ITEM 5 PUBLIC EXHIBITION - DRAFT TOURISM ACCOMMODATION REVIEW STRATEGY

Wollongong currently has some 74 tourist accommodation establishments within the Wollongong LGA, providing an estimated 1,924 rooms, 211 cabins and 269 powered and 122 unpowered camping and caravanning sites each night, which can cater for over 5,400 guests. There are also currently 854 premises registered providing Short-term Rental Accommodation.

On 28 June 2021, Council endorsed the draft Tourism Accommodation Review – Discussion Paper for exhibition. The draft Discussion Paper reviews the planning controls that affect tourism accommodation. Tourism accommodation venues occur throughout the LGA, although are concentrated around the Wollongong City Centre. Different forms of Tourism accommodation are permissible in many zones under the Wollongong LEP 2009. The SP3 Tourist zone is partially used for tourism accommodation.

The draft Discussion Paper was exhibited from 19 July 2021 to 30 September 2021 with 9 submissions received. Advice from a further 20 establishments confirmed or updated the accommodation capacity data, and 10 owners advised that their premise was no longer used for visitor accommodation.

On 20 May 2024 a roundtable discussion occurred with tourism and development representatives to discuss options to incentivise the provision additional accommodation.

The Tourism Accommodation Discussion Paper has been updated and a draft Tourism Accommodation Review Strategy prepared. It is recommended that the draft Tourism Accommodation Review Strategy be exhibited for further community and stakeholder feedback. The draft Tourism Accommodation Review Strategy focuses on land use planning response to support and incentivise development of new and expanded tourist accommodation proposals.

RECOMMENDATION

The draft Tourism Accommodation Review Strategy be exhibited for a minimum period of six (6) weeks to enable community and tourism industry input.

REPORT AUTHORISATIONS

Report of: Chris Stewart, Manager City Strategy
Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

ATTACHMENTS

1 Summary of Submissions 2021
2 Updated Tourism Accommodation Discussion Paper
3 Draft Tourism Accommodation Review Strategy

BACKGROUND

Tourism is an important part of Council's *Economic Development Strategy (2019-2029).* Increased visitation, especially overnight visitors, has a positive benefit to the local economy through increased expenditure which supports local jobs and businesses including conference and training providers.

An action in the Wollongong Local Strategic Planning Statement, Economic Development Strategy and the Operational Plan is the preparation and exhibition of the draft Tourism Accommodation Review.

On 28 June 2021 Council considered a report on the draft Tourism Accommodation Review – Discussion Paper. The draft Review found that Wollongong has a wide range of accommodation establishments. The draft Review focused on planning issues associated with the supply and demand for tourism accommodation. The draft Review does not consider tourism uses, attractions or events.

Council resolved that -

> *The draft Tourism Accommodation Review – Discussion Paper be exhibition for a minimum period of six (6) weeks to enable community and tourism industry input, to assist in the development of a draft Tourism Accommodation Strategy.*

The draft Discussion Paper was exhibited from 19 July 2021 to 30 September 2021.

On 20 May 2024 Council hosted a Tourist Accommodation Roundtable which provided an opportunity for invited stakeholders with an interest in tourism accommodation to share their experiences and expertise. Participants very generously took the time to discuss barriers and opportunities that would support more investment in tourist accommodation development in the city.

PROPOSAL

In response to the exhibition, nine (9) submissions were received, which are summarised in Attachment 1. In addition, twenty (20) establishments contacted Council to update or confirm their room and guest capacity information.

Key issues included:

- The need for additional accommodation
- The impact of COVID
- Support for some of the incentive provisions outlined in the Discussion Paper
- Comments on farm-stay, short-term rental accommodation, caravan parks, eco-tourism

Accommodation Capacity

Twenty establishments contacted Council to confirm or update their room capacity. A further ten owners advised that they were no longer providing visitor accommodation (mainly bed and breakfast establishments – reduction of 28 rooms). In addition, Hotel Totto in Wollongong has reopened for tourism accommodation which has made available an additional 150 rooms. This information has been used to update the Accommodation database. The database has also been updated as establishments open or close.

The revised available accommodation is summarised in the following table –

	Number of Establishments	Number of Rooms Available	Guest Capacity	Number of Powered sites	Number of Unpowered Sites	Number of Cabins	Cabin Guest Capacity
Backpackers Accommodation	1	13	32				
Bed and Breakfast Accommodation	11	20	50				
Holiday Letting	7	10	29				
Serviced Apartments	14	413	1,164				
Tourist Parks	5			269	122	211	1,179
Hotels and Motels - Budget Motel	24	682	1,745				
Hotels and Motels - Hotel 4-4.5 star	2	370	1,007				
Hotels and Motels - Mid Market	4	237	637				
Hotels and Motels - Conference Centre	1	116	600				
Hotels and Motels - Student	1	24	76				
Hotels and Motels - Luxury Boutique	2	7	20				
Hotels and Motels - Boutique	1	20	64				
Guest House	1	12	20				
Total	**74**	**1,924**	**5,444**	**269**	**122**	**211**	**1,179**
Short term Rental Accommodation	854						

If fully occupied the establishments have capacity for 5,444 guests each night.

The establishments are spread across the LGA, although are concentrated in and around the Wollongong City Centre. Council manages three of the four tourist parks which provide cabins and powered and unpowered camping and caravan sites.

Additionally, premises offering short-term rental accommodation are now required to register on the NSW Planning Portal which provides a more accurate count of this form of accommodation than was available in 2021. In April 2024 there were 854 short-term rental accommodation premises registered in the LGA, across 55 suburbs (discussed below).

Over the past few years, Council has approved development applications for eight additional hotels (701 rooms), however only one has commenced construction (96 rooms), the development consent has lapsed on one site and four sites have had subsequent development approvals for other uses. Council is currently assessing two Development Applications for mixed use developments that propose three separate hotels (457 rooms).

Council has also approved development applications for the demolition of three existing hotels and replacement with residential development, which if progressed would reduce the number of available rooms by 84 rooms.

The Wollongong Local Environmental Plan (LEP) 2009 permits the establishment of various forms for tourism accommodation in the different land use zones that apply to the LGA. Thirteen of the 74 existing establishments (excluding short-term rental accommodation) are located on zones where the land use is currently not permitted (noting the use may have been permissible in the past). For example, hotel and motel accommodation is not permitted in the R1 General Residential or R2 Low Density Residential zones, and three establishments are on land zoned C2 Environmental Conservation.

A number of existing hotels and motels are ageing, have changed ownership and some are at risk of closure, through a combination of high maintenance costs, low returns, financing difficulties and higher returns from residential development.

Overall, the Wollongong LGA is primarily a domestic tourism market. As the domestic tourism market grows, there is the demand for additional accommodation venues to be provided. The Wollongong CDB is primarily a weekday business and conference market. Whereas the northern villages and coastal areas serve a weekend leisure market. The Tourism Accommodation Review – Discussion Paper found that there is demand for additional accommodation venues, although it is difficult to quantify the additional number of rooms required.

Short-term Rental Accommodation

On 9 April 2021, the (then) NSW Department of Planning and Environment published an amendment to SEPP Affordable Rental Housing (now Part 6 of SEPP (Housing) 2021), to introduce provisions for short-term rental accommodation. On 1 November 2021, short-term rental accommodation became permissible as exempt development. The use is defined as -

> ***short-term rental accommodation*** *means a dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period.*

The use is required to satisfy a number of requirements outlined in the policy, including -

- Dwelling must have been lawfully constructed.
- Dwelling must be registered on the NSW Planning Portal's short-term rental accommodation register.
- The use of the dwelling for the purposes of short-term rental accommodation must otherwise be lawful, (e.g. under building strata laws or conditions of development consent).

On 28 October 2020, NSW Fair Trading released the Code of Conduct for the Short-term Rental Accommodation Industry which commenced on 18 December 2020. The NSW Fair Trading have been given the responsibility to monitor complaints and compliance. Any complaints concerning the operation of premises are to be directed to NSW Fair Trading. Any issues requiring immediate attention, such as late-night noise, should be directed to NSW Police.

In April 2024 there were 854 premises registered in the Wollongong local government area (LGA), across 55 suburbs. Of these, 434 premises offered hosted accommodation and 420 premises non-hosted accommodation. The largest number of establishments are in the suburbs of Wollongong (171 premises), Thirroul (75 premises), Bulli (66 premises) and Woonona (60 premises). The number of registered premises peaked in April 2023 at 1,125. The updated Discussion Paper provides further details.

On 29 February 2023, Council adopted the Wollongong Housing Strategy. The Strategy included the following action -

L1. As part of the finalisation of the Tourism Accommodation Review, review the permissibility of Short-term Rental Accommodation and options to reduce the impact on the rental market.

Short-term rental accommodation (especially for non-hosted accommodation) does reduce the number of properties available for longer term rental accommodation. However, the number of short-term rental accommodation dwellings represents less than 1% of the LGAs housing stock. The current registration data from the NSW Department of Planning, Housing and Infrastructure (DPHI) indicates that the average booking days for the current year is 35 days per year.

The SEPP allows short-term accommodation to be exempt development for 365 days per year, although some Councils have reduced that number to 180 days. In 2022, Byron Shire Council exhibited a Planning Proposal to change the number of days from 180 days per year to 90 days per year in some parts of its LGA and increase it to 365 days in other parts. The (then) Minister for Planning referred the draft Plan to the Independent Planning Commission for review. In April 2023 the Independent Planning Commission proposed a 60-day limit for non-hosted short-term rental accommodation to incentivise the alternative long-term rental of properties.

Apart from the Planning Portal, there is currently no mechanism to record, track and monitor the usage of a premise. Council officers do not have the legislative responsibility or resources to monitor the usage of each premise, or the authority to act if the number of days has been exceeded.

In February 2024, DPHI released a Discussion Paper on Short and Long Term Rental Accommodation. The results of the feedback or any policy changes have not been released.

It is recommended that, given the current low percentage of short-term rental accommodation in the LGA and pending the findings of the Department's review, no change to provisions relating to short-term rental accommodation be made at this time.

