, with approximately 131,000 registered vehicles (27.6%) of the total 475,000 in Australia. Likewise, Victoria has the largest percentage of registered caravans in Australia at 28.2%.

Australian Bureau of Statistics data suggests that people are tending to purchase larger/heavier caravans. The percentage of the caravan population in the 501 – 900 Tare weight range reduced from 33% to 29% of the total population, while the 1601 – 2000 and the 2011 – 2500 weight ranges each increased.

The majority (81%) of international caravan and campground visitors used the internet to book their travel to Australia.

2.2: GENERAL TRENDS FOR CARAVANS AND CAMPGROUNDS

Over the last 15 years, some strong trends have emerged in the tourist park industry. These include:

- › Tourist Park establishments have decreased by approximately 280 parks between December 1997 and March 2012. This figure equates to approximately four or five parks every quarter over the past 15 years
- › The reduction in numbers of tourist parks has resulted in a reduction in onsite van numbers, as well as the number of powered and unpowered sites

- › Over the same period, industry revenue has gone from \$500m to \$1.2bn, which works out to be about 6.75% growth rate per annum (compared with CPI rate of 2.7% over the same period)
- › The past two years has seen a slowdown in revenue growth of tourist parks (5% growth from June 2010 to March 2012)
- › Occupancy rates have risen, although, on a typical night, the average park would have in excess of 50 powered or unpowered sites unused and available for occupancy
- › Cabin numbers have more than doubled, leading to a higher number of employees per park on average
- › Park improvement and development is high on the list of priorities; however, capital expenditure has recently slowed
- › Over time, consumer expectations have increased significantly and today's consumer is looking for quality parks with a range of guest facilities including camp kitchens, drive-through sites, ensuite sites, resort style cabins, wireless internet and, in the case of families, good quality playgrounds. (Source BDO Economic Contribution Report of Commercial Camping 2013)

Figure A: High Country Vic ('000)

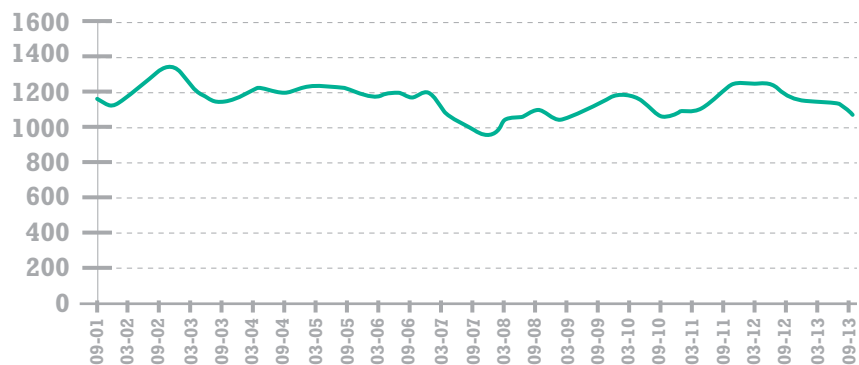
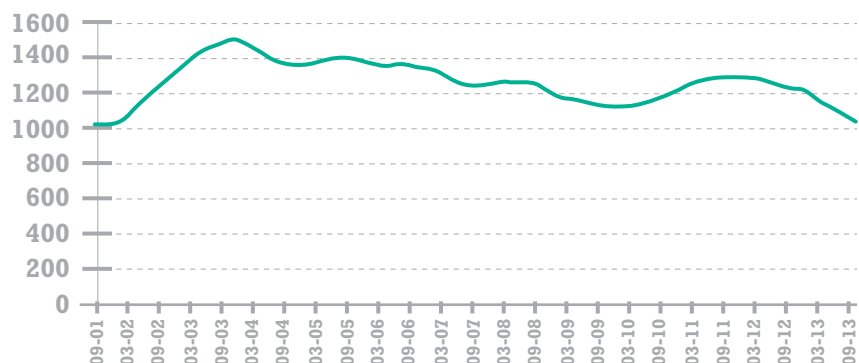


Figure A: Murray East ('000) - 24 month moving average



2.3: CARAVAN AND CAMPING IN TALLANGATTA

› Tallangatta is part of the High Country Victoria tourism region and also part of the Murray East tourism region, which includes the Lake Hume catchment. The overnight domestic market in both the High County tourism region and the Murray East region is weakening. After a disappointing start to 2009, the number of caravan park visitors to the Murray East region has grown significantly, with approximately 140,000 domestic overnight caravan park visitors in September 2013. Currently, caravan parks have a 14% share of all accommodation in the Murray East tourism region. This ratio is higher compared to the national average share between parks and other forms of tourist accommodation. **Figure A**

- › International caravan park visitor numbers to Murray East are very small – less than a 500 visitors per year.
- › Number of visitors staying at a resort/hotel/motel has softened over the last 12 months. Free camping by the side of the road is quite small, but still accounts for just over 1,500 visitors.

Figure B

The past two years has seen a slowdown in revenue growth of tourist parks (5% growth from June 2010 to March 2012)

Figure B: Hotel Resort, Motel ('000) – 24mma

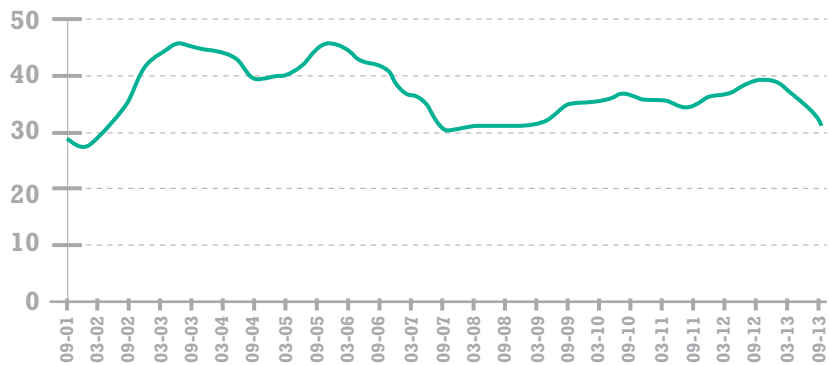
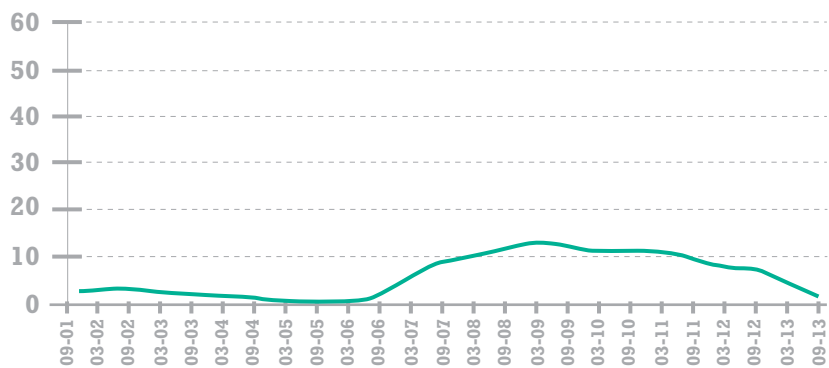


Figure B: Van, Camp near Road, Private Property ('000) – 3 year average



- › Victoria provides the bulk of visitors, mainly from Melbourne. Victoria accounts for 71.9% of the Murray East commercial caravan park market.
- › The in-park survey found that 45% of guests lived more than 200kms from Tallangatta and a majority of those lived in Werribee, Geelong, Ballarat or Melbourne. Moreover, 55% of visitors lived within 200kms from Tallangatta and were predominantly from Albury/Wodonga. **Figure C**
- › Older people are the largest component of the Murray East Caravan park market. The in-park survey also found that the Tallangatta Holiday Park had a high proportion of visitors over the age of 60 (40%).
- › Numbers of younger people are also above the national average. **Figure D**
- › Most caravan park visitors are adult couples (43.8%). Family groups are quite a large component, accounting for 25.5% of the market, but this is below the national average within the tourism industry.
- › Friends and relatives travelling together make up 22% of all tourist park visitors. **Figure E**
- › Most Murray East caravan park visitors visit the area with the intention of having a holiday (80.0%).
- › Visiting friends and relatives is the next biggest segment, although it is much smaller than for holiday purposes.
- › Murray East Caravan Park visitors are above average in sports and outdoor activities. They are below average in in outdoor and nature. **Figure F**

