

Tourism Opportunities Plan

Report

Prepared for Kiama Municipal Council

July 2018



KIAMA
MUNICIPAL
COUNCIL



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DISCLAIMER

The information and recommendations provided in this Tourism Opportunities Plan are made on the basis of information available at the time of preparation and the assumptions outlined throughout the document. While all care has been taken to check and validate material presented in this report, independent research should be undertaken before any action or decision is taken on the basis of material contained in this report. This report does not seek to provide any assurance of project viability and EarthCheck accept no liability for decisions made or the information provided in this report.

ACKNOWLEDGEMENT

Images used throughout this document are courtesy of Destination New South Wales and Destination Kiama.

Cover photo courtesy Karen Ronning.



EARTHCHECK



Glossary of Terms

ALOS Average Length of Stay

DNSW Destination New South Wales

DSSS Destination Sydney Surrounds South

LEP Local Environmental Plan

MICE Meetings, Incentives, Conventions and Exhibitions

NPWS National Parks and Wildlife Service

OVE Overnight Visitor Expenditure

RMS Roads and Maritime Service

TOP Tourism Opportunity Plan

TRA Tourism Research Australia

VFR Visiting Friends and Relatives

Executive Summary

Purpose of the Tourism Opportunity Plan

Great tourism destinations thrive on experiences – the all-important ‘reasons to visit’. Without investment or reinvestment in these experiences, the Kiama region will not achieve its potential as a destination.

The Kiama Tourism Opportunity Plan (TOP) provides direction on the public and private sector investment and activation opportunities which will be instrumental for Kiama in achieving its economic, community and environmental ambitions over the next decade.

The Tourism Opportunity Plan seeks to:

- Identify and prioritise new and improved tourism experiences that add to quality of life and amenity for communities;
- Identify infrastructure requirements that support the ongoing sustainable development of tourism in the Kiama area;
- Facilitate and encourage investment which protects and enhances our high quality environments; and
- Provide a framework for tourism development in the Kiama area.

The focus of the Plan is on growing tourism value, rather than growing outright visitor numbers. This will be achieved through experiences which encourage more visitors in off peak and shoulder periods, increasing expenditure by visitors, and supporting activity which encourages growth in twilight and evening economies.

Effective partnerships with businesses and communities are essential in leading to activation and investment which deliver experiences that complement and add value to Kiama’s landscapes, precincts and existing tourism experiences.

Hero Tourism Experiences

A set of four hero experiences have been established as part of the plan preparation process. The hero experiences define what is special about the destination – what makes it stand out from its competitors. They reflect the reality of what visitors and communities can experience at present as well as an aspirational ‘developmental’ component. In the context of this study, definition of the hero experiences is important - if development opportunities do not complement, improve or address deficiencies in the destination’s current offering they have not been prioritised.

Hero Experience 1.

Hero 1: The traditional seaside lifestyle of Kiama gives residents and visitors an opportunity to rejuvenate, nourish and reconnect, where locals swim, bodyboard, surf and walk to the thundering sound of the blowhole, before the day’s work begins. Natural beauty and the region’s rich heritage are reflected in the region’s art and events, year-round.

Hero Experience 2.

Hero 2: Kiama's dramatic coastline and emerald backdrop delights and invigorates locals and visitors as they enjoy the iconic Coast Walk, spotting wildlife in the water, land and air.

Hero Experience 3.

Hero 3: Saddleback Mountain walks and lookouts provide unparalleled panoramic views across the Illawarra Escarpment, Jamberoo Valley, lush Kiama region dairy-country and stunning coastline. The awe-inspiring view entices visitors to experience the diversity of the townships, villages and natural landscape below.

Hero Experience 4.

Hero 4: Kiama region is the perfect destination for families, from the beaches to adventure parks, trails, and variety of family-friendly dining and accommodation.

The Plan identifies the following priorities:

Beach and Foreshore Activation Program

The region's beaches and beach life represent a core part of its appeal as a destination – sensitive activation which builds yield (average daily visitor expenditure) and encourages greater volumes of visitation in shoulder seasons and in twilight/ evening periods provides a great opportunity for continued growth in the visitor economy.

Elsewhere in Australia, surf life saving clubs are often focal points for visitor activity in coastal destinations – the business model is especially common throughout Queensland.

The region's surf lifesaving clubs (Kiama, Kiama Downs and Gerringong) are located at sites that provide prime opportunities to grow the visitor experience and create opportunities to generate expenditure by visitors. The clubs offer potential for tourism activation – in practical terms, this means offering opportunities such as:

- Food and drink / dining;
- Entertainment; and
- Services i.e. equipment hire, recreation opportunities.

The services can be offered directly by the club, or via contractual relationships with commercial partners. The benefits of successful implementation would be twofold - revenue to support club operations, and supporting growth in the region's visitor economy.

A range of additional opportunities are also potentially available to support activation of the Kiama area's beaches and beachfront areas:

- Lighting of identified foreshore areas in Kiama, Gerringong and Gerroa, providing welcoming and safe environments which encourage twilight and evening visitation;
- Foreshore activation to provide the opportunity for temporary food and drink vendors, food trucks etc;
- Potential opportunities for businesses (via EOI processes) to run service and activity concessions on beaches;
- Investment in infrastructure and amenities which supports the Kiama area's beaches and beachfront areas as event venues and destinations. This could include temporary/demountable event infrastructure which can be used for a range of beach-based events such as street dressing collateral, temporary staging/ seating etc;
- Adaptive reuse or conversion of the Kiama Showground stables offers potential as a functions space which is suitable for activities such as 'sunset' drinks, food stall events etc.

If all visitors who participate in coastal and aquatic activities increased their daily average expenditure by \$15 per capita, in 2023, an additional direct economic value of \$11.4M and \$8.8M¹ of indirect benefit could be generated for the Kiama area's economy. These economic benefits have the potential to support 155 direct jobs and 61 indirect jobs.

Headland, Harbour and Foreshore Activation

The harbour and foreshore are attractive environments at the heart of Kiama. The vision is that it should be recognised as one of the South Coast's premier visitor precincts, driving awareness and perception of the Kiama area as a great place to visit. Implementation of a master-planned approach has the opportunity to deliver an experience mix which:

- Builds visitor yield through providing spending opportunities;
- Encourages greater average length of stay by visitors;
- Appeals to a broad mix of leisure visitors;
- Drives visitation into shoulder and off-peak periods; and
- Attracts and provides options for visitors during twilight and evening period as well as during the daytime.

It is envisaged that projects will be planned through a comprehensive site and precinct plan. Given the central location, assets which appeal to a wide range of visitor audiences, and the need to more effectively monetise experiences provided to visitors, are priorities. Considerations include:

- A new design-led 'signature' visitor attraction on the headland;
- Nature-based tourism - activation of the Blowhole;
- Visitor information, wayfinding and interpretation;

¹ NSW State Regional Tourism Satellite Accounts, Deloitte

- Food and drink / dining options which appeal to a range of audiences
- Place-making, streetscaping and amenity improvements, including infrastructure which facilitates events, pop-up experiences, and connecting the headland to Kiama CBD, arts precinct and Hindmarsh Park;
- Reinvigorating existing infrastructure and facilities; and
- Re-purposing some of the current elements of the site to create new community and visitor experience opportunities.

If 15% of day visitors extend their stay by 1 hour, and 10% additional spend is generated from domestic overnight visitors (50% of the OVE market) due to the increased attractions in the headland and foreshore, in 2023, an additional direct economic value of \$9.26M and \$7.13M² of indirect benefit could be generated for the Kiama area's economy. These economic benefits have the potential to support 126 direct jobs and 49 indirect jobs.

Activating Walking and Trail Experiences

Stakeholder consultation and market research identified a range of walking and trail development opportunities as being important components in the ongoing development of the Kiama area as a destination. Priority game-changer projects by Council's Walking Tracks and Cycleways Committee were:

1. Expansion of the Kiama – Gerringong Coastal Walk to Gerroa. This project would build on the success of the current walk, and new initiatives such as the Minnamurra Boardwalk. It would transform the current experience into a multi-day activity, encouraging length of stay and the growth of additional support services and experiences, including guided walks.
2. Saddleback Mountain Iconic Walk – this trail is a proposed 29km multi-day walk from the iconic Saddleback Mountain Lookout across to Macquarie Pass, passing through spectacular scenery, forest and with views of waterfalls and lush green farmland; crossing through multiple jurisdictions.

If average daily expenditure of day visitors who currently participate in walking activities is grown by \$10 per capita; and the region is successful in growing its share of the Destination Sydney Surrounds South area's walking market from 16.8% to 18% in 2022 an additional direct economic value of \$5.43M and \$4.18M³ of indirect benefit could be generated for the Kiama area's economy. This expenditure has the potential to support 74 direct job and 29 indirect jobs.

Jerrara Dam Activation Options

The Jerrara Dam site provides an interesting tourism activation opportunity for the Kiama area - the Dam's location between Kiama and Jamberoo/ Minnamurra opens up a range of opportunities for adaptive reuse of the site, with potential to link up with trail networks in the surrounding areas and complement nearby visitor experiences at Minnamurra Rainforest, Jamberoo Action Park, Illawarra Fly and in Kiama.

Given the rural surroundings, a range of potential opportunities for activating the site are available including:

² NSW State Regional Tourism Satellite Accounts, Deloitte

³ NSW State Regional Tourism Satellite Accounts, Deloitte

- Further development of low-impact nature-based opportunities (trails, interpretation, nature-based activities, linking with trails in the surrounding area);
- A focus on soft adventure, including the opportunity for an outdoor sport and recreation centre type of operation (family, school group markets);
- Eco-accommodation - light frame builds that are suited to the character of the site, linking with the nature based opportunities on site; and
- Health and wellness activation – either operating as a day facility or provided in conjunction with onsite accommodation.

Analysis indicates that the optimum opportunities for site activation are most likely to be via:

- Outdoor recreation provision, linked with eco-accommodation provision;
- Investigating opportunities to attract modest scale health and wellness business operations to the site.

Visitor Accommodation

As part of encouraging sustainable tourism growth, Kiama needs to expand its commercial accommodation offering to visitors, providing the opportunity to attract larger volumes of overnight staying visitors. There is a need to expand the region's accommodation stock through attracting new investment in:

Larger scale hotel accommodation

Strategically, Kiama would benefit from at least 1 additional large-scale hotel property, providing the opportunity for the destination to grow its overnight visitor market and easily provide accommodation for larger groups.

Based on current understanding of the marketplace, investment/market fundamentals are not ideal to attract the type of investment necessary in the short-term, however it should remain a strategic opportunity for Council to consider.

A specific site has not been identified for this type of opportunity, however a CBD or close to CBD site would be preferred.

Boutique hotel accommodation

As per the commentary on larger-scale hotel accommodation, similar rationales can be applied to seeking new boutique hotel accommodation in Kiama, however, given the smaller scale of development and capital required, this is potentially a more investible opportunity.

Farmstay accommodation

Adding additional farmstay accommodation presents an achievable means for the Kiama area to incrementally grow its commercial accommodation stock throughout the region. Type and scale of accommodation would vary on a site by site basis but would typically be in the form of farmhouse B&B or farm-based units and cabins.

Dependent on location, these opportunities will typically be linked to other nature-based opportunities including trails, walking and touring trips.

Eco-accommodation

Eco-accommodation has been mentioned at a number of junctures throughout this report, including the Jerrara Dam opportunity and the concept being pursued by Crooked River Winery and the Flash Camps opportunity at Saddleback. As per the commentary on farmstay

accommodation, dependent on location, these opportunities will typically be linked to other nature-based opportunities including trails, walking and touring trips.

Subject to successful development of trail and walking opportunities identified in this report, specific eco-accommodation opportunities on these trails will be important as part of their full activation.

Introduction



Kiama coastline, courtesy Destination New South Wales

Introduction

The Kiama Tourism Opportunity Plan (TOP) is intended to provide focus, a strong direction and associated actions to promote the sensitive development of tourism in the Kiama region over the next 10 year period. The project was identified as a priority in the 2018-2021 Strategic Tourism and Events Plan adopted by Kiama Municipal Council in late 2017. The TOP will sit alongside the upcoming events strategy and the Kiama Destination Marketing Plan.

The Plan has been prepared within the context of the visions held by Kiama Municipal Council and Destination Kiama.

Kiama Municipal Council Vision:

Working together for a healthy, sustainable and caring community.

Destination Kiama Vision:

The Kiama areas will welcome and inspire visitors year-round to experience our distinctive natural landscapes, relaxed lifestyle, arts, culture and events.

The TOP seeks to:

- Identify and prioritise new tourism products that grow overnight visitor expenditure (OVE), grow yield (increased visitor expenditure per day), and meet future visitor expectations and demand;
- Identify infrastructure requirements that support the ongoing sustainable development of tourism in the Kiama area;
- Bring forward new experiences which improve liveability for communities;
- Facilitate and encourage investment which protects and enhances the Kiama region's high-quality environments; and
- Provide a focal document for tourism development in the Kiama region.

Tourism destinations thrive on experiences – the all-important 'reasons to visit'. Without investment or reinvestment (either private or public sector) in these experiences, destinations are unlikely to generate the market cut-through that they are seeking.

The TOP is not a tourism strategy. The intent with the plan and the preparation process behind it is to engage businesses and communities, leading to investment which complements and adds value to Kiama's landscapes, precincts and existing tourism experiences.

Methodology

The project has been prepared following a number of key steps, as described in Figure 1.

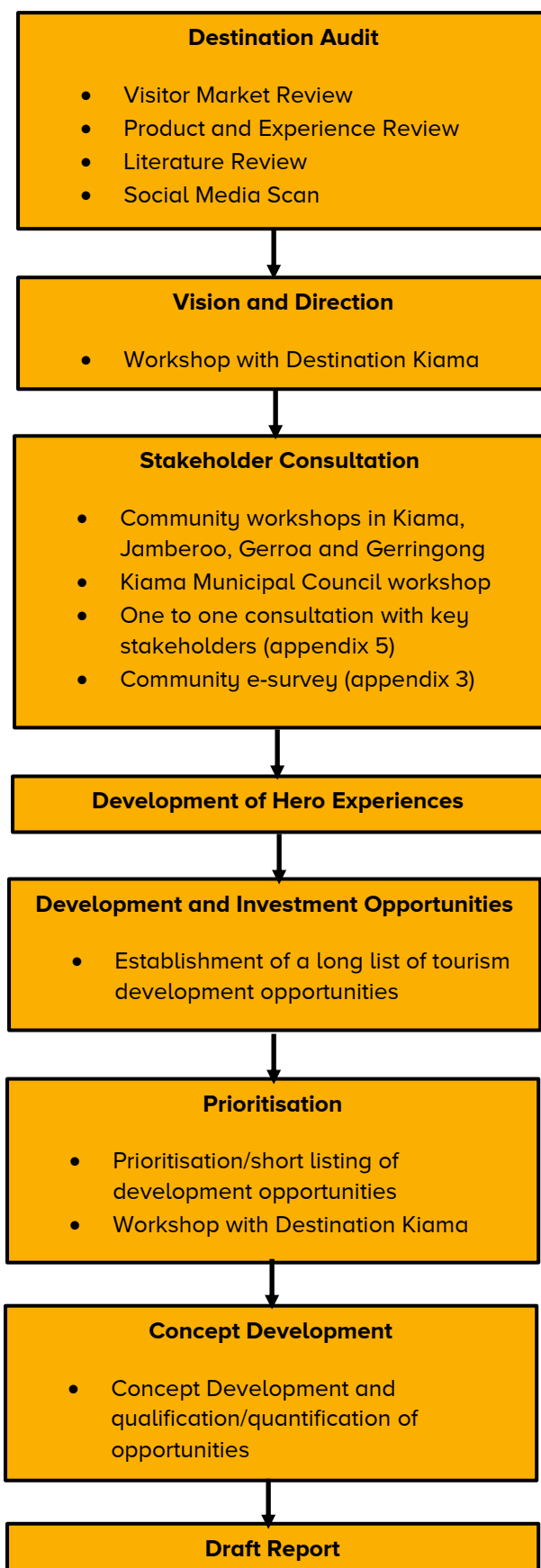


Figure 1: Project Methodology

Project Area

The Tourism Opportunity Plan covers the entire area within Kiama Municipal Council's boundaries.

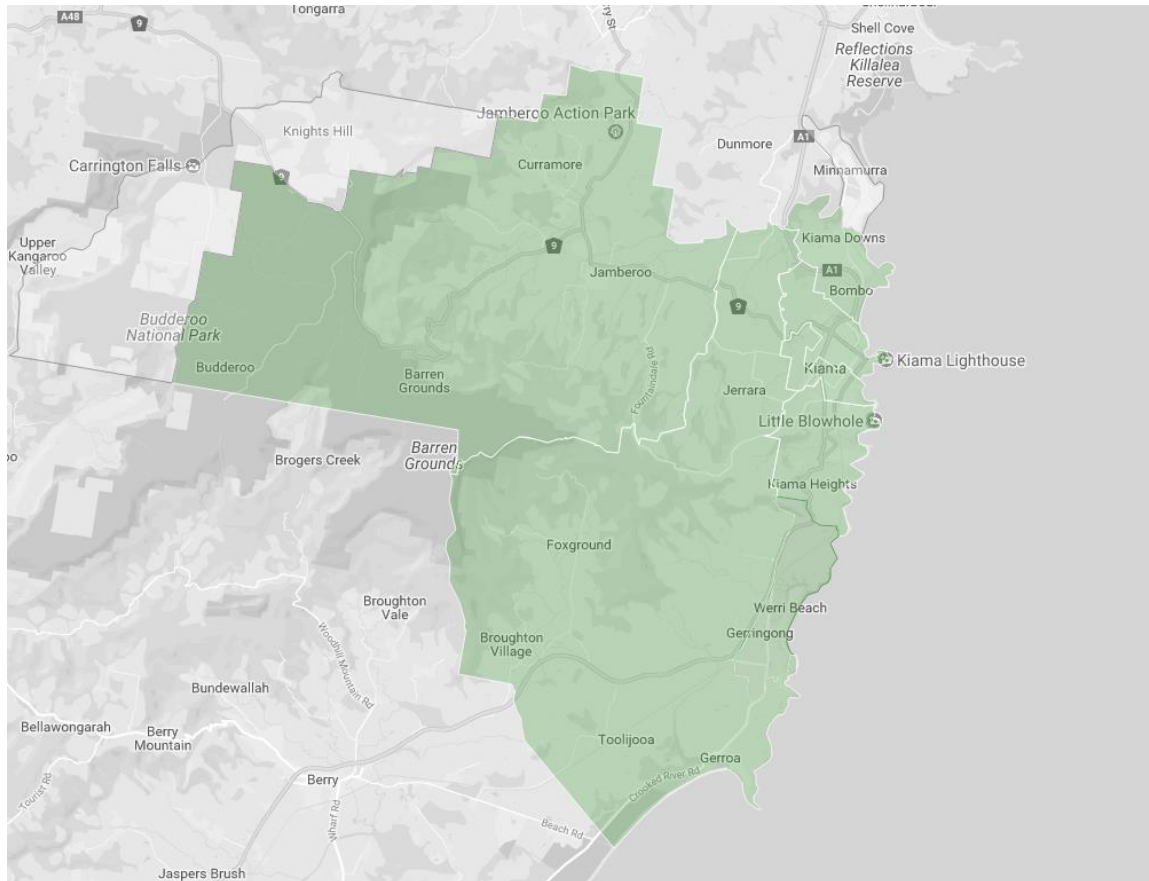


Figure 2: Kiama Municipal Council area, economy.id

Product and Market Review



Kiama Rockpools, courtesy Destination New South Wales

Tourism Market Review

Figure 3, below provides an overview of the Kiama area's visitor market characteristics⁴.

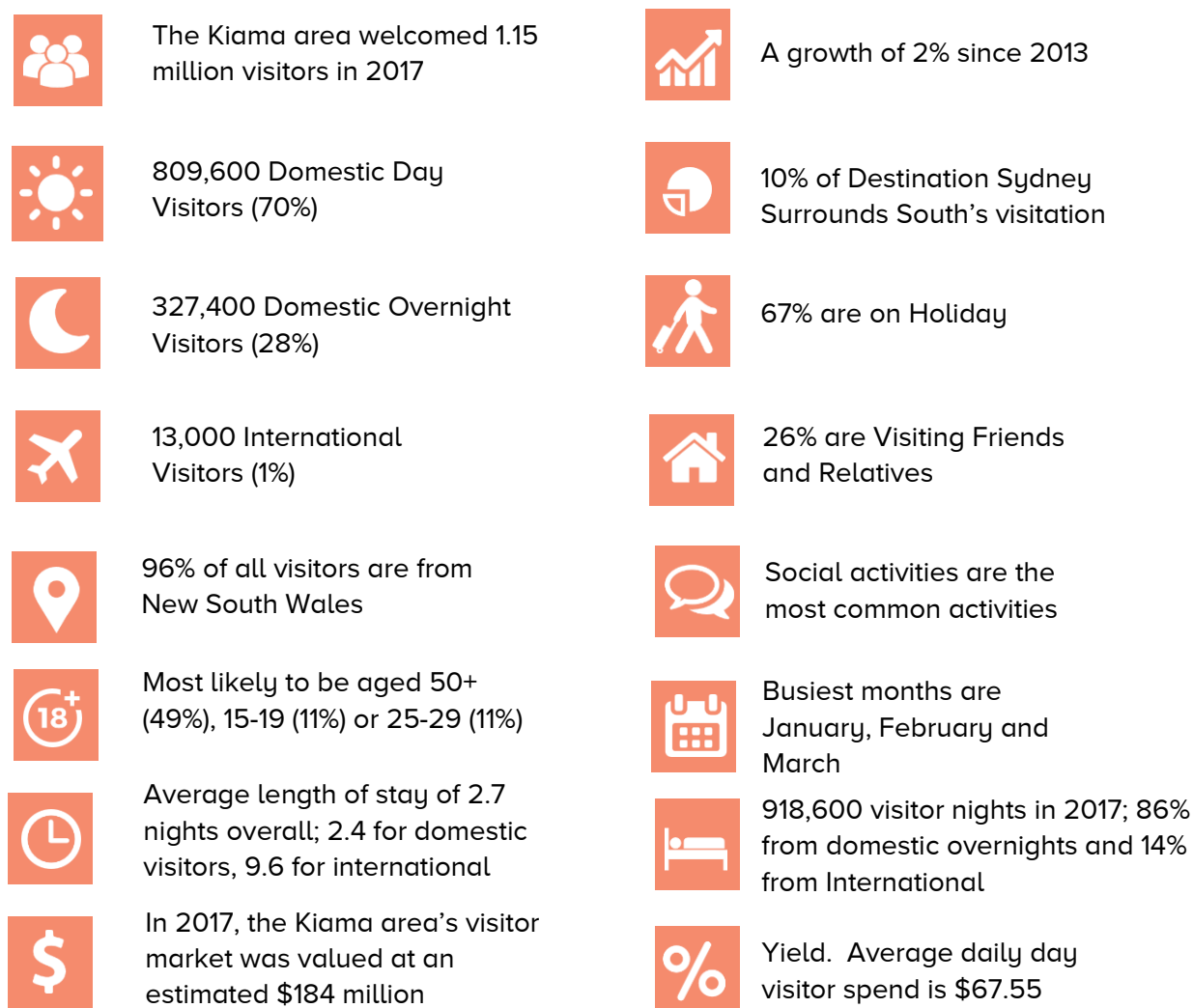


Figure 3: Visitor Market Overview

Looking to the future, if the Kiama area achieves expected growth (in line with national Tourism Forecasting Panel forecasts), total visitation is expected to exceed 1.36 million in 2023, with associated visitor expenditure expected to exceed \$237 million.

