

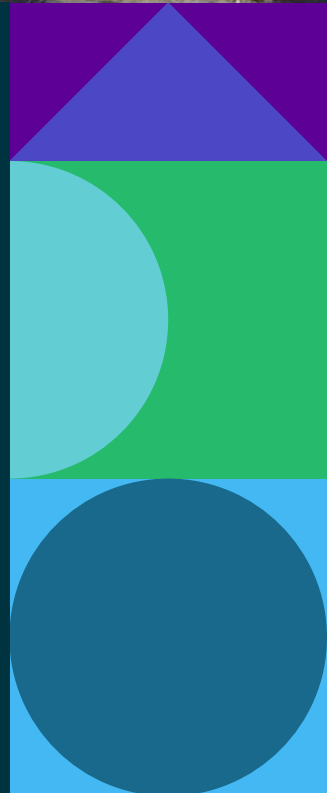


Alpine Resorts
Victoria



**Lake Mountain and
Mt Baw Baw Alpine Resorts:
Expression of Interest Invitation**

*Landmark opportunity to
re-imagine iconic alpine resorts*



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Acknowledgement of Country

Alpine Resorts Victoria respectfully acknowledges the Traditional Owners and Custodians of the Countries on which we work and live. We acknowledge their cultural and spiritual connections to land, sea, waterways, flora and fauna. We consider with regard the Ancestors, and the current Elders for their contributions.

Expression of Interest Overview

A rare opportunity exists for suitably experienced commercial operators to play an important role in reinvigorating and reimagining one or both of Victoria's well loved alpine destinations - Lake Mountain and Mt Baw Baw.

ARV is seeking to explore a wide range of innovative ideas of scale and potential partnerships for revitalising the resorts, encompassing the management of commercial and essential resort services, to deliver a vibrant, future-forward, financially sound vision.

Background

Victoria is home to six alpine resorts – Falls Creek, Mt Hotham, Mt Buller, Mt Stirling, Mt Baw Baw and Lake Mountain. The management and strategic development of the resorts is the responsibility of Alpine Resorts Victoria (ARV), a new entity that came into effect on 1 October 2022 to amalgamate the governance arrangements of these resorts.

The alpine resorts are situated on Crown land and governed by the requirements of the *Crown Land (Reserve) Act 1978* and the *Alpine Resorts (Management) Act 1997*.

Collectively the resorts attract nearly 1.4 million visitors annually, generate \$2.14 billion in annual economic output and provide over 12,000 full time equivalent regional jobs.

ARV is committed to setting operating models for Mt Baw Baw and Lake Mountain that will enable them to achieve financial sustainability. To that end ARV is seeking to explore a wide range of innovative ideas of scale and potential partnerships for revitalising the resorts, encompassing the management of commercial and essential resort services, to deliver a vibrant, future-forward, financially sound vision.

The Opportunity

The resorts offer extensive opportunity for activation and reimagination with abundant natural assets, breathtaking scenery, proximity to Melbourne, and a range of facilities and existing services that make both resorts compelling tourism and commercial propositions.



Mt Baw Baw and Lake Mountain are well loved alpine resorts, known for providing many Victorians with their first alpine experience.

The majority of visitation at both resorts occurs in winter, and focuses on snow-related activities – snowplay, tobogganing, cross-country skiing, and – at Mt Baw Baw – downhill skiing. However, both of these resorts are low altitude, so attract less natural snow falls than the bigger resorts in ARV's portfolio, like Mt Buller, Mt Hotham and Falls Creek.

In summer, visitation is primarily associated with nature-based activities, including walking, mountain biking and trail running, which utilise both trails within the boundaries of the resorts as well as adjacent land managers.

Designated as 'Alpine Resorts' distinct from National Parks, State Forest and local government managed municipalities, these destinations have been managed by government entities that have been unable to deliver a commercially viable model for Lake Mountain and Mt Baw Baw. Within this context, ARV is looking to test the market to identify commercial operators who have the capacity and vision to turn these resorts around and provide them with a vibrant and sustainable future.



ARV is seeking expressions of interest from suitably experienced entities to propose commercially viable solutions for taking over the complete operations of one or both of these resorts on a year-round basis. This includes the effective and efficient delivery of essential resorts services and land management responsibilities, as well as the development, management and promotion of commercial visitor services.

The priority for ARV is to enter a long-term arrangement (or arrangements) that supports the vision for the financial viability of the resorts, for the benefit and enjoyment of many, for years to come.