Figure C: Origin (%) – 5 year average

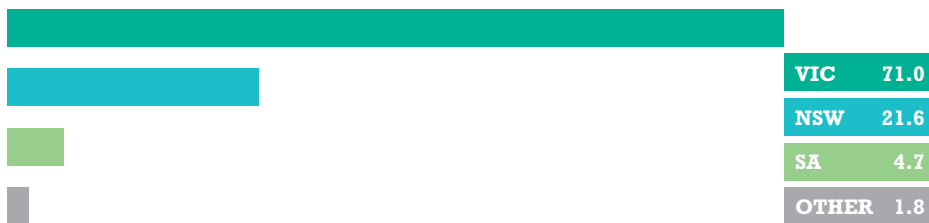


Figure D: Age Profile (%) – 5 year average

All Caravan Park Visitors – AUS
Murray East Park Visitors



Figure E: Travel Party (%) – 5 year average

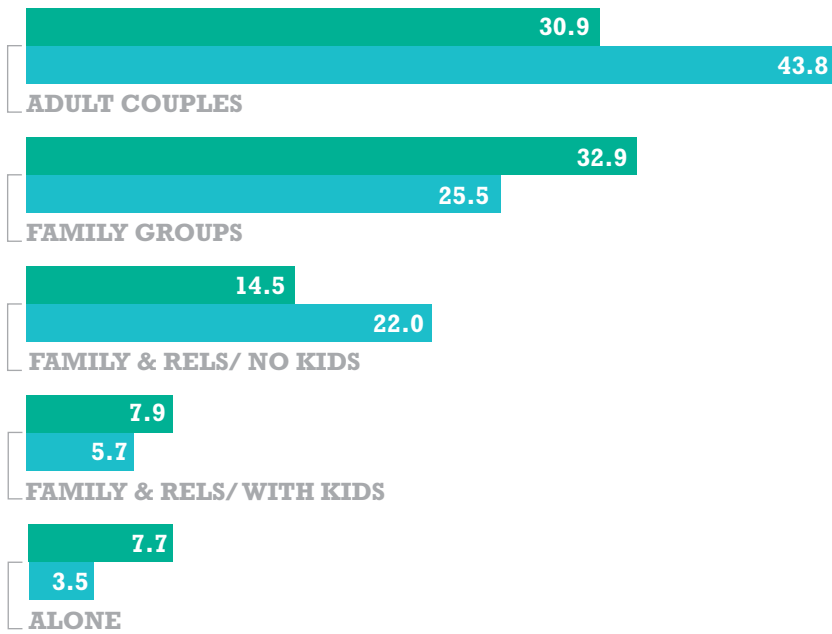


Figure F/1: Purpose of Travel (%) – 5 year average

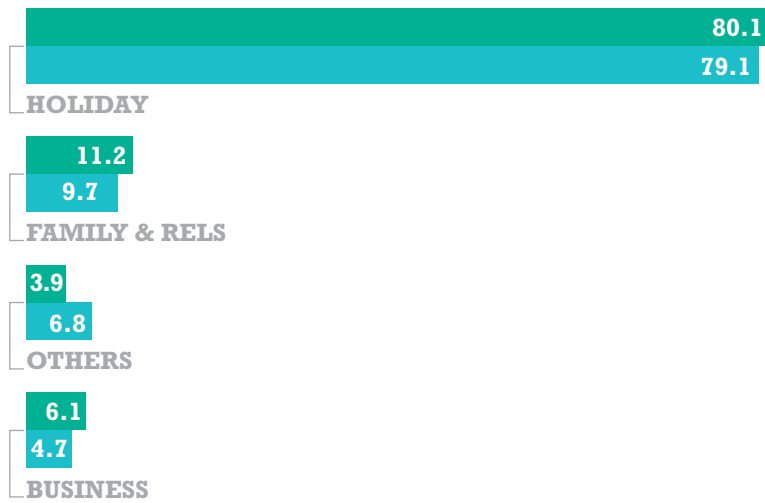


Figure F/2: Activities (%) – 5 year average

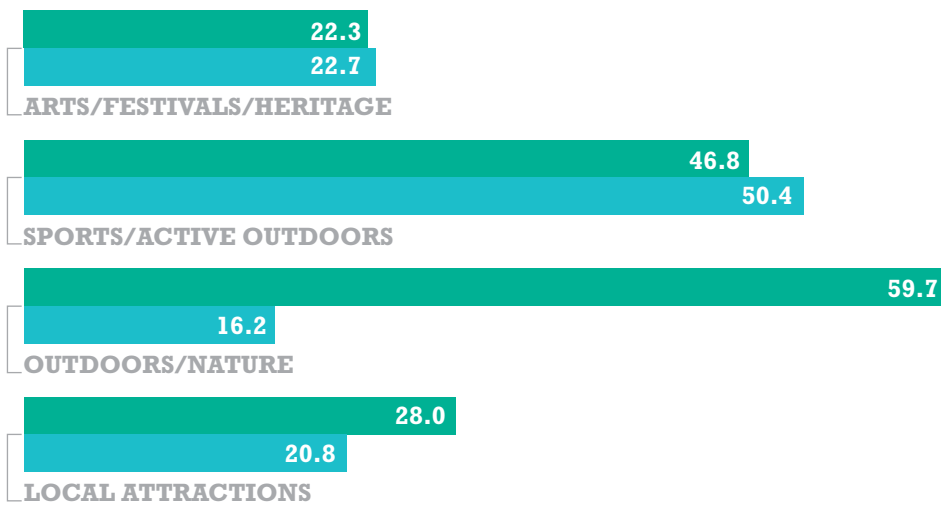


Figure G: Length of Total Trip (%) – 5 year average

All Caravan Park Visitors – AUS

Murray East Park Visitors



- › Most caravan park visitors are either on a short trip or alternatively a longer trip of 15 or more days.
- › The in-park survey results showed a much greater number of visitors staying for more than ten (10) nights (45%). However, this figure is, in part, a reflection of the time of the year the survey was undertaken (i.e. early January) **Figure G**

2.4: KEY OPPORTUNITIES

Based on the market research and guest surveys, Southern Cross Parks has identified the following opportunities for the Tallangatta Holiday Park.

2.4.1: Key markets

- › Young families/older families (some of these visitors are current users but some will be new users). People at this stage of their lives are a core market for the Tallangatta Holiday Park. They generally travel during school holidays so it is important to be aware of this pattern to ensure family members form/maintain a relationship with Tallangatta Holiday Park. For the older families, the potential exists to encourage short break travel without the kids. This market is looking for escape-style experiences that enable them to leave the responsibilities of the everyday and, at the same time, allow them to connect and bond as a family.

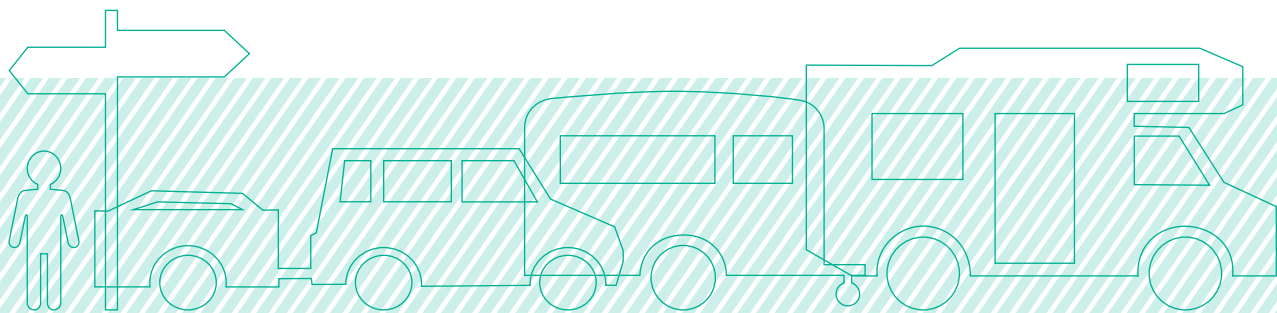
- › Retirees/Grey Nomads (e.g. caravan clubs, special interest groups). People at this stage of their lives are also a strong and growing market for Tallangatta Holiday Park as they have time to travel (preferably during off-peak season). They are generally seeking experiences that enable them to discover new things and to connect with people and the environment.
- › SINKS/DINKS (new market based around cycling and the retro nature of Tallangatta). This demographic group is an important potential market for Tallangatta Holiday Park due to their high-yield nature and willingness to pay for quality experiences. Long weekends and special events are particularly important to this market and a great way of building a connection with the destination. They are generally seeking escape from the city/pressures of everyday life, adventure and stimulation (including new experiences – both high and low energy).

2.4.2: Key products

In order to build on the current markets and attract new markets to the Tallangatta Holiday Park it is imperative that the park addresses the quality of product provided: this includes accommodation and experience.

In terms of accommodation, the Tallangatta Holiday Park needs to offer a range of different options including quality and unique onsite accommodation. Examples of suitable types of accommodation products could include 2-bedroom relocatable villas, safari tents and ensuite vintage caravans designed to transport guests back to a time when things were 'simpler'.

In terms of experience, it is essential that the Tallangatta Holiday Park provides the usual guest facilities including modern amenities/camp kitchen, free Wi-Fi and a contemporary playground. Furthermore, the park also needs to act as a 'honey pot' to attract other tourism services/activities including but not limited to coffee/cake, ice creams, bike hire and/or servicing and canoe hire.



3: Review and report on condition of park facilities

3.1: REVIEW OF CURRENT FACILITIES

3.1.1: Overall impressions

Overall, the Tallangatta Holiday Park is relatively easy to find and directional signage is of a reasonable standard. The first impressions of the park from the road are not positive due to poor 'sense of arrival' signage, poorly presented front entrance and lack of landscaping. Furthermore, pull-in bays are needed to allow for other vehicles to be able to move in and out of the park whilst visitors are checking in. **Image A**

Although Tallangatta Holiday Park is situated on a lake, first impressions of the park are spoilt by warning signs, gas bottles and the back of an old amenity block.

3.1.2: Amenity Blocks

The park has two larger amenity blocks and two smaller ensuite style amenity blocks and all four are in need of refurbishment and/or upgrade. Nevertheless, on inspection, all of the amenity blocks were very clean.

The main amenity block is located on the eastern side of the park adjacent to the office/reception is brick and contains three male toilets, one urinal and three showers, while the ladies section contains five toilets and three showers. The facility also includes a laundry. **Image B**

The second amenity block is located on the western side of the park adjacent to office/reception and is also brick and contains two male toilets, one urinal and three showers, while the ladies section contains three toilets and three showers. **Image C**

The ensuite style amenity blocks are on the eastern side of the park and contain one men's toilet in one building and a disabled bathroom, ladies toilet and one shower in the other building. Of the amenity facilities, these were in the worst condition. **Image D**



Image A



Image B



Image C



Image A



Image B



Image C

3.1.3: Camp Kitchens/BBQ's

The park does not have a camp kitchen; however, it has a building that could serve this purpose in the short term. The building is located adjacent to the western amenities block and is open at one end and contains an open fire. There are two BBQ's within the park and a third adjacent to the north western boundary. **Image E**

3.1.4: Manager's Residence/Reception

The existing residence is in need of remodelling and is not of a suitable standard to attract and retain resident managers. The separate reception is located at the top of a relatively steep grassed area, is not user friendly for elderly guests, and presents an overall negative impression. Furthermore, the facility does not face out onto the entrance road, which means that managers cannot see who is entering and leaving the park.

3.1.5: Roads

The roads appear to be in reasonable condition and have been well maintained. The majority of the road network is gravel; a material that suits this type of tourist park. The road network is larger than currently needed and there is an opportunity to rationalise it as part of a park redevelopment.

3.1.6: Services

Water pressure and electricity services appear to be sufficient for a park of this size. The consultants noted that plumbing work related to CFA fire safety compliance was underway at the park over the Christmas and New Year period. Further investigation revealed that this work has now been completed.

3.1.7: Security

The park is currently unfenced and is bordered by a number of public roads. The northern edge of the park borders a public path which runs alongside the edge of the Lake Hume Dam.

Park Managers advised consultants that security has not been a problem at the park in the past; however, a number of guests commented on this issue.

While guest feedback was divided on this issue, possible solutions could include more security lighting, security cameras, signage including speed limit signs and natural fencing using suitable flora. Given the open nature of the park, it was felt that traditional fencing would compromise the amenity of the park.