⁴ All statistics relate to the calendar year ending December 2017. Tourism Research Australia has advised that publication of international visitor data for the quarter ending March 2018 has been delayed. All statistics will be updated to the March 2018 quarter when this data is published.

From a tourism development and investment perspective, review of the Kiama area's visitor market highlights a number of key considerations;

- 1. Dominance of the day visitor market, driven by proximity to Sydney.** The Greater Sydney market is Australia's largest source market for domestic trips, opening up a wide range of opportunities for the Kiama area. Lack of potential demand is not a problem in this sense.
- 2. Holiday and Visiting Friends and Relatives (VFR) markets dominate.** Analysis of visitors' primary purpose of visit provides a clear picture - leisure is the dominant demand driver at present. However, the low-key nature of business activity is also important to note. This is especially important for hotels, who look to the business market for mid-week trade.
- 3. Seasonality.** In common with most NSW coastal destinations, the Kiama area exhibits marked seasonality in visitor numbers. Peaks and troughs in trading levels are important determinants when new private investment opportunities are being considered.
- 4. Mid-week/weekend variation.** The variation in visitor volumes is significant with mid-week periods tending to be quiet, especially outside the main holiday periods.
- 5. Age profile.** Analysis of TRA data suggests that older (55+) age groups are important to the Kiama area. Family groups also remain a core audience. This sort of demographic profile for the visitor market is an important consideration in terms of likely demand for new experiences.
- 6. International visitors.** The Kiama area's international visitor market is small at present – driven by VFR trips and day trips from Sydney. However, rapid and sustained growth from Asian market is set to be a primary demand driver over the next decade. Products and experiences which fit the expectations of these markets will be a consideration.
- 7. Length of stay.** The Kiama area has a relatively short average length of stay at 2.4 nights. It can be inferred that this is a function of location (proximity to Sydney and a range of competitor destinations nearby) as well as lack of depth in terms of experiences.
- 8. Visitor activities.** As would be expected, coastal and aquatic, and nature-based activities are especially popular with visitors, with going to the beach being the number one activity.
- 9. Visitor market trends.** The volume of millennial visitors to the Kiama area is relatively low at present, however, forecasts suggest that this will grow to be the dominant segment over the next decade. Destinations' ability to meet this market's expectation for authentic and personalised experiences will be essential.
- 10. Accessibility.** Proximity and easy access to Sydney is a notable strength in relation to the regions' largest visitor market. Access by train and upgraded infrastructure such as the Albion Park bypass will further reduce journey times.

Product and Experience Review

Appendix 2 contains an analysis of the Kiama area's current tourism products and experiences and provides, assessing the level of significance (local, regional, state) from a visitor perspective.

The region has obvious strengths in beach, coastal and nature-based experiences.

From the perspective of attracting new investment, analysis highlights a number of considerations;

- 1. Lack of 'Wow' factor.** Increasingly destinations are judged by their standout or signature experiences - the experiences that the destination is known for which act as key motivators for trips. The Blowhole is the feature most closely associated with Kiama, with the supporting experiences generally having a lower profile. New investment is needed to create new reasons to visit.
- 2. Visitor accommodation.** The profile of the Kiama's commercial accommodation stock is distinct – beds available from sharing accommodation outnumber commercial beds. Hotel stock is limited at present. The relatively low level of hotel stock is a function of a number of factors - large day visitor market, low level of MICE activity and the seasonal nature of the destination. From a longer-term perspective, increasing the depth and range of experiences is essential in terms of improving Kiama's appeal from an investment perspective
- 3. Trading patterns.** Kiama's visitor economy is strongly focused on day time activities, with twilight and evening experiences being limited at present. Consultation with stakeholders suggests that one of the challenges is that longer opening periods for shops and restaurants would need to be sustained by local demand as well as visitor markets. Anecdotal evidence suggests that local demand has traditionally been 'soft'. Demonstrating the scale of opportunity from the visitor economy to local traders is one element in addressing the challenges in this area.
- 4. Retail.** Kiama's high-quality environment and proximity to Sydney offers the expectation of a strong boutique retail offering which is attractive to communities and visitors. However, the retail offering is largely functional rather than a standout attractor for the destination.
- 5. Food and drink.** Visitor expectations in terms of authentic food and drink experiences have risen significantly over recent years - a base level of provision is an essential destination component, not an option. While the region has a number of artisan providers and larger businesses such as Crooked River Winery, lack of depth in service offerings means that it cannot currently be regarded as a 'foodie' destination.
- 6. Adventure.** The Kiama area has a strong set of 'soft adventure' experiences, including Jamberoo Action Park and Illawarra Fly as well as surf breaks and beaches to suit all tastes.
- 7. Family-friendly.** One of the region's core strengths is in its range of family-friendly experiences – ranging from soft adventure to beaches. A gap in the current offering is a lack of indoor experiences.
- 8. Nature-based experiences.** The Kiama area's coastline and hinterland provide nature-based options for visitors, including a network of trails and walkways. Ongoing development at Minnamurra will complement existing provision.

9. Monetisation. The majority of activities enjoyed by visitors to the Kiama area at present are relatively low value – informal walking, beach etc. While the Kiama area's average daily expenditure compares favourably with most of its south coast neighbours, more can be done to grow daily visitor yield.

10. Arts, culture and music. Kiama has an established arts, culture and music scene which forms an integral part of community culture as well as forming an important part of the overall visitor experience. Kiama's local indigenous experiences allow engagement with cultural heritage and insights into the local landscape.

11. Events. A strong program of events plays an important role in the Kiama area's overall offering to visitors. Leisure events such as the Jazz and Blues Festival, Bodyboard Slam, KISS Arts Festival, Jamberoo Music Festival, Gerringong Surf Music Festival, Rugby Sevens, Artisan Festival, Folk by the Sea leverage Kiama's culture and natural advantages. The weddings market is increasingly important to Kiama – the "Kiama I Do" initiative launched in 2018 was designed to position Kiama as a preferred South Coast wedding destination. Business Events also play an important role in Kiama's visitor economy, built around venues such as The Pavilion and hotels and other commercial conferencing facilities.

12. Accessibility and Inclusion. Kiama Municipal Council's Disability Inclusion Action Plan promotes equal rights for those from diverse backgrounds to participate in community life. This premise extends to visitor accessibility, and the Plan has committed to delivering training for business and community in order to both develop and promote Kiama as a leading accessible community and holiday destination for those with disabilities. A Kiama Mobility map highlights accessible services and experiences available across the region.

13. Indigenous experiences. While an extensive range of indigenous experiences are not currently easily accessible by visitors, the Wadi Wadi and Yuiu tribes' heritage offers a rich range of stories and opportunities. Destinations such as Gerringong and Bombo were good sources of ochre used in ceremonies, and many of the region's Aboriginal place names live on today i.e. Kiama, Bombo and Gerringong.

Defining Kiama's Hero Experiences



Werri Beach, Gerringong, courtesy of Jon Harris Photography and Destination Kiama

Hero Experiences

Based on product and experience analysis and input provided by Destination Kiama, a set of four hero experiences have been established. The hero experiences define what is special about the destination – what makes it stand out from its competitors. They reflect the reality of what visitors and communities can experience at present as well as an aspirational ‘developmental’ component.

In the context of this study, definition of the hero experiences is important - if development opportunities do not complement, improve or address deficiencies in the destination’s current offering they should not be prioritised.

Hero Experience 1.

Hero 1: The traditional seaside lifestyle of Kiama gives residents and visitors an opportunity to rejuvenate, nourish and reconnect, where locals swim, bodyboard, surf and walk to the thundering sound of the blowhole, before the day’s work begins. Natural beauty and the region’s rich heritage are reflected in the region’s art and events, year-round.

Supporting, Emerging & Aspirational:

Year-round seasonal produce, dairy, and paddock-to-plate experiences. Wellness activities - including spas, classes, lifestyle / fitness activities. Art / creative immersive experiences – masterclasses & workshops. Events throughout the year along with a vibrant but relaxed retail / shopping experience.



Beach, Kiama, courtesy of Destination New South Wales

Hero Experience 2.

Hero 2: Kiama's dramatic coastline and emerald backdrop delights and invigorates locals and visitors as they enjoy the iconic Coast Walk, spotting wildlife in the water, land and air.

Supporting, Emerging & Aspirational: A network of Signature trails suitable for walking and cycling throughout the Kiama region. Actively experiencing the destination, slowing down to experience the region's beauty.



Kiama Area Coastline, courtesy of DNSW

Hero Experience 3.

Hero 3: Saddleback Mountain walks and lookouts provide unparalleled panoramic views across the Illawarra Escarpment, Jamberoo Valley, lush Kiama region dairy-country and stunning coastline. The awe-inspiring view entices visitors to experience the diversity of the townships, villages and natural landscape below.

Supporting, Emerging & Aspirational: An iconic, multi-day walk from Saddleback Mountain to Macquarie Pass, with options for guided tours, unique accommodation and supported transport & dining experiences. Boutique, glamping / eco-accommodation linked to the Saddleback Mountain Lookout site. A trail of dairy-oriented farmgate and agritourism experiences, where visitors can taste, experience production and 'know the farmer' – connecting with the place and people. Minnamurra (Budderoo NP), Cathedral Rocks and Bombo Quarry offer a diversity of walking and nature-based experiences throughout the area.

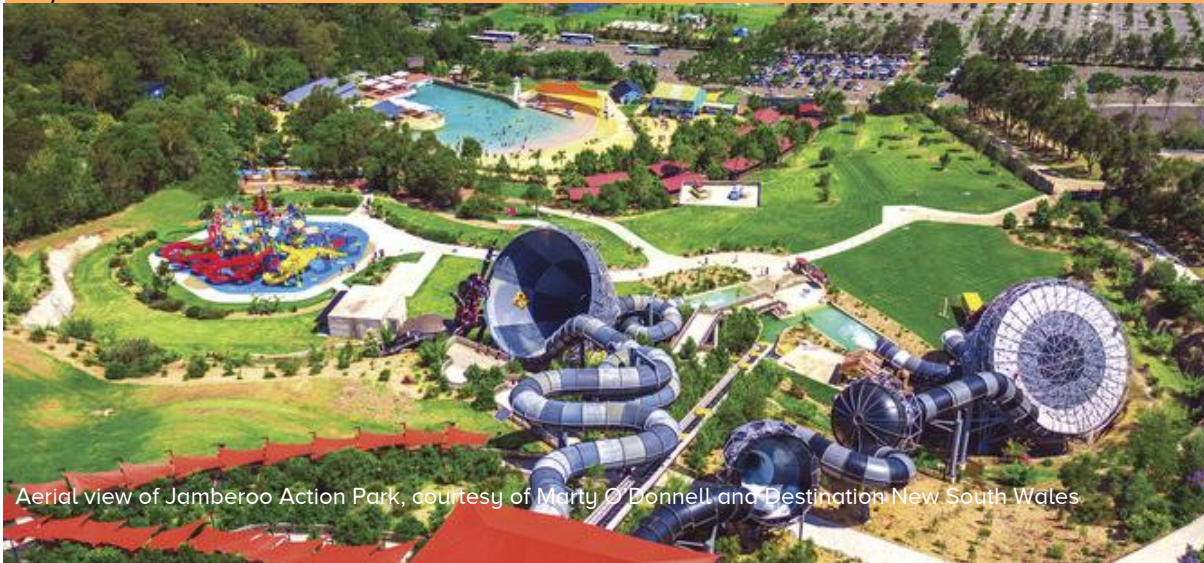


View from Saddleback Mountain lookout, courtesy of Emma Knezvic

Hero Experience 4.

Hero 4: Kiama region is the perfect destination for families, from the beaches to adventure parks, trails, and variety of family-friendly dining and accommodation.

Supporting, Emerging & Aspirational: Active adventure, nature-based experiences including the Kiama Area's trails and Minnamurra Rainforest Centre, and evolving experiences on offer at the Jamberoo Action Park and Illawarra Fly. Agritourism and farmstay experiences will offer families interactive, immersive experiences, and activation of Surf Club precincts will add new opportunities as part of the traditional beach-going experience.



Aerial view of Jamberoo Action Park, courtesy of Marty O'Donnell and Destination New South Wales



Zipline – Illawarra Fly, Illawarrafly.com.au

Tourism Development and Investment Opportunities



Long List of Development Opportunities

As the first stage in identifying development opportunities for the Kiama area, a long-list of concepts was compiled from desktop research and stakeholder consultation. In addition to a series of one to one meetings with key stakeholders, community workshops in Kiama, Jamberoo, Gerroa and Gerringong, a workshop with Council, a community e-survey was also carried out.

A summary of the community survey results is included in Appendix 3.

Table 2: Longlist of Tourism Development Opportunities (Precinct and Place Building)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Precinct/ Place Building			
Activation of Kiama Harbour and Headland precinct	<p>A master-planned approach to activating and delivering the full tourism and community potential of Kiama Harbour, foreshore and Headland. Comprehensive activation has the potential to incorporate;</p> <ul style="list-style-type: none"> • Review of space/ usage allocation including VIC, tennis courts, scout hut, cabins • Consideration of new opportunities that monetise visits • Mooring and berth capacity in the harbour is constrained - focus on foreshore activation • Creation of a major visitor experience in the vicinity of the sites occupied by the cabins - opportunity for a building design which is iconic in its own right • Upgrading the blowhole experience (interpretation, lighting) • Opportunities for activation could include; gallery, interpretative centre telling the story of Kiama, aquarium, signature restaurant, museum etc • Creation of twilight and night-time experiences - lighting/evening water shows in the harbour, activation via use of pop-up experiences, creation of events/performance spaces etc 	General concepts based on previously discussed opportunities	<p>Crown Land permission required</p> <p>Existing leases</p> <p>Business merit of individual proposals</p>

Table 3: Longlist of Tourism Development Opportunities (Arts and Culture)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Arts and Culture			
Orry Kelly permanent collection & fashion festival	Display of Orry Kelly fashion and artworks to celebrate his connection to Kiama, fashion festival inviting stars	Initial concept	Venue, access to collection, investment required to stage the event / house collection; ACMI have held an Orry Kelly Exhibition however do not own any display items - all returned to owners after the exhibition.
Public art program	Themed bollards or alternative structures throughout the region	Initial concept	Program funding - public sector, commercial sponsorship, philanthropy
Johnny Warren - permanent exhibition	Opportunity to establish a permanent exhibition, telling the story of Johnny Warren - potentially in Jamberoo	Initial concept	A site not yet identified; Details of collection unclear
New Kiama Arts Precinct	Development of new arts precinct at Hindmarsh Park location. To deliver from a tourism perspective, opportunities include; <ul style="list-style-type: none"> • Flexible performance events space • Creation of an indoor space - currently lacking in Kiama • Iconic design which in itself can be an attractor • Programming and collections which are attractive to visitors Programming based on active engagement - opportunities for active participation	Development concept which has previously sought funding	Resources

Table 3: Longlist of Tourism Development Opportunities (Precinct and Place Building) cont.

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Arts and Culture			
Public art program, sculpture trail	Investment in public art to create points of interest/ iconic design that's associated with Kiama. The UK's 'angel of the north' is a large scale example of public art that has played a demonstrable role in perception change http://www.bbc.com/news/uk-england-tyne-42426028 . Sculpture by the sea provides another approach to using public art as an attractor http://sculpturebythesea.com/	Initial concept	No formal sites or programs yet developed council-owned sites provide straightforward options, but roadside locations would require RMS approval
Visitor immersive art experiences	Visitor itineraries / programs featuring art classes on offer by local artists / groups. Links to wellbeing and food and beverage, local produce and active challenges. Wellness and creativity links.	Partially developed concept. Classes available, but not coordinated itineraries and promoted experiences.	Resourcing, partnerships need to be in place and marketing initiatives.

Table 4: Longlist of Tourism Development Opportunities (Beach life)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Beach life			
Surf club activation	Development of the region's surf clubs to become visitor hubs restaurant, bars, entertainment venue, potentially onsite accommodation	Initial concept	From a business perspective the opportunities are dependent on the Clubs' interest in this type of initiative

Table 5: Longlist of Tourism Development Opportunities (Nature-based Experiences)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Nature-based Experiences			
Saddleback Mountain walking track	29km walk from the iconic Saddleback Mountain lookout site to Macquarie Pass, multi-day walk primarily traversing National Park and incorporating overnight stops	Partially developed concept	NPWS involvement / priorities - yet to be determined
Expanding Kiama - Gerringong coast walk to Gerroa	Expanding Kiama - Gerringong coast walk to Gerroa	Fully developed concept	Private land ownership / inability to procure easement
Leverage the potential of NSW Parks investment at Minnamurra Rainforest	<p>Concept opportunities include;</p> <ul style="list-style-type: none"> • Position Jamberoo as the rest and recovery point for visitors on walking treks in the region • Examine opportunities with Parks for guided/managed program of night-time activities • Continued development to link the cycleway fully into Jamberoo • Explore new activity options including electric bicycles at Minnamurra 	Initial concepts	Explicit support of NSW Parks required/ matched with entrepreneurial opportunities
Developing the tourism potential of Bombo Quarry	Leveraging the improved access to Bombo Quarry via the cliff stairs. Activation could include; trails/ eco-walk, informal recreation, building on photography opportunities	Initial concept	Permissions may be a challenge
Flying fox- activity development	Concept of establishing a flying fox experience - from Minnamurra to Jamberoo	Initial concept	<p>Land ownership, exact site unclear</p> <p>Permissions likely to be challenging</p>
Great South Coast Walk	Development of large scale south coast walk proposition - connecting existing trails	Proponent is National Parks Association	TBC - resources, permissions

Table 5: Longlist of Tourism Development Opportunities (Nature-based experienced) cont.

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Nature-based Experiences			
Positioning Kiama as the premier whale watching spot on the south coast	<p>Identify a site and develop an iconic whale watching lookout. Considerations include:</p> <ul style="list-style-type: none"> • Iconic design • Supporting amenities: parking and toilets • Monetising the experience-ensuring experience and spending opps (food and drink, guiding/interpretative opportunities etc) 	Initial concept	Resourcing, identifying a site
Minnamurra Boardwalk and Cycleway project	Seek resources to continue implement the vision for the precinct. Activate by securing business partners - recreation activities/hire, food and drink vendors, restaurant, guided tours	Ongoing implementation	Prospectus and secure business partner engagement
Kiama Cycleway Plan	Continue to implement the Kiama Cycleway, building network connections with tourist hubs and assets. To deliver tourism potential, marketing, packaging and itineraries can add value	Ongoing implementation	Resources
Berry Estate Trails project - rail trail between Bomaderry and Gerringong	Berry Estate Trails project - rail trail between Bomaderry and Gerringong	Proponent developing concept	Resources, identifying a suitable site
Create a new dark skies observatory on the headland	Capitalise on opportunities for stargazing, further building 'reasons to visit' the headland	Initial concept	Resources

Table 6: Longlist of Tourism Development Opportunities (Health and Wellbeing)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Health and Wellbeing			
Immersive spa experience	Identifying potential suitable locations for a high-end spa development, and encouraging Expression of Interest for private investment / development, Gerringong is a likely fit for this type of development	New concept	<p>Site availability TBC</p> <p>Reliant on commercial case for investment - potentially challenging for high-end developments</p> <p>National park locations likely to be challenging - utilise national park proximity rather than location in-park</p>

Table 7: Longlist of Tourism Development Opportunities (Food and Drink)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Food and Drink			
Community Hall dinners -new concept	Reinstate Community Hall dinners at Gerringong Town Hall	Initial concept	Resourcing
Kiama Dairy Country	Increase profile and experiences associated with the region's premium dairy produce including farmgate, dining, cooking / immersive on-farm experiences	Initial concept, with some existing activity	Business partnership/ assessment of business interest required
Home hosted dinners - new concept	Program of 'home hosted' dinners linking visitors and locals in Gerringong - share economy Concept is a potential extension of the sharing economy concept and personalisation of experiences that millennials are seeking	Initial concept	Business/proponent led concept Permissions/ approvals - potential planning and environmental health considerations
Craft brewery development	Crooked River has plans to further develop craft beer via on onsite brewery	Business-led concept	Commercial business decision Planning permission, licensing approvals
Foreshore activation to offer an increased range of spending/ food & drink opportunities at key beaches	Opportunities could range from regular food truck events, to regular markets to licensing which enables pop up/mobile vendors during peak periods	General concept - implement via prioritising implementation across beach locations	Potential limitations on activities if Crown Land Clarify regulations relating to landing and selling fresh fish - fish co-ops CBD businesses may raise objections

Table 8: Longlist of Tourism Development Opportunities (Commercial Accommodation)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Commercial Accommodation			
Farm-based accommodation: Farmstay / eco accommodation	Growing bespoke accommodation options through encouraging small scale accommodation options on-farm	General concept	Potential barriers in current LEP includes limits on numbers of rooms/units (review is an opportune time to address) Business-led activation
Touring caravan/RV site	Jamberoo's location and facilities offers potential for development as a touring base - an appropriate scale camping/RV site has the potential to add value	Initial concept	Unclear if the community would welcome the concept
New boutique hotel development - 4/5 star	Kiama lacks an appropriate-scale boutique hotel property	General concept	No specific site or business concept yet
New pop-up/temporary accommodation	Glamping, 'character' accommodation - most suited to national parks sites, sites linked to walks and trails	General concept	Opportunities could relate to trail opportunities - Saddleback, etc. Parks dept are open to the concept of temporary accommodation - concept currently being trialled in Vic
Jerrara Eco Accommodation	Expression of interest seeking private sector proposals for small scale ecotourism accommodation. Proposals may be for Glamping or eco cabin development providing sustainable, nature based immersive experience, boutique tourism development.	Partially developed concept	Feasibility of providing services to the site at the scale required (power, water, sewer). Potential need to review access constraints (small bridge on the access road).
New beach house style accommodation	General concept	General concept - potentially best captured via AirBnB opportunities	No specific site or business concept yet

Sports, adventure packages (Jamberoo and coast)	Opportunity to package and promote recreation programs incorporating footgolf, surfing, walking, cycling etc	Initial concept	Resourcing, market demand to be proven
Support business/ conference facility provision in existing venues	Support business/conference facility provision in existing venues- the Sebel has investment plans in place	General concept	Business/ proponent led concept Permissions/ approvals - potential planning and environmental health considerations

Table 9: Longlist of Tourism Development Opportunities (Other)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Other			
Development of wedding market opportunities	Active engagement in developing the economic potential of the wedding marketing, packaging, ceremony locations, supplier businesses (wellness, beauty, event organisers etc), accommodation, reception venue	Building on existing initiatives - Kiama I Do	Competition Limited larger scale venue and accommodation capacity
Major new play park	Development of a major new play park; - community and tourism asset - potential for distinctive design - option to be temporary/ pop-up asset	Initial concept	Site Resources

Table 10: Longlist of Tourism Development Opportunities (Business and Conference)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Business/ Conference			
Refresh the Pavilion's business and conference facilities	Invest in a comprehensive refresh of facilities in line with demand for a flexible meeting space venue	Initial concept	Local business trade is relatively low, limiting day to day MICE demand
Repurposing the Pavilion's Stables as a hospitality venue/small MICE facility	Repurposing the Pavilion's Stables as a hospitality venue/small MICE facility	Initial concept	Resources, partnerships
Attract a new centre of excellence to site in Kiama	Attract a new centre of excellence to site in Kiama, leveraging our strengths - surfing, water safety etc	General concept	Dependent on promoting opportunity to market

Table 11: Longlist of Tourism Development Opportunities (Heritage)

Opportunity	Opportunity Description	Status of Development Opportunity	Barriers to Implementation
Heritage			
Showcasing the region's heritage in Cedar and Quarry mining	Identify and share stories via interpretative information/experiences on the townships' stone walls and mining heritage	Initial concept	Initial concept that requires development. Venue required
Connecting heritage precinct with arts and harbour/headland	As part of precinct and CBD development and management, link the town centre heritage precinct with the Harbour / blowhole site.	General concept.	Connecting planning and implementation
Public art program	Incorporation of heritage themes and stories within implementation of a public art program	General concept	Initial concept that requires development

Project Prioritisation

Appendix 4 contains an assessment matrix used to inform opportunity prioritisation. The scoring was based on an objective set of scoring criteria, prepared by the consultant team. Final project prioritisation reflects the output of the prioritisation workshop held with Destination Kiama. Table 12, below, identifies the selected development and investment opportunities.

