

## **5.10. RV PARK MOSSMAN BUSINESS CASE**

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**DEPARTMENT** People and Community Services

### **RECOMMENDATION**

**That Council delegates authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to explore options and undertake activities toward**

- 1. Operating an RV Park on Council-owned, bought or leased land; or**
- 2. Leasing appropriate Council-owned land to an RV Park Operator; or**
- 3. Facilitating discussions between private owners of appropriate land and an RV Park Operator;**

**to pursue the development of an RV Park on an optimal site in Mossman, to assist local businesses access an untapped tourism market.**

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### **EXECUTIVE SUMMARY**

With a booming Recreational Vehicle (RV), self-drive and caravanning tourism sector, the proposition of the Douglas Shire becoming an RV friendly Shire has been posed by both the community and RV Park operators. Existing Caravan Parks, both privately-owned and Council owned, are unable to accommodate the demand for RV travellers.

The capacity of existing caravan parks for larger sized vehicles is limited, resulting in RV travelers bypassing the region. Many of the caravan parks have enjoyed capacity occupancy, and RV's have only a few options to stay in the shire.

Councils in Mareeba and Ingham have leased land to RV Operators in the last 2 years and report significant economic injection into their business and tourism sectors, resulting in a sustained economy.

The development of an RV park and becoming an RV friendly shire forms part of the accepted Tourism and Economic strategy, which nominates a clear priority to deliver diversification and expand our tourism offering.

### **BACKGROUND**

Council has been approached on several occasions to consider the opportunity to transition to an RV friendly shire through the development of an RV park. The approaches have been made by individuals within the community and Associations within the Caravan and Camping sector.

The development of a strategy, business plan and community consultation were conducted in 2017 and was considered by Council.

In 2020 Council was approached again by the largest RV Association in Australia (CMCA) to accommodate the booming RV economy and become an RV friendly Shire. Council officers undertook consultation with RV friendly Councils and RV associations to ascertain the economic and social impacts. The results were taken to Council for workshop discussion and Council officers were asked to build a business plan to for final consideration.

## COMMENT

The purpose of the business case is to deliver Council a set of options to assess the suitability and viability of the development of an RV Park in Mossman. The business case addresses community sentiment through consultation, and poses different operating models. The project identifies the potential business outcomes to deliver the strategic goals of underpinning financial sustainability for the Shire, and to diversify our tourism offering.

In preparation of this business case, public consultation was undertaken with feedback proving overwhelmingly positive for the Shire to embrace an RV friendly approach. Consultation was also undertaken with other councils, tourism bodies and RV Park Operators to ensure a full understanding of short to long term challenges and benefits. Understanding the social impacts was equally important in researching the option of an RV Park.

## PROPOSAL

That Council considers the options in the attached business case and determine to pursue one of those options by delegating authority to the Chief Executive Officer to explore options and undertake activities toward

1. Operating an RV Park on Council-owned, bought or leased land; or
2. Leasing appropriate Council-owned land to an RV Park Operator; or
3. Facilitating discussions between private owners of appropriate land and an RV Park Operator;

To pursue the development of an RV Park on an optimal site in Mossman, to assist local businesses access an untapped tourism market.

## Corporate Plan 2019-2024 Initiatives:

### Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

**Goal 3 - We will develop strategies that seek to diversify the Shire's economic base.**

## Operational Plan 2020-2021 Actions:

**2.2.2 - Complete a business case and cost benefit analysis for a potential development of an RV park within Mossman.**

## COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances, and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

**Advocate** Council makes representation on behalf of the community on important issues, funding opportunities, projects and programs. Council will use its influence to seek the best outcomes for the community.

**Funder** Council often partly funds services, events or community organisations through grants, donations, subsidies and in-kind support. Council will apply robust governance to ensure that such funding is fair and appropriate.

## CONSULTATION

**Internal:** Two council workshops to discuss options.

**External:** Community consultation surveys and meetings

## COMMUNITY ENGAGEMENT

Results of community consultation are included in the business case attached.

