



Proposal for an Approved RV Site on Council land at Shipwrights Point, Port Huon

Discussion Paper for Consultation

May 2018

THIS DISCUSSION PAPER

The purpose of this Discussion Paper is to consult with community and stakeholders to determine their level of support for an approved Recreational Vehicle Park to be developed and integrated into a section of Council land at Shipwrights Point, Port Huon.

This Discussion Paper sets out the Background and History as to why an approved RV Site is being considered for the land.

Without a decision for an approved site the current use by RVs of Heritage Park will not continue past 30 June, 2018 due to the following restrictions that guide this Discussion Paper:

- The Council must comply with the Federal Government's National Competition Policy and apply competitive neutrality principles. This means that the Council cannot use public money or resources to develop, run or subsidise a business activity which is carried on by the private sector.
- As a result any RV site would have to apply fees and charges necessary to cover all costs of operation of the site including management and oversight, site staff costs, maintenance and cleaning, power, water and sewer, rubbish removal, accounting and other costs normally incurred by a business. The Council cannot cover these costs or provide those services without being paid the full cost of doing so.
- An RV site would also be required to pay costs normal businesses must pay such as commercial lease rental, land tax and general rates equivalent.
- The Council has been the subject of a complaint to the Tasmanian Economic Regulator alleging that the Council in operating its RV sites is in breach of competitive neutrality principles. As a consequence of the complaint the review of the Council RV sites has been brought forward.
- The Council does not have a current budget to develop or run an RV Site. The true cost to the Council if it were running an RV site (in place of third party manager's) would likely result in low cost camping becoming unviable on the site. Council therefore considers that these business activities are appropriately provided by the private sector or community organisations. As such this would be the responsibility of a third party chosen as a result of an expression of interest process following this consultation. Due to the terms of the Trust Deed over the Shipwrights Point land the Council cannot proceed to an expression of interest process for any third party management of any part of the land without clear direction and support from the Port Huon community to do so.
- Any use of the site for RVs will be required to obtain necessary planning and building approval. Without doing so use of the site for RVs will be discontinued.
- Council recognises that the land is important to the Port Huon and Huon Valley community and wants to ensure that it can best be utilised for the benefit of the community. The land is though is held under Trust by the Council and the Council needs to ensure that it is used consistent with the Trust.

CONSULTATION

This is an open consultation.

The Council has not made any final decision as to whether or not the land can and will be used as an RV site or the model upon which a site is to be developed. Council is however restricted by the terms of the Trust Deed which would appear to limit any proposal to RV camping, caravans and tents with little or no services or development provided.

The Council is therefore seeking your views as to whether or not the site should be used for RVs, caravans and camping.

In accordance with the Trust Deed, the Council would, if supported by the community publicly seek expressions of interest from community groups to development and manage the site. The land would however not be leased to any commercial operator.

All views are welcome and encouraged to consider this important opportunity for approved visitation and accommodation within the Town and the benefits that it may bring if desired.

On conclusion of the Consultation a Report will be prepared for Council presenting the outcomes of the feedback from the community. The outcomes of the consultation and Council Report will be available on the Council's website.

If supported a proposal will be developed in line with that feedback for the purposes of seeking Expressions of Interest to develop the site for RVs.

BACKGROUND

The early 2000s saw a change in tourist visitation into Tasmania. Introduction of the two new Spirit of Tasmania ferries in 2002 resulted in an influx of mobile homes (campers and caravans) into the State and into the Huon Valley for which the Councils were ill prepared. For a short time Spirit of Tasmania 3 from Sydney also increased the number of tourist visitations from mobile campers.

The Huon Valley Council was immediately impacted as a result of the influx of mobile home and RV travellers to the State. The Huon Valley Council was ill prepared.