Table 12: Project Prioritisation

Priority Opportunities	Fit with Hero Experiences	Recommended Outputs	Application of Outputs
Headland/ Harbour activation concept development - potentially including: dining/entertainment, iconic new building (multi-use facility – potentially interpretative centre, gallery, events space etc), all-weather blowhole facility, stargazing facility, blowhole lighting etc	Depending on the chosen activation, the harbour and foreshore precincts have the potential to be a backdrop for all four heroes.	<ul style="list-style-type: none"> • Concept development • Visitation/expenditure scenarios • Potential use of case study to illustrate opportunity • Due diligence consultation with Crown Lands to assess development scope • Opportunity to consider the arts precinct (and related opportunities including events space/platform etc), sculpture ideas as part of the networked series of precincts 	<ul style="list-style-type: none"> • Informing discussions with Crown Lands • Shaping scope for master plan – identifying optimal opportunities/ low-hanging fruit • Optimal identification of potential commercial opportunities • Linkages with surrounding precincts
Commercial accommodation opportunities <ul style="list-style-type: none"> • Larger scale hotel • Boutique hotel accommodation • Farmstay accommodation • Eco-accommodation 	Supports all four hero experiences – opportunity to link to wellness.	<ul style="list-style-type: none"> • Analysis to identify market opportunities • Review of planning policy to identify constraints/opportunities 	<ul style="list-style-type: none"> • Information to support promotion of investment opportunities • Information which supports the business cases for site identification/ LEP amendments (if required)

<p>Activating Walking and Cycle Tracks - The Walking Tracks and Cycleways Committee have advised that their priorities are:</p> <ul style="list-style-type: none"> • Construction of the Bombo Headland Walk and Viewing Platform – funding secured • Minnamurra Cycleway – funding secured and project estimated to be completed by end of 2020 • Extension of Coastal Walk to Gerroa • Development of the Illawarra Escarpment Walking Track 	<p>Hero 2: Kiama's dramatic coastline and emerald backdrop delights and invigorates locals and visitors as they enjoy the iconic Coast Walk, spotting wildlife in the water, land and air.</p>	<ul style="list-style-type: none"> • Prioritisation of opportunities - short and longer term opportunities • Economic analysis/ visitation/ expenditure scenarios • Utilise case studies to illustrate opportunities • Due diligence consultation with National Parks to assess development scope • Context of nature-based hero experiences 	<ul style="list-style-type: none"> • Informing discussions with National Parks to prioritise investment • Identifying scale of market/ economic opportunities • Identifying private sector engagement opportunities/ public sector infrastructure requirements
<p>Beach Activation Program</p> <ul style="list-style-type: none"> • Surf Clubs • Activation of Foreshores • Events 	<p>Hero 1: The traditional seaside lifestyle of Kiama gives residents and visitors an opportunity to rejuvenate, nourish and reconnect, where locals swim, bodyboard, surf and walk to the thundering sound of the blowhole, before the day's work begins. Natural beauty and the region's rich heritage are reflected in the region's art and events, year-round.</p>	<ul style="list-style-type: none"> • Analysis to identify market opportunity/potential economic impact 	<ul style="list-style-type: none"> • Information to support development opportunity

Jerrara Dam – ecotourism and nature-based development opportunities	Hero 2: Kiama’s dramatic coastline and emerald backdrop delights and invigorates locals and visitors as they enjoy the iconic Coast Walk, spotting wildlife in the water, land and air.	<ul style="list-style-type: none"> • Analysis to identify market opportunity • Identification of preferred location/ site opportunities • Preferred/optimal usage 	<ul style="list-style-type: none"> • Information to support promotion of investment opportunities/ business case for public investment
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Priority Tourism Opportunities



Gerringong Aerial View, courtesy of Jon Harris Photography and Destination Kiama

Beach and Foreshore Activation Program



Figure 3: Surf Beach, Kiama

Opportunity for the Kiama Area

The region's beaches and beach life represent a core part of its appeal as a destination – sensitive activation which builds yield (average daily visitor expenditure) and encourages greater volumes of visitation in shoulder seasons and in twilight/ evening periods provides a great opportunity for continued growth in the visitor economy.

Market Size and Characteristics

Beach and foreshore activation attracts a broader category of visitors beyond those who simply “go to the beach”. Termed by Tourism Australia as “coastal and aquatic” visitors, this segment of activities includes activities such as surfing, snorkelling, scuba diving, fishing, visiting a reef, using a charter boat/cruise/ferry, visiting or staying on an island and whale and dolphin watching.

The Kiama region attracted approximately **640,000 coastal and aquatic visitors** in 2017⁵; 79% of these visitors were “Go to the Beach” visitors, while a further 8% were those visited solely for “surfing” activities; this 87% majority represents direct-use visitors using beach areas. Fishing was the next most popular coastal and aquatic activity.

Sydney is a key source market for coastal and aquatic visitors to the area - 67% of all visitors to the region originate from Greater Sydney.

As an outbound visitor market, Sydneysiders make 8.3 million trips a year (to destinations within New South Wales) to participate in coastal and aquatic activities.

Millennial Visitors

Recent research by Tourism Research Australia on millennial visitors to regional NSW provides an interesting perspective. Millennials consider regional destinations as peaceful and relaxing, while providing authentic experiences. The research indicated regional NSW was capable of delivering a variety of unique experiences that allowed them to truly connect with the place, experience authenticity, and have a range of experiences in the one place. They expected to be able to rest on the beach or relax in beautiful scenery, have fresh country food and wine, go bush walking, or enjoy the snow or the outback.

Destination brands needs to be developed and associated with a ‘hook’ – that is, the main reason to visit. This could be based on something that is unique, notable or ‘instagrammable’, as long as it gives millennials a reason to visit. As the level of digital overload is only likely to

⁵ All visitor market data is sourced from Tourism Research Australia, year ending December 2017 unless otherwise indicated

intensify in coming years, growth in people seeking relaxing and peaceful retreats is an opportunity for regional NSW.

An effective marketing strategy should build communications around the pull factors of 'Discovery', 'Brag', 'Escape' and 'Connect'. 'Discovery' in particular appeals to millennials and can be an important driver for a regional holiday. Experiences that offer 'discovery' within a regional context include:

- Events that allow discovery of the location in a unique way;
- Nature and landscapes – especially iconic landscapes or natural attractions, for example, the **Kiama blowhole** or Katoomba's Three Sisters;
- Experiences that are unique to the area or attractions the area is known for;
- Food and lifestyle – these are the only two aspects of culture that millennials believe varies across Australia; and
- History of the destination.

The Kiama area's existing visitor market, the ongoing potential of the outbound Sydney market and the ability to provide experiences which meet the needs of the millennial visitor segment represent tangible market opportunities.

Challenges

The region's beaches and the activities which take place around them are recognised as destination strengths however, beach visitation is often characterised by being relatively low yield (low average spend per trip), with activity condensed into the summer and holiday periods. While events provide focal points for activity and our unspoilt coastline remains the principal attractor, neighbouring south coast destinations also lay claim to similar attributes. To stand out from the crowd and be a first-choice beach destination on the south coast we need to provide high quality and compelling experiences to our target visitor audiences.

Hero Experience Alignment

Beach experiences support Hero Experiences 1 and 4.

Hero Experience 1.

Hero 1: The traditional seaside lifestyle of Kiama gives residents and visitors an opportunity to rejuvenate, nourish and reconnect, where locals swim, bodyboard, surf and walk to the thundering sound of the blowhole, before the day's work begins. Natural beauty and the region's rich heritage are reflected in the region's art and events, year-round

Supporting, Emerging & Aspirational:

Year-round seasonal produce, dairy, and paddock-to-plate experiences. Wellness activities - including spas, classes, lifestyle / fitness activities. Art / creative immersive experiences – masterclasses & workshops. Events throughout the year along with a vibrant but relaxed retail / shopping experience.

Hero Experience 4.

Hero 4: Kiama region is the perfect destination for families, from the beaches to adventure parks, trails and variety of family-friendly dining, and accommodation.

Supporting, Emerging & Aspirational: Active adventure, nature-based experiences including the Kiama Area's trails and Minnamurra Rainforest Centre, evolving experiences on offer at the Jamberoo Action Park and Illawarra Fly. Agritourism and farmstay experiences will offer families interactive, immersive experiences, and activation of Surf Club precincts will add new opportunities as part of the traditional beach-going experience.

Primary Concept Opportunity

Elsewhere in Australia, Surf Life Saving Clubs are often focal points for visitor activity in coastal destinations – the business model is especially common throughout Queensland. Facilities such as Noosa's Surf Life Saving Club, provides a great example of an asset which is at the heart of tourism life on beaches, encouraging expenditure by visitors (food and drink, entertainment etc.) and providing reasons to visit in evening periods and in non-peak holiday periods.

The region's surf lifesaving clubs (Kiama, Kiama Downs and Gerringong) are located at sites that provide prime opportunities to grow the visitor experience and create opportunities to generate expenditure by visitors. The clubs offer potential for tourism activation – in practical terms, this means offering opportunities such as:

- Food and drink / dining;
- Entertainment; and
- Services i.e. equipment hire, recreation opportunities.

The services can be offered directly by the club, or via contractual relationships with commercial partners. The benefits of successful implementation would be twofold - revenue to support club operations, and supporting growth in the region's visitor economy.

Implementation Considerations

- The decision to develop and evolve surf clubs' entertainment and dining services into more visitor-oriented facilities as a means of supporting their core lifesaving remit rests solely with individual surf club committees. These are business and operational decisions for each club to make.
- In practical terms, bringing this type of opportunity to life would involve renovation/ extension/ development of the surf clubs' premises (indoor/outdoor areas).
- Operationally, delivery could be undertaken directly by the surf clubs or via securing commercial partners. Both options have merits with varying levels of financial and operational risk and reward.
- Club activities are guided by a range of regulations and practice which differ from the Queensland model. Key issues to consider include:
 - No more than 50% of the building's floorspace may be given over to uses outside the core lifesaving role;

- Alcohol licensing is an option that can be considered;
- Gambling and gaming machines are explicitly prohibited;
- Permission is required from Crown Lands and its management agent – in this case, Kiama Municipal Council, to vary the standard lease contract; and
- The necessary planning, environmental health and licensing permissions are secured.

Supporting Opportunities

A range of additional opportunities are also potentially available to support activation of the Kiama area's beaches and beachfront areas:

- Lighting of identified foreshore areas in Kiama, Gerringong and Gerroa, providing welcoming and safe environments which encourage twilight and evening visitation;
- Foreshore activation to provide the opportunity for temporary food and drink vendors, food trucks etc. Bringing this initiative to life could involve aspects such as;
 - Amendments, where appropriate, to licensing and planning regulations
 - Development of 'plug and play' infrastructure (utilities, storage, stalls etc) to provide for efficient bump in/out of vendors
 - Development of boardwalks and precincts/spaces which provide for these types of opportunities.
- Potential opportunities for businesses (via EOI processes) to run service and activity concessions on beaches;
- Investment in infrastructure and amenities which supports the Kiama area's beaches and beachfront areas as event venues and destinations. This could include temporary/demountable event infrastructure which can be used for a range of beach-based events such as street dressing collateral, temporary staging/ seating etc;
- Adaptive reuse or conversion of the Kiama Showground stables offers potential as a functions space which is suitable for activities such as 'sunset' drinks, food stall events etc. This type of initiative could be Council-led as part of the emerging Events strategy or licencing, or delivered by a private vendor via an expression of interest process.

Potential Economic Impact

With an appropriate experience mix that aligns with our visitor markets, this type of activation can play a leading role in driving:

- Increase yield per visitor;
- Improved satisfaction levels with the experience which drives repeat visits and word of mouth referrals; and
- Increased volume of visits in shoulder season periods.

The activation opportunities identified will provide the opportunity to increase visitor average length of stay and expenditure related to food and beverage, activity hire, or events.

Table 13, below shows the potential expenditure impact for the Kiama area if all visitors who participate in coastal and aquatic activities increased their daily average expenditure by \$15 per capita. **If this was achieved, in 2023, an additional direct economic value of \$11.4M and**

\$8.8M⁶ of indirect benefit could be generated for the Kiama area's economy. These economic benefits have the potential to support 155 direct jobs and 61 indirect jobs.

Table 13: Expenditure impact of increased expenditure by visitors who participate in coastal and aquatic activities

Year	2018	2019	2020	2021	2022	2023
Coastal and Aquatic Visitors to the Kiama area	654,700	677,620	697,870	718,500	739,660	781,740
Estimated additional expenditure if per capita spend of coastal and aquatic visitors was raised by \$15 per head	\$9.8M	\$10.1M	\$10.4M	\$10.7M	\$11M	\$11.4M

Table 14: Direct and Indirect Economic Benefits Accruing from Increased Expenditure by Coastal and Aquatic Visitors to the Kiama Area

Estimated Direct Value	1 Job created for every....	Estimated Direct Jobs	\$1 Direct value creates ... indirect	Estimated Indirect Value	1 indirect job created for every....	Estimated Indirect Jobs
\$11,400,000	\$73,562	155	0.77	\$8,778,212	\$145,088	61

Enablers

- Securing interest from surf club committees in the opportunity; and
- Crown Lands approval, where appropriate to changed land uses and management regimes in foreshore/beach areas.

Synergies and Added Value

- Beach and foreshore activation concepts offer clear synergies with other opportunities identified in this plan, particularly in relation to precinct and public realm works in the Kiama CBD and foreshore areas in Gerringong and Gerroa.

⁶ NSW State Regional Tourism Satellite Accounts, Deloitte

Next Steps

- Council to approach surf club committees with an overview of the market opportunity to assess interest;
- If interest is firmed up, Council to support surf clubs in developing concepts and investigating relevant regulatory/ management approvals with Crown Land and other relevant agencies.

Headland, Harbour and Foreshore Activation Concept



Figure 4: Harbour and Headland, Kiama

Opportunity for the Kiama Area

The harbour and foreshore are attractive environments at the heart of Kiama – the area is home to Kiama’s most well-known feature, the Blowhole, and is directly adjacent to the CBD.

The harbour/ foreshore/ headland area is already Kiama’s primary visitor hub. In addition to the Blowhole, it contains a range of visitor attractions and amenities including the Visitor Information Centre, Pilots Cottage Museum, visitor accommodation (cabins), dining/ food and drink, marine/boating activities and opportunities for informal enjoyment.

The project has identified a major opportunity to take a master planned approach to revitalising and fully activating the precinct from visitor and community perspectives.

The vision for the area is that it should be recognised as one of the South Coast’s premier visitor precincts, driving awareness and perception of the Kiama area as a great place to visit. Implementation of a master-planned approach has the opportunity to deliver an experience mix which:

- Builds visitor yield through providing spending opportunities;
- Encourages greater average length of stay by visitors;
- Appeals to a broad mix of leisure visitors;
- Drives visitation into shoulder and off-peak periods; and
- Attracts and provides options for visitors during twilight and evening period as well as during the daytime.

A Master Plan for Blowhole Point Headland and the Harbour was adopted in 2015. The content of this plan is acknowledged, however based on up to date market research and stakeholder feedback, the TOP has sought to take a fresh perspective on experience opportunities for the area.

Market Size and Characteristics

Given the nature of the harbour, foreshore and headland precinct, the experience mixes on offer relates directly to the Kiama area's overall visitor market - day visitors, domestic overnight visitors and international visitors, rather than a discrete market segment. Nature-based, culture and heritage, and city-based visitor activity segments all have close alignments with the experiences which the precinct can provide. No data is available to accurately identify the number of visitors who visit the headland, harbour and foreshore areas at present, however, given the central location and range of experiences, it is reasonable to assume that at least 50% of total visitation are likely to have a touchpoint in the area during visits.

The Kiama area already attracts over 800,000 day visitors, approximately 330,000 domestic overnight visitors and 13,000 international visitors. The Kiama area's visitor market is dominated by the holiday and VFR sectors. If the region achieves growth in line with overall forecasts (Tourism Forecasting Panel), total visitation could rise to over 1.3 million in 2023 which generates direct visitor expenditure of over \$135M.

The Kiama area's location within easy day visitor reach of Sydney and its 5 million+ population provides ready opportunities for further economic benefits to be accrued from this market. However, outright visitor number growth in peak periods is not the over-riding priority. Providing a range of compelling experiences which drive increased yield (per day spending), and greater visitation in shoulder/off-peak periods are the key destination management drivers.

Challenges

Development of the headland, harbour and foreshore area has evolved incrementally, with a mix of land uses, including tennis courts, parking for Blowhole visitors and a range of business activations.

In implementing a master planned approach to the area, challenges include:

- Creating a new 'wow' factor and reason to visit the Kiama area which complements the Blowhole as a renowned feature or experience;
- More effectively monetising the harbour, headland and foreshore area - providing visitors with opportunities to spend;
- Harbour capacity (moorings and berths) is constrained. Consultation with Crown Lands and RMS suggests that expanding harbour capacity in the immediate future is unrealistic. While works can and should be undertaken to improve management, amenity and access, the limited opportunity to extend capacity suggests that initial activation opportunities should focus on foreshore activation;
- Crown Lands is the primary land owner, with permission being required to bring about any substantive changes;
- A previous masterplan was able to be progressed on an incremental basis – significant resources as well as partner commitment are required to secure implementation;
- The precinct contains a mix of existing tenants and lease-holders;
- Any new development needs to be sensitive to the environment, complementing and adding value to the environment;
- Respecting community perspectives on use and development of the headland; and

- To fully leverage available opportunities, the precinct also needs to be considered within the context of its connections to the town centre and adjoining precincts, including the well-advanced proposals for development of a new arts precinct at Hindmarsh Park.

Hero Experience Alignment

Precinct activation experiences support Hero Experiences 1, 3 and 4.

Hero Experience 1.

Hero 1: The traditional seaside lifestyle of Kiama gives residents and visitors an opportunity to rejuvenate, nourish and reconnect, where locals swim, bodyboard, surf and walk to the thundering sound of the Blowhole, before the day's work begins. Natural beauty and the region's rich heritage are reflected in the region's art and events, year-round

Supporting, Emerging & Aspirational:

Year-round seasonal produce, dairy, and paddock-to-plate experiences. Wellness activities - including spas, classes, lifestyle / fitness activities. Art / creative immersive experiences – masterclasses & workshops. Events throughout the year along with a vibrant but relaxed retail / shopping experience.

Hero Experience 3.

Hero 3: Saddleback Mountain walks and lookouts provide unparalleled panoramic views across the Illawarra Escarpment, Jamberoo Valley, lush Kiama region dairy-country and stunning coastline. The awe-inspiring view entices visitors to experience the diversity of the townships, villages and natural landscape below.

Supporting, Emerging & Aspirational: *an iconic, multi-day walk from Saddleback Mountain to Macquarie Pass, with options for guided tours, unique accommodation and supported transport & dining experiences. Boutique, glamping / eco-accommodation linked to the Saddleback Mountain Lookout site. A trail of dairy-oriented farmgate and agritourism experiences, where visitors can taste, experience production and 'know the farmer' – connecting with the place and people. Minnamurra (Budderoo NP), Cathedral Rocks and Bombo Quarry offer a diversity of walking and nature-based experiences throughout the area.*

Hero Experience 4.

Hero 4: Kiama region is the perfect destination for families, from the beaches to adventure parks, trails and variety of family-friendly dining and accommodation.

Supporting, Emerging & Aspirational: *Active adventure, nature-based experiences including the Kiama area's trails and Minnamurra Rainforest Centre, evolving experiences on offer at the Jamberoo Action Park and Illawarra Fly. Agritourism and farmstay experiences will offer families interactive, immersive experiences, and activation of Surf Club precincts will add new opportunities as part of the traditional beach-going experience.*

Primary Concept Opportunity

There are several elements to this proposed initiative, varying in scale, resourcing required and possible timeframes for implementation.

Master planned approach - optimal experience mix

It is envisaged the project will be planned through a comprehensive site and precinct plan. The area is the region's principal tourism precinct. Given the central location, assets which appeal to a wide range of visitor audiences, and the need to more effectively monetise experiences provided to visitors are priorities. Figure 5, below, is a high level diagrammatic overview of how the following considerations could fit together on the site. Please note that it highlights areas for consideration and is indicative only; it is intended as an illustration. Considerations include:

- A new design-led 'signature' visitor attraction on the headland (*see number 1 below*);
- Nature-based tourism - activation of the blowhole (*see number 2 below*);
- Visitor information, wayfinding and interpretation (*across whole site*);
- Food and drink/ dining options which appeal to a range of audiences (*see number 3*);
- Place-making, streetscaping and amenity improvements, including infrastructure which facilitates events, pop-up experiences, and connecting the headland to Kiama CBD, arts precinct and Hindmarsh Park (*this would be across the whole site*);
- Reinvigorating existing infrastructure and facilities (*site-wide*); and
- Re-purposing some of the current elements of the site to create new community and visitor experience opportunities (*see number 4 below*).

The concepts identified in this report are designed to inform a master planning brief, as well as identifying short term opportunities.



Figure 5: An indicative diagram of numbered opportunities on Kiama headland

A new design-led 'signature' visitor attraction on the headland

- Development of a new signature tourism experience for Kiama in the vicinity of the sites currently occupied by the cabins;
- The building design, as well as being functional and in-keeping with the environment should create 'wow' factor, generating interest in the Kiama area; and
- Experience options are based on creating a multi-purpose building with the ability to cater for multiple target markets / segments, including interpretation experiences (story of the Kiama area), hosting business events, weddings, provision of visitor information, arts events – gallery/ display space, break out venue in connection with the proposed CBD Arts Precinct.