## ATTACHMENTS

1. RV Park Mossman Business Case docx for council meeting [5.10.1 - 20 pages]

# RV PARK MOSSMAN BUSINESS CASE

6 September 2021



*Engaging, Planning, Partnering*  
*Muruku Kirraji - Eastern Kuku Yalanji*  
*Nganyji pina ngunda-lum ... Ma:lnyjirri-yngku - Yirrganydji*

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## Document control

**Table 1: Document control**

<b>Prepared by:</b>	Mary Martin
<b>Role:</b>	Tourism and Economic Development Officer
<b>Team:</b>	People and Community
<b>Version date:</b>	06.09.21
<b>File / document number:</b>	

Document authorisation

**Table 2: document authorisation**

	<b>Signature</b>	<b>Date</b>
<b>Reviewed by:</b>	Lisa Golding	
<b>Approved by:</b>	Juanita Warner	

## **1 Executive summary**

With a booming RV, self-drive and Caravanning tourism sector, the proposition of the Douglas Shire becoming an RV friendly Shire has been posed by both the community and RV Park operators again. Existing Caravan Parks both privately owned, and Council owned are unable to accommodate the demand for RV travellers. The capacity of existing caravan parks is limited to larger sized vehicles, resulting in RV travellers bypassing the region. Many of the parks have enjoyed capacity occupancy, and RV's have only a few options to stay in the shire. Councils in Mareeba and Ingham have leased land to RV Operators in the last 2 years and report significant economic injection into their business and tourism sectors, resulting in a sustained economy. In preparation of this business case, public consultation was undertaken with feedback proving overwhelmingly positive for the Shire to embrace an RV friendly approach. Consultation was also undertaken with other councils, tourism bodies and RV Park Operators to ensure a full understanding of short to long term challenges and benefits. Understanding the social impacts was equally important in researching the option of an RV Park.

## **2 Project description**

### **2.1 Project objective**

The purpose of this business case is to deliver Council a set of options to assess the suitability and viability of the development of an RV Park in Mossman. The business case addresses community sentiment, through consultation, poses different operating models, and several potential sites for consideration.

The project identifies the potential business outcomes to deliver the strategic goals of underpinning financial sustainability for the Shire.

### **2.2 Background**

Council has been approached on several occasions to consider the opportunity to transition to an RV friendly shire through the development of an RV park. The approaches have been made by individuals within the community and Associations within the Caravan and Camping sector. The development of a strategy and business plan and community consultation was conducted in 2017 and was considered by Council. In 2020 the DSC was approached again by the largest RV Association in Australia (CMCA) to accommodate the booming RV economy and become an RV friendly Shire. DSC officers undertook consultation with RV friendly Councils and RV associations to ascertain the economic and social impacts. The results were taken to Council for workshop discussion and Council officers were asked to build a business plan to for final consideration.

Currently within the Douglas region any camping not within a commercial caravan park or camping ground is not permitted. Significant resources are invested by Council to best manage the environmental impact and community concerns in relation to illegal camping. Several Councils and community organisations throughout Australia have established low-cost camping facilities for RV travellers and specifically for self-contained RVs only. There have been varying levels of success and acceptance by communities of these trials, with challenges that include:

1. collection and administration of camping fees.
2. monitoring compliance of campers who stay longer than permitted.
3. monitoring compliance of self-contained RV only camping areas.
4. maintenance and waste management
5. adverse feedback from commercial operators; and
6. environmental damage e.g., campfires, litter.

Caravanning Queensland and the Queensland Camping Options Tool Kit: A Guide for Local Government

in Developing Camping Options-2014 highlights that any non-commercial camping operation undertaken by a Local Government needs to function under the 'competitive neutrality principals' (CNPs). In providing an overnight non-commercial RV camping service, Councils are required to appropriately apply the CNPs and should adopt what is known as a 'full cost attribution' model in determining the cost of providing that service. This means Councils must charge a price for the service that reflects the actual costs incurred, as well as those costs that the Council would have incurred if it had been a private operator.

Caravanning Queensland and the Queensland Camping Options Tool Kit: A Guide for Local Government

in Developing Camping Options-2014 also recommends that careful consideration should be given to the location of non-commercial camping facilities. They recommend that non-commercial camping facilities should not disadvantage existing commercial operators and therefore should not be in proximity.

There are significant aspects of the RV travel market which seek and expect access to low cost camping options. The Campervan and Motorhome Club of Australia (CMCA) are supportive advocates for access to free/low-cost camping sites. They recognise that one of the great advantages of travelling in a self-contained vehicle is having the luxury to be able to stop at remote and regional locations, with little or no facilities for short stays.



