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SLOPES - Governance Review - Market engagement information

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Dear SLOPES Members

OEH has embarked on the next stage of the Governance Review - market engagement.

Details are set out on the OEH market engagement web page here: <http://www.environment.nsw.gov.au/alpineresorts/perisher-charlotte-market-engagement.htm>

The process is described as follows:

The NSW Government is inviting engagement from qualified domestic and international participants as it seeks to identify potential management models to deliver innovative approaches to the long-term sustainability of the Perisher Range Resorts and Charlotte Pass (the Resorts). The Perisher Range Resorts include the areas of Perisher Valley, Smiggin Holes, Guthega and Blue Cow.

Attached is a copy of the market engagement flyer issued by OEH with further background on the process.

Some key points:

1. the flyer emphasises the OEH goal of "year-round resort activation"
2. OEH "is inviting the market to propose a management model that will deliver the future vision"
3. no guidance is given on models other than to note that "Government will retain ownership of the land"
4. as regards the Perisher Range Resorts it is noted that:
 - a) the Perisher/Club/Chamber leases "deliver a solid revenue stream. Additionally, there is the opportunity to create future revenue streams through the activation of new occupancy arrangements and improvement of revenues to existing operations"
 - b) "There may be potential for additional ski lodge developments" within the PRR "through the utilisation of infill development, subject to planning and environmental approvals"
5. the market engagement process runs for June and July
6. people are asked to register their interest and sign a confidentiality agreement "to participate in the upcoming expression of interest process" - EOI.
7. the EOI is "to be released early August" and "to close mid-September"
8. this will be followed by a "Request for tender" (RFT) to "shortlisted parties by invitation only" with the release date yet to be confirmed.

Having expressed our views in the Joint Submission and not being a potential operator under a future "management model", SLOPES will not be a participant in this market engagement process.

However, as always we will monitor the next steps closely and keep Clubs informed.

Regards

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Frank Zipfinger
President
SLOPES

 **Perisher and Charlotte Pass Market Flyer.pdf**
485K



PERISHER RANGE RESORTS AND CHARLOTTE PASS

A rare opportunity to shape the future of the largest ski operation in the Southern Hemisphere





The NSW Government is inviting engagement from qualified domestic and international participants as it seeks to identify potential management models that will deliver innovative approaches to the long-term sustainability of the Perisher Range Resorts and Charlotte Pass ski fields in New South Wales.

THE VISION

Through the engagement of the private sector, the vision is to create a world-class, environmentally sustainable year-round alpine destination.

More specifically, the NSW Government seeks to:

- » identify a management model that will deliver year-round visitation and attractions while balancing the needs of the sensitive alpine environment
- » ensure the long-term financial sustainability of the Resorts
- » enhance the important economic and social benefits the Resorts provide to the local community and the New South Wales economy
- » develop the Resorts as a world class, best practice year-round recreational alpine destination.



J Spencer/OEH



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THE RESORTS

Perisher Range Resorts and Charlotte Pass (the Resorts) are located within Kosciuszko National Park in NSW.

Although sightseeing, bushwalking and cycling are some of the recreational activities undertaken within Kosciuszko National Park, the seasonal presence of snow is the principal drawcard for many domestic and global visitors to the region.

The ski season traditionally starts at the beginning of June, with the most reliable snowfall during July and August.

Snow-making machines are used to extend the natural ski season.

Perisher Range Resorts are an amalgamation of four villages: Perisher Valley, Smiggin Holes, Guthega, and Blue Cow and their associated ski fields.

Together with Charlotte Pass these resorts form one of the largest ski operations in the Southern Hemisphere, attracting more than 1.1 million visitors each winter. With the significant inbound tourist growth in Australia, particularly from Asia, the Resorts offer an exciting opportunity to capture and realise the future potential of tourism.



Cohen/OEH

Perisher Range Resorts

Perisher Range Resorts is known as Australia's most popular snow holiday destination. The resort area holds 47 lifts moving over 53,000 skiers per hour and accessing an immense 1,245 hectares of snow-covered terrain.

The Resorts have various facilities including the ski area interface, ski-tube and transport terminals, commercial accommodation and facilities, bars, hotels, restaurants and community services.

Charlotte Pass

Charlotte Pass is the highest Ski Resort in Australia. Charlotte Pass Village sits at 1,765 metres offering a unique snow experience.

Charlotte Pass attracts an average of 31,000 skiers per year and receives some of the most consistent snowfalls delivering high quality natural snow.

Charlotte Pass offers a range of social amenities such as ski-in ski-out accommodation, hotels, restaurants, bars and cafés.

THE OPPORTUNITY

Year-round resort activation

It is the Government's vision to build a world class year-round tourist destination in the Resorts.

The activation of other seasonal activities, including sightseeing, bushwalking, fishing and cycling, will help achieve the increase of 'all season' activities, improve the quality of the experience for visitors and realise the huge tourism potential for the Resorts over the long term.

This also provides an opportunity to develop a sustainable future for the region.

Alternate management model

The NSW Government is inviting the market to propose a management model that will deliver the future vision. The model structure could consist of a Head Lease or alternative management arrangement.

The flexibility surrounding the model structure ultimately presents a unique opportunity for the market to partner with the Government to deliver the vision noting that Government will retain ownership of the land.

Lease arrangements and associated revenue

Perisher Range Resorts

The Perisher Range Resorts includes a total of 125 commercial and club lodge leases to a number of different commercial entities as well as a Consolidated Mountain Lease (CML) and Ski Area Licence in favour of Perisher Blue Pty Limited. The CML which includes an amalgamation of 10 separate leases for ski lifts, the ski-tube and the associated infrastructure. The CML expires in June 2048 and PBPL has an option to renew the CML for a further 20 years.

This together with the addition of 125 club and commercial leases, delivers a solid revenue stream. Additionally, there is the opportunity to create future revenue streams through the activation of new occupancy arrangements and improvement of revenues to existing operations.

Charlotte Pass

A Head Lease at Charlotte Pass incorporates 11 commercial and club lodges, as well as a separate stand alone lease over a club lodge. The current leases at Charlotte Pass expire in October 2017 creating exceptional potential.

Perisher Village development

The existing Perisher Valley carpark area of approximately 3 hectares, has been identified, through approved concept planning, as a potential development site for the Perisher Village.

The concept plan provides for additional accommodation of up to 178 apartments adding 800 new beds. It also includes a total of 4,084 square metres ground floor retail space and public village domain.

Development of the village will assist in promoting the resort and broaden the Perisher Range Resorts beyond the winter season, into a year-round destination, welcoming domestic and overseas guests.

Additional development

Infill development

There may be potential for additional ski lodge developments within the Perisher Range Resorts through the utilisation of infill development, subject to planning and environmental approvals. This will further assist the growth of the village precinct and improve the visitor experience.

Future development

Further additional development opportunities may exist for expansion of infrastructure and facilities to enhance the visitor experience subject to the plan of management and relevant environmental approvals.



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NEXT STEPS

We welcome your views and insights into potential management models to support the overall vision of the Resorts and shape the future of the largest ski operation in the southern hemisphere.

To share the journey and participate in this rare opportunity, please:

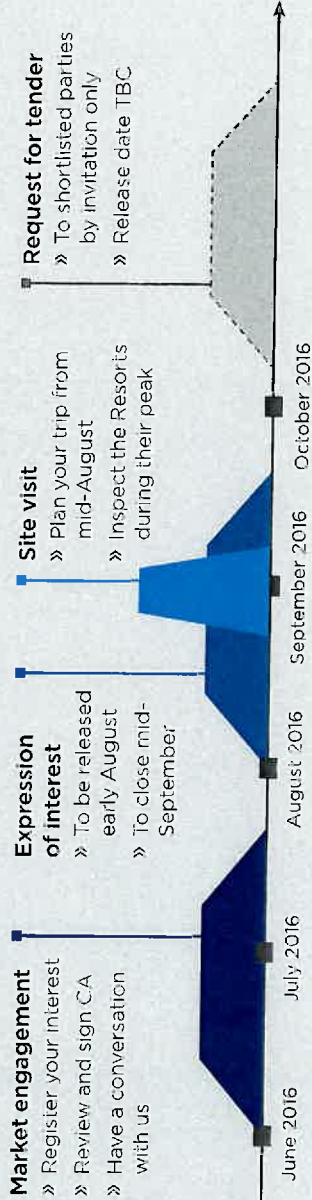
1. Register your interest.
2. Review and sign a confidentiality agreement to participate in the upcoming expression of interest process.
3. Contact us for further information or enquiries:

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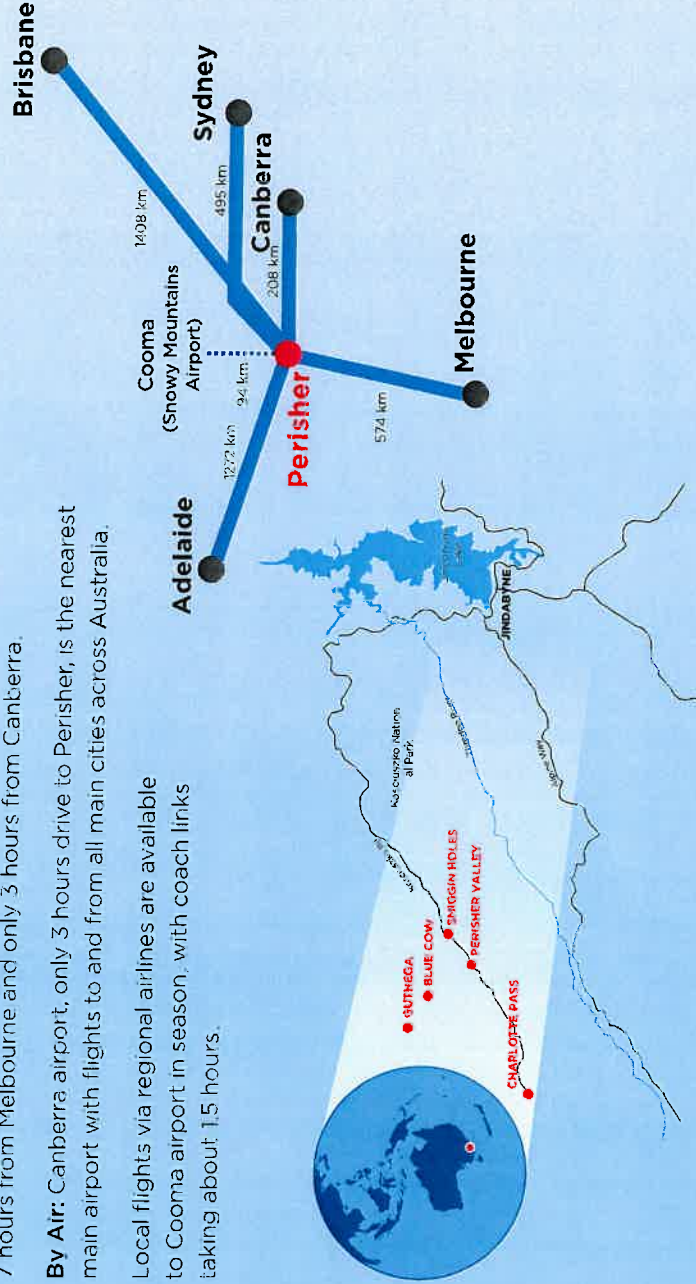


Planning your site inspection

By Car: travel duration is approximately 5–6 hours from Sydney, 7 hours from Melbourne and only 3 hours from Canberra.

By Air: Canberra airport, only 3 hours drive to Perisher, is the nearest main airport with flights to and from all main cities across Australia.

Local flights via regional airlines are available to Cooma airport in season, with coach links taking about 1.5 hours.



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Perisher Range Resorts and Charlotte Pass

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See also www.environment.nsw.gov.au

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