Nature-based tourism - activation of the blowhole

- Creation of an all-weather blowhole viewing building. This would create a paid blowhole experience, enabling delivery of an appealing experience year-round, regardless of weather;
- If designed in a manner which allows access to the sky (glass-ceiling, roof opening), opportunities to offer star-gazing experiences are opened up – providing reasons to visit in the evenings and outside peak holiday periods; and
- Lighting of the blowhole, creating a reason to repeat visit/ visit in evening periods, and providing opportunities for imagery which grows awareness of the Kiama area.

Visitor information, wayfinding and interpretation

- Successful implementation of a master plan would ensure that the precinct remain the Kiama area's key focal point - a 'heavy footfall' location provides the VIC with the best opportunity to influence visitors. Review of land uses, provides a potential opportunity for the VIC to co-locate with another facility, further maximising the opportunity to be a 'visitor inspiration centre';
- The VIC should be at the heart of wayfinding and interpretative plan for the headland.

Food and drink / dining options which appeal to a range of audiences

- Foreshore activation to provide the opportunity for temporary food and drink vendors, food trucks etc. Bringing this initiative to life could involve aspects such as:
 - Amendments, where appropriate, to licensing and planning regulations;
 - Development of 'plug and play' infrastructure (utilities, storage, stalls etc) to provide for efficient bump in/out of vendors; and
 - Development of boardwalks and precincts/spaces which provide for these types of opportunities.

Place-making, streetscaping and amenity

- Attractive evening / night lighting along the CBD, Hindmarsh Park, Harbourfront and headland area. This will extend the appeal of the area into evening hours and enable evening events;
- Developing a distinctive series of local artworks that can form a trail throughout the precinct, featuring local artists, interesting interpretive information (either displayed or via an App). Linking the whole precinct, bringing to life stories and highlighting the

region's artistic communities. The artworks could be extended to all villages and localities including beaches and trails, throughout the Kiama region;

- Place-making and precinct building to facilitate special event activation in the CBD area would be covered by the Precinct Plan, including consideration of how some precincts could be closed to traffic during events, and 'event enabling' infrastructure including strategically located power points, permanent or temporary locations for street platforms; and
- Adventure playground development in one of the park areas linking to the headland, with the location to be informed by the detailed Precinct Plan. This would provide activities for all ages, could also be complemented by an inflatable playground in the Harbour area during summer months.

Reinvigorating use of existing infrastructure and facilities

- Review the lease arrangements for the existing water front (fish & chip) restaurant, and build in performance requirements, opportunities to co-locate events and pop-up experiences/ providers at this prime location, particularly during peak season and as part of community events. Priority should be given to encouraging a business model that will deliver a high quality, modern take on "fish & chips" enabling the nostalgic connection with traditional Kiama / seaside village experiences. Build in requirements for opening hours to grow evening activity and support event strategy, and encouraging the operator to offer live music; and
- Identify adjacent locations for complementary local food and drink offerings (food-van style) to be sold during events or peak season, building atmosphere and encouraging the night time economy and longer stays.

Re-purposing current elements of the site

- Identifying an alternative location for the tennis courts and developing the site into an amphitheatre-style venue for community and visitor activities, including a stage and seating, firepit, mural space. This could assist with delivery of hero experiences by providing a venue for open-air health and wellbeing activities (group fitness classes, dance, yoga), delivery of an indigenous experience when this is developed, showcasing local art and music / drama performance; and
- Work with stakeholders to investigate the feasibility of using the harbourside location occupied by the scout-hut for an alternative use. This location offers commercial potential for adaptive re-use.

Potential Economic Impact

With an appropriate experience mix that aligns with our visitor markets, this type of activation can play a leading role in driving:

- Increased length of stay by day visitors; and
- Increased expenditure by visitors being attracted to new foreshore and headland experiences

The activation opportunities identified will provide the opportunity to increase visitor average length of stay and expenditure related to food and beverage, activity hire, or events.

The following scenarios illustrate estimates of visitation and resulting visitor spend that are possible via successful activation. Given the complexity of precinct planning and the need to

factor in planning and construction phases, visitation and spend are extrapolated from 2020 onwards.

Table 15, below shows the potential expenditure impact for the Kiama area if:

- 15% of day visitors extend their stay by 1 hour due to the increased attractions in the headland and foreshore, and
- 50% of all domestic overnight visitors visit the Headland, Harbour and Foreshore Precinct, and experiences result in an additional 10% additional spend from these visitors during their trips.

If this was achieved, in 2023, an additional direct economic value of \$9.26M and \$7.13M⁷ of indirect benefit could be generated for the Kiama area's economy. These economic benefits have the potential to support 126 direct jobs and 49 indirect jobs.

Table 15: Expenditure impact if 15% of day visitors to the headline extend their stay by 1 hour

Year	2020	2021	2022	2023	2024
Day visitors	1.25 M	1.29 M	1.32M	1.36M	1.4M
15% of the total visitor market spend an additional hour in the Kiama area	133,090	137,000	141,130	145,180	149,070
Estimated additional spend from visitor retention	\$1.55M	\$1.62M	\$1.69M	\$1.76M	\$1.8M

Table 16: Expenditure impact of if 50% of Domestic Overnight Visitors who visit the Headland, Harbour and Foreshore Precinct, spend an additional 10%

Year	2020	2021	2022	2023	2024
Baseline Overnight Visitors	352,330	361,080	369,880	378,730	387,630
50% visitation of Precinct	176,170	180,540	184,940	189,360	193,810
Estimated additional spend from visitation	\$6.6M	\$6.9M	\$7.2M	\$7.5M	\$7.8M

Table 17: Potential Direct and Indirect Economic Benefits Accruing from Harbour, Foreshore and Headland Activation

ECONOMIC IMPACT OF VISITOR SPEND	Estimated Direct Value	1 Job created for every....	Estimated Direct Jobs	\$1 Direct value creates ... indirect	Estimated Indirect Value	1 indirect job created for every....	Estimated Indirect Jobs
	\$9,260,000	\$73,562	126	0.77	\$7,130,372	\$145,088	49

⁷ NSW State Regional Tourism Satellite Accounts, Deloitte

Implementation Considerations and Enablers

- Preparation of a master plan for the harbour/headland area – engaging with communities and stakeholders to determine a planned solution which balances economic, social and environmental objectives;
- Consultation with Crown Lands indicates that expansion of the harbour for boating (casual moorings/ berths, servicing small scale cruise vessels) is constrained without major infrastructure investment. Initial opportunities are most readily available through foreshore activation;
- Crown Lands agreement to proceed with preparing a new master planned approach to the harbour, headland and foreshore; and
- Consultation with Crown Lands indicated an in-principle willingness to consider options for revisiting land use and activation. Issues included;
 - Reiteration that any future uses must be driven by the purposes of the reserve;
 - Willing to consider options for alternative uses for the land currently occupied by the tennis courts and cabins - sunset clauses on these elements were previously removed;
 - Opportunity to formalise road layout.

Synergies and Added Value

- A co-ordinated approach to place-building in the CBD, harbour, foreshore and headland areas.

Next Steps

- Firming up concepts to a level of detail sufficient to engage Crown Lands in consultation.

Activating Walking and Trail Experiences

Opportunity for the Kiama Area

Stakeholder consultation and market research identified a range of walking and trail development opportunities as being important components in the ongoing development of the Kiama area as a destination, priority game-changer projects by Council's Walking Tracks and Cycleways Committee were:

1. Expansion of the Kiama – Gerringong Coastal Walk to Gerroa. It would convert the current experience into a multi-day activity, encouraging length of stay and the growth of additional support services and experiences, including guided walks.

This project would build on the success of the current walk, and new initiatives such as the Minnamurra Boardwalk. Minnamurra River Boardwalk and Cycleway is a 1.6km long shared boardwalk and cycleway alongside the Minnamurra River on Riverside Drive. Work is currently being carried out on a detailed design and environmental impact assessment, with development scheduled to be completed in 2019. The shared boardwalk will be an important new asset for the tourism industry in the municipality, as well as providing an important and unique link for local communities.

2. Saddleback Mountain Iconic Walk – this trail is a proposed 29km multi day walk from the iconic Saddleback Mountain Lookout across to Macquarie Pass, passing through spectacular scenery, forest and with views of waterfalls and lush green farmland. Crossing through multiple jurisdictions.

Market Size and Characteristics

Positive global trends

Walking is a part of the global 'adventure travel' trend, which the United Nations World Tourism Organisation (UNWTO) estimated to have doubled in size between 2009 and 2014. According to a study by Allied Market Research (2018) the global adventure tourism market was valued at \$444,850 million in 2016, and is projected to grow by 17.4 % per annum from 2017 to 2023 to reach a market value of \$1,336 billion in 2023. Soft adventure segment generated the highest revenue to the global market in 2016, and is similarly expected to grow at 17.8%.

Adventure tourism, in particular 'soft adventure' tourism such as walking and kayaking, is not only a growth sector but seen as major contributors to: well-being, the sharing of economic benefits to more remote area, and building awareness of the environment and the importance of environmental protection.

The global walking market includes a wide-variety of users, seeking an even greater diversity of walking experiences from short walks to multi-day adventures, referred to as 'extended walks'. Based on the UNWTO estimates of the walking market globally, it is clear that Australia captures less than 1% of the global trade in extended walks (multi-day), whereas our neighbours in New Zealand have nearly twice that share. This includes a growing trend towards 'destination' walks where an individual location becomes the primary reason for travel to a country (e.g. The Camino Way).

Continued growth forecasted for domestic markets

The proportion of Australians who go hiking/bushwalking has continued to show strong growth. Roy Morgan Research shows that between October 2010 and September 2015, the

proportion of Australians aged 14 years or over who reported going hiking/bushwalking on a regular basis grew from 2.9% to 5.2%, while those who participated either regularly or occasionally increased from 15.6% to 27.3% (or more than 5.3 million Australians).

Walking and 'green exercise' was identified as a lifestyle choice that people undertake for health benefits - the research shows that people who hike/bushwalk tend to take outdoors-based holidays.

When asked what activities they did on their last trip, regular/occasional hikers/bushwalkers were consistently more likely than the average Australian to nominate active, outdoor pursuits. For example, they are 84% more likely than the average Australian to have visited wilderness of some kind on their last trip, 81% more likely to have gone to a National Park or forest and – of course – 135% more likely to have gone bushwalking. When asked to nominate a description that best summarised their last holiday, hikers came in well above average for 'Nature holiday' and 'A real ecotourism experience'.

Destinations which offer scenic wilderness and high-quality landscapes hold greater appeal for hikers and bushwalkers than for the average Australian considering a holiday.

Challenges

The opportunities for development, completion or extension of the identified walks are reliant on a number of factors;

- The need to gain permission from landowners to extend and/or make the connections necessary to extend existing trails;
- The support of the NSW Government - NSW National Parks and Wildlife Service where they are in whole or in part the landowner/manager; and
- Resources (capital and operational) to develop/establish the routes.

Hero Experience Alignment

Walking and trail experiences support Hero Experiences 2 and 3.

Hero Experience 2.

Hero 2: Kiama's dramatic coastline and emerald backdrop delights and invigorates locals and visitors as they enjoy the iconic Coast Walk, spotting wildlife in the water, land and air

Supporting, Emerging & Aspirational: a network of Signature trails suitable for walking and cycling throughout the Kiama region. Actively experiencing the destination, slowing down to experience the region's beauty.

Hero Experience 3.

Hero 3: Saddleback Mountain walks and lookouts provide unparalleled panoramic views across the Illawarra Escarpment, Jamberoo Valley, lush Kiama region dairy-country and stunning coastline. The awe-inspiring view entices visitors to experience the diversity of the townships, villages and natural landscape below.

Supporting, Emerging & Aspirational: an iconic, multi-day walk from Saddleback Mountain to Macquarie Pass, with options for guided tours, unique accommodation and supported transport & dining experiences. Boutique, glamping / eco-accommodation linked to the Saddleback Mountain Lookout site. A trail of dairy-oriented farmgate and agritourism experiences, where visitors can taste, experience production and 'know the farmer' – connecting with the place and people. Minnamurra (Budderoo NP), Cathedral Rocks and Bombo Quarry offer a diversity of walking and nature-based experiences throughout the area.

Primary Concept Opportunities

Expansion of the Kiama – Gerringong Coastal Walk to Gerroa



Figure 6: Expansion of the Kiama – Gerringong Coastal Walk to Gerroa

This project seeks to extend the existing Kiama Coast Walk. The current walk runs from Minnamurra River to Gerringong, a total of 22km. It is loved for the route's dramatic coastal setting, and highlights including Cathedral Rocks, Bombo Headland, the Kiama township and Blowhole, as well as Werri Beach. Depending on the season, walkers can watch whales, birds and other wildlife. The walk is readily accessible by car or train, and can be walked in sections, depending on the timeframes / ability of the walkers. There are no figures on current numbers of people walking the track each year, but it is a well-recognised and promoted feature of the region.

The expansion of the Coastal Walk from Gerringong to Gerroa would see the current walking trail extended south to the township of Gerroa. At present the walk from Gerringong to Gerroa is a 4.1km walk via municipal roads. This project would see the current trail extended along the coast via Gerringong Harbour, Walkers Beach, Shelly Beach,

Black Head to Seven Mile Beach. It would join existing sections of walk (Walkers Beach, Blackhead and Stafford St, Gerroa).

This project would contribute to the Kiama area's priorities of growing overnight visitation, delivering experiences that will grow visitation outside of current peak-season. It would build on a current strength and leverage the existing walking infrastructure. It will enhance the tourism outcomes throughout the Kiama area. The extension of the Coastal Walk is strongly supported by the Kiama Walking Tracks & Cycleways Committee as one of their priority projects for the region.

Saddleback Mountain to Macquarie Pass Iconic Walk



Figure 7: Saddleback Mountain to Macquarie Pass Iconic Walk

This trail is a proposed 29km, multi-day walk from the iconic Saddleback Mountain Lookout across to Macquarie Pass, passing through spectacular scenery, forest and with views of waterfalls and lush green farmland. The trailhead would be located at the Saddleback Mountain lookout which offers unparalleled views of the Kiama region, and is attracting interest from private sector proponents who are looking to develop boutique accommodation options on private land nearby the public site.

The Saddleback Mountain to Macquarie Pass walk could create an iconic new experience. It is a year-round experience, encouraging extended stays in shoulder and off-peak times of the year. The walk would deliver on Kiama region's hero experiences, and expand on the visitor experience at the Saddleback Mountain Lookout. There are opportunities for significant commercial development associated with the project – such as unique accommodation at overnight stop locations, guided / supported tour options, and support services such as transport and catering. This project is also a priority of the Kiama Walking Tracks & Cycleways Committee.

Implementation Considerations

Expansion of the Kiama – Gerringong Coastal Walk to Gerroa

Infrastructure Required

The detailed infrastructure requirements are yet to be identified and will need to be derived from more detailed feasibility analysis and community engagement. It is expected that the walk would need surfacing and infrastructure at a level consistent with the existing walk. This could include hardened surfaces, if there are environmental risks in some locations. The proposed route will require negotiations with numerous landowners to secure access and resolve any concerns in relation to public liability, biosecurity, safety and risk management.

Infrastructure investment may also be needed if services such as toilets, water and signage are found to be required. Ongoing maintenance and servicing costs for the track and infrastructure will also be required.

Business development requirements

Market research and development of business plans will help determine the potential market appeal, capital and operating costs, charges and price point 'willingness to pay' for the walk experience, if a cost-recovery approach is to be considered.

Given the potential benefits of this project, it warrants the need for more detailed investigation into the route, cost estimates for construction and operation, market research and preparation of a business case to clearly identify funding models (public and private investment).

The feasibility study can consider in more detail the opportunities for guided experiences. At present, the extension of the trail offers a compelling set of strategic tourism benefits:

- Extension of the current Coast Walk, encouraging those undertaking the Coast Walk to stay for longer and spend more time within the Kiama region;
- Extending the benefits of the Coast Walk through to the Gerroa community;
- Creating new interest in the existing walk encouraging previous walking visitors to return; and
- Capacity to deliver on the Kiama region's hero experiences, particularly in relation to nature, beach life, wellness and (subject to supporting experience development) agritourism experiences.

The concept of extending the Coastal Walk to Gerroa has existed as a priority project among passionate walkers and advocates of walking experiences in the Kiama region for a number of years. Extending the walk would require acquisition of a number of private properties.

Development of the existing Coast Walk also required acquisition of private property, and the process took approximately 12 years. It was ultimately enabled through a NSW government grant program that helped to fund property acquisition. The grant program is not currently in place, so in the current circumstances, this project would require Kiama Municipal Council to fund the trail development, including land acquisition.

Saddleback Mountain to Macquarie Pass Iconic Walk

Infrastructure required

The infrastructure requirements of developing this walk require definition through detailed feasibility analysis and community engagement. It is understood that a significant part of the proposed track exists in the form of unofficial or illegal trails, of varying quality and suitability. The walk would need varying levels of surfacing and infrastructure, including hardened surfaces, elevated pathways and specific solutions for addressing environmental / sustainability concerns in some locations. The proposed route will require negotiations with at least one landowner to secure access and resolve any concerns in relation to public liability, biosecurity, safety and risk management.

In addition to the trail and associated safety railing, infrastructure required would include toilets, water, signage, camp sites or overnight accommodation options. Ongoing maintenance and servicing costs for the track and infrastructure would need to be identified and funded.

Business development requirements

A detailed analysis of existing relevant market research and the development of a business plan will help to determine the potential market for this walk, costs associated with establishing and operating / maintaining the track, and any potential for cost-recovery or commercially based activities, such as guided or supported walks and accommodation and other services (transport, catering).

A feasibility study would investigate at a detailed level, the route, costs, understanding of options and timeframes for addressing ecological and legislative concerns, barriers and consultation requirements.

It may be possible to develop this walk in stages, depending on funding and stakeholder support / demonstrated market demand.

Saddleback Mountain Lookout is one of the Kiama region's most popular visitor attractions, and there are plans for nearby boutique / novelty accommodation (on private property) that will enhance the current visitor opportunities.

The Saddleback Mountain to Macquarie Pass Walk has been documented and advocated for over a long period of time, by passionate local advocates. NSW NPWS advise that the project was investigated in some detail approximately 20 years ago and was not pursued. The following points are of note:

- A large proportion of the walk already exists via informal / illegal trails of varying quality;
- The Barren Grounds National Park section of the walk would require an amendment to the existing Plan of Management. This is a statutory process that can take some time. Plans of Management (PoM) are supposed to be revisited every 5 years however there is currently no timeframe for the revision of the Barren Grounds PoM, which was amended 6 – 7 years ago;
- An Environmental Assessment of the proposed walking trail was undertaken 20 years ago, which identified environmental and safety concerns. Barren Grounds has an endangered population of ground parrots which are susceptible to predators including foxes and cats which get greater access through improved trails. There were also concerns about visitor use of fire, and safety concerns around the escarpment terrain;

- Part of the proposed walk in the Macquarie Pass area goes through a private property where the current owner actively seeks to prevent access to the public; and
- Some of the trail passes through a section of land that is subject to Aboriginal land claim, to progress the walk on this land would require separate negotiations.

Supporting Opportunities

Bombo Headland Walk and Viewing Platform will create a new visitor experience, adding to the visitor experience at this popular and iconic destination within the Kiama area. The Bombo Headland is popular with independent visitors, and increasingly popular with filming crews for its unusual 'moonscape' setting in a readily accessible destination.

The Minnamurra River boardwalk and cycleway will fill add a northern section linking Minnamurra village and the Kiama – Gerringong Cycleway. This project will improve safety and visitor / local experience, and has the opportunity for 'activation' and developing value-add visitor experiences – such as pop up food and drink stalls, nature-based recreation opportunities, and even the potential to create a rustic experience at the old Oyster Shed.

Potential Economic Impact

Successful activation of the two identified trails provides the opportunity to influence nature-based and walking visitor markets on a number of levels:

- Increasing the average length of stay of international experience seeker visitors who are already participating in walking activities; and
- Conversion of existing visitors to the Kiama area who participate in walking activities from day visitors to overnight stays.

Tables 18, 19 and 20, below show the potential expenditure impact for the Kiama area if:

- Average daily expenditure of day visitors who currently participate in walking activities is grown by \$10 per capita; and
- Additional day visitors who will participate in walking activities are attracted to the Kiama area - growing its share of the DSSS region's walking market from 16.8% to 18% in 2024.

If this was achieved, in 2024, an additional direct economic value of \$5.43M and \$4.18M⁸ of indirect benefit could be generated for the Kiama area's economy from 30,319 new visitors and 13,591 nights spent in region. These economic benefits have the potential to support 74 direct job and 29 indirect jobs.

Table 18: Visitor Number Projections for The Identified Walking Opportunities

Visitors	2020	2021	2022	2023	2024
International Experience Seekers - Walking	8,691	9,108	9,545	9,994	10,463
Estimated conversion of existing walking day visitors to overnight Visitors	2,510	2,585	2,663	2,740	2,814
New walking day visitors					17,042
Total Additional Visitors	11,200	11,693	12,207	12,733	30,319

⁸ NSW State Regional Tourism Satellite Accounts, Deloitte

Table 19: Visitor Nights Projections for the Identified Walking Opportunities

Visitor Nights	2020	2021	2022	2023	2024
Additional visitor nights from Internationals	2,673	4,289	6,049	7,954	9,185
Additional Overnight Visitors	3,918	4,035	4,156	4,281	4,405
Total Visitor Nights (incl. part trail)	6,591	8,324	10,205	12,235	13,591

Table 20: Visitor Expenditure Projections for The Identified Walking Opportunities

Additional Tourism Expenditure Generated to Region	2020	2021	2022	2023	2024
Experience Seeking Internationals - increased average length of stay	\$220,622	\$376,134	\$563,219	\$786,337	\$963,901
Additional domestic overnight nights	\$633,371	\$666,724	\$699,773	\$733,748	\$767,123
Additional \$10 Day Spend by walkers (18% of total market take part	\$1,504,931	\$1,549,671	\$1,595,771	\$1,643,213	\$1,690,413
New walking day visitors					2,017,367
	\$2,358,923	\$2,592,529	\$2,858,763	\$3,163,299	\$5,438,805

Expansion of the Kiama – Gerringong Coastal Walk to Gerroa

Specifically, regarding the Kiama-Gerringong coastal walk to Gerroa, if the walk is presented and delivered as part of a commercial (guided) and packaged 3-day experience, including accommodation and food, economic impact would be greater. Table 21, below shows a scenario based on attracting an average of 4 groups of 5 walkers per week over the course of a 12 month period.

Table 21: Visitation and Expenditure Scenario if the Kiama to Gerroa Walk is Presented as a Commercial Guided Package

Coastal Walk Kiama – Gerroa	Potential Impact of Guided Walk Experience
No of Walkers	1040 (4 groups of 5 per week)
Cost per day	\$600
Nights	3
Cost per walker	\$1800
Total spending	\$1,872,000

Saddleback Mountain to Macquarie Pass Iconic Walk

Economic impact of this project could be significant, if completed to the level of an iconic, Great Walk.

The walk would highlight and showcase the region's diversity of natural features, and could also create links with cultural heritage and local Aboriginal stories. The proposed route offers views and interaction with the Illawarra escarpment, a number of waterfalls, the emerald green farmland, rainforest and dramatic coastline.