Image D



Image E



Image D



Image E

3.2: COMPETITOR REVIEW

| FACILITIES | TALLANGATTA HOLIDAY PARK | BOATHAVEN HOLIDAY PARK | LAKE HUME TOURIST PARK | GREAT AUSSIE HOLIDAY PARK |
|-------------------|--------------------------|---|---|--|
| Star Rating | ★★ | ★★★★ | ★★★★ | ★★★★ |
| Lakeview Villas | | • | • | • |
| Pool | | • | • | • |
| Playground | | • | • | • |
| Jumping Pillow | | • | • | • |
| Meeting Room | | • | • | • |
| Wi-Fi | | • | • | • |
| Kiosk | | • | • | • |
| Boat Ramp | • | • | • | • |
| Onsite Café | | • | • | • |
| Camp Kitchen | | • | • | • |
| Park Descriptions | Tallangatta Holiday Park | High quality holiday park offering guest a range of accommodation options and activities. Well suited to family market and part of Big 4 group. Number of annual sites as well. | Traditional caravan park offering reasonable range of accommodation options and activities. Number of annual sites as well. | High quality holiday park offering guests a range of accommodation options and activities. Well suited to family market. Number of annual sites as well. |

3.3: RATE REVIEW

| RATES | TALLANGATTA HOLIDAY PARK | BOATHAVEN HOLIDAY PARK | LAKE HUME TOURIST PARK | GREAT AUSSIE HOLIDAY PARK |
|------------------|--------------------------|------------------------|------------------------|---------------------------|
| Powered Sites | \$20 - \$25 | \$45 - \$58 | \$32 - \$42 | \$27 - \$48 |
| Un-Powered Sites | \$15 - \$20 | \$40 - \$52 | \$25 - \$35 | \$21 - \$46 |
| Lake View Villas | - | \$175 - \$270 | \$147 - \$210 | \$175 - \$270 |
| Annuals | \$1,350 | \$5,500 - \$6,500 | \$4,000 | - |

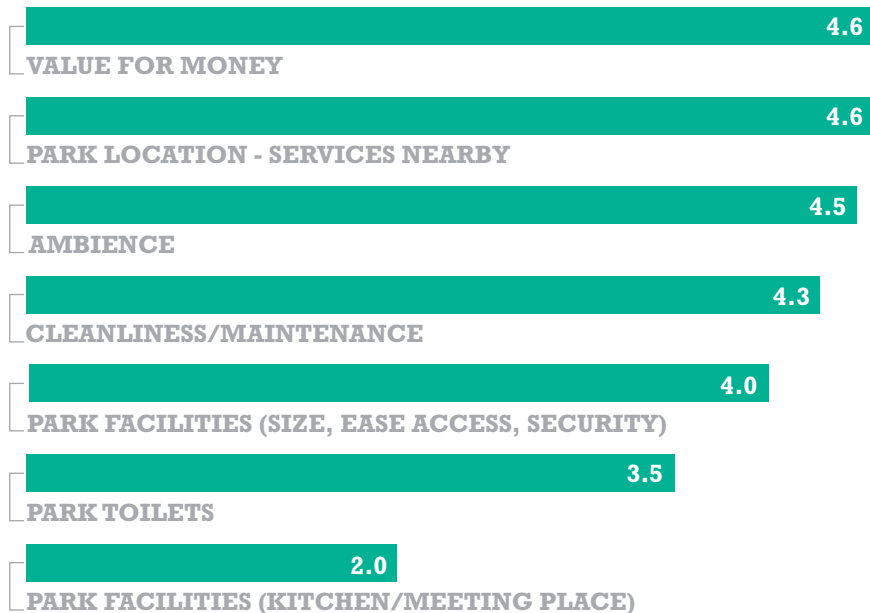
3.4: GUEST REVIEW OF FACILITIES

Guest feedback was collected via face-to-face interviews and also via community consultation. Most negative comments centred on the following items:

- › Sloping sites and the narrowness of sites, 'The sites are tight and it means you have to push your van into position by hand.'
- › Quality of the amenities facilities, 'Toilets haven't been upgraded in 20 years' 'Prefer the toilets don't get upgraded as I would like the prices to stay the same.'
- › No camp kitchen
- › No playground
- › Laundry facilities are inadequate, 'Very hard to get the washing done with only two machines.'
- › Lack of contact information and marketing, 'How can you contact the park when the phone number doesn't work and they have no website.'
- › Lack of onsite accommodation, 'We used to bring friends and family but now they have nowhere to stay since the cabins were sold off'

Guests were asked to rate a range of amenities at the park and the responses are detailed in Figure H

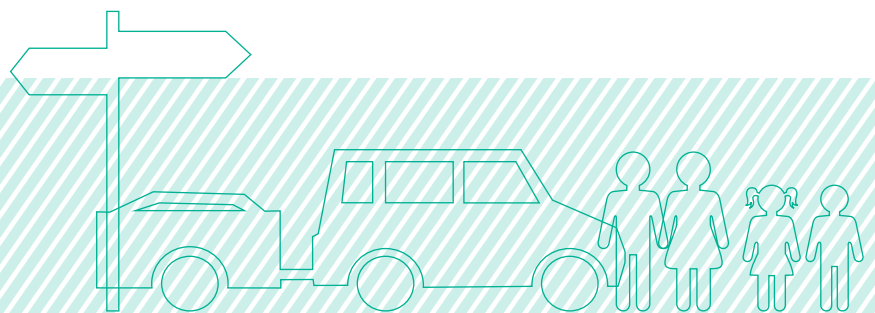
Figure H: Tallangatta Caravan Park – Amenity Ratings (score out of 5)



3.5: SWOT ANALYSIS

| STRENGTHS | WEAKNESSES |
|---|--|
| Water views | Quality of facilities |
| Location of the park and access to town | Lack of marketing |
| Proximity to other regional attractions e.g. ski fields, wineries | Size of sites |
| Proximity to the High Country Rail Trail | Lack of onsite accommodation |
| Shady grassed sites | Poor signage and access at the front of park |
| Layout is easy to work with from a redevelopment point of view | No playground |
| CFA compliance work undertaken | Amenities blocks in very poor condition |
| | Uncertainty about water levels in Lake Hume |
| | Topography of the site – sloping sites |
| | Current fee structure is not sustainable |
| | Low occupancy with the exception of Christmas and Easter |
| | Heavily reliant on annual income |
| | No meeting area for groups |

| OPPORTUNITIES | THREATS |
|---|--|
| New management model for the park offering tenure | Long-term ownership of the park |
| Build all year round occupancy | Continued indecision about the park ownership |
| Introduce new range of facilities including new amenities/camp kitchen | Annuals leave due to enforcement of Department of Sustainability and Environment Policy Statement – Improving Equity of Access to Crown Land Caravan and Camping Parks |
| Attract new markets | |
| Introduce onsite accommodation | |
| Reposition the park and develop appropriate marketing materials | |
| Establish a series of micro businesses at the park including bicycle hire, canoe hire and stand up paddle board hire, coffee and cake | |
| Provide interpretive info. about Lake Hume and the destination | |
| Build a new playground within the park | |
| Establish reasonable tariff | |



4: Review of Reference Group reports, opinions and Guidelines

4.1: REVIEW OF KEY DOCUMENTS

4.1.1: Towong Shire – Zero Energy Feasibility Study

The Towong Shire Council has a Renewable Energy and Sustainable Development Strategy. Through its initiative – Pure Energy Towong – over 150 solar energy systems have been installed in residences within the shire. This scheme has resulted in Towong Shire being responsible for 10% of the domestic renewable energy generated in Victoria (2008 figures), with just 0.11% of the State's population.

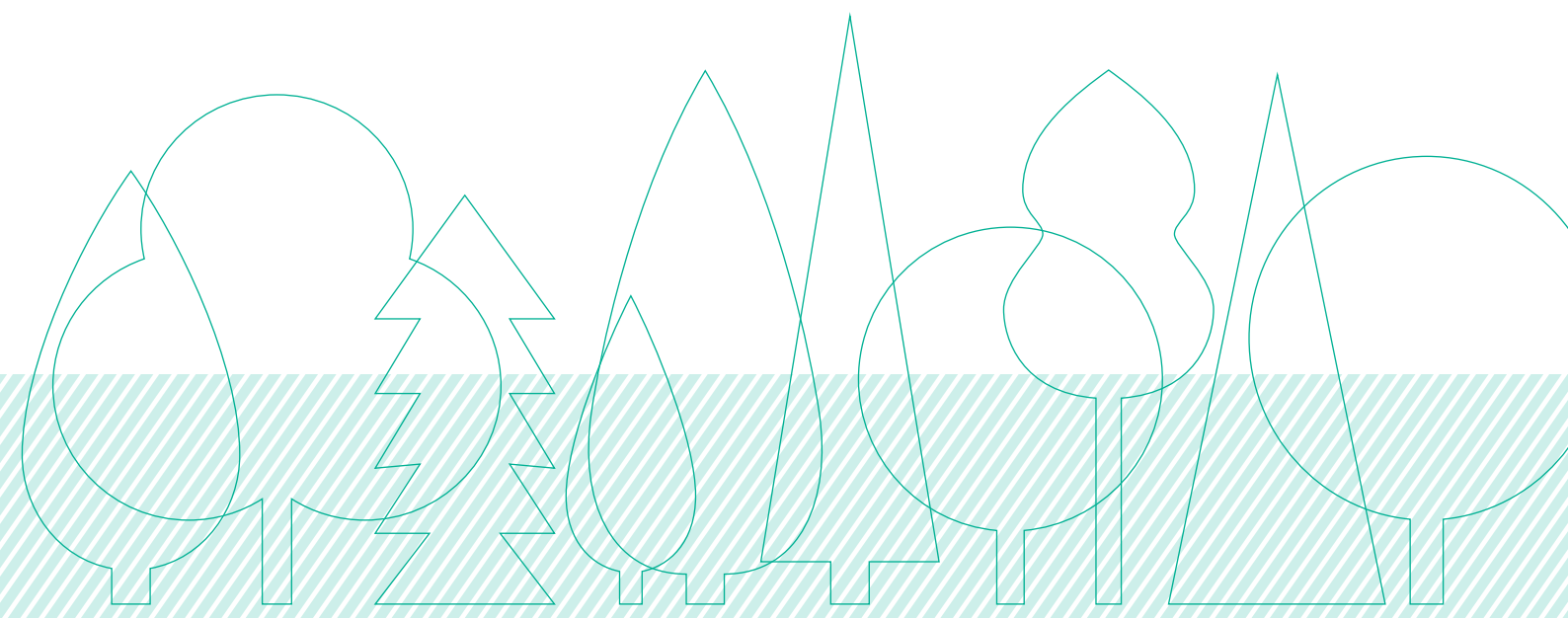
4.1.2: Towong Shire Council Plan 2013 – 2017

The Towong Shire Council Plan identifies a number of objectives, priorities and goals for the Shire. From the plan, it is clear that the Shire is focused on sustainability and delivering efficiencies for its rate payers. Furthermore, the Towong Shire Council will continue to focus on external funding to assist in delivering the 'big ticket items' identified in various strategies. The redevelopment of the Tallangatta Holiday Park has been identified in the key result areas (under community wellbeing).

4.1.3: Tallangatta Tomorrow – Lake Hume Foreshore Redevelopment

The Tallangatta Tomorrow project was an extensive township-wide planning project undertaken in 2011/12. This project involved comprehensive research, consultation and engagement with residents, visitors, businesses and community groups to devise strategies to prepare Tallangatta for a vibrant future and to enable it to reach its potential as a prosperous regional township. The Master Planning project identified a number of 'big ideas' and some of these projects have already been delivered including the Sandy Creek Bridge and the Tallangatta Bowls Club Redevelopment.