Many campers found their way to the Franklin foreshore during January and February 2003. Council formalised the camping as a low cost option and in 2005 it had become obvious that a majority of vans were then bypassing Franklin in favour of free camping at the unregulated Shipwrights Point Regatta Ground. This created a number of problems, foremost of which was a continual blocking of the public toilets, with a septic tank unable to cope with the high levels of usage. Problems were also experienced with campers illegally accessing power boxes on the site, lighting fires, allowing dogs to roam and creating large amounts of rubbish that had to be removed.

The unregulated camping on that site was considered to represent a risk management issue for the Council and Council specifically resolved to designate Shipwrights Point as a day use area only.

The issue of camping at Shipwrights Point however remained live and in 2006 the Council agreed for the use of Shipwrights Point by motorhomes under a permit system administered by Huon Yacht Club Inc, for the period 1 November 2006 to 1 April 2007 subject to a two night maximum stay and a fee of \$8.00 per night.

Council resolved to install a grey/black dump point at Shipwrights Point which was to be connected to the main sewerage system.

Huon Yacht Club Inc, continue to manage the Shipwrights Point site to this day with a \$10.00 fee per night to apply or \$30 for a maximum of 4 nights star applying to the use of the site.

The land is generally shown as follows:



SHIPWRIGHTS POINT STRATEGIC DOCUMENTS

The Shipwrights Point Regatta Grounds has a long and rich history with the first holding of a Regatta on the land in the early 1900s.

In 1928 a public subscription was undertaken for the purchase of the land by 5 individuals as Trustees for the Huon Regatta Association.

The Regatta Association purported to transfer the land to the Esperance Council in 1977.

The land however remained in ownership of the Trustees and the Esperance Council commenced Court action to have the title vested in it. Title resolution took some 23 years to resolve when in 2010 it was transferred to the Council. This transfer was achieved in conjunction with the local community and adoption of a Trust Deed governing the terms and conditions of use of the land.

Relevantly Clause 59e) of the Trust Deed provides:

“the Trustee shall have the power to;

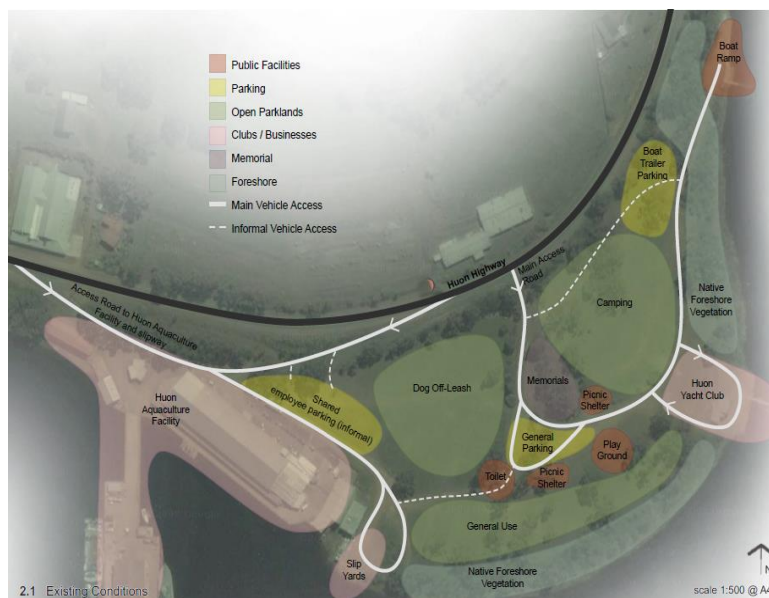
(e) set aside an area of the trust property for a public caravan park/camping area by permitting short term use of the caravan park/camping area but not by leasing the area for operation or management by third party or a commercial business.”

Any arrangement therefore cannot be under a lease agreement but can be under another agreement which clearly provides for management responsibilities associated with use of the land as an RV/camping site.

SHIPWRIGHTS POINT MASTER PLAN

The Council adopted the Master Plan in 2009.