ARV is also open to proposals that do not conform with all components of this EOI yet still provide sustainable commercial outcomes for Lake Mountain and/or Mt Baw Baw.

The Resorts



Lake Mountain

Located adjacent to the Yarra Ranges National Park, 118 kms from Melbourne, the resort covers an area of 465 hectares, comprising of toboggan slopes, cross country trails, walking and bike trails, a visitor centre and administration building, which are all situated at an elevation of approximately 1400m. The resort's summit elevation is 1,433m.

The resort buildings are positioned around the snow play area that includes four toboggan slopes and two magic carpets. XC walking and bike trails circle out from the village. Various workshop buildings are located beyond the public areas.

Lake Mountain area is known to contain at least 265 native and 19 introduced flora species. Major vegetation communities comprise of a number of distinct vegetation communities, alpine or sub-alpine snow gum woodland, sub-alpine wetlands and montane forest.

Lake Mountain is entirely off-grid in terms of energy and water supply. Whilst snowmaking water is available, potable water must be transported from outside the resort.

Mt Baw Baw

Mt Baw Baw is located on the southwest face of the Baw Baw Plateau, two and a half hours' drive east of the Melbourne CBD. Mt Baw Baw has a summit elevation of 1565 metres and gently sloping terrain with gradients of 15% to 25%. It consists of and is surrounded by a rich variety of diverse alpine and subalpine native vegetation.

Whilst the resort covers 355 hectares, just 37 hectares have been developed. Developed land includes groomed ski runs, six ski lifts (tows), several terrain parks, two toboggan runs and ten kilometres of groomed cross-country ski trails. The resort village has 43 surveyed sites, 34 of which are developed.

Mt Baw Baw has accommodation, public buildings and commercial venues centrally located at the base of a number of ski runs and summer trails.

Mt Baw Baw's energy is off-grid, using a combination of diesel and LPG. Water, including potable water, is available in resort.



The Resorts

Overview of the resorts

	Lake Mountain	Mt Baw Baw
Resort hectares	465	355
Skiable hectares (downhill)	0	35
Leases (number)	3	19
Number of beds	0	600
Carpark capacity (vehicles)	1,050	700
Lifts (number and type)	2 carpets	6 tows, 2 carpet
Toboggan slopes	2	2
Cross country ski trails	37kms	10kms
Mountain bike / walking trails#	46kms	12kms
Summer visitation (5-year average) *	38,200	43,800
Winter visitation (5-year average) *	120,000	71,000

* 5-year average 2017–2023 not including 2020, 2021.

Note: trails crossover between the resort and the adjoining national parks. Not all are managed by ARV.

Markets

Both resorts primarily attract visitation from Melbourne, due to proximity, both in summer and in winter.

In winter, a significant portion of visitors are from Culturally and Linguistically Diverse (CALD) backgrounds, primarily the Indian subcontinent and southeast Asia. The markets are heavily skewed to the 'first-timer', 'new to snow' audience, especially families and friendship groups.

Recent research undertaken by ARV indicates that in winter both resorts act as feeder resorts to the larger northern resorts with many visitors having their first snow experience and Mt Baw Baw or Lake Mountain.

In summer visitation is linked to the activities available, ie biking and walking, and sees a much smaller audience.

Submissions



Interested commercial operators are advised that the following criteria will be used in the evaluation of submissions.

- > Experience and credentials managing operations at a similar scope and scale.
- > Ability to deliver a viable operating model at one or both of the resorts that is sustainable over a long-term horizon.
- > Ability to deliver a visitor experience that meets an identified market.
- > Capacity to manage essential resort services (sewage, water, power etc) to meet service level expectations and all compliance obligations.
- > Extent to which the proposed concept is realistic and achievable at either one or both of the resorts, and capable of operating independently of State Government support.
- > Extent to which proposal aligns with the *Alpine Resorts Strategic Plan 2020–2025* and *Alpine Resorts (Management) Act 1997*.

Timelines

2 December 2024

- > EOI opens on Buying for Victoria

9 December 2024

- > Mandatory online briefing

11 December 2024

- > Lake Mountain site visit

12 December 2024

- > Mt Baw Baw site visit

7 February 2025

- > Closing date

Where to find out more

For the full Expression of Interest document go to:
www.tenders.vic.gov.au

For further information on the EOI process please contact:
info@alpineresorts.vic.gov.au



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