One of the 'big ideas' related to the Lake Hume Foreshore Redevelopment is the development and upgrade of the Tallangatta Holiday Park. Other projects include the upgrade and extension of the Foreshore Trail, upgrade of the Foreshore park, encouragement of water sports activities and the development of a water retention wetlands.



4.1.4: Tallangatta Caravan Park – Business Options Pre-Feasibility Study

The Tallangatta Caravan Park: Business Options Pre-Feasibility Study looked at the potential markets for the tourist park and future options for management and development. The report highlighted the fact that there had been a lack of investment in Tallangatta Holiday Park for a number of years and that there is a direct correlation between Lake Hume water levels and Towong Region Commercial Caravan and Camping Occupancy.

The report identified three options for management:

- › Commercially leased with management
- › Council leased & operated
- › Council leased with management outsourced.

› The report also identified three options for redevelopment:

- › Refurbishment model
- › Repositioning model
- › A Resort model.

It is worth noting that none of the options suggested involved current or future guest feedback.

4.1.5: Towong Shire Tourism Strategy – 2010–2013

The Towong Shire Tourism Strategy recognises the strength of the ‘Towong’ experience is its authentic and uncomplicated lifestyle, the villages, the events and the characters. The strategy identifies five strategic priorities:

- › Building a unique identity
- › Targeted marketing
- › Value adding to the experience
- › Engaging stakeholders
- › Building and developing infrastructure.

The Strategy also identifies a number of existing events including the Man from Snowy River Bush Festival, Tallangatta 50’s Festival, Mitta Muster and the Tallangatta Farm Expo. Through consultation, the report’s authors highlight a number of event opportunities including a hero nature based event, rail trail event, multi-sport event and a 5–6 day epic cycling challenge for women.

The strategy also highlights the need for new product and recommends the redevelopment and upgrade of the Tallangatta Holiday Park.

4.1.6: Lake Hume Caravan and Camping Draft Policy Directions – March 2011

The Lake Hume Caravan and Camping Draft Policy Directions identifies a number of objectives and guiding principles aimed at delivering greater consistency in the management of camping by public bodies, including local government and Goulburn-Murray Water.

Key objectives of the draft policy include ensuring caravan and camping visitors have a range of accommodation options that maximise the benefits to the local community, as well as ensuring all camping opportunities support 'competitive neutrality'.

4.1.7: North East Victoria Tourism Board – Strategic Plan and Implementation Actions – 2012 - 2014

The NE Victoria Tourism Board Strategic Plan identifies a number of goals and success indicators for NE Victoria. The plan also highlights the challenges facing the region and acknowledges that these are not inconsistent with those facing the Towong Shire. Challenges are centred around four key areas:

- › Branding
- › Access
- › Product strength and long term sustainability of the industry
- › Regional Tourism Organisation sustainability

Priority markets for NE Victoria Tourism include Melbourne, Greater Victoria and nearby areas of NSW & ACT.

The tourism plan provides a range of objectives and also outlines a range of tactical options relating to events and also cycling and nature based tourism.

4.2: INFORMATION ABOUT THE TALLANGATTA HOLIDAY PARK 'EXPERIENCE'

Feedback on the Tallangatta Holiday Park 'experience' was obtained through interviews with guests in the park, business owners, tourism representatives, Goulburn Murray Water and Towong Shire Councillors.

Some comments by users of the holiday park are listed below:

- › 'A stunning location even when the water levels of the dam are low.'
- › 'A great park close to the centre of town, cafes and supermarket.'
- › 'Full of potential but has not yet been realised.'
- › 'Secret spot known only to a few.'
- › 'Several generations of my family have been coming to this park.'
- › 'The right redevelopment of the park could stimulate tourism to the Tallangatta township.'
- › 'Facilities are basic but that keeps prices down and the crowds away.'

These comments by users were reinforced in discussions with the manager of Tallangatta Holiday Park as well as Towong Shire Council's Manager Economic Development, who received similar feedback.

Key objectives of the draft policy include ensuring caravan and camping visitors have a range of accommodation options that maximise the benefits to the local community, as well as ensuring all camping opportunities support 'competitive neutrality'.

4.3: SUGGESTIONS FOR ENHANCING THE 'EXPERIENCE'

The following suggestions arose from consultation with park users, current managers, business owners, tourism representatives, Goulburn Murray Water and Towong Shire Councillors:

- › Improve laybys and sense of arrival for the park
- › Reception to be enlarged to include deck and coffee/cake service
- › New kids playground, jumping pillow and flying fox
- › New onsite accommodation including cabins, safari tents and ensuite 'retro' caravans
- › New relocatable amenities/camp kitchen facility
- › Refurbishment of eastern empty building to become a camp kitchen/meeting place for groups
- › Establishment of more BBQ facilities within the park
- › Boom gate at the eastern end of the park to enable boats to exit in the morning thereby minimising disturbance to guests and as a safety feature.

4.4: COMPLIANCE ISSUES IDENTIFIED DURING STAKEHOLDER CONSULTATION

Although the stakeholder consultation did not specifically seek to identify compliance issues, it would be remiss not to identify these issues in the report.

The land within the park is owned by the State of Victoria and its management and control is vested in the Goulburn Murray Water Authority (GMW). Both the consultants and GMW are of the opinion that the park is Crown Land and as such it needs to abide by all rules, regulations and policies of the Department of Sustainability and Environment including the June (2013) Policy Statement Improving Equity of Access to Crown Land Caravan and Camping Parks.

The policy states that Crown land caravan and camping parks should provide:

- › Affordable holiday opportunities for all Victorians
- › Fair and equitable access to all sites
- › Sustainable use of land and natural resources
- › Contribution to recreation and tourism through providing short term access
- › Income to Committees of Management to fund improvements to the parks and the adjoining reserves
- › Social, environmental and economic benefits.

Furthermore, the policy asserts that they must not be managed for:

- › Exclusive long term occupancy
- › Permanent residency
- › Individual profiteering
- › Poor environmental outcomes.

Source: Department of Sustainability and Environment May (2010) Policy Statement Improving Equity of Access to Crown Land Caravan and Camping Parks

4.4.1: Management of Annual Permit Holders in the Park

The park is licenced for 100 long-term sites and currently 45 of these are occupied by annual site holders. Under the policy statement, annual permit holders are entitled to only install a caravan and annex on the camp site for a 12 month period. Moreover, the site can only be used by the permit holder for no more than 60 consecutive days per year and a maximum of total of 180 days per year. Annual site holders currently are issued with an annual site agreement and these expire on the 30th June each year.

Currently, a number of practices within the park are at odds with 'the value of a Crown land park, which all Victorians must be able to access'.

The Policy Statement – Improving Equity of Access to Crown Land Caravan and Camping Parks highlights a clear policy direction and the consultants have identified a number of areas where, in their opinion, the current management practices are not consistent with the policy objectives and direction. **Figure I**

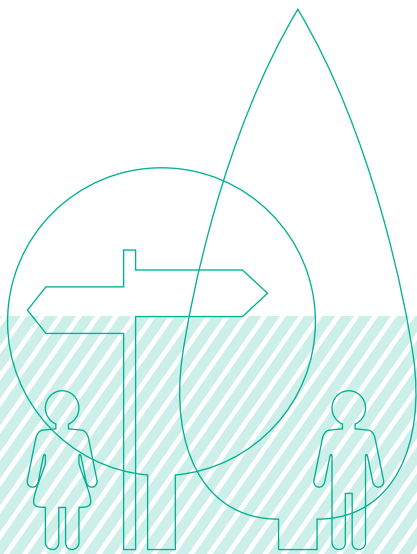


Figure I

| POLICY OBJECTIVE | POLICY DIRECTION | CURRENT PRACTICE | BEST PRACTICE |
|--|--|---|--|
| To enable parks to better respond to increasing demand for sites and facilities, particularly during peak holiday periods. | 1.1 Committees of Management and park managers must implement systems and processes to provide both new and existing campers with fair and reasonable opportunity to stay in Crown land caravan and camping parks. | No clear policies in place and no clear Committee of Management | Clear policies in place and Committee of Management |
| | 1.2 Long-term permit sites must be managed through park plans as part of a balanced mix of accommodation types, while maintaining adequate park access for the traditional transit and short-term camping visitors. This includes providing a minimum number of sites for camping. | No clear long-term park plan in place, beyond the park licence | Master Plan or similar |
| | 1.3 A minimum of 10% of sites within the park must be made available to new site holders as follows: | | |
| | • 10% of casual sites must be available to new permit holders during each peak season* | Guest occupy same sites each year | Ensure regular turnover of casual sites and cabins |
| | • 10% of all seasonal permits must be made available to new permit holders during each defined season* | N/A | |
| | • 10% of cabins must be made available to new permit holders each peak season* | N/A | |
| | • 10% of 12-month permits must be made available to new permit holders each year | View from some residents that they own the site. | Ensure regular turnover of 12-month permits |
| | * Seasons as defined by the Committee of Management and park manger, applicable to each park | Numerous unregistrable mobile dwellings with hard annexes No Master Plan No Information Sheets Permit holders profiteering from the sale of sites Poor presentation of caravans | Ensure the conditions and limitations of permits on Crown Land are clearly communicated to users e.g. The site is hired for a 12-month tenure and there is no guarantee for a term beyond the yearly agreement. Unregisterable mobile dwellings are not permitted in Crown Land caravan and camping parks. Minimise profiteering e.g. Do not allow on-site sales. Do not allow subletting of long-term permit sites |
| | | Fees are not sustainable and do not cover the full costs of running the park | Ensure accommodation mix and price structure cover costs for park and reserve management e.g. individually meter electricity and water usage where possible |
| | | Few tourists and heavily reliant on annuals for well over 75% of revenue | Expand the client base and respond to growing markets e.g. Establishing new markets, increasing off-peak usage |
| To ensure affordable and equitable access to Crown land caravan and camping parks | 2.1 Caravans must not be sold on site within Crown land caravan and camping parks | Caravans are currently being sold on-site | Establish a process for stopping on site- sales e.g. reasonable transition period, say 12 months, 12-month permits are not transferable |

4.4.2: Management of Permanent Residences in the Park

The park currently has five permanent elderly residents living in the park.

The park licence does not permit permanent residents and this use is clearly contrary to the Department of Sustainability and Environment's Policy Statement of Improving Equity of Access to Crown Land Caravan and Camping Parks May (2010).

The consultants recommend a process of non-replacement of these permanent residences as they become vacant through natural attrition.

4.4.3: Fire Safety Compliance

Discussions with Goulburn Murray Water have indicated that the park is now fire safety compliant. Work completed over the past 18 months has involved replacement and upgrade of water pipes and installation of the appropriate number of hose reels.

