



# **Proposal for an Approved RV Site on Crown land leased by Council, Foreshore, Franklin**

**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 Crown land leased by Council land on the Franklin foreshore.

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 The Franklin Foreshore 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 a third party manager) 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. As such this would be the responsibility of a third party chosen as a result of an expression of interest process following this consultation. Depending upon the preferred model chosen from the consultation (if RV camping is supported) the Palais Management Committee will be provided with the first option as income generated from such an activity would go to support a Council and community asset.
- 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 foreshore land is important to the Franklin community and wants to ensure that it can best be utilised for the benefit of the Township of Franklin. The Council currently leases the land from the Crown and it is proposed to continue with that lease with a sub-lease to any private operator where applicable or necessary. This will be subject to Crown approval who will be consulted as part of this process.

## **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. The Council has though presented options for consideration relating to the site.

The Council is therefore seeking your views as to whether or not the site should be used for RVs and if so what type of RV site the community would like to see on the site.

Subject to the preferred model and the first option for the Palais Management Committee to manage a site, it would otherwise be the Council's intention to publicly seek expressions of interest to allow development of the site to occur.

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 resulting in up to 30 vans present at the location during January and February 2003.

Under the Council's By-law at the time camping was not permitted unless authorised by a permit, however moves by Council's Municipal Inspectors to enforce the By-law at the time were met with strong community opposition, particularly from local business owners.

In order to meet the demand for a site for camper vans and to satisfy the desire of local community without compromising the Council's By-laws, an arrangement was made with the Franklin Foreshore Management Committee (then a special committee of Council under Section 24 of the *Local Government Act 1993*) to allow camping in a limited area behind the fire station for a maximum of two nights. This arrangement was agreed to on a trial basis for a period of three months from March to May 2003. The Foreshore Committee subsequently arranged for delineation of the camping area with boulders and signage. Campers were issued with a permit detailing the conditions under which they were permitted to occupy the site which included a request for a \$5.00 donation towards the cost of managing the area.

It was noted that no campervans utilised the area after 11 May 2003 as a result of the boggy conditions associated with poor drainage of the site at the time.

The trial was considered to be a success and the Franklin Foreshore Committee requested Council's consideration of continuing the arrangement.

At the time, and given that there was not at that time a significant commercial response to the need for camping facilities with the Huon Valley, Council agreed to the request for the 2003/2004 summer. The arrangement was supported by both the community and the campers and was put forward to provide a balance between hard line no camping approach and the open slather free camping approach.

The Council did, however, note that its preference was to seek potential commercial investors for visitor accommodation as well as acknowledging that businesses could be undermined by an informal facility on an ongoing basis.

Council identified the need to install a grey/black water disposal points in the Huon Valley for use by mobile homes. The first dump point was installed on the Franklin foreshore at the time.

Council agreed to further extend the use of the site from 1 October 2003 to 31 March 2004 with a limitation on stay of a maximum of two nights with a donation requested of \$7.00 per night.

The camping was again extended under the same arrangement for the period 1 October 2004 to 31 March 2005.



In 2005 it was considered that the arrangement had proven to be a relatively successful means of managing camping on the Franklin foreshore without negatively impacting upon commercial operators of whom there was only three at that time in the Huon Valley being the Dover Caravan Park, Southport Caravan Park and the Cygnet Caravan Park (formerly operated by the Council and then recently transferred to a third party through a lease/management agreement.

Management of the site at that time had since changed from the Franklin Foreshore Committee to Council's Municipal Inspectors. This involved out of hours work and cost for the Council and, as a result, it was agreed to allow the then operator of the Dover Caravan Park to operate the site from 1 October 2005 to 1 October 2006. Due to logistical issues this did not proceed.

The Management arrangement was subsequently transferred to the Palais Theatre Management Committee (a Special Committee of the Council) from that time with a \$10.00 fee per night to apply or \$30 for a maximum of 4 nights stay.

Around 2007 the Franklin and Shipwrights Point sites moved to all year round camping and over time some improvements have been made to the Franklin area addressing drainage issues.

The management arrangement had been generally informal in the sense it was only governed by Council resolution the first years of the camping and a formal consistent management agreement was approved and entered into with the Palais Management Committee in 2011 and has continued to this date.