Market research conducted for a proposed Kangaroo Island multi-day walk indicated that walkers likely to consider a commercially guided experience prefer moderately challenging walks of longer duration, which the Saddleback Mountain to Macquarie Pass could fulfil.

Enablers

Expansion of the Kiama – Gerringong Coastal Walk to Gerroa

Stakeholder Governance

- Kiama Municipal Council would be the primary driver for implementation of this project.
- The extension of the Coastal Walk to Gerroa requires a feasibility assessment, including an assessment of the route, landowner and community engagement, market research, cost estimates and a business case. This should form the basis for initially seeking government funding or partnership support for funding.

Investor interest

Investor interest in the Coast Walk extension will be better known following the results of the feasibility assessment. Given that this project is to extend an existing walk, it is unlikely that the extension would attract private sector funding. However, investors may be attracted to develop experiences and activate the infrastructure (guided tours, dining and accommodation options) associated with the walking track.

The reality is that there are numerous Great Walk products that have recently come online or are being progressed around Australia e.g. Three Capes Walk, Grampians National Park Walk, Kangaroo Island Multi-Day Walk, Alpine Crossing, Kakadu National Park, South Coast Track, Walls of Jerusalem. Further investment in the Coast Walk will need to be based on the potential to position it differently to all other walk experiences, and a strong and clear business case to ensure ongoing success and impact in the market.

Saddleback Mountain to Macquarie Pass Iconic Walk

Stakeholder Governance

- This walk requires cooperation and management arrangements to be reached between Kiama Municipal Council and adjacent councils, NSW National Parks and Wildlife Service, and other landholders.
- The first step towards progressing this project would involve the completion of a comprehensive feasibility study, and assessment of stakeholder interest / willingness and other barriers or support to developing the walking trail. The feasibility study would also identify market potential, cost estimates for developing the trail and associated infrastructure, and a business case.
- Depending on the outcomes of the feasibility study, the business case would be used as the basis for seeking funding (public or private). A staged approach to addressing constraints, such as securing NPWS commitment to review and amend the Barren Grounds Plan of Management, negotiations with the Aboriginal group responsible for the land claim, and the private landholder would also all need to be progressed.

Investor Interest

Investor interest in this project is most likely to be in the form of accommodation at appropriate sites (including in the vicinity of the Saddleback Mountain trailhead), and in developing walking tours and support services (shuttle transport, food drops, etc). The principal investment in the walking trail is likely to involve public sector investment. At present this walk has not been identified as a priority development by NPWS.

Next Steps

- Formal engagement with key stakeholders to investigate the feasibility of progressing with the identified walks including relevant landowners, potentially including National Parks and Wildlife Service, Roads and Maritime Service, neighbouring local governments, private landowners and Crown Lands.

Jerrara Dam Activation Options

Opportunity for the Kiama Area



Figure 8: Jerrara Dam

The Dam is a picturesque reserve established on a nine hectare dam that was once the Kiama area's main water supply. Onsite there is a short trail to the dam, picnic tables, geocache and an arboretum with a collection of local native plants. From a flora and fauna perspective, the site offers a general birding experience with species such as Satin Bowerbird, Eastern Spinebill, Scarlet Honeyeater, Yellow-rumped Thornbill and Musk Duck.

The Jerrara Dam site provides an interesting tourism activation opportunity for the Kiama area - the Dam's location between Kiama and Jamberoo/ Minnamurra opens up a range of opportunities for adaptive reuse of the site, with potential to link up with trail networks in the surrounding areas and complement nearby visitor experiences at Minnamurra Rainforest, Jamberoo Action Park, Illawarra Fly and in Kiama.

Given the rural surroundings, a range of potential opportunities for activating the site are available including:

- Further development of low-impact nature-based opportunities (trails, interpretation, nature-based activities, linking with trails in the surrounding area);
- Activation of the area as a space for appropriate scale outdoor events;
- A focus on soft adventure, including the opportunity for an outdoor sport and recreation centre type of operation (family, school group markets);
- Eco-accommodation - light frame builds that are suited to the character of the site, linking with the nature based opportunities on site; and
- Health and wellness activation – either operating as a day facility or provided in conjunction with onsite accommodation.

Analysis indicates that the optimum opportunities for site activation are most likely to be via:

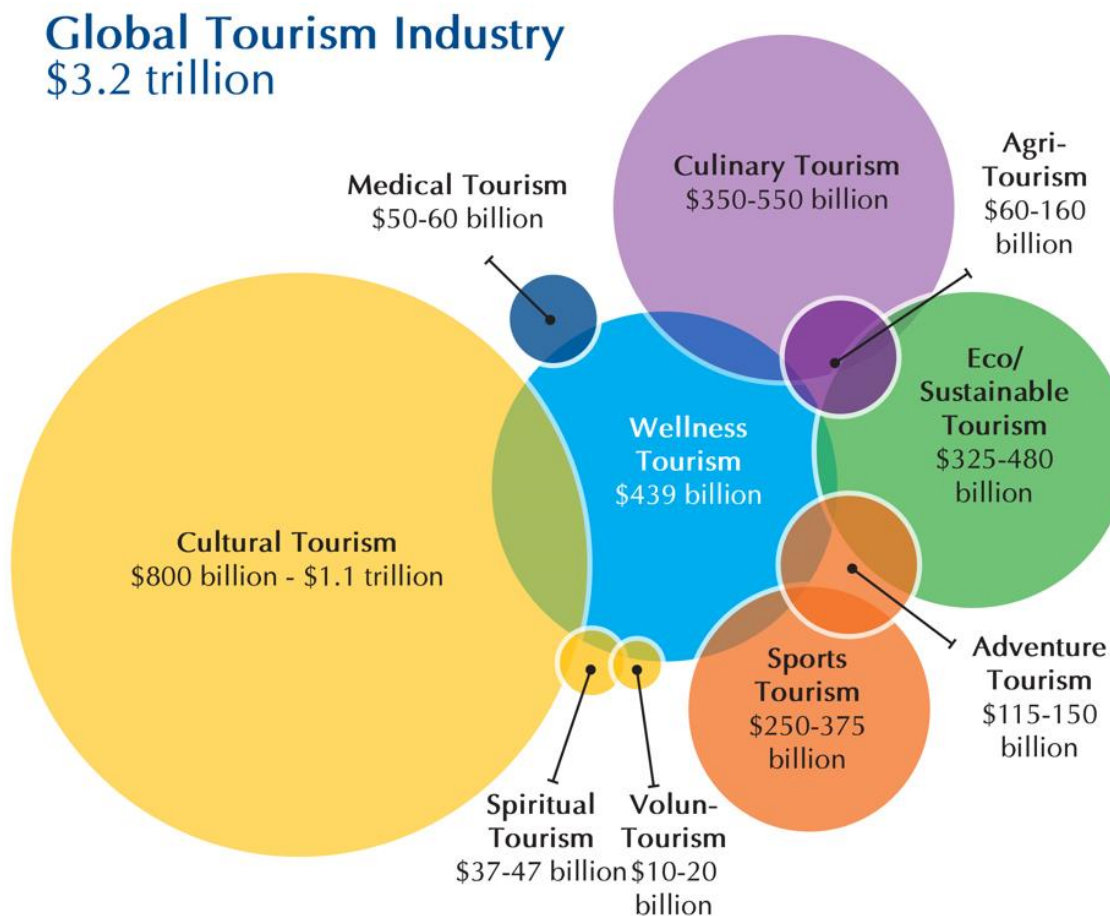
- Outdoor recreation provision, linked with eco-accommodation provision;
- Investigating opportunities to attract modest scale health and wellness business operations to the site.

Market Size and Characteristics

Health and Wellness

With wellness holidays gaining popularity, people of all interests are now looking to utilise their precious holiday time to prioritise health and fitness. Examples include yoga retreats, beach bootcamps, surf camps and hiking tours. A clean, green environment, indigenous plants and produce with health properties, and an emphasis on distinctive cultural traditions create a competitive advantage for Australia as a destination for wellness tourism.

The sector has developed into a \$3.2 trillion global industry, with wellness tourism growing twice as fast as tourism in general.



© Global Wellness Institute. Originally published in "The Global Wellness Tourism Economy," 2013

Figure 9: Scale of the Wellness Tourism Sector

People have become more health conscious and interested in how to lead healthy lifestyles, and are also willing to spend on their health and wellbeing. The focus on health is increasingly moving beyond just a superficial obsession with appearance to a need to escape from the increasingly fast pace of everyday life and high stress-levels resulting from constant working, driving growth in wellness tourism. From a supply perspective, wellness relates to three broad categories of service provision:

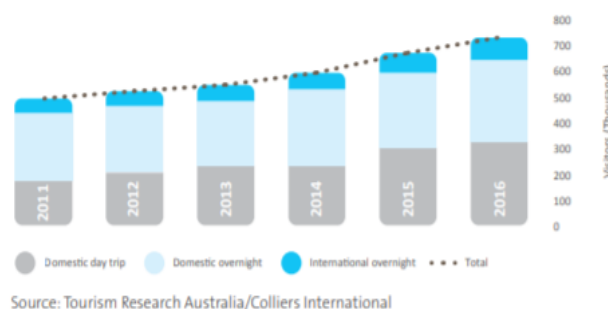
- Beauty - emphasis on body, facial and water-based treatments;
- Lifestyle and fitness - emphasis on detox, rejuvenation and behaviour change;
- Spiritual - emphasis on contemplation, reflection, meditation and learning.

Wellness tourism relies on experiences which directly relate to nourishing the body and soul including visiting a health spa, sanctuary or well-being centre. The enjoyment of spa-related activities with luxury leisure travel is also becoming increasingly common.

Application of these broad characteristics does not point to the supply of wellness tourism in any one location over another, although areas of high natural amenity are usually favoured. Destinations including Byron Bay and Daylesford have both grown in prominence as wellness destinations where the convergence of health, wellness and/or spiritual activities have attracted a unique and growing visitor type.

Locally, wellness tourists are largely female luxury travellers, seeking fitness holidays, yoga, weight loss and spa retreats, with a growing minority also seeking medical treatments as part of their wellness holiday. 8.5 million wellness tourism trips were made by Australians in 2016, a third of which originated from New South Wales .

At present, the Kiama area's health and wellness sector is limited to relatively low-key local businesses. However, proximity to Sydney's large visitor market and growth in the sector as a whole presents positive market opportunities.



VISITATION TRENDS

Taking time out to relax is acknowledged and revered as one of life's true luxuries. Wellness tourism relies on experiences which directly relate to nourishing the body and soul including visiting a health spa, sanctuary or well-being centre. The enjoyment of spa-related activities with luxury leisure travel is also becoming increasingly common.

WELLNESS TOURISM IN REGIONAL AUSTRALIA BY THE NUMBERS:

6.3% GROWTH
IN VISITATION PER ANNUM
(OVER 5 YEARS)

0.7 MILLION
VISITORS IN 2016 ENGAGED
IN WELLNESS TOURISM

39%
OF ALL WELLNESS TOURISTS
ARE DOMESTIC DAY TRIPPERS

7.7% INCREASE
IN INTERNATIONAL OVERNIGHT
VISITATION PER ANNUM

5.4% INCREASE
IN DOMESTIC OVERNIGHT
VISITATION PER ANNUM



Figure 10: Visitation Trends in Wellness Tourism (Tourism Research Australia and Tourism Australia)

Outdoor Recreation and Adventure

Outdoor Recreation and Adventure Centres strongly appeal to schools for curriculum-based camps and outdoor learning activities, and also offer the opportunity for use by general leisure and holiday markets outside term-time.

In terms of source markets, the Greater Sydney Region has 779,144 school aged children (primary through secondary), providing a large potential target market for this type of business operation.

With regard to demand for eco-accommodation (linked with nature-based opportunities), Australia-wide the sector has been expressing strong growth, from glamping through niche styles of accommodation to larger groups of eco-cabins. The proposition is based around strong eco-credentials and links with nature-based opportunities.

Challenges

Sport and adventure

- The NSW Government-operated Berry Sport and Recreation Centre is located a short driving distance from Kiama is an established operator in the sector - potentially being a direct competitor for an outdoor adventure operation targeted at the groups market;
- Although the region has a range of existing experiences which would complement this sort of offering, the schools group market is a new one for the Kiama area as a destination; and
- This type of opportunity would be best activated by a private enterprise - investor demand is currently untested.

Eco-Accommodation

- Activation would need to be led by private enterprise;
- The site is located in a rural environment, with usage currently characterised by low impact usage. While ecotourism is an acceptable site usage, the scope regarding numbers of units able to be accommodated on site is untested; and
- The Kiama area's commercial accommodation stock is limited at present, partially driven by proximity to Sydney for day visitors. A demand case for new accommodation of this type would need to be driven by the opportunity to tap into a general market trend for eco-accommodation and nature-based experiences.

Health and wellness

- Levels of investor interest in developing health and wellness businesses is untested; and
- While health and wellness is a supporting experience for the Kiama area which fits well with other hero experiences, it does not have a natural basis for sector development i.e. natural springs etc.

Hero Experience Alignment

Jerrara Dam activation experiences support Hero Experience 4.

Hero Experience 4.

Hero 4: Kiama region is the perfect destination for families, from the beaches to adventure parks, trails and variety of family-friendly dining and accommodation.

Supporting, Emerging & Aspirational: Active adventure, nature-based experiences including the Kiama Area's trails and Minnamurra Rainforest Centre, evolving experiences on offer at the Jamberoo Action Park and Illawarra Fly. Agritourism and farmstay experiences will offer families interactive, immersive experiences, and activation of Surf Club precincts will add new opportunities as part of the traditional beach-going experience.

Primary Concept Opportunity

While the wellness sector is an interesting area to explore for the Kiama area, the market is untested and there is a certain 'hope value' in seeking the private investment necessary to activate. More ready opportunities are available in the ecotourism area.

While the region's overall commercial accommodation stock is limited, there is a potential market opportunity for a well-appointed group of ecotourism properties, which leverages ease of access from Greater Sydney and links with walking, trails and other nature based opportunities in the region.

Implementation Considerations

All Opportunities

- A site audit is required to fully understand the scope for development – the scale and density of development, and any environmental considerations and other site development constraints.
- There is potential for Jerrara Jam to become an outdoor events space.

Health and Wellness

- The concept of a business investment opportunity to establish a health and wellness businesses is reliant in securing private sector interest. Based on analysis of existing data sourced through Tourism Research Australia, wellness visitation to Kiama and surrounds is negligible, with only 253 visitors having reported activities related to this market in 2017. This reflects the small-scale nature of local provision at present. Part of the investment attraction pitch could be a commitment from Council from a marketing perspective (including wellness as part of destination marketing) or the intent to support the development of a cluster of these type of businesses;
- With growing interest in health and wellness, there are opportunities for investors to capitalise on popular destinations through the creation of product that is orientated towards a wellness positioning. These are more likely to succeed when planned as a component of a broader service offering. Product can be differentiated to appeal to both baby boomers and millennials, both of whom are showing greater interest in the health and wellness segment as an influencer of holiday and leisure pursuits. In this sense, testing investor interest as part of a broader ecotourism proposition.

Eco-accommodation/Outdoor Recreation

- Berry Sport and Recreation Centre is nearby and provides nature based and recreational/adventure activities provided by the NSW Government Office of Sport. While this is an established centre, there may be an opportunity to approach Government regarding expanding provision of some recreation options to this site;
- Accommodation developments would most appropriately be led by private businesses, but maintaining an open mind regarding partnering arrangements which may also have merit; and
- In a similar light – consider approaching existing regional adventure providers (Jamberoo Action Park, Illawarra Fly) regarding interest in expansion of operations. These discussions would need to be informed by a site audit which clarifies which type of activity would be suitable for the site – i.e. ropes courses, abseiling, via ferrata, event infrastructure, watersports etc.

Synergies and Added Value

- The location between Kiama and Jamberoo/Minnamurra provides the opportunity for synergies with planned investment at Minnamurra Rain Forest and continued development at Jamberoo Action Park. A complementary additional set of experiences will add to the existing cluster of experiences.

Enablers/ Next Steps

- Conduct a site audit to clarify development potential and identify constraints;
- Prepare a site prospectus outlining the principal investment opportunities as a means of testing the market, consisting of:
 - Eco-accommodation;
 - Nature-based recreation opportunities; and
 - Health and wellness.

Visitor Accommodation

Opportunity for the Kiama Area

The Kiama area's current accommodation stock is defined in large part by key characteristics as a destination including its proximity to Sydney, its large day visitor market, the dominance of the holiday and VFR segments (and relatively small business market), and the seasonal nature of tourism visitation.

As part of encouraging sustainable tourism growth, Kiama needs to expand its commercial accommodation offering to visitors, providing the opportunity to attract larger volumes of overnight staying visitors. There is a need to expand and improve the region's accommodation stock through attracting new investment in:

- Larger scale hotel accommodation (new or expanded existing stock);
- Boutique hotel accommodation (new or expanded existing stock);
- Farmstay accommodation (new);
- Eco-accommodation (new); and
- Upgrading existing caravan/camping and holiday park accommodation.

Market Size and Characteristics

The pattern of the Kiama area's accommodation is notable in that the number of beds offered by the principal sharing economy providers (AirBnB and Stayz) is larger than the beds provided by commercial providers. The extent of commercial accommodation stock is lower than would be expected for a destination such as Kiama which has an established tourism economy.

Table 22: Kiama Area Commercial Accommodation Stock

Type of Accommodation	Number	Capacity/Rooms
Resort	1	52 rooms
Hotel	2	98 rooms
Motel	3	100 rooms
Retreat	1	30 rooms
Luxury Cabin	1	6 cabins
Caravan/Holiday Park	6	Unspecified, mixed offering
B&B	5	8 rooms, 1 cottage, 2 houses

Self-Contained Apartments	4	Unspecified number of 2 bedroom apartments
Serviced Apartments	1	Unspecified capacity
Stayz/ Airbnb	379/171	Approximately 1000 rooms

With regard to farmstay/rural and eco-accommodation, demand for smaller scale and small groups of properties remains strong throughout regional NSW. Demand for these types of properties is related closely to nature-based visitor experiences.

Challenges

- The investment case for new accommodation development and the destination offering a critical mass of reasons to visit creates a 'chicken and egg' scenario for the Kiama area - without creating reasons to visit (whether they are events, ecotourism experiences, MICE, sports etc), the investment case for new accommodation is less attractive, and vice versa, the desire to significantly build overnight accommodation markets through packaged experiences is difficult without a range of accommodation options being available. If a longer-term perspective is possible, building the range and depth of experiences throughout the destination (focused initially on day visitors) will ultimately build more compelling cases for investment in new or enhanced accommodation.
- Proximity to Sydney is a positive demand driver for tourism throughout the Kiama region, however, ease of access also limits demand for overnight accommodation.
- The seasonal nature of tourism in the Kiama area at present provides a challenge for investors, particularly for larger scale facilities - cashflow during off-peak periods as well as attracting and retaining staff are fundamental considerations.
- Kiama's visitor market is dominated by leisure visitors. This provides demand for a range of holiday accommodation including apartments, caravan and camping and sharing economy properties. However, the relatively low volume of business visits is a constraint for hotel properties who in most destinations look to this sector to sustain trading in mid-week and in shoulder/off peak holiday periods.
- From a pure investment perspective, in most destinations (outside capital city CBDs and major tourism hubs), greater yields are available from other sectors compared with hotel investment.
- Business/ ROI opportunities from converting existing commercial accommodation stock to residential and other purposes.
- Awareness of accommodation development opportunities among farming and agribusiness providers is not widespread.
- Sharing economy properties are an important part of the Kiama area's accommodation stock. The NSW Government has recently published the results of its review into sharing economy properties, providing guidance for local governments. For Kiama it

is important that these properties continue to be available for visitors, however the impact of the large number of properties on dedicated visitor accommodation performance/new investment needs to be kept under review.

Hero Experience Alignment

Appropriately located and appointed commercial accommodation aligns with all four hero experiences.

Primary Concept Opportunities

With regard to short and longer term commercial accommodation opportunities it is recommended that the following opportunities are prioritised:

Larger Scale Hotel Accommodation

Strategically, Kiama would benefit from at least 1 additional large-scale hotel property, providing the opportunity for the destination to grow its overnight visitor market and easily provide accommodation for larger groups.

Based on current understanding of the marketplace, investment/market fundamentals are not ideal to attract the type of investment necessary in the short-term, however it should remain a strategic opportunity for Council to consider.

A specific site has not been identified for this type of opportunity, however a CBD or close to CBD site would be preferred.

Boutique hotel accommodation

As per the commentary on larger-scale hotel accommodation, similar rationales can be applied to seeking new boutique hotel accommodation in Kiama, however, given the smaller scale of development and capital required, this is potentially a more investible opportunity.

Farmstay accommodation

Adding additional farmstay accommodation presents an achievable means for the Kiama area to incrementally grow its commercial accommodation stock throughout the region. Type and scale of accommodation would vary on a site by site basis but would typically be in the form of farmhouse B&B or farm-based units and cabins.

Dependent on location, these opportunities will typically be linked to other nature-based opportunities including trails, and walking and touring trips.

Eco-accommodation

Eco-accommodation has been mentioned at a number of junctures throughout this report, including the Jerrara Dam opportunity and the concept being pursued by Crooked River Winery and the Flash Camps opportunity at Saddleback.

As per the commentary on farmstay accommodation, dependent on location, these opportunities will typically be linked to other nature-based opportunities including trails, walking and touring trips.

Subject to successful development of trail and walking opportunities identified in this report, specific eco-accommodation opportunities on these trails will be important as part of their full activation.

Holiday Parks

Maintaining and improving the region's holiday parks in line with market demand and expectations is an important consideration.

Kiama Council is currently investing more than \$6 million in a major upgrade of the Werri Beach Holiday Park starting in 2020 to deliver a first-class holiday park for Gerringong, matching other iconic holiday destinations along the NSW coast. This investment complements the upgrades to holiday parks at Kiama Harbour, Kendalls Beach and Surf Beach. Key features of the upgrade are:

- A new main park entrance with entry lay-by, visitor car parking, accessible car parking and entry/exit lanes;
- Reconfigured and wider internal road network providing access to larger, flatter short-term sites;
- All new short-term sites connected to water, sewer and power;
- A new waterplay area, upgraded pool with shade and barbecue facilities and pool shack;
- Renovate and refurbish existing cabins;
- Six new cabins (two accessible, two 3-bedroom, one 1-bedroom, and one studio);
- Ten new ensuite sites;
- Six new safari tents;
- Upgraded and expanded camp kitchen;
- New children's playground and relocated jumping pillow;
- Additional amenities building; and
- Improved landscaping around the entry area, pool precinct and cabins.

These investments by Council sit alongside upgraded facilities and infrastructure in privately owned parks such as that recently completed at Big 4 Easts Beach Park.

Potential Economic Impact

The most recent accommodation data for the Kiama region from the Australian Bureau of Statistics (ABS) confirm the seasonality pattern in room nights occupied. December and March quarters showed the highest occupancy, with room occupancy at its lowest during the September quarter.

Based on the current supply of 90,283 room nights available within the Kiama Region, occupancy for hotels, motels and serviced apartments in 2015/2016 was 53.45%.