4.5: GUIDELINES AND PROCESSES

Following consultation with stakeholders, a number of actions, guidelines and processes necessary to implement changes at the Tallangatta Holiday Park have been identified including:

- › The issue of long-term management of the site needs to be resolved

- › If Council decided to enter into a new arrangement with either GMW or the Crown for the management of the Holiday Park then it does have the power to lease areas of land within the reserve subject to approval by the Minister. Approval of a commercial lease would be subject to meeting the following three principles:
 - Benefit to the public through leasing
 - Consistency and transparency in leasing
 - Management of the leased land to be in an ecologically sustainable manner.
- › Rental rates set for commercial use such as a holiday park are to be at full market rates which can be discounted if there is a 'community use' component.
- › Council is required to seek advice from the Department of Sustainability and Environment prior to entering discussions with potential lessees.
- › The Department of Sustainability and Environment has draft leases available that are to be used by Committees of Management when entering commercial leases. The maximum term of lease would be 21 years.
- › Council will need to consider its policy re the unlicensed caravan parking at the Showground. Will the Showground Committee continue to be allowed to offer discounted camping yet not have to meet the necessary rules and regulations of licensed caravan parks? This is a competition policy issue and any potential new lessee of the Tallangatta Holiday Park may have grounds for being aggrieved if the unlicensed park continues to operate without regulation.
- › Council and/or a potential lessee will need to consider the master plan and process, including the recommendation to reconfigure the park so that 12-month permit sites are consolidated into one area. Council and/or a potential lessee are under no obligation to renew an annual permit; however, they may offer existing permit holders alternate sites within the park at the end of the 12-month period
- › Council and/or a potential lessee will need to communicate that permit renewal is not guaranteed and provide information sheets (or similar) to current permit holders.
- › Current permits expire at the end of June 2015.
- › The Department of Sustainability and Environment's Policy Statement of Improving Equity of Access to Crown Land Caravan and Camping Parks May (2010) had a 2-year implementation phase to allow Committees of Management, park managers and users sufficient time to adjust. The policy is now in place.
- › The consultation revealed goodwill towards the Holiday Park and any proposal to improve the quality of services. This goodwill can be maintained by keeping local residents and the business community onsite.

5: Strategic Development Vision for the Tallangatta Holiday Park

5.1: VISION

This Development Vision Plan for the Tallangatta Holiday Park is based on a 'Vision Statement' that is intended to guide the Towong Shire Council in its long term management of the Reserve. The 'Vision Statement' is supported by a series of suggested management principles which should guide the overall planning and management of the Reserve.

The Strategic Development Vision proposed for the Tallangatta Holiday Park is outlined below:

‘To conserve and enhance the unique location of the park through the provision of a range of unique accommodation and guest facilities that cater for current and future guest needs and, at the same time, maximise the return to the local community.’

5.2: MANAGEMENT PRINCIPLES

The Strategic Development Vision is supported by a series of proposed management principles: **Figure J**

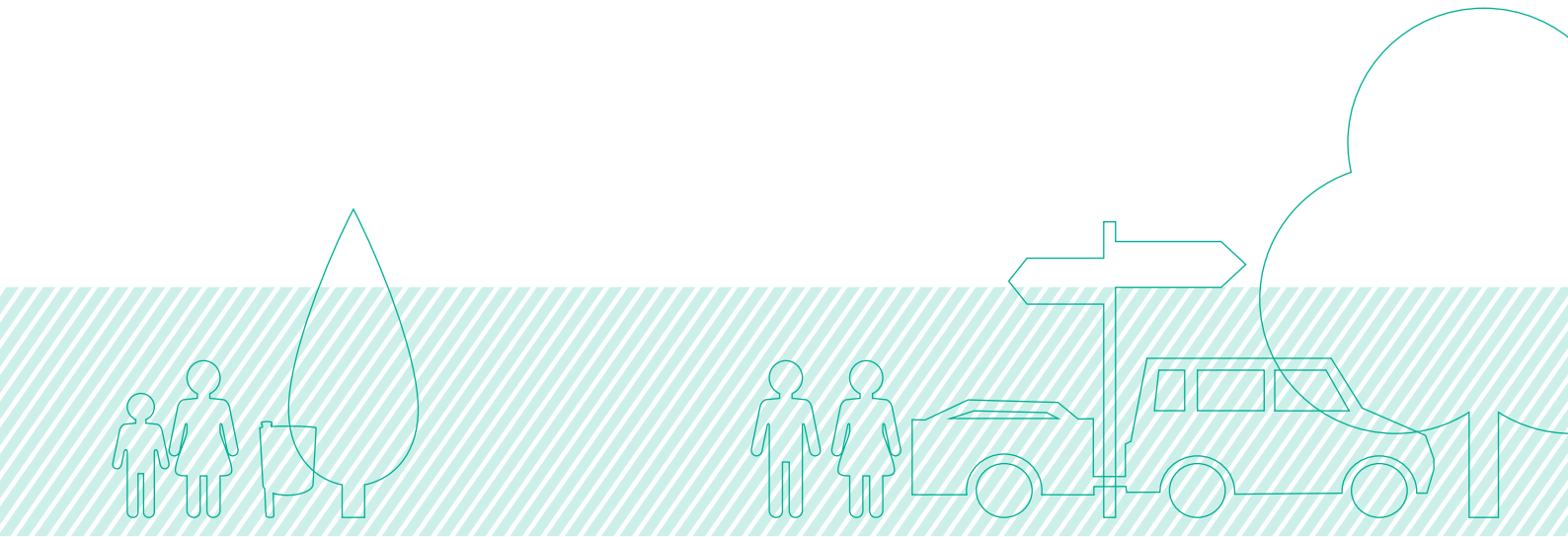


Figure J

| PROPOSED MANAGEMENT PRINCIPLES | |
|--|---|
| Regulatory Compliance | To ensure the holiday park complies with all applicable statutory standards. |
| Health Safety and Risk Management | To provide and maintain facilities in a manner which minimises risk to holiday park users and park management and promotes a healthy lifestyle. |
| Business Management | To maintain a management and operational structure which ensures commercial viability, promotes timely and responsible decision-making and is responsive to environmental, legal, social and technological imperatives. |
| Environmental Management | To ensure that the environment of the holiday park is managed and protected in accordance with sound ecological principles and for the enjoyment of guests. |
| Sustainability | To ensure principles of ecological and environment sustainability are incorporated into the design and management of the accommodation, facilities and infrastructure within the holiday park. |
| Facilities for Guests and their Visitors | To manage and provide an appropriate range of ecologically sustainable, recreational and communal facilities for all users of the park including caravanners, campers and cabin users. |
| Tourist Sites and Accommodation | To optimise income to the holiday park by providing a range of quality tourist accommodation including opportunities for families, couples and groups within the bounds of ecologically sustainable development. |

5.3: MANAGEMENT MODEL

The selection of a management model is entirely dependent on whether the Towong Shire Council decides to fund the total redevelopment of the park itself, or transfers this or some of the responsibility to a lessee. If Towong Shire Council is prepared to undertake the capital works required to upgrade the park, there are four management options for Council to consider.

The management options for a Council redevelopment of the park are:

- › Council staffing of the management of the park
- › Contract management
- › Leasing
- › Management licensing.

If Council is not prepared to fund the proposed capital works then there is just one option available: the long term leasing of Tallangatta Holiday Park to an investor prepared to inject the capital necessary to redevelop the park.

5.3.1: Council Staffing

The management option that some Councils have adopted in the past is to simply use Council employees. In essence, the Towong Shire Council would employ staff caretakers to look after the Tallangatta Holiday Park and live on-site. These caretakers would be remunerated under an award and paid by Council.

Positives include:

- › The system is flexible allowing the movement of staff from one section of Council's operations to another.
- › The system is simple in that there is no need for a tender process or lengthy contract documents other than job specifications.

Negatives include:

- › The chain of command becomes difficult when important operational decisions need to be made about the Holiday park, i.e. employees do not have the authority to make all decisions, issues can take longer to resolve
- › Local Government Industrial Awards are not geared to the tourism industry or to meet the large over-time costs often incurred when running a successful holiday park
- › Staff recruitment policy within a Council structure can sometimes make it difficult to access external candidates.
- › Office hours of a Council operation are not compatible with the 7 day a week, 24 hour a day call out basis of the holiday park industry.

Over time, this arrangement has proven to have many negative aspects and the majority of Councils have moved away from this style of management.

The management options for the park are:

- › Council staff management
- › Contracted park management
- › Leasing
- › Management licensing

5.3.2: Contracted park management

Contracted park management of caravan parks and camp grounds within local government arose through Councils trying to contain spiralling labour costs which they had no control over. The Local Government Industrial Awards were not designed for this type of business. Contracts enabled councils to engage contractors whose working conditions and remuneration were controlled by the Agreement (Management Contract) as distinct from the relevant Industrial Award.

Initially, the changes were subtle – employees were called contractors and paid a lump sum or commission to provide caretaking or management services. Very soon, this arrangement was challenged in the Courts and through taxation rulings. It was found that simply calling a person a contractor did not permit an employer to sidestep the taxation and award provisions relating to employees.

The Courts held that the distinction between an employee and a contractor was based on a series of 'tests'. It was not a matter of the arrangements passing all tests, but rather, being assessable in light of all criteria. In summary, the criteria are as follows:

- › The degree of control over the performance of the work
- › Ability to delegate or employ others to perform the obligations
- › Exclusive service
- › Is the contract based on results?
- › Who bears the expenses and risks?
- › Is there provision for leave and other employee entitlements?
- › The method of appointment
- › Description of the relationship.

These rulings led to the appointment of management companies rather than individual contractors. These appointments were made via a tender process and were originally filled by husband and wife teams that formed a company for the purpose of the operation. More recently, larger management companies responsible for overseeing multiple parks have entered the market.

Selection criteria for holiday park management would normally involve:

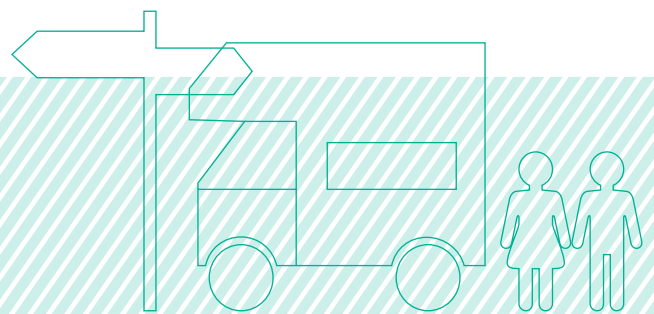
- › Prior experience in a management role
- › Knowledge of the caravan park industry
- › High quality communication skills
- › Knowledge and/or experience in marketing a small business
- › Knowledge of the building and maintenance requirements of a caravan park
- › Computer skills
- › Tender price.