Agritourism

On 6 October 2022, the (then) NSW Department of Planning and Environment published an amendment to SEPP (Exempt and Complying Development) 2008 for agritourism, to enable farmers to diversify their income, commencing on 1 December 2022. One of the amendments enables farm stay accommodation as exempt or complying development on rural properties subject to various development standards, as summarised in the table below. Farm stay accommodation is defined as -

a building or place —

(a) on a commercial farm, and

(b) ancillary to the farm, and

(c) used to provide temporary accommodation to paying guests of the farm, including in buildings or moveable dwellings.

Activity	Exempt Development	Complying Development
Farm Stay Accommodation	• Permitted in RU1, RU2, RU4 zones and in other zones where agriculture, extensive agriculture, intensive livestock agriculture and intensive plant agriculture are permitted. • Maximum 20 guests in tents, caravans and campervans. • Maximum 6 caravans and campervans. • Maximum 21 consecutive days of stay. • Minimum landholding of 15ha for camping/caravans. • Use up to $60m^2$ gross floor area of an existing residential accommodation or manufactured home. • Off street parking.	• Permitted in RU1, RU2, RU4 zones where farm stay accommodation is permitted under the LEP. • Maximum 6 buildings on the landholding. • Maximum 21 consecutive days of stay. • Minimum landholding size of 15ha (new buildings). • Maximum $60m^2$ gross floor area for a new building or use up to $60m^2$ of an existing building. • Use up to $25m^2$ of an existing building to provide communal amenities or facilities. • Off street parking.

During the exhibition of the draft SEPP, Council officers expressed concern about the proposed changes, especially allowing 20 persons to camp on rural properties for up to 14 days at a time as exempt development. The 10-20+ hectare rural properties in Wollongong are not the same as the large rural properties in Western NSW. While friends and family camping on a property during summer is acceptable, the proposal to allow commercial year-round camping without approval was not considered appropriate and would not provide community input or merit-based assessment via a Development Application exhibition process.

Dwellings on rural properties can also be used for short-term rental accommodation.

The draft Tourism Accommodation Discussion paper had suggested that farm-stay accommodation could be removed as a permitted use in the rural and environmental conservation zones. This was based on there being no take-up and limited opportunity for future take-up of the use and concern that farm-stay may be used to support and/or legitimise dwellings on undersized lots with infrastructure, servicing, bushfire risk and environmental constraints.

As the use is now permitted as exempt and complying development via the SEPP, removing the use would only preclude development applications being lodged with Council for proposals that don't comply with the development standards in the SEPP. It is unclear whether a rural property in the LGA could satisfy the complex development standards provisions contained in the SEPP. On this basis, we proposed to retain farm-stay as a permitted use to provide a local planning pathway if required.

Tourism Accommodation Discussion Paper Updates

The exhibited draft Discussion Paper (Attachment 2) has been updated by -

- Updating the tourism accommodation information, based on submissions and development approvals.
- Updating the COVID 19 impacts on the tourism industry.
- Updating references to more recent documents, e.g. replacing Illawarra Shoalhaven Regional Plan 2016 with Illawarra Shoalhaven Regional Plan 2021, Destination Sydney Surrounds South Management Plan 2022-2030, Destination Wollongong Management Plan 2022, Council's Community Strategic Plan 2022, Illawarra Sports and Entertainment Precinct Report 2022.
- Removing references to no longer current documents, e.g. the Aboriginal Tourism Action Plan 2017-2020, China Tourism Strategy 2012-2020, Destination Wollongong's Destination Development Plan 2014, Major Events Strategy 2016-2020 and Annual Report 2019-2020.
- Updating legislative changes – e.g. short-term rental accommodation, and agritourism.

- Updating zone names following the introduction of the Employment Zone Reforms by the (then) NSW Department of Planning and Environment, which commenced on 26 April 2023.
- Incorporating Development Application data and recent development application approvals.
- Incorporating short term rental accommodation data from the NSW Department of Planning, Housing and Infrastructure's Planning Portal.

Draft Tourism Accommodation Strategy

A Draft Tourism Accommodation Strategy has been prepared (Attachment 3). The draft Strategy proposes the following guiding principle -

To increase the number of tourism accommodation beds available in Wollongong LGA by -

a Retaining, upgrading and expanding existing hotel and motel accommodation.

b Establishing 2 new 5 star or equivalent hotel in the Wollongong City Centre.

c Establishing new tourism accommodation on the existing SP3 Tourism zone.

To progress the principle, the following strategies are proposed -

1 Provide incentives through planning controls, for the development of at least two 5 star or equivalent accommodation venues within Wollongong City Centre within 10 years.

2 Continue to permit and encourage a range of accommodation types throughout the LGA.

3 Through planning controls, encourage the retention and upgrading of existing accommodation facilities.

4 Incentivise through planning controls, an increase in the number of rooms available.

5 Prevent tourist accommodation being out-competed by residential development, by not permitting residential development in the SP3 Tourist zone.

6 Review the planning controls of the SP3 Tourist zone to ensure it is fit for purpose, including the land use table, height controls, floor space ratio and development controls.

7 Monitor the number and percentage of short-term rental accommodation available, and impact on long-term rental accommodation.

To incentivise the retention or redevelopment of existing hotel and motel accommodation, the draft Strategy proposes consideration be given to the following actions -

- Permitting Hotel and Motel Accommodation as a permissible land use in the R1 General Residential and R2 Low Density Residential zones.
- Permit an additional floor space ratio of 0.5:1 for Hotel and Motel Accommodation in the R1 General Residential and R2 Low Density Residential zones and allowing the maximum building height to be exceeded by 4m.
- Permit an additional floor space ratio of 2:1 for 100% Hotel and Motel Accommodation developments in the Wollongong City Centre E2 Local Centre zone, and allowing the maximum building height to be exceeded, provided there is no overshadowing of key public spaces.
- Amend LEP clause 4.4A(6) to remove serviced apartments from the definition of residential development in the Wollongong City Centre to enable the commercial floor space provisions to apply, rather than the residential FSR.
- Permitting hotel and motel accommodation on three sites where accommodation is occurring via an Additional use provision -
    - The Tops Conference Centre, Stanwell Tops.
    - Tumbling Waters, Stanwell Tops.
    - Govinda Retreat, Otford.
- Clarifying and reducing the car parking provisions for hotel and motel accommodation.

- Deferring the payment of development contributions for hotel and motel accommodation components of development until Occupation Certificate. This would enable developers to defer payment to the end of the construction phase as the facility becomes operational to reduce holding costs prior to cash flow commencing.

The draft Strategy also suggests that consideration be given to -

- Rezoning some SP3 Tourist sites which are not suitable for tourist accommodation uses to another zone.

SP3 Tourist zone

The draft Tourism Accommodation Review also reviewed the SP3 Tourist zone which applies to 26 sites (127 lots or part lots) with a combined area of 116 hectares. The Review found that accommodation was only available on 11 of the sites, with a range of land uses occurring in the zone, including -

- 4 Tourist Parks.
- 3 Hotels.
- 2 Motels.
- 2 Pub Hotels.
- 5 Licensed Clubs.
- 5 Escarpment Lookouts.
- 2 Tourism Attractions - Symbio Wildlife Park at Helensburgh, Illawarra Sports and Entertainment Precinct.
- Residential apartment buildings.
- Retail premises.
- Vacant land.

The King Street, Warrawong SP3 Tourist area is the largest area zoned SP3 and provides the opportunity for tourism attractions and tourism accommodation adjacent to Lake Illawarra (subject to flood and contamination constraints). This precinct is currently managed by Property NSW for the State Government. In June 2024, Minister for Planning and Public Space announced that the State will prepare a master plan for the precinct.

The SP3 Tourist zone permits a range of uses, including tourism accommodation. As indicated in the list above, the zone is being used for a variety of uses, some inconsistent with the zone and there are some sites where an alternate zone maybe appropriate pending outcomes from the master plan process.

CONSULTATION AND COMMUNICATION

The draft Tourism Accommodation Review was exhibited from 19 July 2021 to 30 September 2021 to enable community and tourism industry input.

- Letters were sent to all known accommodation establishments.
- Emails were sent to Destination Wollongong, Urban Development Institute of Australia, Property Council of Australia and other stakeholders.
- Emails were sent to all active Neighbourhood Forums.
- Notice in Illawarra Mercury.
- Social Media.
- Our Wollongong webpage.

The Our Wollongong exhibition webpage received 100 visits and 50 documents were downloaded. One comment was lodged, which is included as a submission. As a consequence of the exhibition -

- 20 establishments contacted Council to update or confirm their room and guest capacity.

- 10 establishments (28 rooms) were removed from the accommodation database, as the owners advised that they were no longer operating.
- 9 submissions, including the on-line comment, provided comments on the draft Discussion Paper and its recommendations (Attachment 1).

On 20 May 2024 Council hosted a Tourist Accommodation Roundtable with tourism and development industry representatives. Some of the feedback provided included:

- More rooms and beds are required to attract and support major events and conferences
- 1-2 5 star or equivalent hotels are required
- Acknowledged that a number of approved development applications for hotels had not progressed to construction, due to a range of factors
- Hotels are not currently feasible, due to high land cost, high construction cost
- Hotel development is difficult (of 100 feasible projects, only 10-15 progress to commencement).
- Hotels don't start generating cash flow until guests arrive (unlike residential development pre-sales), and can take 2-3 years for bookings to reach "stabilisation"
- Residential development on sites is more feasible
- Don't want their sites zoned SP3 Tourist, may devalue land
- Accommodation needs subsidiarisation with residential and other uses
- Would like bonus / incentive provisions – like the 15%/30% Affordable Housing scheme
- General support for incentives flagged in discussion paper, but there could be more
- Council should target specific sites and have site specific controls to incentivise
- Wollongong CDB is primarily a weekday business and conferencing market
- A broader tourism marketing strategy required (beyond scope of this planning control review)
- Is Council considering tourism opportunities on its land holdings?