## FRANKLIN FORESHORE MASTER PLAN

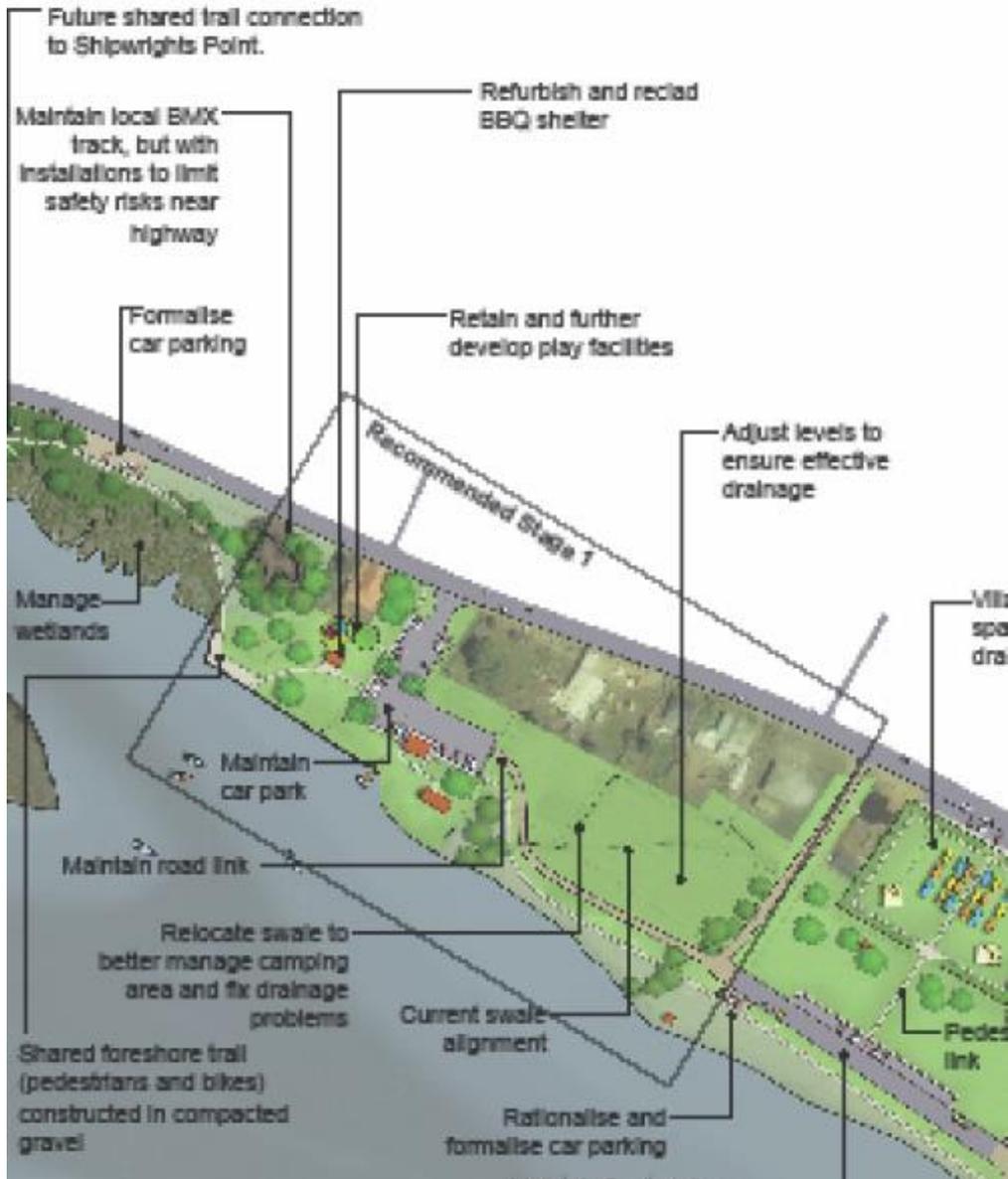
The Franklin Foreshore is subject to a Master Plan adopted by Council January, 2013. This land has been considered as follows:

The plan identifies in Stage 1 Development:

*“need to better serve campers, particularly to make good the area around the pump out and to create, dry flat ground for year round use;”*

This is reflected in the Master Plan diagram.

There is not otherwise any specific mention of camping or continued use of the site for that purpose within the Master Plan however the Plan clearly anticipates that camping will continue on-site.



## **CURRENT USE**

The Crown land leased by the Council is used for a number of purposes for the benefit of the community.

As indicated in the Background the land is currently used throughout the year for RVs, caravans and tents and is currently managed by the Palais Management Committee. Franklin has RV friendly town status.

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 Franklin foreshore 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

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 could be full serviced and provide for not only RVs but also Caravans and Camping (tents).

The Site could be provided with limited services and only for use of RVs and Self Contained Caravans.

The Model that will best suits the interests and wishes of the community will be determined as part of this consultation.

Depending upon the preferred model chosen by the community the Palais Management Committee as a Committee of the Council would be provided with first option to manage the site as income can be returned to the Palais Theatre a Council and community asset. Otherwise the Council would undertake an Expression of Interest Process to select 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 in the area proposed on the Crown land leased by the Council on the Franklin foreshore?**

**Yes/No**

**Comments:**

2. **If there is support from the community for an RV site and for the purposes of determining what model that the Council would consider in an expression of interest what model would you support:**

- a) A fully serviced site (include toilet and shower facilities, rubbish removal, powered sites, water, communal areas or BBQ facilities) that caters for RVs and caravans only (permanent residents prohibited); or

**Yes/No**

**Comments:**

- b) A fully serviced site (include toilet and shower facilities, rubbish removal, powered sites, water, communal areas or BBQ facilities) that caters for RVs and caravans (permanent residents prohibited) as well as tent camping; or

**Yes/No**

**Comments:**

- c) An unserviced site (may provide limited services such as rubbish removal or water) that caters for self- contained RVs and caravans only (permanent residents prohibited); or

**Yes/No**

**Comments:**

d) Any other model? (if so please describe the proposed model and state any reasons why you would support this model and benefits that may be obtained from it.

**Yes/No**

**Comments:**

**3. Do you think that the proposed criteria for assessing expressions of interest 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:**

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

**Yes/No**

**Comments:**