The CMCA actively seek to secure the opportunities for non-commercial camping for their members and have established a code of conduct titled the Leave No Trace® Program, which was introduced in 1994. This program demonstrates to all levels of governments that self-contained vehicles do not necessarily have a negative impact on the environment, even if the campsite does not have any facilities. Under the Leave No Trace program, RV travellers adhere to strict guidelines relating to the vehicle's capacity for holding fresh, grey and black water allowing Councils to consider giving access to controlled areas for self-contained RVs.

### **2.3 Current situation**

Mossman's location as a vantage point on the tourist drive route of the Captain Cook Highway between Port Douglas and the Daintree Rainforest attracts thousands of drive tourists every year. However, more can be done to encourage visitors to stop in Mossman, stay longer and engage with more experiences to make the Douglas Shire a highlight of their trip to Far North Queensland. Camping and recreational vehicle tourism is a fast-growing sector of the tourism market in Australia. The term RV includes Motorhomes and similar self-contained vehicles used to both travel and provide accommodation for the occupants. Visitors making trips in RVs in Australia are estimated to have increased by approximately 80% over the last ten years, from approximately 6 million visitors in 2009 to over 10.5 million visitors in 2019. The Queensland Government's tourism planning initiatives including the Advancing Tourism Plan, recognise the drive tourism as an important pillar of the Queensland tourism offering

Accompanying the growth in the market has been technological improvements in RVs enabling many travellers to be self-contained. Modern RVs have onboard facilities traditionally provided by a caravan park, including toilet and shower facilities, storage of grey and black water and power generators. The popularity of such vehicles has resulted in a growing demand for free and low-cost camping areas as an alternative to caravan parks, with many regions around Australia adapting to these changing preferences.

Douglas Shire Council currently has 13 Caravan Parks in operation from Cape Tribulation to Port Douglas, 3 of these parks are run commercially by council, the remaining parks are private commercially run entities. Each of the parks delivers a different experience, and none are near each other. The commercial caravan parks currently operating within the shire typically accommodate travellers who require amenity blocks and power, many are also offering camping sites as well. Many of these parks cannot accommodate large vehicles and do not have the space to appeal to an RV traveller.

CMCA is the largest RV Club in the Southern hemisphere and reports growth in their membership over 20% paid membership to over 80,000 RV owners Australia wide, with over 750,000 registered RV's in Australia. CMCA have approached Council to work collaboratively to meet the needs of the RV traveller and a rapidly and consistently growing Self Drive Tourism Market.

## 2.4 Deferral impacts

The impacts of deferring the development of an RV Park in Mossman will mean loss of significant economic growth opportunity.

With a new RV park being developed in Mareeba, there is opportunity to link the RV traveller loop to afford experiences and stays across the Tablelands to the Reef.

## 2.5 Alignment with strategic objectives and policy framework

### The development of an RV friendly Shire fits within The Councils vision

A unique beautiful and sustainable Shire with a connected and inclusive community, thriving economy and deep commitment to protecting the environment for future generations. Whilst honouring our past.

### Councils' Economic Strategic goals

Build appropriate infrastructure and deliver services that connect and support businesses.

We will develop strategies that seek to diversify the Shires economic base.

### Council's strategic objectives

Tourism – Diversify and expand the tourism offering

Population Diversification – Targeted growth of the Shires population

## 2.6 Project drivers

It is a key project driver to increase the economic sustainability of the Shire, through increasing demand for goods and services that underpin the local economy. The introduction of increased visitation through the high yield RV traveller supports local businesses and community.

**Table 3: Project drivers**

Project driver	Nature of the driver	Council objective
Priority 1: Tourism and Economic Development Strategy	Tourism Experience	Tourism – Diversify and expand the tourism offering
Priority 2: Population diversification	Targeted population growth	Population Diversification – Targeted growth of the Shires population
Priority 3: Economic Sustainability	Thriving economy	We will develop strategies that seek to diversify the Shire's economic base

### **3 Scope**

#### **3.1 Scope inclusions**

The scope of this project is to determine the operating models available to council

The scope also includes potential sites available

The scope seeks to align with the strategic goals of the council

The scope reviews the financial implications and potential

#### **Operating Models**

##### **Option A**

##### **Council owns land and operates the park**

Council will either use existing owned land, purchase land or lease land from private landowner to operate an RV park, an audit of council owned land has not identified a site that meets the criteria of an RV Park