Positives include:

- › Allows for the appointment of industry qualified management teams
- › The manager handles all operational matters, including reservations and marketing
- › By means of the tender process, the market determines the cost to Council for this service
- › Minimum standards and procedures can be documented in the contract to ensure high delivery standards in facilities, infrastructure and services
- › Well written contracts clearly articulating roles and responsibilities for all parties involved enable decisions to be made more easily
- › An entrepreneurial contractor may be more motivated to work the long hours required to ensure a park's success
- › Administration within Council is simplified
- › Guests view the manager as 'the owner of the business'.

Negatives include:

- › There is a requirement for a detailed management contract
- › Less control than directly employing staff.



5.3.3: Leasing – Council fund all capital works

There are many examples in Australia of Councils deciding to lease their holiday parks and camping grounds to private enterprise. In this way, Council could advertise via the tender process for expressions of interest for the operations and development of the holiday park.

This is a decision available to Council at any time in the future i.e. Council may decide to inject some (or all) of the capital into the holiday park to upgrade it prior to leasing.

This would enable the standard and type of facilities at Tallangatta Holiday Park to be developed to an appropriate level in order to lease the operation. The Crown Land (Reserves) Act 1978 provides for Committees of Management to lease their reserves to tenants. It should be noted that to improve the park in line with the planning study's vision would require capital expenditure over six years.

In the situation where the lessee is not required to take responsibility for capital upgrades, the length of the lease could be much shorter than a lease which requires the lessee to expend capital.

Positives include:

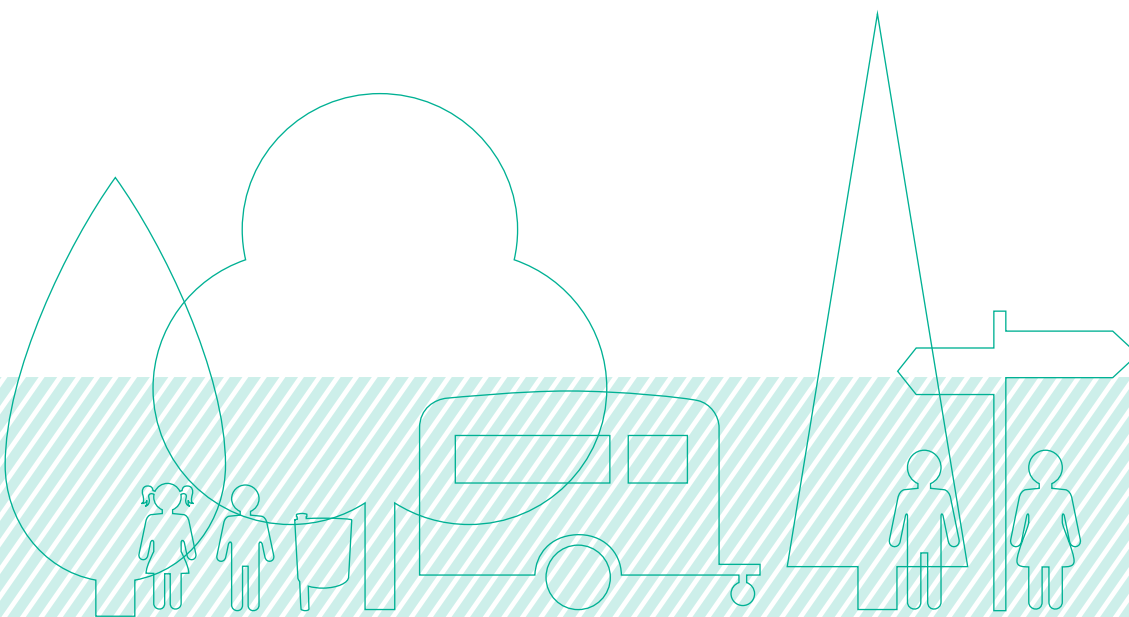
- › It would relieve Council of the day-to-day burden of responsibility for managing the park, such as ongoing maintenance and repairs, while still providing an income stream in the form of rental payments
- › Relieve Council of legislative and occupational health and safety responsibilities for the holiday park
- › Control the type of development of the campgrounds through conditions written into the lease document
- › Potentially provide much needed capital investment into park infrastructure, and promote professional management skills and experience, thereby improving the guest experience.

Negatives include:

- › Uncertainty of tenure for permanent owners
- › Loss of degree of control over the development and operation of the holiday park
- › No control over fee increases
- › Council would be investing capital in a non-core business
- › The capital expenditure may not be the best fit to maximise the preferred outcomes for the park.

If Council decides that leasing the holiday park to private enterprise is the preferred option, then the following tasks need to be undertaken:

- › Develop a detailed management plan for the site to control the future of the park, number of sites, types of facilities, planned improvements etc. In essence, this would be a summary of the information contained within the Tallangatta Holiday Park Planning Study. Prepare an invitation to lease document (including proposed rent review methods and dates).
- › Advertise for expressions of interest and then offer the tender to the public. Expressions of interest would be assessed on the following criteria:
 - Lease price
 - Previous experience operating and managing caravan parks
 - Business plan
- › Accept and issue a lease agreement for a period of say 5 years



Management licensing

This is primarily the same as the lease option except the Council is responsible for all capital expenditure in the park and the lessee is responsible for the management, marketing and upkeep of the park. In this option, the Council receives a higher rent because it is responsible for the capital outlay. There are a growing number of these types of arrangements.

A variation of this model would be one in which Council funds the installation of the communal/common facilities. In this case, Council would partially fund the redevelopment and the balance (mainly for on-site accommodation) would be paid for by the lessee. According to the consultants, this model is preferable since it allows Council to have better control and also enables the Lessee to determine the style and timing of delivery of the upgraded accommodation.

5.3.4: Leasing – Lessee fund capital upgrade

This is similar to the Option 5.3.3 except, in this case, the Council does not determine the exact nature of the capital improvements and does not have to allocate funding to the park. The other issue is that the length of lease would need to be much longer if the lessee was to provide all the capital for the upgrades.

Positives include:

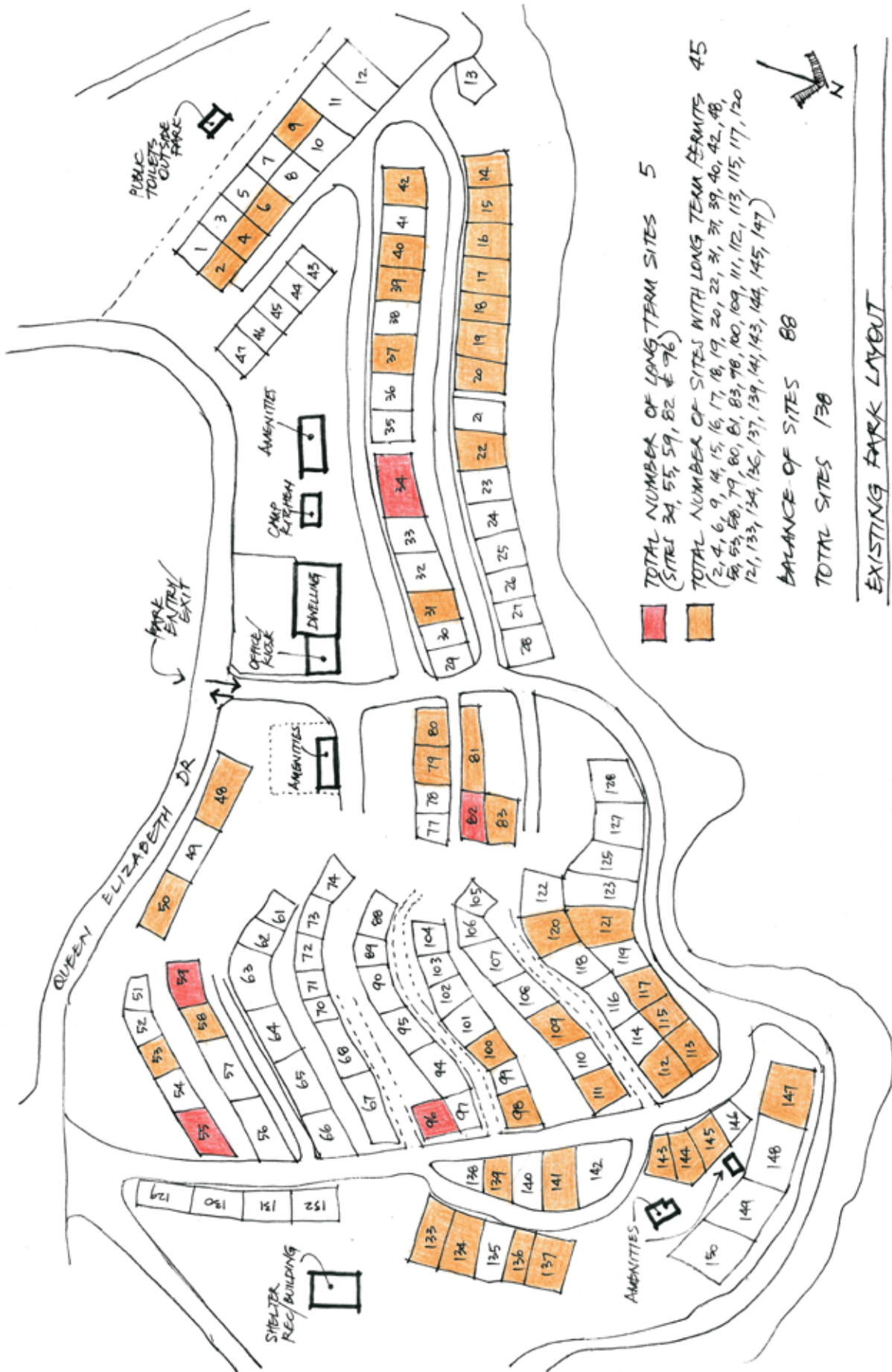
- › Council is relieved of day-to-day management and statutory responsibility for risk management
- › Upgrade of the park is achieved without significant capital expenditure by Council
- › The nature of upgrades likely to be more customer focused and meet expectations of clients more readily than when Council decides on type of expenditure.

Negatives include:

- › Lease would commit Council for a considerable period. For this reason, it is extremely important to get the lease details right.
- › Council would not exercise control over fees.

There are many examples in Australia of Councils deciding to lease their holiday parks and camping grounds to private enterprise.