The Plan acknowledged camping as already occurring on the site:



The Plan notes the Huon Yacht Club involvement in the management of camping on the site in section 2.2.2 of the Plan as follows:

“the Club acts on behalf of Council and collects camping fees, which are retained by the club as revenue to be invested into facilities within the Regatta Ground, as well as fees for use of the slipway, in addition to club membership;

there is concern regarding the long-term viability of the campground, due to potential competition from private investors, and the possible situation that the campground may not be compliant with the requirements for commercial campgrounds in Tasmania;”

Camping was acknowledged within section 2.3.6 of the Plan:

In addition to day use activities, the Regatta Ground attracts regular overnight campers, the majority of which are travelling with motor homes or caravans. Camping is permitted on the open grassed area on the north-eastern side of the Regatta Ground, between the boat launch and the main access road. A fee of \$8 per night, or \$25 for four nights, is charged for overnight use, collected by members of the Yacht Club. Revenue from camping fees is utilised to maintain the Yacht Club facilities and those associated with camping.

Feedback from campers indicates an overall satisfaction with the site, particularly the natural setting and proximity to the river. The informal arrangement of the camping area is also considered a positive feature, with visitors commenting on the fact that they could camp anywhere they chose.



It is noted that the internal road network changes have not occurred on the site and it remains as appears on the first plan.

CURRENT USE

The land is used for a number of recreational purposes for the benefit of the community.

As indicated in the Background the land is also currently used throughout the year for RVs, caravans and tents and is currently managed by the Huon Yacht Club.

There are no facilities provided specifically for the RV site however the site benefits from nearby public facilities including toilets, bbq areas and a dump point.

This use does not however have any planning approval.

Council is responsible for ensuring that it enforces compliance with its planning scheme and Council cannot undertake activities which are in competition with those of private industry with use of public monies.

The ongoing use of Shipwrights Point for RVs and Caravans therefore cannot continue unless it is addressed.

HUON VALLEY INTERIM PLANNING SCHEME 2015

The land is zoned Open Space under the *Huon Valley Interim Planning Scheme 2015*. Visitor Accommodation is a *Discretionary* use within that zone.

PROPOSAL

The proposal is to establish an approved RV Park on the land.

The RV Park would be run by a third party operator being a community group engaged through an expression of interest process.

The Operator would be responsible for

- Obtaining at their cost any necessary planning and building approval for use and development of site
- Entering into a Lease with the Council for the site paying a competitive lease rental to the Council along with land tax contribution and general rate equivalent
- All costs associated with development of the site for the intended purpose
- All costs associated with the site including but not limited to power, water, sewer, rubbish collection and disposal, maintenance mowing and cleaning
- Setting fees and charges applicable to the site
- Managing the site

The Site would be provided with limited if any services and only for use of RVs, Caravans and tent camping.

The Council would undertake an Expression of Interest Process to select a community group as an operator based upon the following criteria:

- Establish their Legal identity (private individual, Company, Business, Incorporated Association)
- Provide the Council with a proposal which outlines:
 - Their proposed layout and design including any proposed facilities
 - A business plan outlining their ability to undertake the use and development and provide ongoing management of the site
 - A projected budget outlining projected income and costs and demonstrating the ability to meet the costs associated with the site operation
- Demonstrate the community and economic benefit from their proposal
- Demonstrate that they have or are able to obtain the necessary insurances for operation of the site.

QUESTIONS AND FEEDBACK

To assist the Council to determining a direction for the site we are seeking your feedback on the following:

1. **Do you support an approved and managed RV site on the model proposed in the area on the Shipwrights Point Regatta Ground at Port Huon?**

Yes/No

Comments:

2. **Do you think that the proposed criteria for assessing expressions of interest for a community group operator are sufficient for the Council or are there any other matters which you consider are important for the Council to consider in any expression of interest?**

Yes/No

Comments:

3. **Is there anything else that you wish the Council to consider?**

Yes/No

Comments: