

## RESORT PLANNING

Resorts as businesses must take control of internal matters and challenges at the earliest opportunity, if they are to fulfil their original vision and become sustainable financial enterprises.

The process of resort planning and development is basically an economic one, and all other goals – social and environment – must be subordinated to, yet integrated with, the economic objective.

The planning process in this context refers to the generic nature of planning – a scheme of action or procedure for the future. As such it incorporates the dreaming that leads to a vision; the conceptualisation that creates the physical form and environmental setting for that vision; the business management strategies that are designed to produce the maximum effectiveness and efficiency from an often considerable

investment; while either accepting imposed corporate social responsibilities or setting new and higher standards of sustainable development. These are not necessarily separate and independent stages within a planning process, for in a business situation the financial implications and possibilities will need to be considered at each stage. They are, however, universal components of the planning system and should operate at all levels, be it for a single resort hotel facility, an integrated resort complex or a broader urban resort destination.

The planning process will differ in detail with each resort development. Major differences include whether it is a greenfield site or part of an urban complex, complete with neighbours who have existing rights and expectations; whether it is a privately owned or leased property; and the governance system operating at the resort site. However, within each situation a generic planning process still applies. The development situation can vary from the isolated and undeveloped conditions of a greenfield site in rural regions to a central and developed site within an urban region, or anywhere in between.

The various development situations will involve different cost structures regarding the provision of infrastructure, construction and labour. In times of economic growth and optimistic outlooks it is tempting to let the dream overwhelm the financial realities of a development situation. During Australia's major resort development in the 1980s, many resorts 'were funded on unrealistic expectations of the strength of resort demand and poor understanding of resort investment principles'. As a result ego investments, dumb planning and boosterism have led some developments that were never going to return a profit into receivership.

It is often the second or third owners who turn such resort dreams into profitable businesses by applying more realistic financial yardsticks and/or revising the market emphasis of the previous owners. It is not just the developers and owners who are involved with the planning process of resorts, for there are generally other stakeholders involved. Among these are members of local communities, be they the neighbours and



residents in an urban area or the neighbours and indigenous owners of wilderness areas and traditional sites. They will generally welcome the employment and business opportunities that a resort can bring, but will expect a sensitive development that integrates with the local landscape and culture.

There are operators of core and secondary businesses within the resort, who will need to conduct sufficient business to pay their annual leases and meet their corporate obligations, such as joint marketing campaigns. There is always the government that is keen to enlarge its tax base, even on a deferred basis, to support the growing expectations and responsibilities of society around the world. It becomes the responsibility of the planner to attempt to meet the needs of stakeholder groups in a manner that meets the profit objectives of a resort business, within the expectations and constraints of a variety of concepts and policies.