Although the average occupancy rate for Kiama is marginally below the South Coast average (54.20%), it experiences more marked seasonality with December and March quarters recording more than 2% higher occupancy than the region average, whilst September and June quarters are 4.6% and 2.9% below the region average.

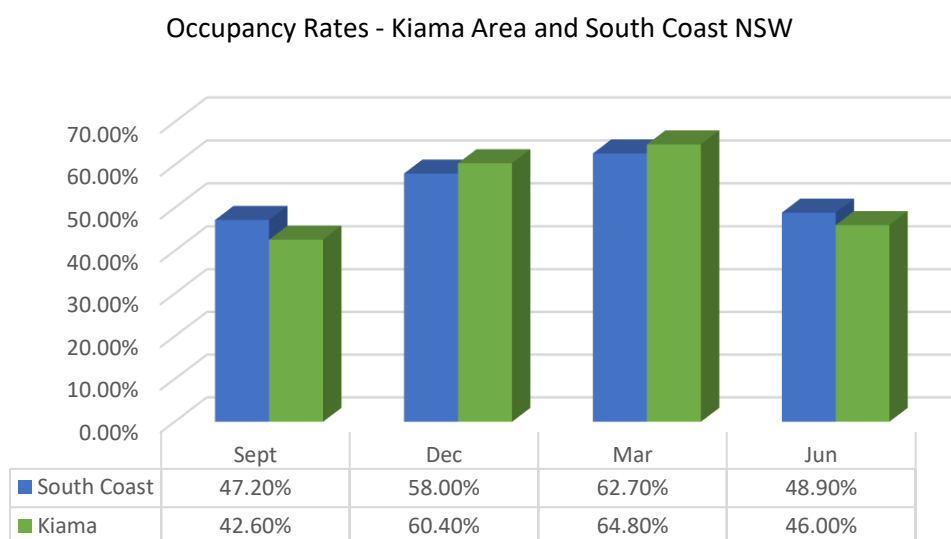


Figure 11: Accommodation Occupancy Rates

By 2024, if the Kiama area’s visitor numbers continue to grow in line with national averages, visitor nights in the region will reach 1.1 million. For overnight visitors this equates to 680,632 room nights.

Based on the percentage of visitors who currently choose commercial communication and current supply figures, this would mean an occupancy rate of 116.3%.

Using general occupancy rates of 65%-75% as a guideline for where investment in new stock is prudent, this would result in 37,712 to 58,684 additional room nights being needed to meet demand.

While this is a crude overall indicator that does not factor in seasonal trading levels, the overall result is clear – for the Kiama area to provide for the forecast increasing visitor demand, new stock is required. This would mean approximately 102 to 127 new rooms will be required by 2024, just to meet the market growing at ‘natural growth’.

If the destination is unable to provide for this demand, it equates to an estimated lost overnight visitor expenditure of **\$10.7M**. While a proportion of these visitors are still likely to be retained as day visitors, the net expenditure loss will still be significant.

Implementation Considerations/ Enablers

- As part of the review of the LEP, consider a policy suite which protects existing commercial accommodation provision and proactively encourages new investment. While accommodation is required throughout the Kiama region, this issue is particularly important for Kiama town centre. Current B2 zoning provides for tourism and visitor accommodation however there is merit to consider a business and policy case for a dedicated tourism zone within the upcoming commercial market assessment for Kiama Town Centre. The benefits of this approach are twofold:
 - A clear policy stance that protects against loss of current visitor accommodation through conversion to alternative uses; and

- A positive ‘presumptive in favour’ policy which would support the attractive and development of new accommodation in the town centre.
- With regard to large scale accommodation, while the overall market statistics do not look to create a compelling case for investment in the short term, there are investors in the marketplace who are aggressively seeking to acquire properties to expand their portfolio. In this sense, there is value in Council identifying potentially suitable development sites and liaising with relevant agencies (Austrade, Destination NSW, Invest in NSW, and Destination Sydney Surrounds) to promote the investment opportunity.
- Review of rural planning policy to raise awareness and determine a clear policy stance for tourism diversification opportunities and development of new rural tourism enterprises. A rural accommodation code or visitor accommodation code should seek to:
 - Define what is meant by terminology such as sustainable tourism, agritourism, ecotourism; and
 - Specify the types of opportunities that are appropriate to the Kiama area. For instance, the following type of considerations may be helpful (see following section of report).
- Utilising/ resurrecting the Agribusiness project group as a sounding board for development policy in this area
- Liaison with NSW Parks and Wildlife Service to identify locations with the national parks estate which are suitable for accommodation development, and work with them to proactively promote the opportunities to market.

Rural Tourism involves visiting rural areas with a focus on actively participating in or learning about a rural lifestyle. While there is no single definition of what rural tourism comprises, contemporary rural tourism activities are frequently positioned around providing unique opportunities to 'connect' with the personality of a destination through country pubs, boutique accommodation and retail facilities, farms or wineries. At its most basic, 'rural tourism' is tourism activity taking place in rural areas. Not all rural tourism activity is necessarily sustainable, nor can it automatically be defined as ecotourism.

Nature-based tourism can be defined as sustainable tourism activity or experience that relates to the natural environment, whether for relaxation, discovery or adventure. Nature-based tourism can include a range of activities including cycling, water-based activities, bushwalking, fishing, visiting botanical or other public gardens, state and national parks and other outdoor and adventure activities. Visits to National Parks, wildlife viewing and water activities are the most common forms of nature-based tourism undertaken by visitors in NSW.

Ecotourism is a niche segment within the broader category of nature-based and sustainable tourism. The ecotourism segment of consumers and experiences are those that seek to enhance a nature-based experience with both sustainable operating practices and engaging interpretation of the natural and cultural landscape. This educational element, mixed with sustainable practices, is what separates ecotourism from nature-based and mainstream sustainable tourism. It engages and informs visitors and is managed to be ecologically, economically and socially sustainable by contributing to the wellbeing of the natural areas and local communities where they operate.

The World Tourism Organisation defines ecotourism as:

1. All nature-based forms of tourism in which the main motivation of the tourists is the observation and appreciation of nature as well as the traditional cultures prevailing in natural areas.
2. It contains educational and interpretation features.
3. It is generally, but not exclusively organised by specialised tour operators for small groups. Service provider partners at the destinations tend to be small, locally owned businesses.
4. It minimises negative impacts on the natural and socio-cultural environment.
5. It supports the maintenance of natural areas which are used as ecotourism attractions by:
 - generating economic benefits for host communities, organisations and authorities managing natural areas with conservation purposes;
 - providing alternative employment and income opportunities for local communities; and
 - increasing awareness towards the conservation of natural and cultural assets, both among locals and tourists.

For a simpler definition, Ecotourism Australia defines ecotourism as 'ecologically sustainable tourism with a primary focus on experiencing natural areas that fosters environmental and cultural understanding appreciation and conservation.'

Demountable Accommodation: Silk Pavilions (Mount Burrell, NSW)



Facility Description:

- 2x purpose built luxury safari-style bungalows featuring canvas ceilings and walls, with large fly windows.
- Balinese styled wooden furniture & features
- Includes adjoining ensuites and large deck (Total roofed area = 60m²)
- 2x permanent Thai Villas with hardwood floors and high ceilings (70m²), plus large patios overlooking the mountain ranges
- On-site café with farm-to-plate ethos, offers direct hamper deliveries.

Location & Accessibility:

- Set on 100 acres of native bush, lakes and rainforest.
- Sits in the Tweed Valley, approx. one hour inland from Byron Bay, and south east of Gold Coast.
- 21km from Border Rangers National Park, 30-km from Mount Warning
- Dirt roads for considerable distances

The following section of the report provides a commentary on a number of accommodation types that Kiama may be likely to consider as development applications. The content is based on typical market norms for these development types rather than a commentary on alignment with extant local or state planning policy.

Kiama Local Environmental Plan 2011 includes planning definitions for tourist and visitor accommodation which includes a range of accommodation types such as backpackers, farm stay, bed and breakfast, hotels and motels and serviced apartments. It also includes separate definitions for eco-tourist facilities, caravan parks and camping grounds. The LEP contains tables that explain the permissibility of any of these types of tourist accommodation uses within particular land use zones. The LEP also includes development standards and considerations for development that would need to be reflected in any proposal such as floor space ratios, building heights and conservation management.

The Kiama Development Control Plan 2012 provides more detailed guidance about performance standards and development requirements that need to be incorporated into any development proposal. These include matters such as car parking, waste and health requirements, tree management and design considerations.

Anyone interested in undertaking development is encouraged to contact Council and/or seek the services of a qualified planning consultant.

The following tables discuss the typical characteristics of some particular tourist accommodation types which would fall within a definition prescribed in the LEP.

Farmstay

Characteristics

- On a working farm
- Accommodation can either be in the farmhouse i.e. bed and breakfast style accommodation or in a purpose built building on the property
- Can provide an interactive experience involved broader farm-based visitor experiences – animal viewing etc
- Properties of this type are a common feature with sharing economy providers - AirBnB, Stayz etc.

Typical Locations

- Farms located in rural areas.

Typical Visitor Markets

- Leisure tourist market – primarily short breaks and touring visitors.

Typical operating hours

- By appointment/booking only. No drop-in visits

Glamping/pods/other demountable accommodation

Characteristics

- Fusion of glamour and camping
- Not necessarily a tent. Typically, permanent/ semi-permanent cabin-like or 'stilted' structures
- Comfortable furnishings and access to amenities such as electricity and running water
- Generally private and secluded
- Can be delivered as temporary or demountable structures.

Typical Locations

- Glamping typically takes place in relatively secluded outdoor locations - beaches, forests, national parks etc.
- Located away from populated areas.

Typical Visitor Markets

- Varied visitor market, appeals to a number of demographics due to variety of locations and experiences on offer - relatively high price point makes the market distinct from camping.

Typical operating hours

- 9am-5pm – 365 days per year.

Basic Campground

Characteristics

- Predominantly low intensity use – some sites may include amenity buildings, cabins and manager's facilities
- Often run by councils or the National Parks and Wildlife Services, or can be self-managed
- Predominantly unpowered sites/ sometimes a small number of powered sites dependent on location and market need
- Having basic communal facilities i.e. amenities, some have hot water, gas bbqs

Typical Locations

- Often located in scenic reserves and/or parks
- Usually located outside town limits

Typical Visitor Markets

- They attract guests looking for a camping experience
- Meet the needs of RVs (self-contained camping)
- Grey nomad and touring markets

Typical operating hours

- 9am-5pm – 365 days per year.

Lodges

Characteristics

- Can be discrete single properties or organised around a small number (less than 20) of units/ properties on a single site
- Often self-contained, but can also be presented as serviced properties with some central facilities – dining etc
- Can be integrated with associated leisure experiences – spa, walking, nature-based activities
- The Spicers Group of lodge properties in Queensland are typical of this category of development type.

Typical Locations

- At the luxury end of the market, lodges mostly favour rural locations.

Typical Visitor Markets

- Often positioned at the upper end of the leisure market – predominantly short break demand.

Typical operating hours

- 24/7 – 365 days per year

Boutique Hotels

Characteristics

- Quirky, unique, or themed design
- Design can be diverse – ranging from heritage property conversions to architect-designed new builds
- Design, scale and service are the features which distinguish this type of accommodation from mainstream hotels - in planning terms, the distinction is minimal

Typical Locations

- Initially, boutique hotels have developed as an urban proposition, but now extending to hinterland destinations

Typical Visitor Markets

- Varied visitor market, incorporating leisure and business trade

Typical operating hours

- 24/7 – 365 days per year

Resort Parks

Characteristics/ Design Considerations

- Central accommodation - hotel and self-contained units – properties can provide accommodation for a large number of guests – 500+
- Service is central to the self-contained resort offering
- Wide range of recreational activities available i.e. spa, sports,
- Large scale sites are required.

Typical Locations

- Scale of sites required necessitate out of town locations
- Coastal or rural locations are often an integral part of the business proposition – rural retreat, beachside luxury etc.

Typical Visitor Markets

- Leisure market
 - Often positioned at the luxury end of the market.

Typical operating hours

- 24/7 – 365 days per year.

Synergies and Added Value

- Appropriate types of commercial accommodation support all hero experiences

Next Steps

- Consideration of visitor accommodation policy within the Local Environment Plan review
- Development of prospectus/ guide to accommodation development opportunities as a means of promoting region-wide opportunities.

Activation of existing or planned infrastructure.

In addition to the opportunities outlined in this report for public and private sector investment in new experiences, there are also a wide range of opportunities to secure additional economic benefit through fully leveraging the benefits of existing destinations and experiences. This section of the report provides an overview.

Precinct: Gerroa

Gerroa has the opportunity to deliver ‘surf’ and beach life experiences to the region’s visitors at its iconic beach, local surf schools, café, and the Boat Fisherman’s Club. The low-key and relaxed nature of Gerroa, and potential developments in agritourism in surrounding areas and potential extension of the Coastal Walk will grow the ‘wellness’ elements of the destination, as visitors benefit from the active and immersive experiences on offer. The local café currently acts as a year-around drawcard for the area.

Precinct: Gerringong

Gerringong offers access to quintessential ‘beach life’ which could be enhanced through the activation of the local surf club. Presentation and further development of existing assets, services and infrastructure will play an important role in maximising economic opportunities. Assets such as the Bowling Club, Crooked River Winery, Mercure Hotel and other boutique retail, accommodation, and events can help to attract and provide experience opportunities for visitors. Events may capitalise on the town’s premier surf breaks, and developing food and wine products and experiences. Gerringong delivers on the Kiama area’s promise of a destination to ‘reconnect’ and recharge – a relaxed and scenic destination.

Precinct: Jamberoo

Jamberoo’s location in the hinterland and proximity to nature-based attractions at Minnamurra Rainforest and adventure attractions such as Illawarra Fly Treetops Adventures and Jamberoo Action Park provide a great opportunity to grow as a visitor hub. Jamberoo’s existing assets and amenities including the Jamberoo Pub, Golf Club, Bowls Club and shops and services provide the basis for its appeal as a visitor destination. New opportunities also exist in the form of leveraging the NSW Government’s investment at Minnamurra Rainforest, growing event-friendliness (big screen location), visitor/ community precinct development (BBQs, firepit etc), creating new interpretative display/exhibition on Johnny Warren’s story, linking trails and cycleways into town, and positioning Jamberoo as the rest point/rest and recovery after walking the trails

Precinct: Minnamurra

Minnamurra township and beach precinct, is a hub of active, nature-based experiences. With the new boardwalk development and as the starting point of the Coastal Walk, it is the ideal location to identify appropriate and appealing ‘activation’ opportunities that will add to the visitor experience at this precinct. For example, pop up food and drink experiences, kayaking, guided activities, bike or paddleboard rentals.

Ongoing Development of Existing Businesses

Consultation from stakeholders during preparation of the draft report identified a number of development priorities among existing businesses. Continued development of key existing attractions and tourism providers is an essential element to support sustainable tourism growth across the Kiama area. Current development priorities include:

-
- The Sebel has ongoing development plans to refresh and update the facility;
 - Crooked River Winery is considering a range of options to support its growth as a visitor destination including eco-accommodation and expanding its current craft beer/brewery experience offering; and
 - Jamberoo Action Park has ongoing development plans for new experiences on site including a new water-based ride.

Appendices

A photograph of a waterfall cascading over a rocky cliff in a lush rainforest. The waterfall is the central focus, with white water falling over dark, layered rock formations. The surrounding area is densely covered with green trees and vegetation, creating a vibrant, natural setting. The sky is visible at the top, showing a clear blue with some light clouds.

Minnamurra Rainforest Waterfalls, courtesy of Destination New South Wales

Appendix One: Accommodation Audit

Type of Accommodation	Number	Capacity/Rooms
Resort	1	52 rooms
Hotel	2	98 rooms
Motel	3	100 rooms
Retreat	1	30 rooms
Luxury Cabin	1	6 cabins
Caravan/Holiday Park	6	Unspecified, mixed offering
B&B	5	8 rooms, 1 cottage, 2 houses
Self-Contained Apartments	4	Unspecified number of 2 bedroom apartments
Serviced Apartments	1	Unspecified capacity
Stayz/ Airbnb	379/171	Approximately 1,000 rooms

Appendix Two: Product Audit by Tourism Australia Segment and Significance Rating

VISITOR ATTRACTION INVENTORY

City-based Experiences - theme parks, health spa/ well-being, pubs and clubs, shopping, eat out, sightseeing, movies/videos, cinema

Kiama Area's Current Offer

Asset	Local significance	Regional significance	State significance
Granties Maze	✓		
Jamberoo Action Park			✓
Jindaleespa Kiama, Ko Samui Thai Massage, Siam Balance Thai Massage, Synergy Beauty Therapy	✓		
Jamberoo Pub	✓		
Gerringong Surf Music Festival		✓	

Coastal and Aquatic - go to the beach, whale/ dolphin watching, fishing, scuba/snorkelling surfing, charter boat / cruise, island stays

Kiama's Current Offer

Asset	Local significance	Regional significance	State significance
Beaches - Jones Beach, Boneyard, Bombo Beach, Surf Beach, Werri Beach, Mystics Beach, Black Beach, Kendalls Beach, Easts Beach, Seven Mile Beach		✓	
Fishing – Charters - AAA Kiama Harbour Gamefishing and Reef Charters, Kiama Game Fishing Club	✓		
Dolphin and whale watching – Dolphin Watch Cruises, AAA Kiama Harbour Gamefishing and Reef Charters		✓	
Surf Camp Australia		✓	
Kiama Lighthouse		✓	

Kiama Harbour	✓		
Boat ramp – Kiama Harbour		✓	
Boat harbour - Gerringong	✓		
Boat ramp – Little Beach, Gerroa	✓		
Boat ramps – Minnamurra River – Trevethan Reserve, James Oates Reserve, James Holt Reserve	✓		

Natural beauty/ nature-based - visit national parks/state parks, botanical or public gardens, bushwalking and rainforest walks, other outdoor activities, visiting wildlife parks/zoos/aquariums

Kiama Area's Current Offer

Asset	Local significance	Regional significance	State significance
Minnamurra Rainforest Centre		✓	
National Parks - Royal National Park, Barren Grounds Nature Reserve, Seven Mile Beach National Park			✓
Soft Adventure - Illawarra Walks, Into the Wild Nature Tours Australia, Bigfoot Adventures, Eagle Rock Adventures, Illawarra Fly Tree Top Adventures, Kangaroo Valley Horse Riding, Kangaroo Valley Safaris & Canoe Hire		✓	
Kiama Blowhole			✓
Lookouts - Saddleback Mountain, Mount Pleasant		✓	

History/ Culture - theatre/ concerts/ performing arts, museums and galleries, festivals/ cultural events, heritage buildings, sites or monuments, indigenous experiences, tourist trains

Kiama Area's Current Offer

Asset	Local significance	Regional significance	State significance
Galleries and arts spaces - Gallery 19, Kiama Art Gallery, Old Fire Station Community Arts Centre, Robyn Sharp at Cedar Ridge Studio, Gerringong and District Historical Society Inc. and Museum, Aspiration Images, Kiama Art Workshops, Pottery at old Toolijooa School	✓		
Various local displays throughout year i.e. car shows, emergency services expos etc	✓	✓	
Gerringong Surf Music Festival	✓		
K.I.S.S Arts Festival	✓		
Jamberoo Music Festival	✓		
Folk by The Sea	✓		
Kiama Lighthouse		✓	
Red Hot Summer Concert		✓	

Food and wine - Visit farms, markets, wineries, breweries or distilleries, food markets, picnics or bbqs

Kiama Area's Current Offer

Asset	Local significance	Regional significance	State significance
Markets - Kiama Seaside Markets, Kiama Makers and Growers Market, Kiama Farmers Market, Jamberoo Village Markets, Gerringong Village Markets	✓		
Tours – South Coast Journeys	✓		
Winter Wine Festival	✓		

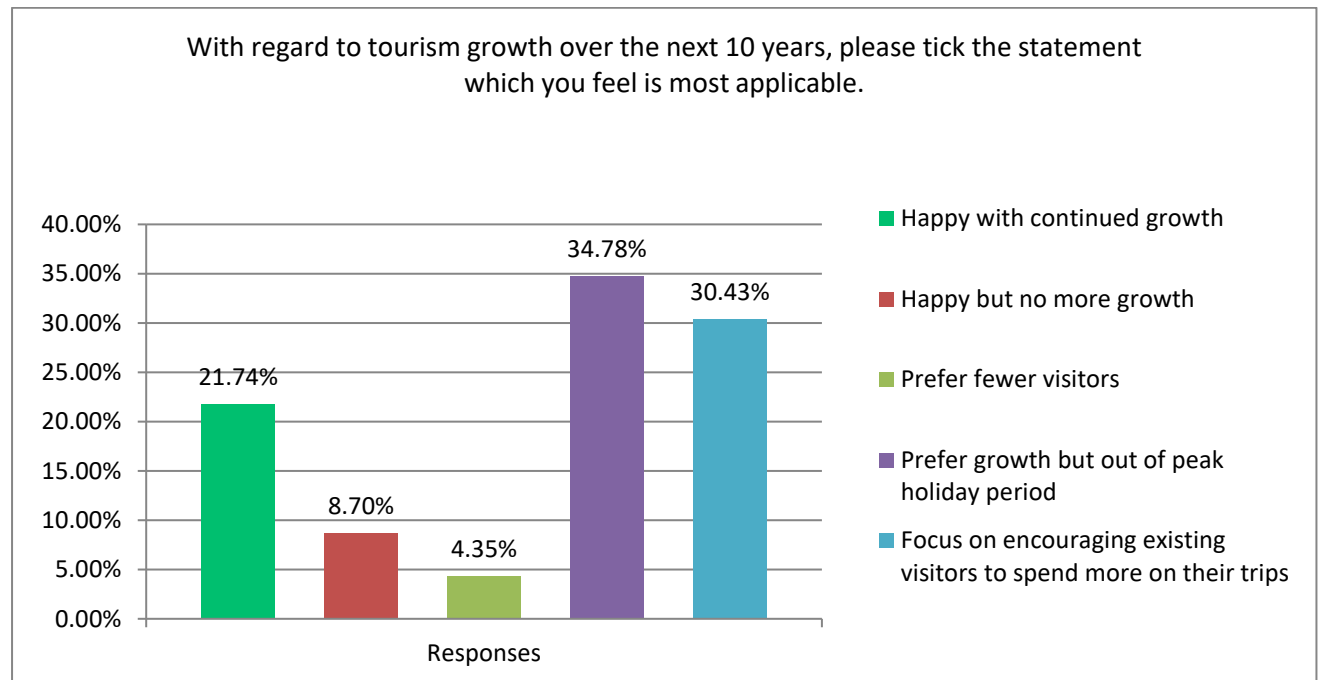
Sports and Adventure - golf, water activities / sports, cycling, exercise, gym or swimming, attend an organised sporting event

Kiama Area's Current Offer

Asset	Local significance	Regional significance	State significance
Kiama Leisure Centre, Jamberoo Pool, Continental Pool Kiama, Werri Pool Gerringong,	✓		
Kiama Bowling and Rec Club	✓		
Sports events - Kiama Fun Run, Kiama Coastal Classic Running Festival, Kiama Sevens	✓		
Australian Body Slam Bodyboarding			✓
Adventure - Bigfoot Adventures, Eagle Rock Adventures, Illawarra Fly Tree Top Adventures, Kangaroo Valley Horse Riding, Kangaroo Valley Safaris & Canoe Hire		✓	
WSL Surf Competition at Bombo			✓ Internationally significant

Appendix Three: Community Survey Summary

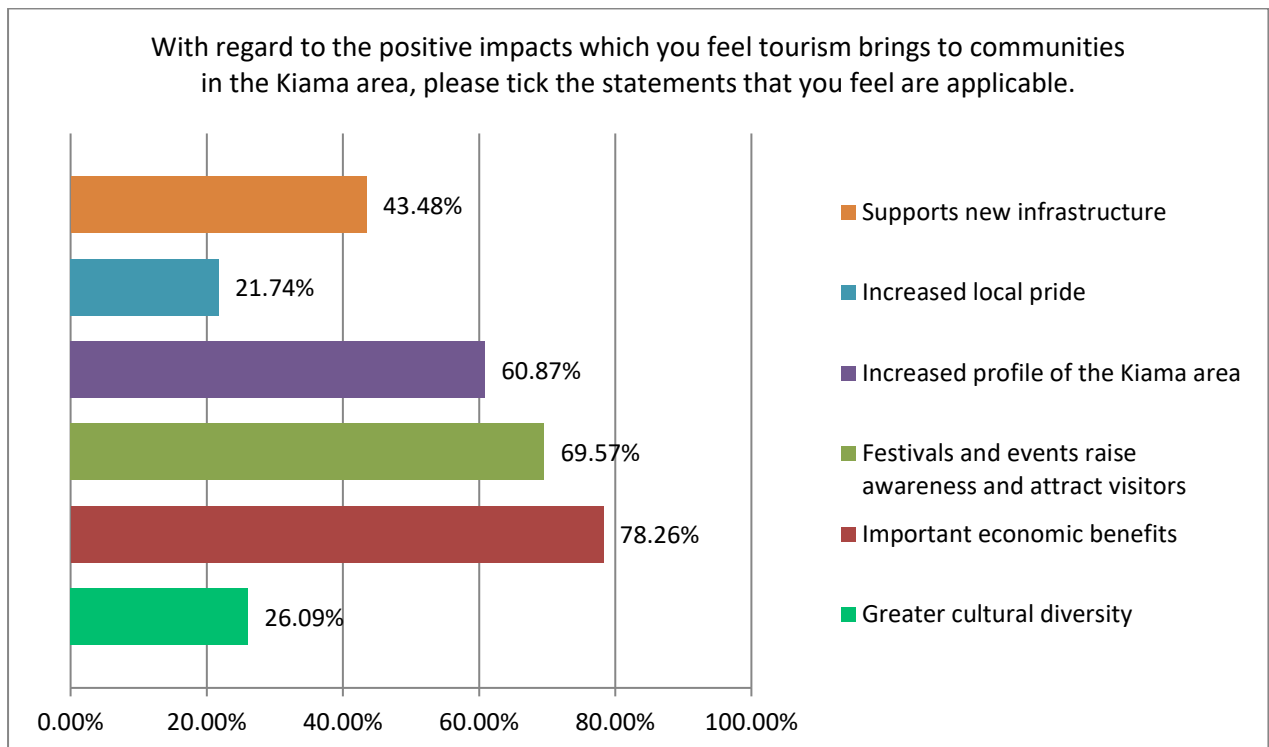
With regard to tourism growth over the next 10 years, please tick the statement which you feel is most applicable.



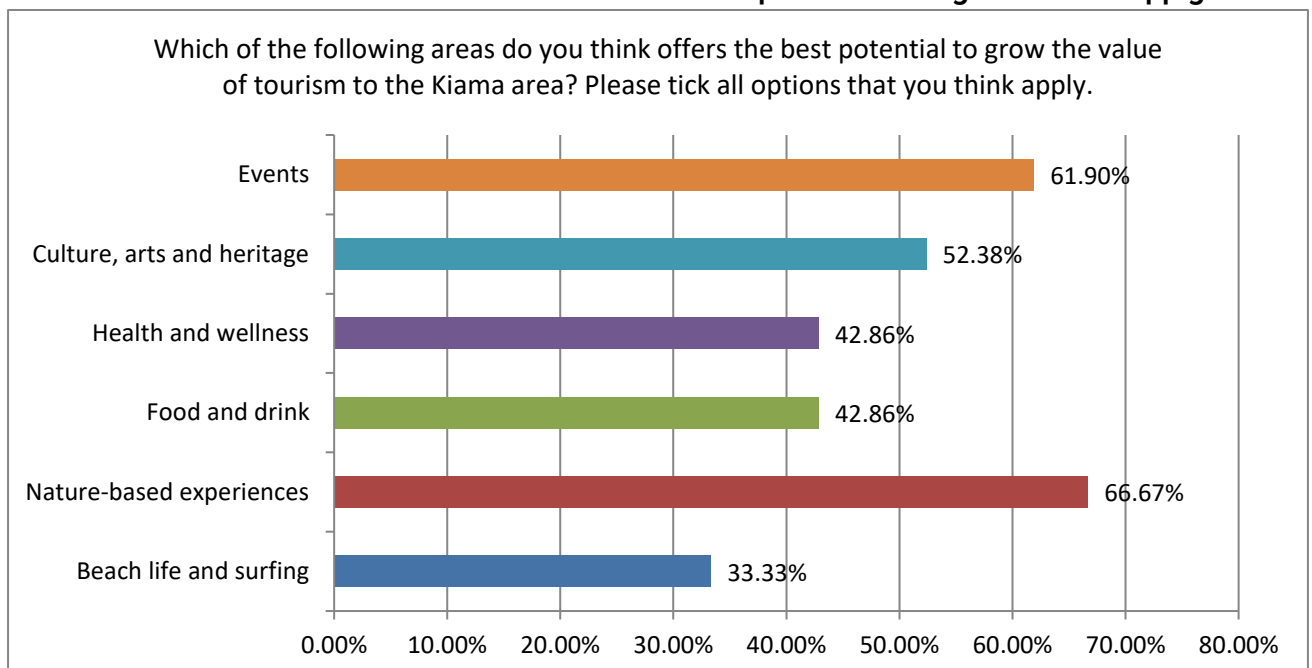
Comment themes:

- There is a need for community education regarding the importance of tourism/hospitality to the region's economy.
- Need to control tourism growth until relevant infrastructure is developed/upgraded.
- Current staff is under resourced as it is.
- Lack of perceived value of tourism to local economy, especially day trippers.
- Perception that day trippers add to workload and drain resources of Council (cleaning bbqs, amenities) and take up free parking without adding value.
- Would like focus to be increased spend and participation rather than more visitors.
- Would like to look at strategies for winter seasonality – perhaps focus more on encouraging local travel / exploration.

With regard to the positive impacts which you feel tourism brings to communities in the Kiama area, please tick the statements that you feel are applicable.



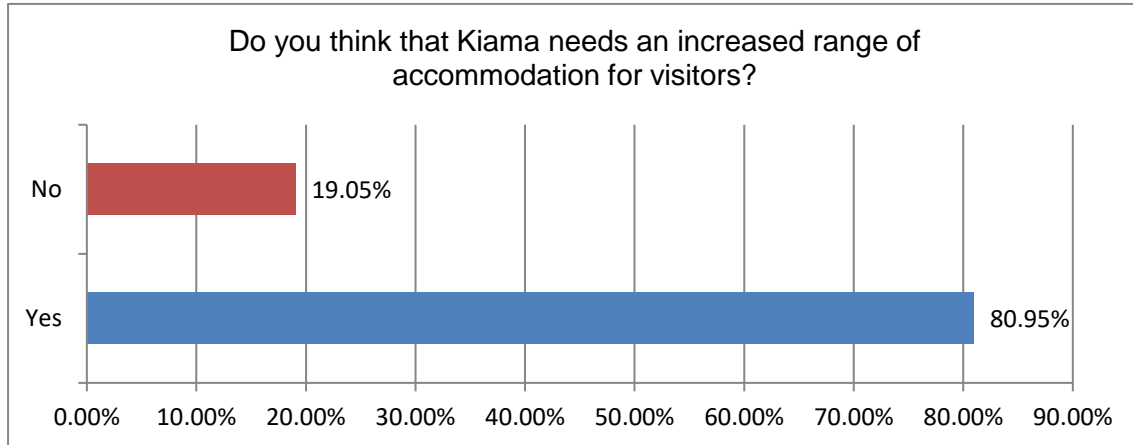
Which of the following areas do you think offers the best potential to grow the value of tourism to the Kiama area? Please tick all options that you think apply.



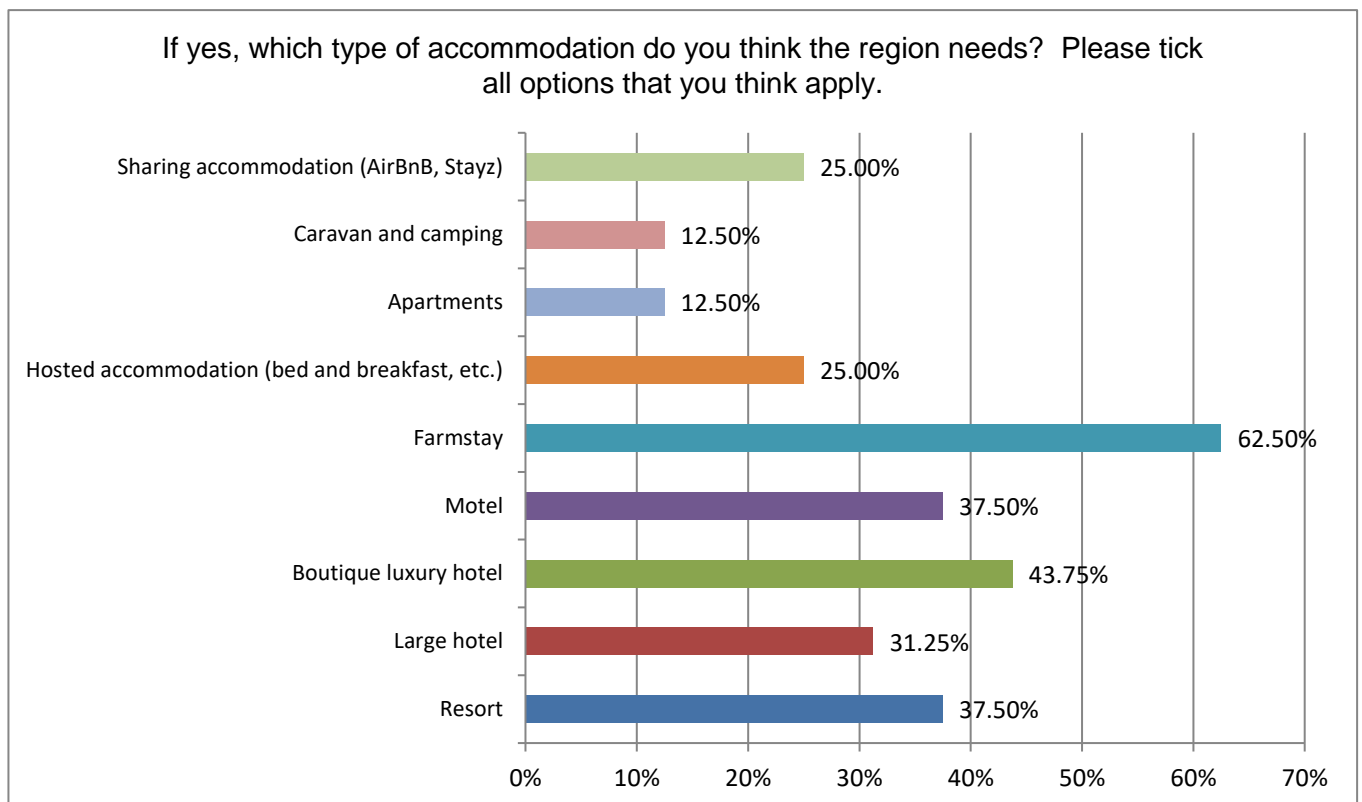
Comment themes:

- General belief that most of these categories do not carry significant tourism spend
- Caution to the number of events – “Too many will upset the locals!”
- Suggestion of *Shopping & Retail*

Do you think that Kiama needs an increased range of accommodation for visitors?



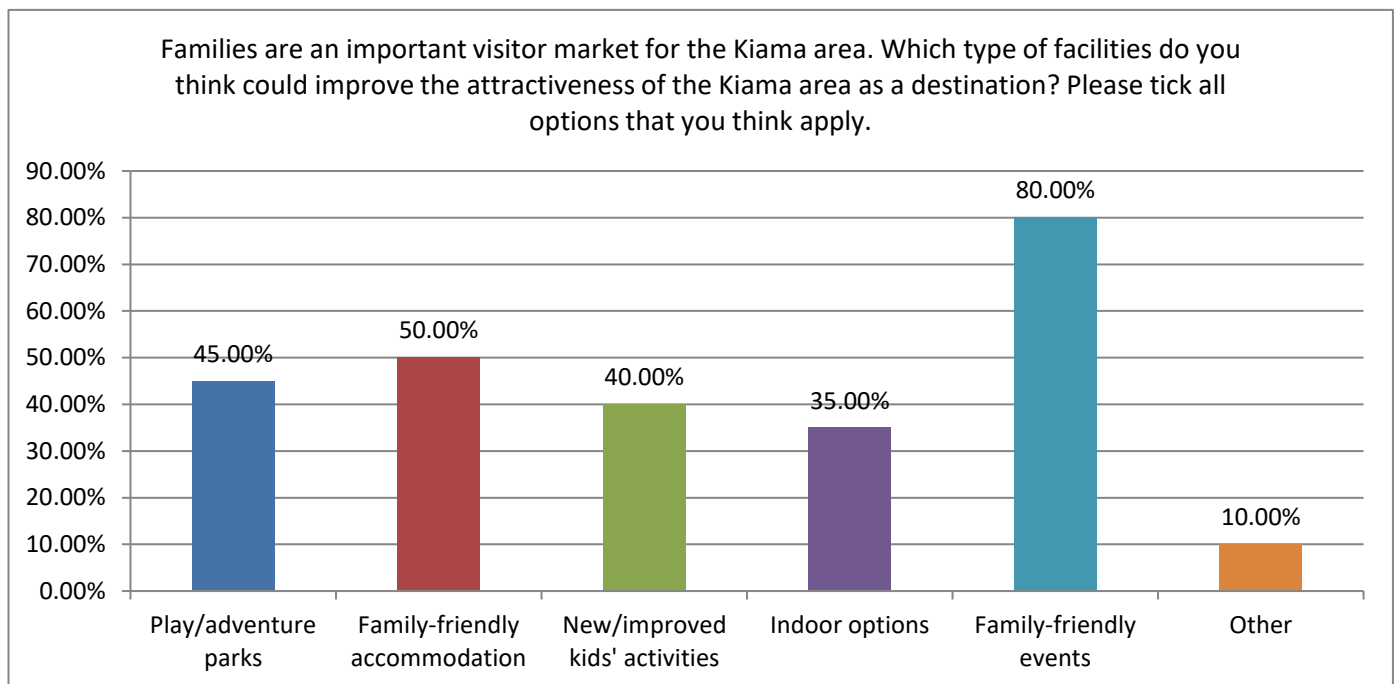
If yes, which type of accommodation do you think the region needs? Please tick all options that you think apply.



Comment themes:

- Cautious about the balance of private vs commercial. There is already a number of private accommodation providers and suggest limiting there from being too many in residential areas.
- Suggestion: *Backpackers*

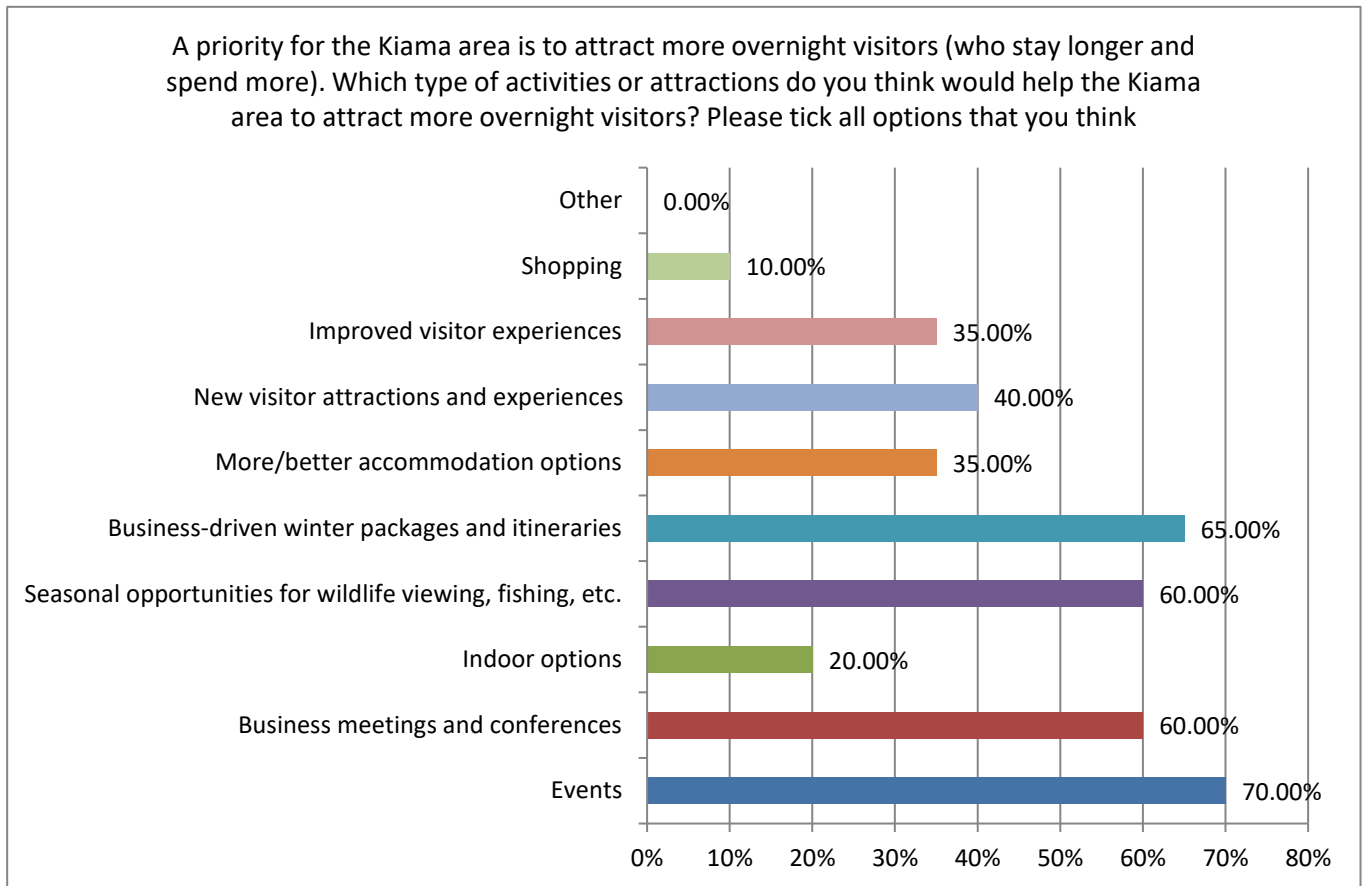
Families are an important visitor market for the Kiama area. Which type of facilities do you think could improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.



Comment themes:

- The investment in product offerings need to be justified by the target market's spending capacity.
- Suggestion: *Footgolf – Unique to Jamberoo. Internationally rated course.*

A priority for the Kiama area is to attract more visitors outside peak holiday seasons. Which type of activities or attractions do you think would help the Kiama area to attract more visitors out of peak season? Please tick all options that you think apply.

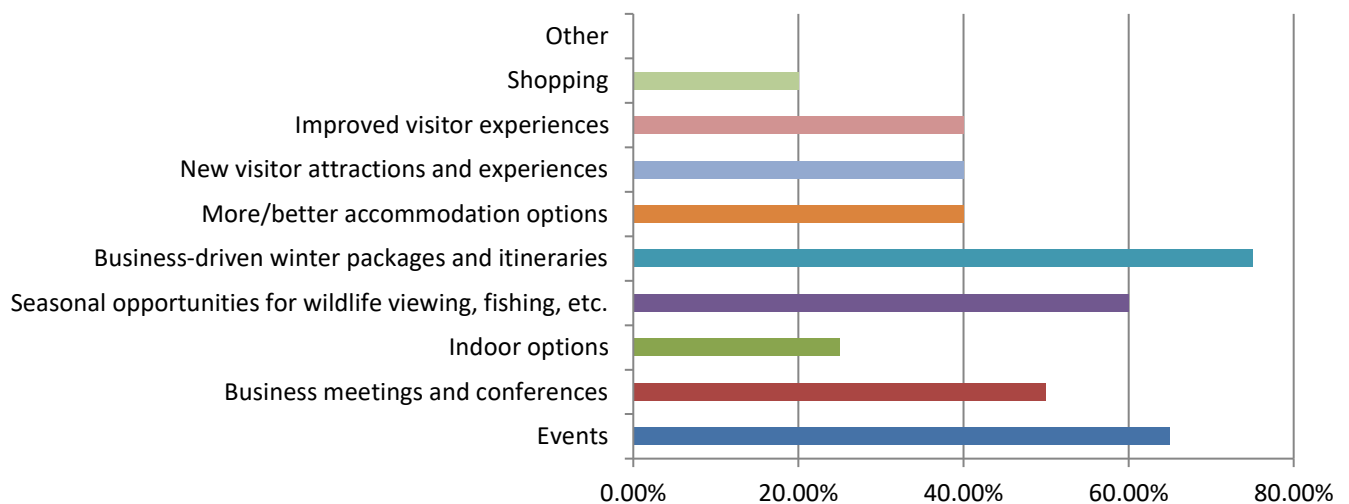


Comment themes:

- Selective events and limited number.
- Suggestion: *Create a nightlife.*
- A focus on economic development: business dollars flow more freely than others and well placed efforts in this area might produce good year-round results.

A priority for the Kiama area is to attract more overnight visitors (who stay longer and spend more). Which type of activities or attractions do you think would help the Kiama area to attract more overnight visitors? Please tick all options that you think apply.

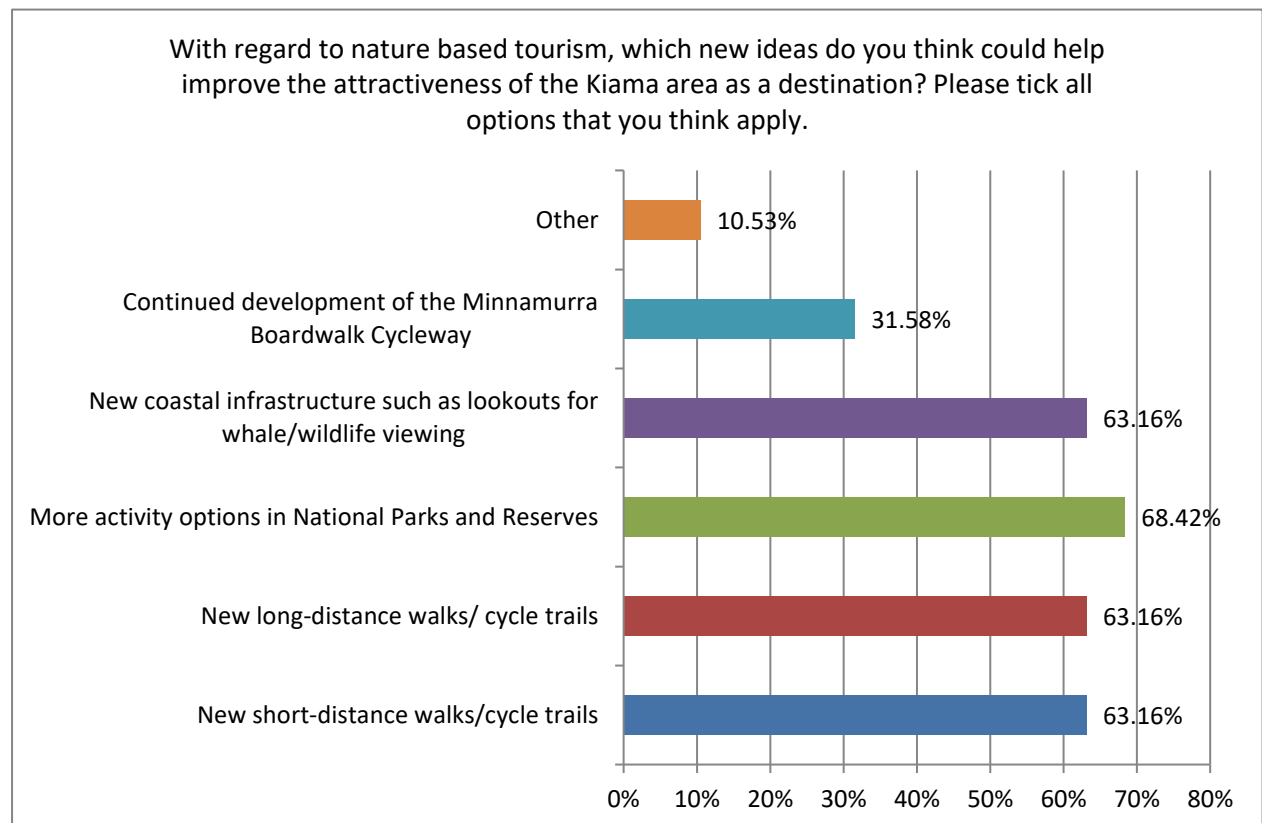
A priority for the Kiama area is to attract more visitors outside peak holiday seasons. Which type of activities or attractions do you think would help the Kiama area to attract more visitors out of peak season? Please tick all options that you think apply



Comment themes:

- Converting day to overnight could be very tricky.
- Attracting from further afield has its challenges as those places have their own charm – difficulty in seeing Kiama's selling point.
- Suggestion: *Improve current visitor element i.e. parking, retail precincts, pathways and signage.*

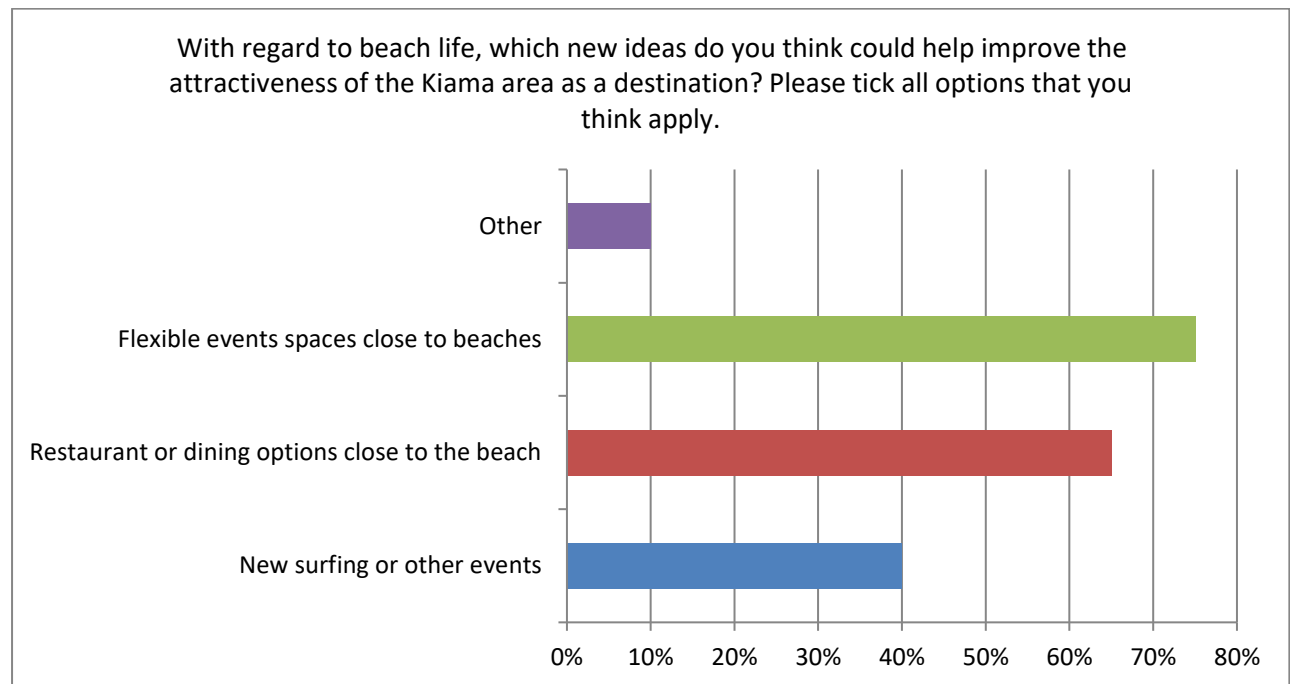
With regard to nature based tourism, which new ideas do you think could help improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.



Comment themes:

- Suggest linking headland walks to an integrated walking trail, allowing pop up food and beverages along the walk eg coffee cart, champagne bars with themed walking events. Example: Tasmania and NZ with the multi day walking itineraries that are popular year round.
- Although some investment ideas appeal to the locals, these might not ultimately be successful in converting any day trippers.
- Promoting what there is with improved signage eg. Minnamurra Rainforest.
- Scavenger hunt along the coast using the nature based activities e.g. find 'x' number of 'x' along the coastal walk from Minnamurra to Kiama. take a photo and #Kiama to win a reusable coffee mug from the Kiama Visitor Centre.

With regard to beach life, which new ideas do you think could help improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.

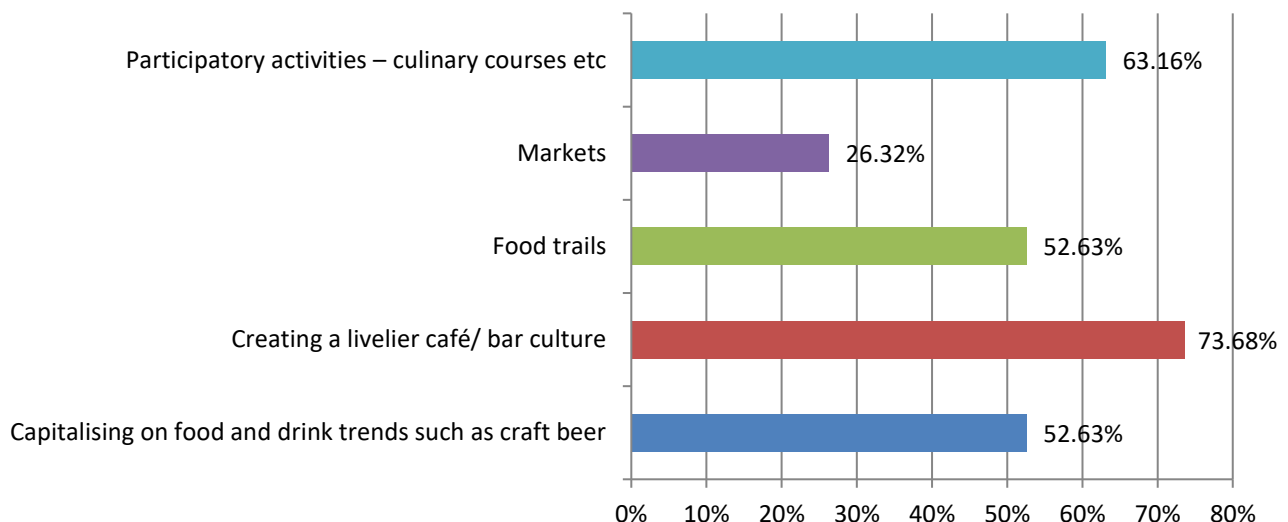


Comment themes:

- Create an 'Adopt A Beach' event.
- Easier access for visitors and locals with disabilities.
- Better use of waterfront: invest in viewing platforms. Equipment hire (stand up paddle boards, surfboards, kite surfing / and or surf school).
- Activate surf clubs: Café's and coffee shops – with beach chairs and umbrellas for hire.

With regard to food and drink, which new ideas do you think could help improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.

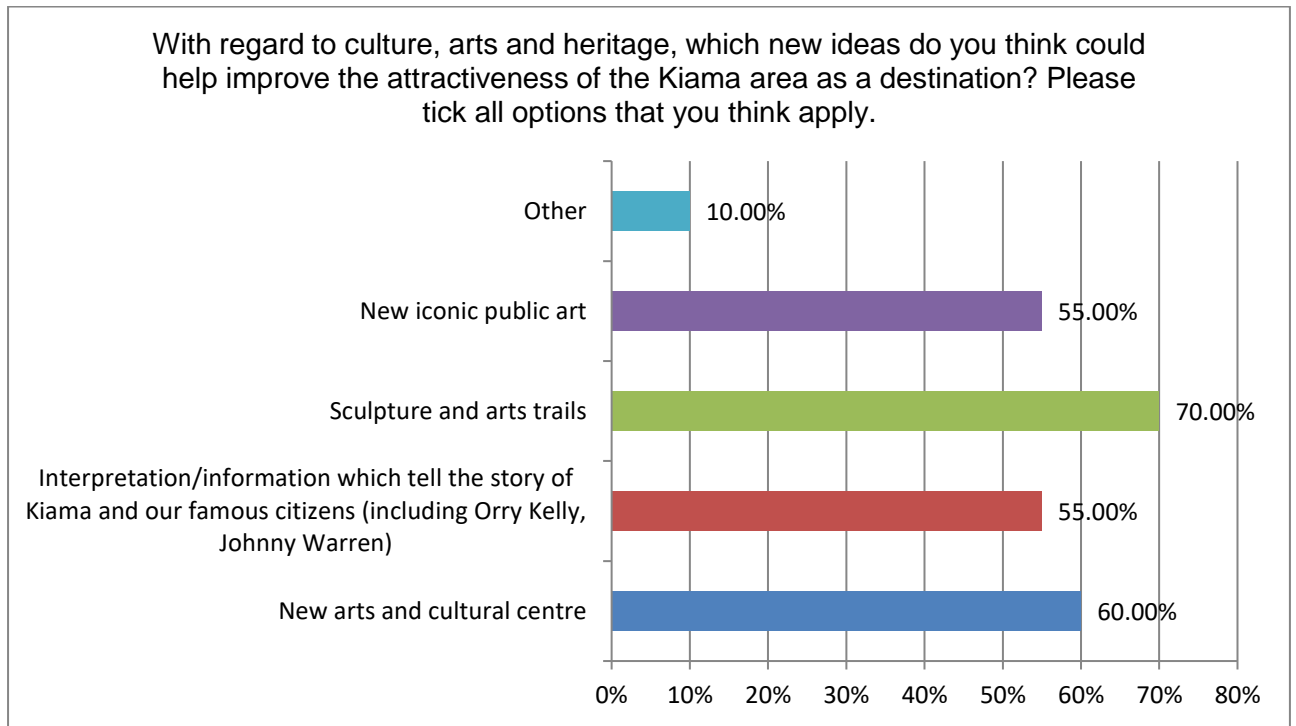
With regard to food and drink, which new ideas do you think could help improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.



Comment themes:

- Create a quality seafood restaurant.
- Create a rooftop bar to capitalise on twilight / evening economy and venue.
- Increase the street appeal of existing Kiama restaurants.
- Some of the options have been tried previously – consult with those as to what worked / didn't.
- Cargo's Wharf Restaurant is in a prime spot for a lot of events or a top seafood restaurant. This place or location could be an icon in Kiama as we are a seaside town and should be well known for the best seafood or at least fish and chips – it's been run into the ground and should be reclaimed.
- Should investigate a brewery at the harbour and dining options on the water.

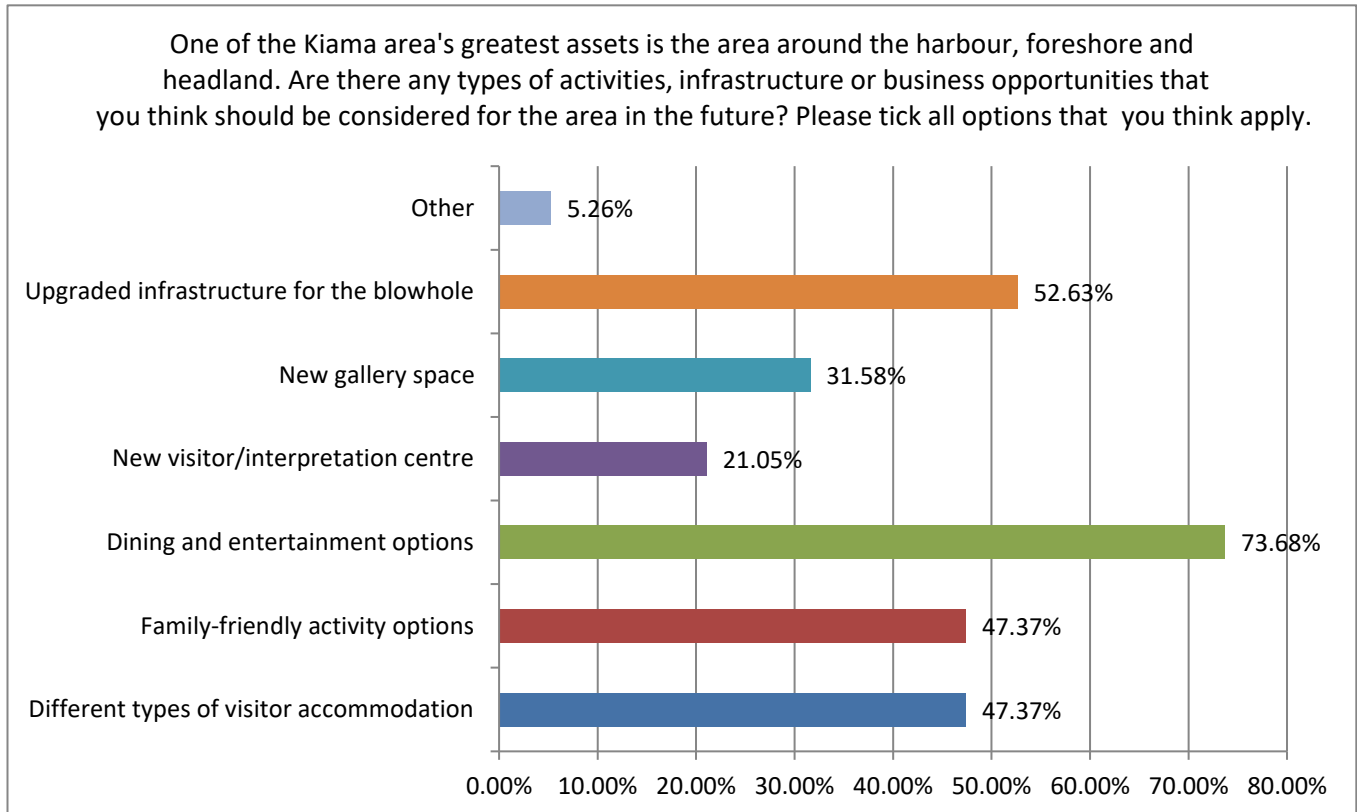
With regard to culture, arts and heritage, which new ideas do you think could help improve the attractiveness of the Kiama area as a destination? Please tick all options that you think apply.



Comment themes:

- Well promoted exhibitions and participatory arts experiences (possibly tied to events such as Rugby Sevens, surfing events etc)
- Aboriginal cultural experiences, improved local music scene - not just big events, growth of literature events and experiences (great for off season when it's cold outside.)
- Disbelief that art is a visitation driver in itself, but rather that it adds ambience to existing drivers / locations. Not considered a compatible element of beach side escape.

One of the Kiama area's greatest assets is the area around the harbour, foreshore and headland. Are there any types of activities, infrastructure or business opportunities that you think should be considered for the area in the future? Please tick all options that you think apply.



Comment themes:

- Paid parking at the Blowhole.
- An interpretative weatherproof centre that would provide a year round experience when the Blowhole is not active.
- An iconic gallery space with a marine theme on the land around the cabins, keeping the Pilots Cottage as part of the Centre.
- Sympathetic re-development of the area around the harbour to match expectations.
- Glassed in viewing platform looking out towards the Blowhole with a restaurant and bar.
- Short trips out on the water. Outdoor movies. Get rid of tacky fairground over summer.
- More adventure based activities for the 20-40 years age range.
- Kids water park, upgrade the Black Beach salt water pool to include concrete bottom and lanes (similar to Shellharbour salt water pool)

Appendix 4: Ranking and Prioritisation of Opportunities

Opportunity	Partnership Development Opportunities	Anticipated community support	Fit with Destination Plan Priorities	Fit with Hero Experiences	Linkages / Value-Add to Existing Experiences	Fit with anticipated consumer demand	Potential to increase Average Length of Stay	Potential to address seasonality challenges	Potential to drive new overnight visitation	Potential to drive new day visitor visitation	Potential to increase yield	Potential to Drive Destination Awareness	Potential Level of Economic Impact if successfully implemented	Deliveryability?	Overall Rating
	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 5	Score from 10	Score from 10	
Precinct and Place Building															
Activation of Kiama Harbour and Headland precinct	4	4	5	5	5	4	4	4	4	3	4	5	10	6	67
New Kiama Arts Precinct	4	5	4	5	4	3	3.5	4	3.5	4	3	4	7	6	60
Arts and Culture															
Orry Kelly permanent collection & fashion festival	4	4	4	4	3	4	4	4	4	3	3	5	7	6	59
Public art program	4	5	5	5	5	3	3	4	3	4	3	4	4	6	58
Johnny Warren -	4	5	4	3	3	3	3	4	2	3	3	4	5	6	52

permanent exhibition															
Public art program, sculpture trail	5	4	3	3	3	3	2	3	2	3	1	4	7	6	49
Visitor immersive art experiences	4	4	4	4	4	4	4	4	4	3	4	3	6	7	59
Beach Life															
Surf club activation - Surf Beach	4	4	4	4	5	5	3.5	3	3	4	4	2	7	8	60.5
Nature-based Experiences															
Saddleback Mountain walking track	4	4	5	5	4	4	4	4	5	3	3	4	7	5	61
Expanding Kiama - Gerringong Coastal Walk to Gerroa	4	5	4	5	4.5	4	4	3	4	4	4	4	6	5	60.5
Leverage the potential of NSW Parks investment at Minnamurra Rainforest	4	4	4	4	5	4	4	3	4	4	3	3	6	8	60

Developing the tourism potential of Bombo Quarry	3	4	4	4	4	4	3.5	3	3.5	4	3	3	5	6	54
Flying fox-activity development	3	2	4	3	4	4	3	3	3	4	4	4	6	3	50
Great South Coast Walk	4	3	4	4	3	4	3	3	4	3	3	3	6	4	51
Positioning Kiama as the premier whale watching spot on the south coast	4	4	5	4	4	4	3	3	3	4	3	4	6	6	57
Minnamurra Boardwalk and Cycleway project	4	4	4	4	5	4	4	3.5	3	3.5	4	3	6	9	61
Kiama Cycleway Plan	3	4	4	3.5	5	3.5	3	3	3.5	3	3	3	6	9	56.5
Berry Estate Trails project - rail trail between Bomaderry and Gerringong	4	4	4	3.5	4	3.5	4	3	3	2	3	2	6	6	52

Create a new dark skies observatory on the headland	3	3	3	4	4	3	3	4	3	1	2	3.5	6	4	46.5
Health and Wellness															
Immersive spa experience	4	4	3	4	4	3.5	3	4	3.5	4	4	3	6	7	57
Food and Drink															
Community Hall dinners - new concept	3	4	4	4	3	4	3	2	3	2	3	4	4	8	51
Kiama Dairy Country	5	5	5	4	5	5	4	4	4	5	5	5	7	8	56
Home hosted dinners - new concept	3	3	3	3	4	3	4	4	4	2	3	3	3	8	50
Craft brewery development	2	4	4	3	5	5	3	4	3	4	4	3	6	7	57

Foreshore activation to offer an increased range of spending/ food & drink opportunities at key beaches	4	3	4	4	5	5	3	2	2	4	5	3	7	9	60
Commercial Accommodation															
Farm-based accommodation: Farmstay / eco accommodation	2	4	5	5	5	5	5	4	4	2	4	3	6	8	48
Touring caravan/RV site	4	2	3	3	4	3.5	4	2	4	1	3	2	5	8	35.5
New boutique hotel development - 4/5 star	3	4	4	4	4	4	4	4	4	1	4	4	7	7	58
New pop-up /temporary accommodation	4	4	4	4	4	3.5	4	3	4	1	4	4	6	8	43.5

Jerrara Eco Accommodation	3	3	5	5	5	4	5	4	5	2	4	3	9	5	62
New beach house style accommodation	3	3	4	4	3	3	3	3	4	1	3	3	5	8	50
Business and Conference															
Refresh the Pavilion's business and conference facilities	3	4	4	3	3	3	3	4	3	3	3	2	7	6	51
Repurposing the Pavilion's stables as a hospitality venue/small MICE facility	3	3	4	3	3	3.5	3	4.5	3.5	4	4	3	6	6	53.5
Attract a new centre of excellence to site in Kiama	4	4	3	3	4	3	3	4	4	3	3	3	6	5	52
Development of wedding market opportunities	4	4	4	4	4	4	4	3	4	4	4	3	7	9	62

Other															
Major new play park	2	5	4	3	3	4	3	3.5	2	4	2	3	6	7	51.5

Appendix Five: Consultation List

Consultees included;

- Kiama Municipal Council – Councillors
- Destination Kiama – Tourism Advisory Committee
- Destination Kiama – Staff
- Kiama Municipal Council – Directors
- Ann Sudmalis MP (Federal)
- Members of the community who attended workshops at Gerroa, Gerringong, Jamberoo and Kiama
- Create NSW
- Destination Sydney Surrounds South
- Illawarra Fly
- Illawarra Shoalhaven Joint Organisation
- Jamberoo Action Park
- Kiama Chamber of Commerce
- Mercure Gerringong
- Merlin Entertainment
- NSW Government - Department of Industry – Lands
- NSW Government – Department of Premier and Cabinet
- NSW Parks and Wildlife Service
- NSW Property Council
- Sebel Hotel, Kiama