Council will need to:

Budget to develop and install infrastructure for RV park and the ongoing management including:

- Sewerage
- Power
- Water
- Fences
- Gravel Driveways
- Lighting
- Build Communal covered space for gatherings
- Develop and manage Marketing
- Purchase an online Booking Engine
- Manage collection of booking fees and administration of all monies
- Employ Grounds person
- Employ on site Custodian
- Signage
- All operational costs borne by Council

**Option B****Council own land and lease to RV Park Operator**

This option entails council leasing land to an RV Park operator on a commercial basis for the purposes of running an RV Park. We have used CMCA to explore industry best models. CMCA are Australia's largest RV Park operator and boast a membership of 80,000 members nationally.

Council would lease existing land or purchase land that meets criteria for a successful park including:

- Commercial lease approximately \$8000 per annum
- Approximately one to two hectares of flat ground.
- Space for 30 to 50 RVs.
- 

This option requires the operator (not council) to cover all costs associated with the development of the site including:

- Access and roadways into and within the park, as required.
- Fences or bollards to restrict access to the main gate.
- Main gate and signage.
- Dump point and wash down tap.
- Potable water taps as required around the site.
- One powered site including the power connection for the custodian.
- A shelter shed and concrete pad.
- Any required levelling, landscaping, and planting
- All infrastructure development is organised and funded by the CMCA. The costs will vary depending on the site, but we expect development costs generally to be in a range of \$50,000 to \$100,000.

**Option C****Private Landowner partners with RV Park Operator**

Private Landowner works with RV Park operator to develop and deliver an RV Park.

Private entity and Park Operator would deliver the infrastructure and ongoing management of park.

Operator to work collaboratively with landowner to ensure ongoing management, marketing, and development of park. Council to ensure park meets community needs and addresses any impacts through the DSC Planning process. Councils' role would be to assist in introductions to interested landowners and Councils planning team to address all planning requirements to meet code.

Infrastructure and ongoing management to deliver:

- Sewerage
- Power
- Water
- Fences
- Gravel Driveways
- Lighting
- Build Communal covered space for gatherings
- Develop and manage Marketing
- Purchase an online Booking Engine
- Manage collection of booking fees and administration of all monies
- Employ Grounds person
- Employ on site Custodian
- Signage

#### Option D

#### Do Nothing

A “do nothing” option would result in the lucrative Self Drive RV economy bypassing the Shire and spending in other regions. With overwhelming community support for an RV Park, and pent-up demand to stay in region, Do Nothing may appear to be tone deaf to community sentiment.

## 4 Options analysis

The potential delivery options that have been considered as part of the PDF are listed below in Table 4.

**Table 4: Options to be considered**

Reference	Description	Why has this option been included?
Option A: Council own and run RV Park	Council use existing land or purchase appropriate land to develop and manage an RV park.	<p>This option will require Council resources to manage the operations, booking systems, marketing and develop infrastructure to support the park.</p> <p>Council would benefit financially with revenue from RV bookings.</p> <p>Business community and tourism benefit financially from increased patronage.</p>
Option B: Council outsource management of RV Park	Council use existing land or purchase land to lease to RV Park operator who manages the park	This option requires outsourcing the management and maintenance of the park to an experienced accredited RV Association who would undertake all activities, management, and marketing of RV Park

Reference	Description	Why has this option been included?
		<p>The operator would install all infrastructure required at own cost</p> <p>The operator would lease the land from the council.</p> <p>Value of lease is approximately \$8000 per annum.</p> <p>Council is paid rates by Operator</p> <p>Greater financial benefit to business community through increased visitation and patronage of local businesses and tourism operators</p>
Option C: Independent operator leases from private landholder.	Independent RV operator works with private landholder to lease land to develop and manage RV park.	<p>This option removes council from the relationship and consequently council see no financial benefit.</p> <p>Financial benefits to a private landholder are realised through leasing arrangements.</p> <p>Landholder and Operator would negotiate the development of infrastructure to support the operation of the RV Park</p> <p>Council would work as a conduit to connect landowners with RV park operator.</p> <p>Business community see financial benefits through increased visitation to Shire.</p>
Option D: Do Nothing	Neither develop or endorse an RV friendly Shire position	This option presents no financial outlay, and no financial benefit to the shire. This option may be seen as disregarding the communities overwhelming support for a RV park.

#### 4.1 Stakeholder consultation

Council conducted community consultations through a mailout to key stakeholders, online survey, and meetings with several interested parties. Attached Report from consultation

A total of 383 people responded to the RV Park survey and support for an RV Park was overwhelming.

- 94% of respondents agreed an RV Park would be good for the Mossman economy

- 70% of respondents preferred 50 sites over 20 sites.
- 72 businesses responded to the survey.
  - 71 agreed an RV Park would be good for the Mossman economy.

One was neutral.

- 237 residents responded.
- 93% agreed an RV Park would be good for the Mossman economy.
- 3% were neutral
- 4% disagreed or strongly disagreed

All five of the 13 caravan park owners in the shire strongly objected to Council creating an RV Park in Mossman, or indeed anywhere in the Shire.

Apart from being good for the economy to result in a more prosperous and sustainable Mossman and surrounds, respondents were excited about the opportunity for Mossman and used words such as flourishing businesses and gateway to Cape York. Respondents identified several other benefits:

- Additional visitors will add vibrancy to the town – make it a destination, not an afterthought.
- Additional visitors will assist with cash flow.
- New visitors will boost the profile of Mossman – put it on the RV map, help Mossman become known nationwide.
- It will encourage visitors to explore beyond Port Douglas, particularly increased opportunity for sustained exposure to Mossman's wonderful aboriginal culture and histories.
- Tap into a market being missed by reducing the number of RV Travellers who simply drive

through the town without stopping.

- Reduce Illegal camping
- The additional income to local businesses and attractions and could provide new services and industry to cater for the RVs.

Of the respondents who did not support an RV Park in Mossman, the main disadvantages mentioned were as follows:

- Increased traffic was the most mentioned disadvantage
- Potential to negatively impact revenue for existing caravan parks was second most mentioned disadvantage
- More waste to manage – rubbish and sewage
- Although unknown at this stage, some perceived it would be a cost to ratepayers
- Increased pressure on health services making it even harder to see a doctor
- Scepticism by some as to anticipated spend in the community with a few believing Woolworths would be the sole beneficiary.

Clearly and understandably, there is concern from the existing caravan park operators, it is important to address their concerns. Council will meet with the operators to share further data supplied from CMCA which supports claims that the RV traveller who would book the proposed RV park would not and do not visit private Caravan parks for several reasons. Consultation with RV friendly councils supports this position and private Caravan Park operators have not been negatively impacted.

### **CMCA consultation**

CMCA as the preeminent RV park operator Nationwide was consulted to garner greater understanding of the RV park operations. A series of questions were posed to CMCA and data was secured for consideration as a basis for councils decision set.

CMCA see mutual opportunities and benefits in partnering with local councils.



CMCA seeks no financial or in-kind support from council to develop the RV Park Network, however as a not-for-profit they may seek consideration in terms of possible change of use or local planning costs if required for the activity.

- The lease of council land should be on the same basis as any other not for profit community association, such as a bowling club, pony club or the like.
  - CMCA will pay rates on the site.
  - There is no cost to the council with all reasonable infrastructure developed and paid for by the CMCA.
  - All maintenance is managed and paid for by the CMCA.
  - All CMCA seeks from council is advice and support for any development application, or other local or state government approvals.
  - It is an arm's length financial arrangement with no hint of the council giving the CMCA financial advantage.
  - A CMCA RV Park will increase RV tourism to the area and increase the tourism spend with local businesses.
  - Access to the park is for CMCA members and limited non-members with self-contained vehicles.
- Any owner of an RV can join the CMCA. Non-members will pay a higher site fee and will be encouraged to join the CMCA.

#### Questions to CMCA

- Who runs the park? CMCA, leases the property, undertakes the development, and provides a park custodian.
- Who maintains the park? CMCA at their cost using their own resources
- How are bookings made? CMCA has an on-line booking system, the park custodian can take bookings at the gate or people can call head office or go to our website to book and pay for their stay. No cash transactions are allowed which reduces risk for the custodian and ensure probity
- What do vans pay? currently CMCA members pay \$3.00 per person per night, non-members pay \$15.00 per RV per night
- Is a public gathering space mandatory? No, but CMCA provide this because the feedback from parks is that the guest enjoys the camaraderie of the "daily happy hour" where they

can meet other like-minded people and share their stories. This is also the location of our tourism information (especially tourism sign with local town map, regional map and top things to see and do, local businesses can promote themselves at this point too)

- What services are required? ie water power lighting – Power for park custodian (2 x 15Amp outlets), potable water (20mm service to supply to custodian site, dump point washdown and taps around the park for refilling tanks), sewer connection for dump point, need connection to gravity main. Septic system too expensive to establish and operate and pump out system too expensive to operate. A dump point within the park is usually a condition of consent but is also a positive for guests and important for the on-site custodian. Lighting – only lighting provided is solar LED lighting under the shelter for guests.
- Who pays for the dump site? CMCA funds all capital works unless specified otherwise by the landowner.
- What other infrastructure needed? Fencing if not already fenced, garden shed for tools and equipment storage, concrete pad for custodian site, shelter shed, dump point, water and power. Gravel access track if required, entrance to park, signage.
- Is there any proof that existing caravan parks are not adversely affected? We don't have any because the caravan park industry would not share this sort of information. We do not have complaints from caravan parks in towns we already exist. It is an interesting argument from the caravan park industry because if a new caravan park operator comes to town, they can't object, and if they install new cabins within their own parks, the motel industry can't object, but if we come to town, they object. The low-cost RV park meets a very specific market – fully self-contained RV looking for low cost with minimal facilities. This product is not offered at caravan parks because guests have access to all facilities and therefore need to be charged accordingly. If they are not self-contained, they need to be staying at a caravan park. 53% of the CMCA fleet is recognised as self-contained at present. The number of caravan parks is declining across Australia, and those remaining are focusing on higher yielding family markets, replacing camping sites with ensuite cabins etc. CIAA found last year that unpowered camping sites within caravan parks produce around 3% of the total revenue for a caravan park.
- Typical demographic of RV'er – Over 80% of the membership is over 60. Across Australia though the young family is now the leading demographic, just in front of the grey nomads. There are 750,000 RVs registered in Australia right now, and this is growing at about 30,000 units per year. More of these are now self-contained and the owners are looking to go off-grid or seeking low-cost sites. The demand for low-cost camping is growing and supply is not anywhere close to meeting this need.
- Are there any security measures needed? CMCA have a custodian on site, simple fencing, maybe security cameras if needed (have not needed to as yet). Only campers allowed in the park, we shut the gates in the evening for the night.
- We cannot afford a commercial lease but pay between \$2,000 and \$8,000 per year depending on the site. We pay rates and waste management costs.
- As soon as the lease cost goes up, we cannot achieve a cost recovery model
- We opened Innisfail RV Park a month ago, and already we are seeing travellers staying at Ingham and then travelling to Innisfail to stay there as well. We are looking to develop a cluster in the Far North (currently negotiating with Tablelands Council for a site at Atherton) so Mossman makes sense geographically.
- From our guest surveys we can state that guests spend between \$170 and \$270 per RV per night when staying at our parks, this is substantial spend for local economies.
- In the first month of operation (June 2021) we have already seen 350 nights booked (equating to about \$35,000 local spend per month reported), and Bundaberg for the same month has had nearly 800 nights booked (equating to about \$200,000 local economic spend reported for the month).

#### 4.1.1 Financial Impact for Region

Financial value of the introduction of an RV park is realised in the broader community. The RV traveller supports community, tourism, retail, and professional services.

Many councils in Queensland have reported upward of \$1M per annum in economic boost to their region. It is also pertinent to note that the industry has delivered a reported \$1.3B to the tourism economy in the 2021.

Year 1 financial projections are calculated on figures supplied by Ingham and Bundaberg RV Parks first year operation.

Occupancy numbers are calculated at 80% of the Ingham and Bundaberg rates.

#### Financial Impact Projections

##### Year 1

Month	Bookings	Total Total Nights	Avg Stay	Spend per night	Total Monthly Spend
January	10	20	2	330.79	6616
February	25	50	2	290	14500
March	65	130	2	212	27560
April	75	150	2	194	29100
May	85	170	2	195	33150
June	260	520	2	254	132080
July	320	680	2	235	159800
August	350	720	2	212	152640
September	320	720	2	240	172800
October	190	380	2	212	80560
November	80	160	2	210	33600
December	15	30	2	184	5520
<b>Total Yearly</b>	<b>1865</b>	<b>3730</b>		<b>\$2768.79</b>	<b>\$847926</b>

Occupancy  
50 sites

30 days per  
month  
can accommodate 1500 nights per month  
Year 1 projections of low occupancy

#### **4.1.2 Non-financial cost-benefit analysis**

##### **Option A B & C**

##### Non-financial benefit analysis

increased carbon emissions- suggested off set through additional tree planting

Increase in traffic & noise – noted that the noise and traffic would increase during daylight and peak traffic times

Crime – there is no evidence from other LGA's that there is any increase in crime.

Employment of a park custodian from community

Employment of Grounds person from community

Jobs- potential increase in jobs, through additional demand, patronage, and business operating hours for local businesses

Community Spirit – Increased pride in local community through showcasing the Shire to visitors

Increased tourism exposure for Mossman and Shire through higher visitation

#### **4.2 Timeframe**

##### **Option A**

##### **Council owns land and operates park.**

An indicative timeline to have a fully operational park would include the process of:

Identify the right parcel of land

Purchase of land

Identify works required

tendering for works,

awarding of tenders

Identify best practice booking system

Employment of custodian & grounds person

Develop and launch marketing

It is estimated this process could take 18 months to 2 years.

### **Option B**

#### **RV Park operator lease from council and operates park**

An indicative timeline to have a fully operational park would include the process of:

Identify right parcel of land

Purchase of land

Development of lease agreement

Operator to install infrastructure at their cost does not require tender process

Operator to commission already proven booking system and marketing

Operator to Employ custodian and grounds person from local community

It is estimated this process could take 6 to 12 months

### **Option C**

#### **Private landowner engages with an accredited RV Park Operator**

An indicative timeline to have a fully operational park would include the process

Operator to Identify right parcel of land

Operator to negotiate lease with landowner

Operator to install infrastructure at their cost does not require tender process

Operator to commission already proven booking system and marketing

Operator to Employ custodian and grounds person from local community

It is estimated this process could take 6 to 12 months, with Council assisting as a conduit with private landowners who own potential sites that meet criteria.

## 5 Resources

### 5.1 Budget

There have been no budget allocations for the development of an RV Park.

**Option A** requires Council to purchase land, develop infrastructure at council cost, purchase software, develop marketing collateral and employ staff on an ongoing basis. There is no budget allocation for this option.

**Option B** requires Council to allocate its owned asset of land or purchase suitable land. This option could potentially be financed through the sale of another council asset. This option requires no ongoing budget allocation as all infrastructure and management of the park is outsourced.

**Option C** has no budgetary impact for Council.

## 6 Recommendation

Assessing all three options

**Option A** requires significant investment, which is not budgeted, it also requires ongoing resources and commitment. Council already owns caravan parks in the Shire and leases them to operators to manage. It is deemed that an RV park would fit into the same category. An RV Park owned and run by council is not recommended.

**Option B** requires council to purchase an appropriate site for an RV park, analysis of council's current landholdings have shown that current land does not meet the park selection criteria and would impact residents negatively. This option explores the need to purchase an appropriate site and sell an existing land holding. Option B entails council working with an RV park operator who would develop all the infrastructure required, the operator would also use their extensive skills and network to ensure a successful park and great experience for the traveller. The financial impact of a small lease to council but a great benefit financially to the community with traveller spend is a good option.

**Option C** entails council working as a conduit to assist RV operators to invite landowners in the region where their land meets the criteria for a successful park. Under this option council has no financial commitment but may choose to support the park through installation of RV friendly signage. This option would afford a solution that does not require lengthy tender processes, can offer a landowner the opportunity to lease land that may not be producing income, and still bring the RV economy to the Shire and sustain the Mossman economy.

On the basis that a business case has been prepared and is outlined above, it is recommended that Council:

- **approves the project to proceed to the Planning Stage with option C, and if no landowner is forthcoming, Option B to identify and negotiate appropriate property.**

**Table 19: Appendices**

Appendices	Included
RV park community consultation	<a href="https://infoxpert.edrms/docs/~S?DocumentId=1026285&amp;Login=True">https://infoxpert.edrms/docs/~S?DocumentId=1026285&amp;Login=True</a>