5.4: CURRENT PARK LAYOUT



TOTAL NUMBER OF LONG TERM SITES 5
 (SITES 34, 55, 59, 82 & 96)

TOTAL NUMBER OF SITES WITH LONG TERM PERMITS 45
 (2, 4, 6, 9, 14, 15, 16, 17, 18, 19, 20, 22, 31, 37, 39, 40, 42, 48,
 50, 53, 58, 79, 80, 81, 83, 98, 100, 109, 111, 112, 113, 115, 117, 120,
 121, 133, 134, 136, 137, 139, 141, 143, 144, 145, 147)

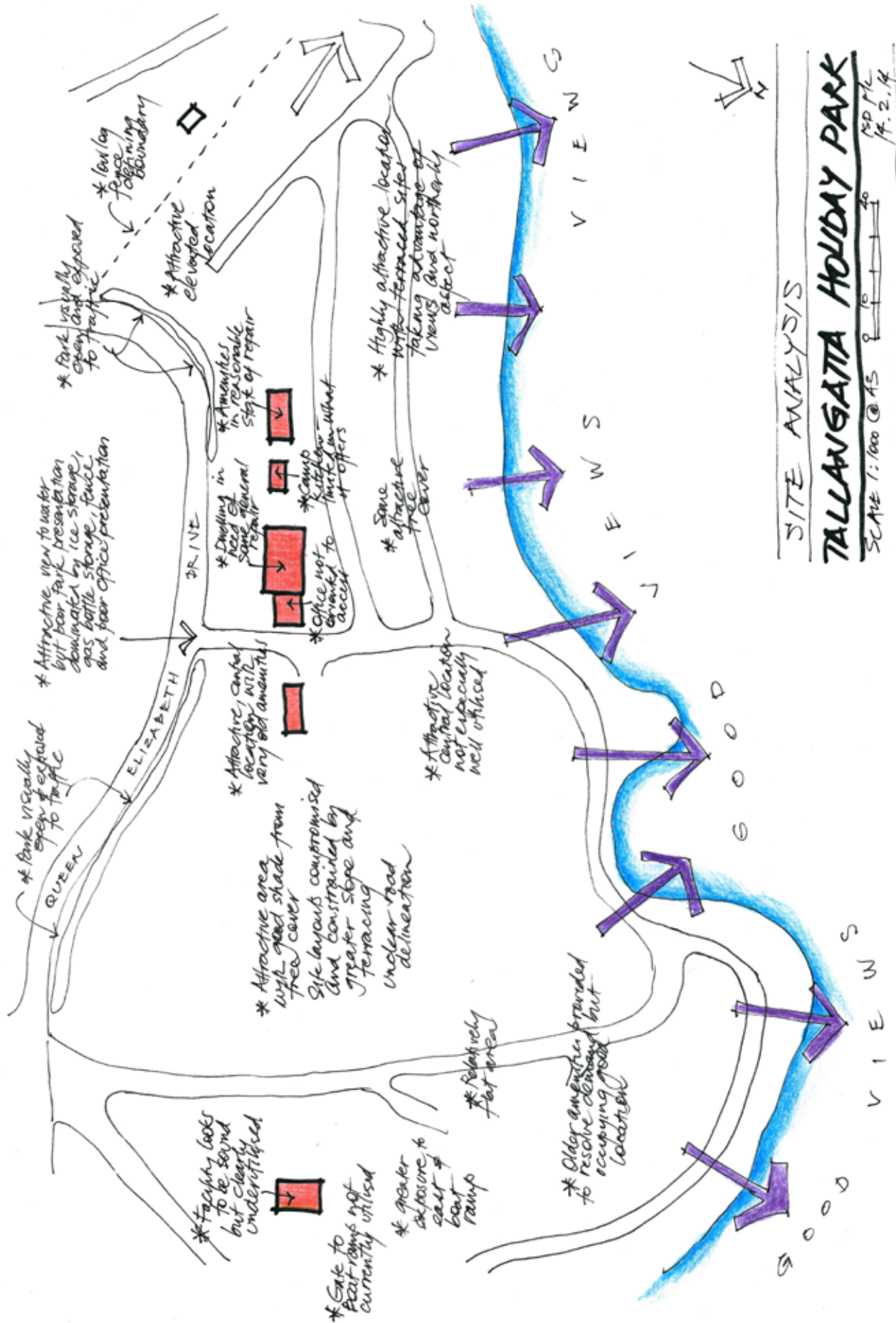
BALANCE OF SITES 88
 TOTAL SITES 130

EXISTING PARK LAYOUT

TALLANGATTA HOLIDAY PARK

SCALE 1:1000 @ A3 0 10 20 40
 150 P/L
 17.2.14

5.5: CURRENT SITE ANALYSIS



5.6: PROPOSED STRUCTURE

* THREE BROAD PRECINCTS SUPPORTED BY FACILITIES & SERVICES
 PRECINCT A : ALL TOURIST USES COMPRISING A MIXTURE OF DRIVE ON SITES AND A RANGE OF ON SITE ACCOMMODATION.

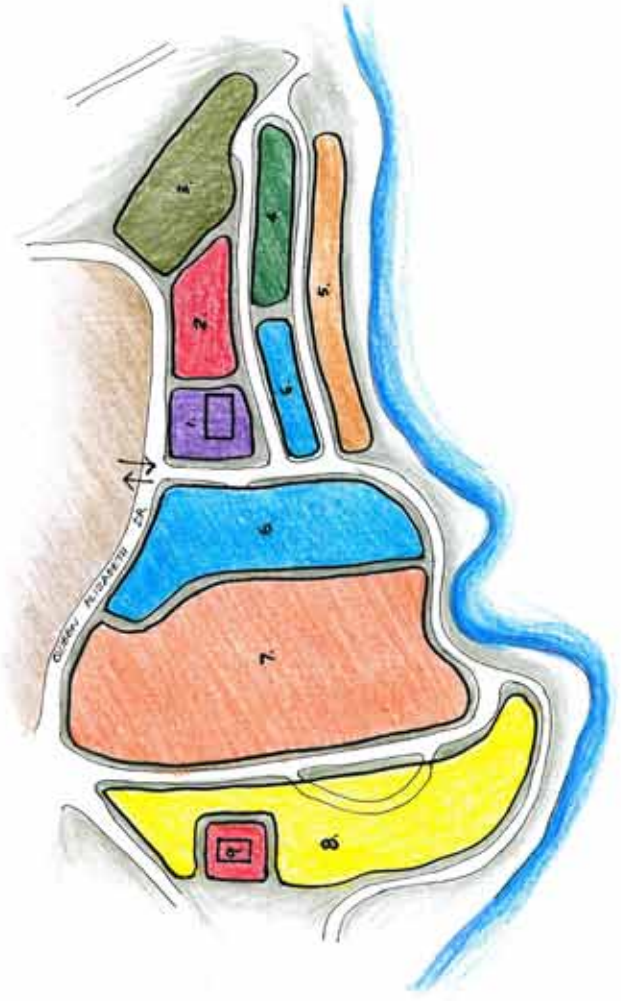
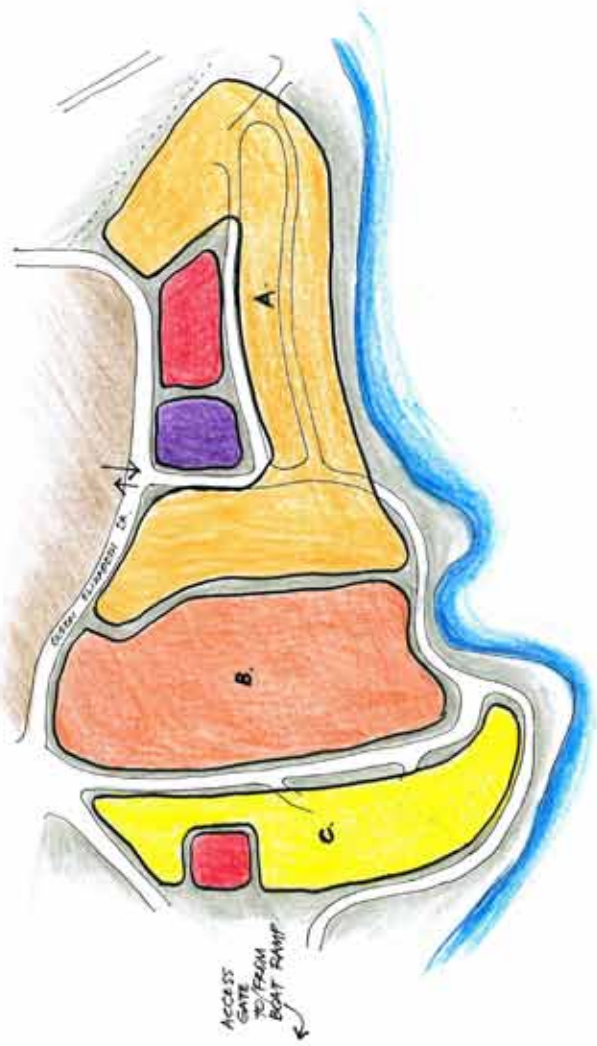
PRECINCT B : SHORT TERM SITES WITH ANNUAL LONG TERM PERMITS.

PRECINCT C : SHORT TERM TOURIST SITES BETTER SUITED TO GROUPS. ALSO UTILISE PARK ACCESS GATE TO AND FROM BOAT RAMP.

* PRECINCTS AND SERVICE AREAS ADDON DOWN FURTHER AS FOLLOWS:

1. ADMINISTRATION
2. AMENITIES, CAMP KITCHEN, PLAYGROUND
3. ON SITE PERMANENT TENTS & CAMPING
4. ON SITE VANS WITH EN SUITES AND DECKS - BASED ON THEMED APPROACH
5. MIXTURE OF TOURIST CABIN FORMS WITH DECKS
6. DRIVE ON TOURIST SITES (EXISTING AMENITIES OPPOSITE OFFICE. MAY BE DEMOLISHED)
7. SHORT TERM SITES WITH LONG TERM PERMITS AND SOME TOURIST DRIVE ON SITES
8. THIS AREA WOULD HAVE SOME DRIVE ON SITES SOME DRIVE THROUGH SITES AND SOME ON SITE ACCOMMODATION SUITED TO GROUPS
9. CAMP KITCHEN, AMENITIES, MEETINGS SPACE WELL SUITED TO GROUPS

PROPOSED STRUCTURE
TALLANGATTA HOLIDAY PARK
 N.T.S. 150 P/L 13.2.14



5.7: PROPOSED PARK LAYOUT



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JOB NAME: TALLANGATTA HOLIDAY PARK
 JOB No: 14.08
 CLIENT: TOWONG SHIRE COUNCIL
 DATE: 23 APRIL 2014
 SCALE: 1:750 @ A2
 DRG No: C-00

5.8: KEY ELEMENTS



5.8.1: Reception building



5.8.2: Camp kitchen/amenities block

5.8.3: Playground



5.8.4: Superior Ensuite sites

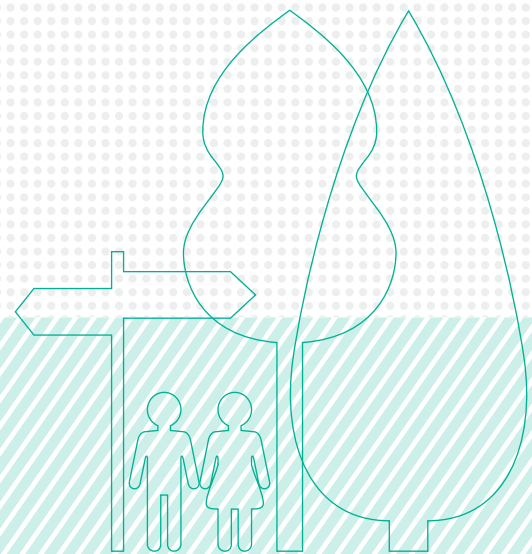


5.8.6: Ensuite cabins

5.8.7: Relocatable amenities
block/laundry



5.8.5: Safari tents



5.9: STAGING SOLUTION FOR PROPOSED PARK REDEVELOPMENT (5 YEARS)

The consultants have recommended a lease agreement whereby the Council would make a contribution towards communal/community facilities and the lessee would fund the other works including cabins, superior double ensuites, safari tents and a new reception building/kiosk.

YEAR 2

Park Entry, Reception and Residence

- › Entry signage
- › Parking bays/Entrance
- › New reception building kiosk
- › Manager's residence and maintenance compound
- › Relocation of boom gate and installation of new boom gate
- › Roadways – entrance car park

Amenities & Camp Kitchen

- › Camp kitchen/amenities building
- › Refurbish picnic shelter
- › Solar street lighting allowance
- › Pathways and landscaping
- › Children's playground

Accommodation

- › 4 x 2 Bedroom waterfront villas
- › 2 x Safari tents – no ensuite
- › 2 x Superior double ensuites with decks

YEAR 4

Amenities

- › Large relocatable amenities block (including laundry, six unisex bathrooms and disabled bathroom)
- › Demolish existing amenities block

Accommodation

- › 2 x 2 Bedroom waterfront villas
- › 1 x Superior double ensuite with decks
- › 2 x Safari tents – no ensuite

Grounds

- › Install 2 Double BBQ's

YEAR 6

Accommodation

- › 2 x 2 Bedroom waterfront villas
- › 1 x Superior double ensuite with deck

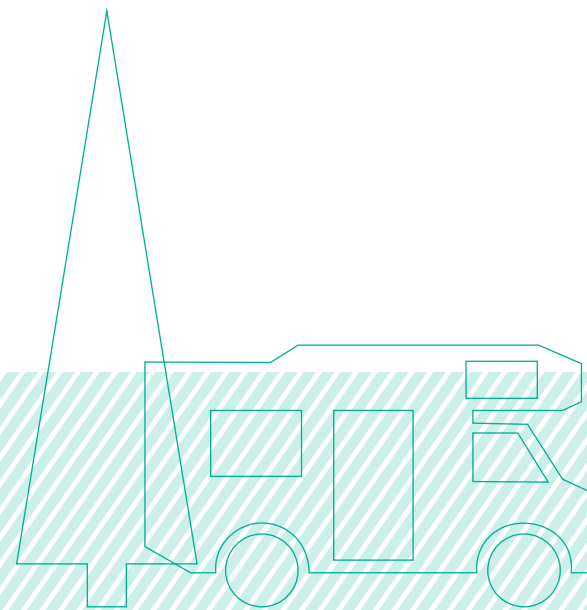
Grounds

- › Create 2 x new drive-through sites

5.10: INFRASTRUCTURE REQUIREMENTS

While Southern Cross Parks does not have professional expertise in plumbing and electrical services, feedback from onsite managers and local contractors has indicated that both the water pressure/waste water and electrical services to the park are sufficient for current and future needs.

Southern Cross Parks has proposed the installation of 8 x new 2-bedroom villa units, camp kitchen/amenities block, new main amenities block and 3 x superior double ensuites with decks. The new cabins, ensuites and camp kitchen/amenity blocks will use gas for instantaneous hot water/cooking and make use of water-saving devices to minimise their impact on the environment and reduce operational expenses.



6: Marketing Suggestions

6.1: BRAND

Given the unique location of the park and the rich heritage of the town of Tallangatta, the consultants recommend the development of a strong brand and identity that helps position and promote Tallangatta Holiday Park as unique destination to play and stay. Suggestions include the development of a brand that harks back to an earlier time, a brand identity that evokes memories of a more carefree, peaceful and happy past, giving the consumer a sense of 'love and belonging', that might be shared by a community.

It is recommended that park buildings and signage have a modern retro look and the use of pastel colours would be strong, both outside and inside buildings.

Items that could be developed in line with this retro style include:

- › Park signage
- › Flags/banners
- › Park uniforms
- › Pastel coloured buildings and fixtures
- › Park collateral e.g. brochures, compendium

6.2: DIGITAL

Critical to the success of the park will be the implementation of a digital strategy for the park. Elements that will need to be implemented include:

- › Strong website design, consistent with the brand
- › Rich content
- › Social media
- › Reservation management system and online and third party booking functionality
- › SEO.

6.3: CYCLING/SPECIAL EVENTS

The development of cycling-related activities is critical if the park is to reach its full potential and build shoulder season occupancy. The High Country Rail Trail provides an ideal opportunity for the park to generate business for its new onsite accommodation. Efforts should be made to promote this to the local market first and then look to market to cycle clubs from further afield.

The park should also look to partner with Tourism NE and other tourism bodies looking to develop cycling-related events as these will help promote the Towong region and the park itself.

Other events that could be developed include those centred on the outdoors and nature and which attract young families/older families and DINKS/SINKS. Potential events could include triathlons, multi-sport challenges incorporating paddling, mountain or ride biking and off-road (or trail) running.

6.4 OTHER

Given the retro nature of the park, the consultants also suggest the park could provide a range of retro-style recreational activities including:

Retro bike hire

Stand-up paddle board hire

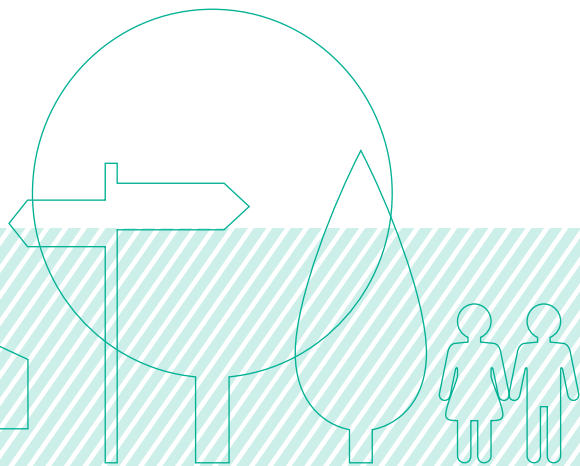
Indian canoe and rowboat hire

Old fashioned outdoor movie nights with canvas deck chairs

Host a monthly farmers' market

Have a large vegetable garden

Kiosk to serve coffee/cake and old fashioned milkshakes and soda streams.



7: Summary and Recommendations

The redevelopment of the Tallangatta Holiday Park presents an exciting opportunity for the Towong Shire Council and the broader community of the Towong region. The park is located in a picturesque location, alongside a lake and is only a short walk from the centre of town.

The park currently attracts strong visitation from family groups at Christmas and Easter; however, for the remainder of the year visitation is low. The potential exists to increase both the number of visitors and also the length of stay through a staged redevelopment of the park.

Southern Cross Park has undertaken extensive online and on-ground market research to identify current and potential users of the park. This research – in combination with exhaustive industry consultation – has enabled Southern Cross Parks to develop a detailed master plan for the site which takes into account the complexities of the location.

Southern Cross Parks has also used its strong operational experience in the leasing and managing of caravan parks to prepare a supporting business plan that highlights a vision, proposed management model, layout, staging solution and model for proposed development and associated infrastructure requirements.

The following recommendations identified in the business plan have been grouped under the headings of immediate, short term, medium and long term priority. Suggested timelines have been included.

RECOMMENDATION FOR UPGRADE SCHEDULE

7.1 SHORT TERM PRIORITY

| TASK | RECOMMENDATION | RESPONSIBILITY | TIMEFRAME |
|-----------------------|--|----------------------|-----------|
| Set up | Park Tools | | |
| | Ute, mower, basic tools | Lessee | Year 1 |
| Marketing | Marketing Plan | | |
| | Website, phone number, collateral, signage, park uniforms, bunting | | Year 1 |
| Redevelopment | Park Entry, Reception and Residence | | |
| | Entry signage | Towong Shire Council | Year 2 |
| | Parking bays/entrance | Towong Shire Council | Year 2 |
| | Upgrades to manager's residence and maintenance compound | Towong Shire Council | Year 2 |
| | New reception building/kiosk | Lessee | Year 2 |
| | Relocation of boom gate and installation of new boom gate | Lessee | Year 2 |
| | Roadways – entrance/car park | Lessee | Year 2 |
| | Amenities & Camp Kitchen | | |
| | Camp kitchen/amenities building/double bbq | Towong Shire Council | Year 2 |
| | Refurbish picnic shelter | Lessee | Year 2 |
| | Solar street lighting allowance | Lessee | Year 2 |
| | Pathways and landscaping | Lessee | Year 2 |
| Children's playground | Towong Shire Council | Year 2 | |
| Redevelopment | Accommodation | | |
| | 4 x 2 Bedroom waterfront villas | Lessee | Year 2 |
| | 2 x Safari tents | Lessee | Year 2 |
| | 2 x Superior double ensuites | Lessee | Year 2 |



7.2 MEDIUM TERM PRIORITY

| TASK | RECOMMENDATION | RESPONSIBILITY | TIMEFRAME |
|---------------|---|----------------------|-----------|
| Redevelopment | Communal Facilities | | |
| | Large relocatable amenities block (including laundry) | Towong Shire Council | Year 4 |
| | Demolish existing amenities block | Towong Shire Council | Year 4 |
| | Install 2 x BBQs | Towong Shire Council | Year 4 |
| | Accommodation | | |
| | 2 x 2 Bedroom waterfront villa units | Lessee | Year 4 |
| | 1 x Superior double ensuite | Lessee | Year 4 |
| | 2 x Safari tents | Lessee | Year 4 |

7.3 LONG TERM PRIORITY

| TASK | RECOMMENDATION | RESPONSIBILITY | TIMEFRAME |
|---------------|--------------------------------------|----------------|-----------|
| Redevelopment | Accommodation | | |
| | 2 x 2 Bedroom waterfront villa units | Lessee | Year 6 |
| | 1 x Superior double ensuite | Lessee | Year 6 |
| | Create new drive-through sites | Lessee | Year 6 |
| | Allowance roadwork | Lessee | Year 6 |

The redevelopment of the Tallangatta Holiday Park presents an exciting opportunity for the Towong Shire Council and the broader community of the Towong region.