It is proposed that the draft Tourism Accommodation Strategy be exhibited for community and industry feedback. Following consideration of feedback received, Council will consider adoption of a final Strategy that will inform the preparation of Planning Proposals and draft DCP amendments as required.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 1. It specifically delivers on the following -

Community Strategic Plan 2032	Delivery Program 2022-2026
Strategy	**Service**
1.5 Maintain the unique character of the Wollongong Local Government Area, whilst balancing development, population growth and housing needs	Land Use Planning

CONCLUSION

The draft Tourism Accommodation Review – Discussion Paper has reviewed the planning controls that affect tourism accommodation. The draft Review found that there is a need to retain existing tourism accommodation and to incentivise the opportunity for new establishments.

The review outcomes informed the preparation of a draft Tourism Accommodation Review Strategy which has recommended changes to some land use planning setting to better support and incentivise new and expanded tourism developments.

It is recommended that the draft Tourism Accommodation Review Strategy be exhibited for community and tourism industry input. Following consideration of submissions, a final Strategy will be prepared for Council's consideration that will inform the preparation of Planning Proposals and draft DCP amendments to implement endorsed outcomes.

Draft Tourism Accommodation Review – Discussion Paper

Summary of submissions 2021

Submitter	Submission	Response
Resident, East Corrimal	1. I do not support the proposal to allow camping or Farm Stay on rural and environmental management properties. The use of the Farm Stay zoning is not in step with the current land use in the Northern Illawarra and could be used as a loophole for overuse in environmentally sensitive areas. The fact that landowners would be able to have up to 20 people in tents, caravans, campervans at any time for up to 14 days as exempt development would be a misuse of the original intent for the zoning. 2. I do not support the rezoning of sensitive bushland sites in the Escarpment, Escarpment Plateau, Sydney Water Catchment or the Hacking River to SP3. The areas are already considered High Risk for Bushfires, land slip and storm damage. 3. Many of the attractions in the Wollongong LGA are natural and cannot be replicated in other areas away from the coast. 4. The escarpment and bushland are part of the beauty and attraction to this area. It is important that these areas are protected and conserved for future generations. 5. The proposed increase in population for the Wollongong LGA indicates that the area will continue to be predominantly residential, commercial and industrial. It is important to have a wide mix of industry, commerce, education and services that can support full time regular employment rather than casual seasonal employment. 6. The proposed increase in the population in Wilton and Highland areas will increase the number of day visitors to the area.	Noted Agreed – not proposed Agreed Agreed Agreed Agreed

Submitter	Submission	Response
	7. The update of existing aging tourist accommodation should be supported and incentivized. 8. All events in the area are still subject to the normal Development Application Process and these need to be carefully planned throughout the year so that normal day to day business and recreational needs are catered for. 9. The draft accommodation plan does not give a robust case for changing the profile of Wollongong to a tourist destination. There is a distinct trade off when promoting natural assets to tourists. They are finite and it can take many years to replace natural environments. The increased usage of our natural areas during the COVID restrictions has highlighted the problems that can arise when there are too many people trying to use the same space. There are many major cities around the world that regret the influx of too many tourists at the expense of local residents being pushed out and overseas investors owning properties for holiday rental. 10. The continued promotion of Wollongong as a destination for significant events during the year should be proportionate to capacity of our roads and infrastructure, as well as the accommodation. The northern suburbs roads are already facing dangerous levels in an emergency situation and grinding commerce and local movement to a halt. 11. Major events will have to factor in transport as there is very little parking space in the City Centre and the train service alone is inadequate. 12. There appears to be capacity around Warrawong and Windang that would benefit from increased tourist accommodation and facilities. The Bunnings precinct is a possible site that could	Incentives for existing accommodation venues proposed Noted Noted

Submitter	Submission	Response
	help to rejuvenate the area with tourist orientated facilities as it is close to the Lake and a large retail centre.	
Property Council of Australia - Illawarra	We support in principle the recommendations outlined in the review to ensure longer term, there is an adequate supply of tourism accommodation sites to support the tourism sector and local economy, and to encourage the development of new facilities and establishments.	Support noted
	We do raise some concerns about the relativity of the data outlined in the review and believe that further analysis and research needs to be done to provide 'real-time' data to inform the decision-making process as part of this process. Especially with the impacts of COVID-19 and changes to the way in which people are travelling, it would be beneficial to have a better understanding of the movements to and from Wollongong and how this will drive future tourist activities, to guide where accommodation should be permitted and prioritised. As part of this process, there also needs to be strategic oversight from Council bringing together Land Use Planning with Economic Development and Destination Wollongong to ensure that key economic data and tourism initiatives are being considered and are informing the review. Rezoning land is just one part of the process and increasing tourism to Wollongong needs to be a 'whole of government' response, with the supply of diverse tourism accommodation sites playing a major role in this process.	Agreed – however real-time data or more current data not available
	Importantly, we do believe that this review also needs to strike the balance between 'tourist accommodation' and 'housing stock' and ensure that accommodation does not take away from the housing stock we also need for our local communities. With housing supply shortages occurring right across the region, we need to ensure we have the right policies in place to ensure that housing remains a	Agreed

Submitter	Submission	Response
	priority and does not allow it to be turned into short term rental accommodation 'everywhere.' Lastly, we do believe there is a need for eco-tourism in the LGA and disagree with not enabling this type of tourist accommodation in some identified areas. We understand that there are a range of environmental factors to consider, however in light of the coastal walks and potential for further tourist activities associated with these walks and our escarpment, completely disregarding this type of tourist accommodation would not be in the best interest of our local tourism sector and economy. Overall, we support Council undertaking this review especially with major events coming to the region and the demand for tourism accommodation increasing. We understand that there are a range of initiatives underway that Council is leading and would like to see further investment in venues and existing facilities to drive business attraction and jobs in the tourism sector.	
Resident / host, Stanwell Park	Retention of Existing Establishments Retaining properties for existing residents is an important objective when trying to attract a healthy tourism industry. There has been a fair bit of discussion around this issue in popular resorts like Byron Bay and Noosa on the Sunshine Coast. The most compelling reason to retain "existing establishments" is that the ambience of a popular regional local community can be eroded if infrastructure from tourism and increased population begins to dominate the region to the exclusion of the local community. The local community is integral to the provision of goods and services and for their ongoing support of the community in the off seasonal periods. The objective is to get the balance right. One way to help to address this issue could be to take control of planning regulations when large tracts of land come up for	Noted

Submitter	Submission	Response
	redevelopment in prime locations. Take an example from Noosa where a large banana plantation came up for sale and the council decided to quarantine the land for tourism by creating strata title to the development and allowing individuals to purchase the individual units but they could only visit their property for a limited time each year. For the remainder of the year the properties were to be used for tourism. This particular development is a very attractive and sprawling low rise building. It is set in lush bush land and has attractive views of the rainforest through large sliding glass doors. Some properties have water and beach views. By providing this kind of dedicated tourist accommodation the existing supply of rental and residential housing for the local community has the opportunity to remain intact or until pressure emerges for new strategies to be implemented to ensure a healthy active local community can be retained.	
	Another pressing issue is noise from tenants and party houses. This can create many problems for local residents. I manage my own rental property in Stanwell Park and I get my tenants to agree to sign a lease agreement that bans parties and loud noise after 10 pm. I have also let my neighbours know they can ring me up if these conditions are not met and which will lead to them forfeiting their deposit. Over the past 12 years I have not had any problems with parties and excessive noise after 10pm. I do get people calling me to let them rent the house for a party but I point out that this is a quiet neighbourhood and neighbours would object. I do have strong views about short term rentals that do not take neighbouring residents into consideration and make sure I am not causing distress to my neighbours. I am aware that AirBnB attract	Noted

Submitter	Submission	Response
	criticism for not considering the need for quiet tenants in peaceful neighbourhoods. Then there is the issue of parking. Over tenanted properties can have cars spilling onto the neighbourhood roads creating unhappy local govt residents. There should be a limit on the number of people who are able to rent a property. I have witnessed a small AirBnB two bedroom apartment accommodate up to 12 people! There needs to be local govt regulations on how many people can rent a property taking into consideration the number of bedrooms in that property. Over tenanted properties also have the propensity to create excess noise and rubbish. In many Eastern suburbs of Sydney the problem of rubbish being carelessly discarded in streets by short term residents is not just annoying but a health hazard. Short term rental properties should be mandated to provide the largest bin Council can offer as many short term residents purchase takeaway food which is served in plastic containers and cardboard boxes (pizzas) which quickly fill up a garbage bin. If bins are overflowing in Stanwell Park the yellow crested cockatoos make a big mess by accessing the food waste and leave it strewn about the streets. If you are interested in a discussion paper on this subject produced by Noosa Council I would highly recommend it because it covers a lot of the issues that Wollongong Council appear to be grappling with.	 Reviewed
Tourism Property	Certainly planning is one element affecting hotel development and it's very encouraging that this work is being undertaken, well done. The biggest drivers and barriers are investment risk/return and market/operating fundamentals. Sadly, Covid has destroyed hotel	Noted

Submitter	Submission	Response
	development fundamentals right across Australia, suggesting to me that for LGA's like Wollongong, seeking to genuinely facilitate hotel development, now is a more critical time to do so than ever before.	
	I'm pleased to see a move to incentivise hotel development and an acknowledgement that the sector needs a "leg-up" against safer and more profitable development options. As you know I've been advocating this for a very long time. Adding 0.5:1 to FSR is a good start, however I don't see residential developers jumping at this broadly speaking. I work fairly regularly with developers who continue to prefer residential in the B3 and B4 zones, despite the hefty FSR bonuses available (in Wollongong CBD and many other NSW LGA's).	Noted
	As I've explained to others, the proposed / approved hotels for Wollongong CBD were fundamentally marginal when they were proposed. With the crippling lack of demand since March 2020, the existing Wollongong hotel market is still years away from recovering, much less needing new hotel rooms in a hurry. I firmly believe we'll need new (and moreover "replacement" rooms in the coming years though).	Noted
	It was recently reported that a total of 250 hotel projects in Australia have either been deferred or completely cancelled. The likelihood of a 240 room hotel (Corrimal Street) being built is close to zero in my opinion. It's not funded and is being offered as a "turnkey" for a huge amount of money, without any success or any genuine interest that I'm aware of.	
	The Crown Street site (Red Rooster) is actively on the market for sale and the current owners have no intention whatsoever of building that hotel. With moves now afoot for the collective strata	

Submitter	Submission	Response
	owners to sell the adjoining very large site, I suspect "Red Rooster" will end up amalgamated into a super site. A hotel could and should form part of such a future proposal, but the feedback from the development community is the very hard and substantial rock absolutely cruels most types of development (particularly hotel). I suspect a proposal with less excavation will be needed to make something stack up in that location. Don't believe a hotel will be built on 385A Crown Street. I believe that the Young Street development (87 rooms) is going ahead, which is great. Newcastle has more than double the hotel rooms that Wollongong does and (fortunately for them), their extensive hotel development pipeline was largely under construction before Covid could put a stop to it. Holiday Inn Express opened in 2019 and Kinsgley by Crystalbrook (ex council building) is now open. I believe QT (David Jones refit) is underway. I suspect with the outrageous valuations of residential development sites in Wollongong, many of the 347 rooms are at extreme risk of being re-developed for housing. Personally I'd be looking for "town centre" opportunities for mixed use hotel development. In Unanderra for example – there are large B2 zoned sites in the identified town centre with 1.5:1 FSR being used and proposed for fast food businesses, at around 10% of the potential GFA. I'd suggest a strong incentive for "motel" or "serviced apartment" uses in conjunction with a residential building could make sense. Wollongong is heavily under-supplied for suburban motels and most of those remaining are residential zoned and highly likely in my opinion to be developed in future.	

Submitter	Submission	Response
	The best chance of adding hotel room stock is via mixed-use development. The “hotel only” risk was far too great, even before Covid destroyed the hotel market. In such case, I’d suggest adding “residential flat building” (etc) to the permissible uses in the SP3 zone. While this may sound counter-intuitive, it’s in place across many NSW LGA’s and actually underpins / de-risks hotel investment. The SP3 zoning on it’s own, does not facilitate hotel development. Where SP3 zoning exists, there is a level of protection from competing forms of development and I’d be loathed to see genuine hotel development opportunities “up-zoned”. I agree there are certainly situations where SP3 zonings exist where very little opportunity for hotel development exists. I would note that a number of registered clubs in the LGA have SP3 zoning. I would strongly recommend maintaining this, as clubs have strong fundamentals for hotel development – particularly with the opportunity for shared services and facilities, assisting with hotel development risk. 1. Support for increasing FSR for “hotel & motel accommodation” development in R1 and R2 zones a. Suggest that a minimum lot size be a condition to avoid conflict eg 2,000 square metres 2. Support for increasing FSR for “hotel & motel accommodation” development in B3 and B4 zones a. Suggest that the 0.5 bonus needs to be considerably higher to stimulate proposals	

Submitter	Submission	Response
	3. Consider similar FSR bonus to be applied to B2 and B6 zones, picking up feeder routes and town centres. 4. Consider applying the FSR bonuses to "serviced apartment" development type Crown Street mall and Burelli Street commercial-only precinct. Perhaps consider specific incentives for tourist & visitor accommodation (most likely as mixed use) for large consolidated sites, including potential re-fits. The City Beach Motel has 22 very modest motel rooms could well be singled out for "saving", given it's premium location and existing SP3 zoning. The site is too small for any type of development and is constrained on both sides (a heritage building to it's East). The SP3 zoning effectively protects these as motel rooms, but in a way also prevents the site being re-developed into something more attractive. With the current controls, a knock-down rebuild there would achieve around 25 motel rooms The only other thing I can add is some advice about the efficiency of renovating motels, as opposed to building from scratch. Further to the notes on existing motel stock, council could perhaps consider a significant grants program, or other scheme for renovating motels. Broadly speaking, state government funding for such things has been dreadfully lacking for decades. Could council influence state government on this and perhaps co-fund a suitable scheme? Think $25,000 per room for a 4 star renewal (without any structural work or construction). Lastly, car-parking remains a significant issue for hotel developers. I believe some dispensations were offered for the Corrimal Street approval, which is encouraging. Hotel car parking demand is almost entirely "overnight", where significant number of spaces are available throughout the CBD. While many hotel customers will travel to the region by car, I'd encourage continued flexibility on hotel car-parking requirements as 1:1 is prohibitive.	

Submitter	Submission	Response
Wollongong Surf Leisure Resort	Page 26 and 91 – The land and buildings/ fixtures are owned by WCC. The WSLR business and all self contained tourism cabins are privately owned. Page 51 – The WSLR is also a major contributors to accommodation outside the City Centre as it has 500 beds in its self-contained tourism cabins. Page 91 – WSLR has a Function centre with commercial kitchen, but not a restaurant.	Draft Discussion paper updated
Normandie Motel	The challenges we face – too close to residential premises, that our rooms are always noisy, and we get complain from residential with the noise. Also, its hard to get out of driveways as Bourke Street going to/from Novotel Beach is always busy.	Interface and access issues noted
Anonymous - On line submission	Thank you for having Council owned caravan parks in the northern suburbs of Wollongong. I lived in Woonona for 45 years. I now live in Canberra but my father, children and grandchildren all live in Woonona or Corrimal. As my father with complex medical conditions is in a nursing home at Woonona. With a Motorhome, I frequently stay at Bulli Beach Tourist park to take him to medical appoints, socialise with him and take him on outings. (Pre lockdown). I spend 3-4 weeks at Bulli every December to be with my family at Christmas and in the weeks before. In total I would spend a couple of months at the park every year. I have used the Bulli park as a base for trips to Sydney as well. I have also recommended the park to others. Tourists need a range of accommodation options. Our motorhome is self contained and I would love to be able to stay in a designated campground in the bush near Mt Kiera or Mt Kembla to be able to do bushwalking in the early morning or late afternoon.	Noted

Submitter	Submission	Response
Resident, Corrimal	• It seems there is no urgent demand for increased tourist accommodation in Wollongong, with occupancy rates around 66% (2018-19), and three large hotels already approved with a further one to be considered. • What would possibly be prudent is to protect, and add to, the diversity of accommodation styles on offer in Wollongong. • Given current tensions in the Asia-Pacific region, it would be very unwise to increase stock based on any hope of revitalising the Chinese tourist or education markets. • Wollongong is fortunate that our tourism is based largely on domestic visitors. As Covid 19 has shown an economy and employment dependent on any sort of tourism, but especially international, is extremely vulnerable. • The concentration of tourist accommodation around the CBD is a normal pattern for cities worldwide. The temptation to locate more tourist accommodation within predominantly residential areas should be avoided. The two are often incompatible, resulting in high stress levels and conflict. Large areas within Wollongong are already zoned SP3 Tourism and provide opportunities for expansion of tourist accommodation throughout the city. • Motels/hotels generally need to be on or very close to major roads. Given the nature of the topography and constraints of the road system of the northern suburbs, such development could not be supported by the local transport infrastructure in the northern suburbs. • The current caravan parks should be protected, and the offering may be able to be expanded if located on SP3 zoned land. They provide much needed diversity of visitor accommodation in attractive coastal locations. • However, while it is clear the zoning SP3 needs to be adjusted to fit the current landuses, there is no evidence to support	

Submitter	Submission	Response
	extension of SP3 zoning on Crown land, particularly in areas of sensitive bushland on the escarpment, plateau, Sydney Water Catchment or Hacking River. • On the other hand, current SP3 zoned land should be protected from further non-tourism related development. • Expansion of short-term rental accommodation should not be encouraged, for the reasons listed on p. 68 of the Draft Tourism Accommodation Review. Management of complaints will be very difficult if the authority is now the remotely located NSW Fair Trading. Such development can also lead to the “Hobart effect”, resulting in a shortage of long-term rental accommodation and very high rental and purchase prices for local residents. • No eco-tourist accommodation should be permitted in any sensitive areas, but especially not on the escarpment. Apart from the risk of this being a backdoor to construction of residences on under-sized blocks, the integrity of the escarpment must be protected. It is highly vulnerable, prone to landslides and landslips, which are severely exacerbated by clearing for buildings, roads etc. Clearing on the escarpment also increases the risk of flooding to the city. The forest of the escarpment is an important wildlife habitat and should not be further fragmented. It is a tourist attraction in itself and an important passive recreation resource for many living in Wollongong, as we have seen during the current lockdown. • Farmstay zoning should be removed from the land use table on an E3 Environmental Management property, or as an option in any part of the LGA. It is inappropriate in an urban area. • Conversion of Council owned open space to tourist accommodation should also be avoided. As Covid 19, and increasing urban temperatures have shown, green space with	

Submitter	Submission	Response
	trees is critical to the quality of life and safety within urban centres. • In relation to Destination Wollongong's Tourism Strategy 2021, there is no evidence of any unmet demand in the tourist accommodation area and so no justification for allowing exemptions for short-term visitor accommodation from current zoning restrictions, no justification for rebates on council rates or levies nor offering specific incentives for new developments containing genuine short-term visitor accommodation.	
Otford Farm	Our family has been encouraging Tourists to come to the Wollongong Region since we started our Horse Riding School at Otford over 40 years ago. Some of that land is zoned Rural where we are primary producers and may look to provide Farm Stay Accommodation. On one lot located at Stanwell Tops we have a Motel Site that has been approved and substantially commenced within the time frame of DA-1981/407 keeping the approval valid as consent has not lapsed. Wollongong City Council has noted our approval on a number of occasions including the last review of land zonings for the area. This is for a fifteen room motel, managers residence, restaurant and car parking. On other lots we have approved tourist based operations of Otford Farm WCC DA -1981/1380 and paintball DA-1991/520. To recognise the contribution to attracting Tourists to the Wollongong area these lots should have the lands rezoned to tourist zone SP3.	Comments noted

Submitter	Submission	Response
	Our submission would like your review to acknowledge the contributions of our above DA's to attracting Tourists to the area and include and support our ongoing efforts to complete the Motel project, DA-1981/407. We have ongoing rural land use on our rural and E3 dual zoned land at Walker St, Helensburgh. Potential future farm stay accommodation on that property should be acknowledged in the Review as it isn't at the moment. Our Motel, DA-1981/407, is just a stone's throw from 2/3rds of the natural attractions and 1/3 of the listed attractions yet accommodation in the area is very limited. Our Rural land on Walker St Helensburgh is also close to these attractions in a suburb where Tourist Accommodation is extremely scarce. Otford Farm has on average around 5000 tourist visitors per year, Skirmish a similar number ---yet neither of these are listed on your list of things to do---this should be noted and addressed. Wollongong Council is well aware of the number of tourists that visit these sites as this was personally stated at a WCC council meeting when I had a chance to speak to all councillors. Otford Farm is currently zoned E3 in parts and farm stay accommodation on this land should be retained as an option in the future. An SP3 zoning would more suited to these operations.	

Wollongong City Council

Tourism Accommodation Review Discussion Paper

July 2024

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Executive Summary

Tourism is an important part of Council's *Economic Development Strategy (2019-2029).* Increased visitation, especially over-night visitors, has a positive benefit to the local economy through increased expenditure which supports local businesses and jobs.

There is currently 74 tourist accommodation establishments within the Wollongong LGA, providing an estimated 1,924 rooms, 211cabins and 391 powered and unpowered camping and caravanning sites each night, which can cater for over 5,400 guests. The permanent accommodation is supplemented by short-term rental accommodation being offered in dwelling houses and units by the owners. In April 2024 there were 854 short-term rental accommodation premises registered in the LGA, across 55 suburbs. Of which 434 premises offered hosted accommodation and 420 premises non-hosted accommodation.

Wollongong primarily serves the domestic tourism market (people travelling within Australia). As the domestic tourism market grows, there is the demand for additional accommodation venues to be provided.

The Wollongong Local Environmental Plan 2009 permits a range of tourism accommodation types throughout the LGA. However the opportunities are not often taken up. The SP3 Tourist zone is uses for a range of uses, many not tourism related.

Tourism accommodation venues face increasing pressure to close and redevelop as residential developments, through a combination of high costs, better financial returns for residential development, and more recently the impact on travel due to the COVID-19 pandemic.

Longer term there is a need for more accommodation venues and to encourage the investment into existing facilities.

On 28 June 2021, Council endorsed the draft Tourism Accommodation Review Discussion Paper for exhibition. The draft Discussion Paper was exhibited from 19 July 2021 to 30 September 2021. As a consequence of the exhibition:

- The capacity of 20 establishments was updated or confirmed.
- 10 establishments (28 rooms) were removed from the accommodation list, as they were no longer operating.
- 9 submissions and comments on the draft Discussion Paper and its recommendations were received.

Following the exhibition, the Discussion Paper has been updated and revised. Additional data on establishments has become available. Various new informing State and regional strategies have been published.

A draft Tourism Accommodation Strategy has been prepared which proposes measures to encourage the retention of existing establishments and the development of new accommodation establishments, including:

- permitting Hotel and Motel Accommodation in the R1 General Residential zone, that surrounds the Wollongong City Centre and the R2 Low Density Residential zone
- incentivising the provision of hotel and motel accommodation through floor space bonuses, parking rates and deferral of development contributions
- reviewing the SP3 Tourist zone on some sites
- reviewing the zoning on particular sites.
- Reviewing DCP car parking rates

1. INTRODUCTION

Visitors come to Wollongong for a variety of reasons including, holidays, visiting friends and relatives, education, work, sporting and cultural events, beaches, the natural environment, medical appointments, conferences and weddings. There is a greater local economic benefit if visitors stay overnight or longer, rather than being a day visitor from Sydney.

Wollongong provides a range of accommodation including, hotels and motels of varying standard and age, serviced apartments, bed and breakfast establishments, backpacker accommodation, caravan parks, and more recently short-term holiday rentals. It is estimated that there are currently 74 establishments providing 1,924 rooms each night, plus 391 caravan and camping sites and 211 cabins in tourist parks, and 854 short-term rental accommodation premises.

In recent years, Wollongong has hosted a number of high profile events, which bring about significant media exposure for Wollongong and have economic benefits. In September 2022 Wollongong hosted the UCI Road World Championships, attracting 300,000 spectators, and was broadcast to 250 million people across 150 countries. In April 2024 Wollongong hosted the World Triathlon Cup and in 2025 will host the World Championships Finals, which will attract over 4,000 athletes and relatives.

To assist the attraction of these major events, Wollongong also needs to ensure it has sufficient supply of accommodation for visitors. In 2022, the former Ibis Hotel in Wollongong which had been used for student accommodation reopened as the Totto Hotel which has re-introduced 150 rooms into the market. Council has approved development applications for eight (8) new hotels, however only 1 site is under construction (96 rooms), 1 development consent has lapsed and 3 development consents have been superseded by residential development applications. Council is assessing 2 other development applications, which could increase supply by 456 rooms. Conversely, Council has approved 3 development applications for the redevelopment of 3 sites for residential use which if progressed will result in the loss of 84 rooms. Some older motels are likely to close, as the land is more valuable for residential development and other uses.

This study reviews the planning controls that guide tourism accommodation. Tourism accommodation is permitted in many land use planning zones across the LGA, often in locations not specifically zoned SP3 Tourist. Conversely, land zoned SP3 Tourist can contain tourism relates uses, or tourism accommodation, but often contains other uses.

The objectives of this study are to:

- Identify the intensity and distribution of tourist accommodation in the Wollongong LGA.
- Identify shortfalls in the provision of tourist accommodation in the Wollongong LGA.
- Identify any constraints to attracting/developing tourist accommodation activities that are present in land use planning zones and controls.

This review does not address tourism uses, attractions and events.

1.1 Covid-19

The Covid-19 pandemic has had a dramatic impact on the hospitality sector and accommodation.

During 2020 and 2021 there was a significant decrease in overseas visitors to Australia, as a consequence of closed international boarders and limited flights. This is evident in the hotel accommodation data. Fortunately, the Wollongong is not as dependent upon international visitors as other locations in Australia. Capital cities were hit harder than regional areas during the pandemic due to:

- more frequent lockdowns
- tougher restrictions
- Cities relying more on visitors arriving by air and/or for business, (both down during the pandemic) (Tourism Research Australian 2021)

International students returned to study in Wollongong in 2023, increasing the demand on accommodation, which had reduced due to Covid-19.

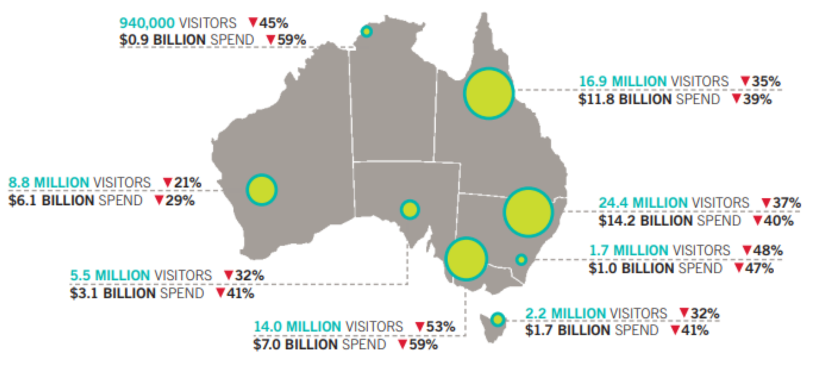
The closing of State boarders at various times during 2020-21 resulted in a decrease in domestic interstate visitors to NSW, as evident in the data. Conferences were cancelled / postponed or moved to on-line formats, which resulted in a decrease demand for weekday accommodation. Similarly, weekend sporting and cultural events had been cancelled / postponed reducing the demand for weekend accommodation.

With the re-opening of State and National boarders in 2022, travel, conferences, sporting events and cultural events have returned. Although, the use of on-line meetings has continued which has reduced the need to travel and stay overnight, and some conferences have a hybrid in-person and on-line format. The most significant sporting event being the 2022 UCI Road World Championships which were hosted by Wollongong. In 2025 Wollongong will host the World Triathlon Championship final.

Tourism Research Australia's Travel by Australians report for the year ending December 2021, notes that:

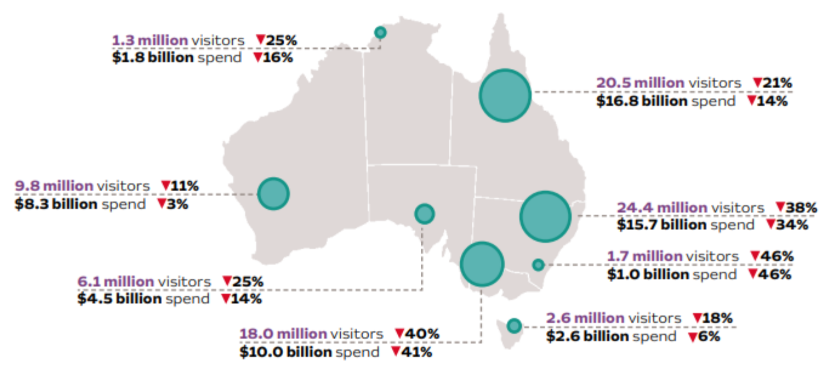
- The overall losses for tourism March 2020 to December 2021 totalled $146.6 billion, comprising:
    - Domestic day trip spend down 36% or $17.6 billion
    - Domestic overnight trip spend down 38% or $56.2 billion
    - International spend down 94% or $72.8 billion, with:
        - International visitor numbers fell by 97.4% to 223,736.
        - International visitor spend was down 94.8% to $2.4 billion.
        - International visitor nights were down 94.0% to 16.5 million.
- Within Australia, interstate travel has accounted for most of the tourism loses over the COVID-19 period driven by border closures. Since the start of the pandemic:
    - interstate overnight trip spend fell 63% (down $52.9 billion)
    - intrastate overnight trip spend fell 5% (down $3.4 billion)
    - interstate trips accounted for 94% of the total loss in spend on domestic overnight travel
- Some types of travel were less impacted over the year ending December 2021 than others, indicating a change in how Australians are travelling during the pandemic. Travel segments less impacted by COVID-19 were:
    - holiday travel (down 20%), compared to travel for business (down 47%) or visiting friends and relatives (down 32%)
    - self-drive trips (down 20%), compared with air travel (down 57%)
    - nights spent in private accommodation including Airbnb (up 2%), compared with hotels (down 34%)
    - trips taken by groups including children (down 20%) and couples (down 24%) compared with travelling alone (down 34%)
    - longer trips of 4+ nights (down 21%), compared with shorter drips (down 34%).
- The following graphics summarises the reduction in overnight and spend for each State and Territory for 2020, 2021 and 2023, which show the reduction in travel due to COVID and the more recent increase in travel following COVID:

FIGURE 4: OVENIGHT TRIPS AND SPEND BY STATE, YE DECEMBER 2020[2]



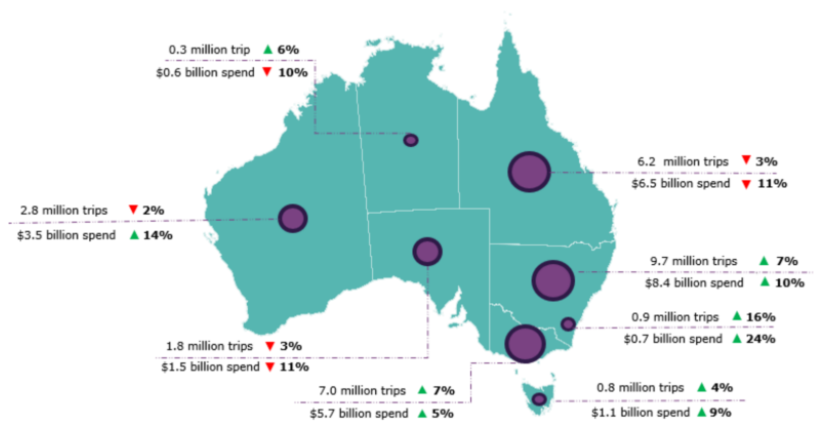
(National Visitor Survey Results Tourism Research Australia Dec 2020)

Figure 5. Overnight trips and spend by state and territory, year ending December 2021[3,4]



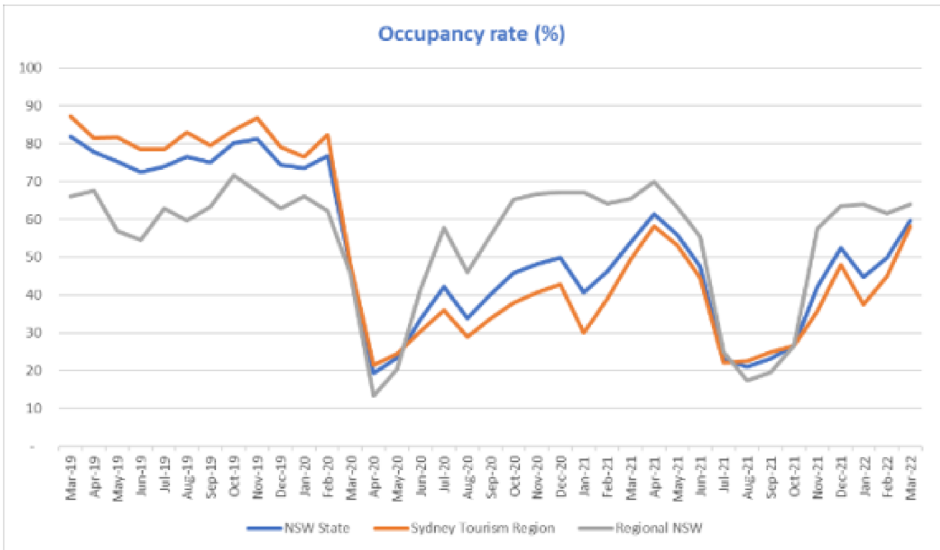
(National Visitor Survey Results Tourism Research Australia Dec 2021)

Figure 5. Overnight trips and spend by state and territory, December quarter 2023 compared to December quarter 2022

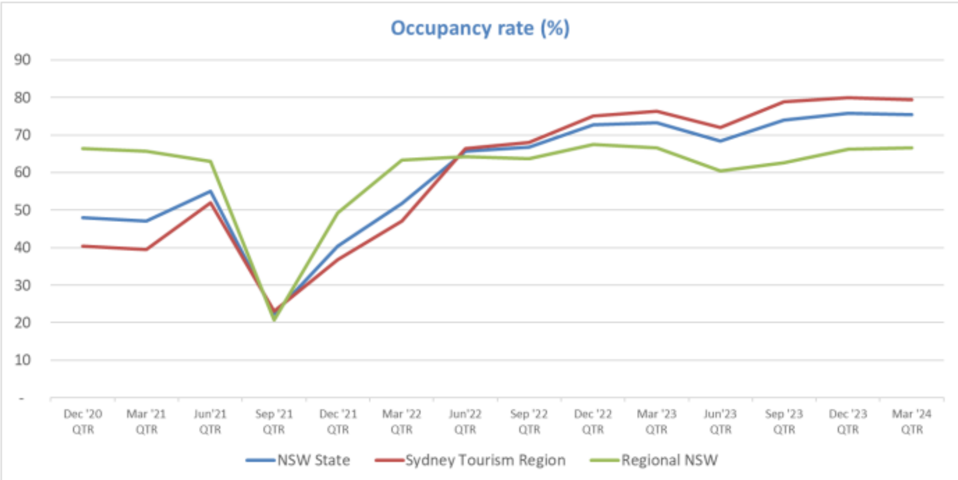


(National Visitor Survey Results Tourism Research Australia Dec 2023)

Similarly, time series charts in the NSW Tourism Accommodation Snapshot published by Destination NSW for the March quarter 2022 and 2024 show the dramatic impact COVID-19 had had on occupancy rates in NSW in 2020 and 2021. The following graphic shows the decrease in occupancy rates, and how Regional NSW initially led the recovery as travel restrictions eased. By June 2022 the State and Sydney occupancy rates were higher than regional NSW. The occupancy rates are still not as high as pre-COVID.



(NSW Tourist Accommodation Snapshot Destination NSW March Qtr 2022)



(NSW Tourist Accommodation Snapshot Destination NSW March Qtr 2024)

During COVID the National and State boarder closures meant travel within NSW become more popular. Anecdotally, some accommodation venues had higher occupancy rates during the holiday periods and weekends, serving the Sydney-siders discovering the rest of NSW.

To remove the COVID effect from the analysis, the economic tourism data used in this study is pre-2020, whereas the accommodation supply data is as accurate as possible.

2 NSW Tourism Organisations, Strategies and Plans

There is a hierarchy of tourism organisations within NSW that guide and influence visitors to regions and destinations.

2.1 Destination NSW

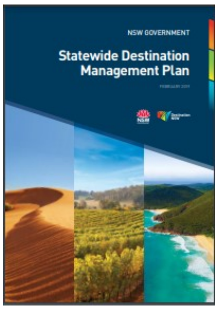
Destination NSW is the peak Tourism body in NSW with responsibility for devising and implementing strategies to grow the visitor economy. Destination NSW was established under the Destination NSW Act 2011 as the lead Government agency for the NSW tourism and major events sector, and is responsible for developing and implementing strategies to grow the NSW visitor economy. Its vision is to make Sydney and NSW among the world's most successful tourism and events destinations (Destination NSW 2019).

Destination NSW's eight key strategic objectives are:

1. Position Sydney and NSW as world leading tourism and events destinations.
2. Attract and secure high value major events.
3. Build a sustainable events calendar for NSW.
4. Increase industry stakeholder and customer engagement.
5. Deliver value in partnership cooperative programs.
6. Develop and sustain a high performance organisation.
7. Maximise yield and dispersal from the visitor economy.
8. Implement the Visitor Economy Industry Action Plan. (Destination NSW 2019)

Destination NSW provides funding for the tourism regions, and prepares state-wide tourism strategies.

NSW Statewide Destination Management Plan



The Statewide Destination Management Plan (Destination NSW 2019) provides a high level framework to achieve alignment across NSW and assist coordinated delivery of the vision and goals for the NSW visitor economy. It identifies local and state strengths and unique points of difference, as well as areas of commonality across the regions.

The report notes that in 2016-17 tourism contributed $34.2 billion to the NSW economy and overnight visitor accommodation was $29.1 billion.

The report notes the following future trends and insights:

- Experiential Travel – more and more travellers will search for immersive, authentic, educational, local experiences.
- Holidays with a purpose – volunteering, conservation and the like will play a bigger part in travel and destination choice.
- Sustainable Travel – sustainable and conscious travel will gain momentum, and the concept of excessive visitor arrivals known as 'over tourism' will be topical.
- Caravanning and Camping – the desire for authentic experiences will drive demand for exploring destinations on caravanning and camping holidays.
- Wellness Travel – travel for the purpose of wellness, both spiritual and physical, will continue to gain momentum.

- Food and Drink – local produce and food and drink experiences will continue to play a role in destination choice, as a central part of the travel experience, and this space will become crowded.
- Business Events – conventions, corporate meetings, AGMs, corporate retreats, workshops, seminars and sales incentive rewards trips all hold promise for growth in regional NSW.
- Personalisation – digital and mobile technology have empowered visitors to take more control of their travel experiences, and increased their expectations. As a result, the expectation of personalised and tailor made experiences is likely to grow.
- Multigenerational Travel – the trend in multigenerational travel will continue, as families use their holiday time to bond and create memories together, and this will influence the type of customer experience they are looking for.
- Sharing Economy – the sharing economy, e.g. Airbnb, will continue to transform travel experiences, giving the customer more choice and greater flexibility.
- Digital – digital technology will continue to advance, facilitating all stages of the customer journey and experience, e.g. search, booking, payments, augmented reality, real time translations etc.
- Mobile – mobile will be the preference of travellers throughout their customer journey, so mobile optimisation of the customer experience will be key.
- Social Media – social media and user generated content will continue to be key, and can present opportunities for destinations that optimise them well.

The report lists a number of “hero” destinations, which are world class, iconic and unique. They have high brand awareness themselves, and also define the essence of the country they are located in. For example, Sydney and the Blue Mountains. The NSW South Coast is included in the list. The report also identifies future hero destinations, which does not include Wollongong.

The report does not include any specific actions relevant to this accommodation review.

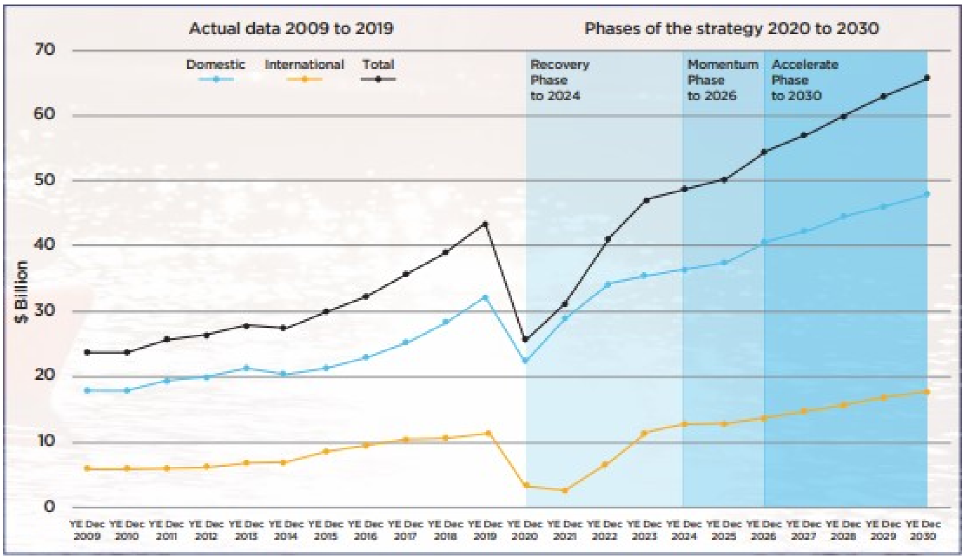
NSW Visitor Economy Strategy 2030

The NSW Visitor Economy Strategy 2030 (Destination NSW 2021) updates the Visitor Economy Industry Action Plan 2020 (2018) to include a post 2019-2020 bushfire and post-COVID response.

The NSW Government’s vision is to be the premier visitor economy in the Asia Pacific contributing $65 billion in total visitor expenditure by 2030, with $25 billion in regional expenditure. The strategy includes 3 phases:

1. Recovery phase to 2024 - assist businesses and the industry to rebuild. The goal is to return total visitor expenditure to pre-COVID levels ($43 billion in 2019).
2. Momentum phase to 2026 - A number of major infrastructure projects will be completed during this period, including the new Western Sydney Airport in 2026. This will provide a major stimulus to grow and expand the visitor economy in NSW. Visitor expenditure is expected to grow strongly during this time to reach over $50 billion by 2026.
3. Accelerate phase to 2030 - By 2030, the momentum gained through the increased capacity and investment in the visitor economy over the previous phases will accelerate growth, with visitor expenditure targeted to reach $65 billion.

The following graphic from the report show the COVID impact and the proposed recovery outlined in the strategy.



The strategy includes 5 guiding principles:

1. Put the visitor first
2. Accelerate digital innovation
3. Lead with our strengths
4. Move fast, be responsive and agile, while taking a longer term view
5. Collaboration between the industry and government

The strategy also include 5 strategic pillars:

1. Road to recovery
2. Build the brand
3. Showcase our strengths
4. Invest in world-class events
5. Facilitate growth

The strategy has a focus on regional NSW, and notes "*ironically, the COVID-19 pandemic is creating a positive legacy for the visitor economies of regional NSW by encouraging Sydneysiders and NSW residents to explore their own backyard and return time and again".*

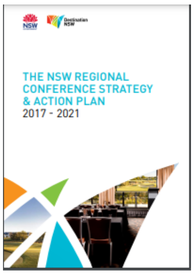
Strategic investments by the NSW Government, local councils and the private sector in visitor infrastructure, transport and destination marketing now and into the future will further enhance the appeal of regional NSW, aid its recovery in the near term and lay the foundation for richer economic and social benefits for decades to come.

The strategy proposes that the State attract 10 World Class events to NSW. The 2022 UCI World Road Racing championship held in Wollongong in September 2022, was one of the events. The strategy notes events make a significant contribution to the NSW economy and support thousands of jobs.

Actions relevant to this accommodation review include:

- 1.05 - Secure new festivals, sporting events, blockbuster musicals, exhibitions and business events for Sydney and regional NSW to accelerate the sector's recovery, visitor numbers and expenditure.
- 1.09 - Deliver the NSW Government's 24-Hour Economy Strategy to grow the night-time economy.
- 1.16 - Invest in road networks, wayfinding and cruise and maritime infrastructure to deliver a quality visitor experience and encourage regional dispersal.
- 1.21 - Accelerate reform of planning processes, planning instruments and simplify licensing and regulatory processes to make it easier for investors and businesses to establish or expand their operations in NSW.
- 3.05 - Collaborate with the cruise sector to develop new opportunities for Sydney and regional NSW outlined in the Cruise Development Plan
- 3.06 - Grow NSW's share of international students and their visiting family and friends through collaboration and coordination with stakeholders in government, industry and the education sector.
- 4.02 - Secure and retain a calendar of world-class arts, entertainment, sport and business events to cement the state's position as the event capital of Australia.
- 4.03 - Create vibrant places and drive visitation by activating government-owned assets such as stadia, cultural institutions, parks and public spaces with compelling new event content.
- 4.04 - Invest in new sporting, arts, cultural and event infrastructure and facilities and new event content to optimise their utilisation.
- 4.08 - Incentivise domestic and international conference organisers to undertake delegate pre- and post-touring to destinations outside Sydney and hold satellite meetings in regional NSW.
- 4.09 - Secure and support conferences, incentive programs and corporate events for regional NSW to distribute the benefits of high yield business visitors across the state.
- 5.04 - Invest in new road and rail infrastructure to improve access to regional cities and towns.
- 5.05 - Ensure that visitor economy infrastructure needs are reflected in strategic land use plans and regional plans, for example, to ensure hotel supply meets future market demand.

The NSW Regional Conference Strategy and Action Plan 2017-2021



The NSW Regional Conferencing Strategy and Action Plan 2017 – 2021 (Destination NSW 2017) notes the NSW Regional Conferencing sector is a key part of the broader NSW Visitor Economy, and has the potential to bring significant economic and employment benefits to regional NSW. The business events sector generates $290 million in delegate expenditure, additional visitor expenditure of $11.6 million from pre and post conference touring and the employment of more than 2,300 people.

Although the 5 year period of the plan has lapsed, it remains relevant to this Review, as there is a need to attract conferences to Wollongong.

The Plan notes that in the prior decade the number of visitor nights generated for regional NSW by business events has declined. Regional NSW's market share of the eastern seaboard (NSW, Victoria and Queensland) has been in decline, down from 13.1% in year end March 2007 to 11.5% in year end March 2017.

The Plan notes that some of the challenges to conferences occurring in regions include:

- Identifying potential business conference opportunities
- Lack of conference facilities that are equipped to cater for large conferences

- Lack of adequate, quality accommodation facilities
- Marketing conferences to build delegate numbers
- Major regions lacking qualified staff and/or a Convention Bureau to manage sales and bid activities

The Plan aims to address the challenges facing the NSW regional conferencing market and maximise the growth opportunities. The Plan aims to build capability, improve NSW's competitive position, stimulate demand and return the sector to growth.

In terms of Wollongong, the Plan notes:

> *Wollongong has existing conference facilities and venues (e.g. Novotel Wollongong, North Beach Hotel and Sage Hotel) to attract conferences of up to 6,000 delegates, though the largest facility is the WIN Entertainment Centre which is in need of refurbishment. Services to the venue are rated highly due to its success in staging major sporting, arts and entertainment events. It has been proposed that a purpose-built conference centre will be built by upgrading the WIN Entertainment Centre or developing a new facility. Branded 4-5 star accommodation to support a facility of this type may also need to be considered to support delegations of 6000, depending on the market segment and target events to the facility.*
>
> *The University of Wollongong has new state-of-the art facilities that can cater for up to 1000 delegates; they also have off-season (educational period) capacity.*
>
> *There are also a number of branded properties in the region that can cater for events ranging from 100-200 people and 300-500 delegates.* (page 34)

Actions relevant to this accommodation review include:

- 13 - Support the NSW Government's Accommodation Supply Plan to ensure that Regional NSW has sufficient capacity to meet future demand for overnight visitor accommodation.

NSW Cruise Development Plan

On 30 October 2016 Royal Caribbean's Radiance of the Seas was the first cruise ship to visit Wollongong's Port Kembla Harbour. Subsequently 5 cruise ships have visited Port Kembla for the day. The Norwegian Jewel was proposed to be the first cruise ship to start a voyage from Port Kembla on 13 January 2021, however cruising has been cancelled due to the COVID restrictions.

The development of the NSW Cruise Development Plan (NSW Department of Industry 2018) is an action recommended by the Visitor Economy Industry Action Plan (2018). According to the report, Australia has the world's highest cruise market penetration rate of 5.3 per cent, with 1.3 million Australians enjoying a cruise in 2016. In 2017, Sydney Harbour hosted 367 ship visit days by 50 different ships. By 2040 the number of passengers cruising through Sydney is expected to double.

The report notes that around 80 per cent of domestic passengers and 11 per cent of international passengers begin their cruise in Sydney before travelling to other locations, with passengers on average visiting 1.4 states across Australia during their stay. Additionally, 79 per cent of domestic and 33 per cent of international passengers end their cruise in Sydney, with 84 per cent of international visitors staying up to four nights in the city before or after their cruise.

The report is largely focused on Sydney. In terms of Port Kembla the report notes:

- The regional ports of Newcastle, Eden and more recently Port Kembla are increasingly being added to cruise itineraries. To further increase patronage to Port Kembla, consideration of enhanced onshore multi-purpose passenger facilities is required to provide better cruise operational requirements.
- Port Kembla can be used as a transit port, but would benefit from infrastructure to support cruise visit calls to welcome and process passengers

- Ensure cruise infrastructure is fit-for-purpose in Sydney and at major transit ports in Newcastle, Port Kembla, Eden and other potential locations along the NSW coast
- Local ambassador programs see hundreds of dedicated volunteers warmly greeting international and domestic passengers who arrive in Sydney, Newcastle, Eden and Port Kembla.

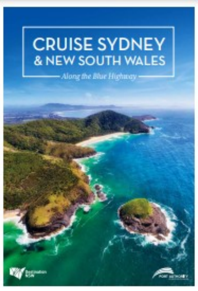
The Plan does not include any specific actions relevant to this accommodation review.

If Port Kembla is approved to transform from a “transit” port to a turn-around port (where some passengers alight to sight-see then return to the ship which then departs for its next destination), there would be a number of local benefits, including:

- Before and after cruise accommodation for passengers
- Provision of supplies and other consumables. Cruise ships require large volumes of produce at a consistent quality and competitive cost.
- Increased passenger visits to a port are more likely when visitors have a good port and destination experience.

Since COVID no cruise ships have stopped at Port Kembla.

Cruise Sydney and New South Wales – along the Blue highway



Released by Destination NSW and the Port Authority of NSW (2019), the Cruise Sydney and New South Wales report describes NSW’s nine cruise ports and their attractions. Port Kembla is listed as a major port capable of handling vessels over 300m in length and 10m in depth (draft). Kiama is listed as a minor port (vessels 200m in length).

The Plan does not include any specific actions relevant to this accommodation review.

As noted above, additional accommodation will be required to support Port Kembla as a cruise ship turn-around port.

2.2 Destination Sydney Surrounds South

Destination Sydney Surrounds South is one of 7 destination networks in NSW. Its principal role is to represent and coordinate the growth and development of the Sydney Surrounds South visitor economy.

The Destination Sydney Surrounds South region encompasses 5 local government areas including; Kiama Shellharbour, Shoalhaven, Wingecarribee and Wollongong. According to their website, the Sydney Surrounds South visitor economy delivered 6.6% of the region’s jobs, supports 6,295 businesses and directly delivers 4.0% ($1.3 billion) of the region’s Gross Value Add (GVA) which has grown every year since 2010-11 at an average 4.9% pa. The region attracted just over 13 million visitors and 14 million visitor nights.

Destination Sydney Surrounds South vision is to be recognised as the closest must-see destination to Sydney. A great day trip or overnight holiday, known for its beautiful coast and highlands, dynamic attractions, events and rich food and wine culture. With our visitor economy contributing to the regional NSW expenditure target of $25 billion by 2030.

Destination Management Plan 2022-2030

The Destination Management Plan 2022-2030 (Destination Sydney Surrounds South 2022) aims to achieve the organisation's mission to achieve increased overnight visitor expenditure. The Plan is aligned with the Visitor Economy Strategy 2023, three phases – recovery, momentum and accelerate.

The Plan includes that following strategic objectives:

1. *Support the Sydney Surrounds South visitor economy to recover and be sustainable, capable, and resilient*
2. *Build the identity of Sydney Surrounds South's destinations to align with the Feel NSW brand and strengthen collaborative marketing partnerships*
3. *Continue to develop authentic visitor experiences to drive greater visitor dispersal and longer stays to the Sydney Surrounds South region*
4. *Grow the Sydney Surrounds South visitor economy through the delivery of high quality events and attraction of new events*
5. *Provide an enabling environment to attract investment to the Sydney Surrounds South visitor economy*

One of the weaknesses identified for the region is the "lack of accommodation options in many parts of the region".

The Plan identifies the main visitor markets for the region and growth development opportunities, but has limited focus on tourism accommodation:

- 200km drive market - Convert to overnight stays by raising awareness of the quantity and diversity of offerings and incentivise with packaging.
- Travel for purpose (self drive) - An increased depth and range of experiences, including new/improved signature accommodation.
- Business events (corporate travel, conferences, association & government events and incentives) - Local, regional, and national meetings can be a key driver in the Recovery phase, with the sector being a core part of the business model for hotels and meeting venues

The Plan contains limited actions relevant to this accommodation review include:

- 3.5 - Work with NATOC, First Nations' communities, representative organisations and businesses across the Sydney Surrounds South region to support the development of new or enhance existing Aboriginal cultural experiences and events, including opportunities for accommodation
- 5.4 - Support private investors, LGAs and LTOs to grow the quantity, diversity, and quality of accommodation across the region

NSW South Coast Marine Tourism Strategy

The NSW South Coast Marine Tourism Strategy (State of NSW 2019) outlines a 20-year vision to realise the economic benefits of marine tourism in the region. It describes how government and industry can work together to develop, market and leverage marine tourism opportunities.

The reports notes that the majority of visitors to the South Coast are domestic overnight (38%), or daytrip visitors (60%), with few international overnight visitors (2%). Wollongong accounts for the region's largest proportion of visitors (34%), and 23.3% of the expenditure. The report notes that visitation to the region is expected to grow to 14 million visitors by 2030, a 2.7% average increase per year. Day visits and peak season visitation will continue to be key area for growth.

The strategy aims to grow tourism yield through the delivery of its action plan. Actions contained within the strategy include regional marketing campaigns, online information resources, targeted harbour activation, and the development of marine-based tourism experiences along the NSW South Coast.

Actions relevant to this accommodation review include:

- 1.3 - Continue to prioritise the development of mid-week and shoulder season events and experiences, including regattas and arts and culture based events, in areas within close proximity to the Canberra and Sydney visitor markets.
- 3.3 - Establish a strategy to drive incremental increases in cruise ship arrivals along the South Coast over five years.
- 4.3 – Explore opportunities to enhance coastal touring experiences by: identifying infrastructure upgrades required to enhance the touring experience, including improving accessibility, lookouts, parking, signage, telecommunications and interactive technologies.
- 4.7 - Explore opportunities to establish new eco-accommodation in National Parks along the South Coast.

2.3 Destination Wollongong

Destination Wollongong (previously Tourism Wollongong) has delivered tourism services on behalf of Wollongong City Council since 1979. Council has provided financial assistance for tourism services, both in the form of direct monetary assistance and in-kind assistance.

On 20 April 2021 Council resolved to enter into a new 5 year funding arrangement with Destination Wollongong, until 30 June 2026. The funding agreement specifies the activities to be delivered by Destination Wollongong, including:

- Destination Marketing
- Major Events
- Business Visitor Economy
- Support growth in tourist related infrastructure/new product development
- Cycling.

Destination Management Plan 2022

The Destination Management Plan (2022) is focuses on post-COVID recovery events and marketing. In terms of accommodation, the Plan suggests four measures to support event demand:

- A1 – Special event camping – the use of beach car parks to provide overnight camping for major events
- A2 – Glamping – high amenity camping for special events or seasonally
- A3 - Seasonal Bathing Boxes – the use of bathing boxes for special events or seasonally to be located near surf clubs.
- A4 - Pop-up Modular hotels – temporary hotels to support events

The Plan proposes a short term projects of enabling pop-up camping in locations that utilise existing car parks with amenities, such as:

- Beach point car parks (multiple destinations)
- Wollongong Botanic Graden
- JJ Kelly Park

- North Dalton Park

The Plan notes the need to obtain real time data on spend, visitor nights, brand and destination awareness and sustainability.

The Plan notes that a Planning Proposal may be required to reclassify Council managed and owned land to enable a wider variety or commercial and community uses.

Major Events Strategy 2021-2026

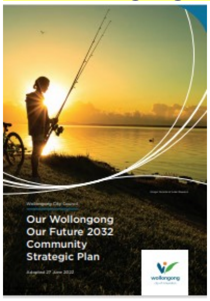
The strategy's aim is to host major events that showcase the region's strengths, drive the visitor economy and enhance Wollongong's reputation.

In terms of tourism accommodation, the strategy notes that:

- identifying and quarantining potential hotel sites is a priority
- policy changes relating to temporary use (eg select camping) will aid major events
- Business events (or conferences) are a high-yielding sector with proven mid-week traction, and remain a key sub-set.
- Temporary accommodation solutions can be invoked for future large-scale events
- Flattening the summer spike by targeting shoulder season events to spread accommodation occupancy and sustain year-round income for local businesses
- Accommodation capacity – approvals secured to increase hotel capacity by 20%, temporary camping clause created

2.4 Council Documents

Our Wollongong Our Future 2032 - Community Strategic Plan (2022)



The Our Wollongong Our Future 2032 - Community Strategic Plan (2022), is a shared community vision to inform action over the next 10 years. The Plan is an aspirational document that outlines the community's desired future for the Wollongong Local Government Area. The Plan identifies the community's main priorities and strategies for achieving these goals. It outlines what success looks like creating a roadmap for achieving the community's desired outcome.

The Plan includes the following overall Community Vision for the LGA:

From the mountains to the sea, we value and protect our natural environment and we will be leaders in building an educated, creative, sustainable and connected community.

The Plan indicates that to support the achievement of our community vision, collaborative efforts will focus on six interconnected goals:

1. *We value and protect our environment*
2. *We have an innovative and sustainable economy*
3. *We have a creative, vibrant city*
4. *We are a connected and engaged community*
5. *We have a healthy community in a liveable city*
6. *We have affordable and accessible transport*

Under each Goal, the Plan contains objectives, strategies and specific actions to be undertaken by Council, the State and community groups.

The following image shows Council's Strategic Planning Framework - how actions in the Community Strategic Plan result in the preparation of studies and strategies (informing and supporting documents – as listed above), that then guide Council's Delivery Program and then implementation.

The preparation of the Tourism Accommodation Review was a project listed in the Delivery Program and Operational Plan.

Economic Development Strategy 2019-29

On 23 September 2019 Council adopted the Economic Development Strategy 2019-2029. This is the key document that will drive a prosperous region.

The *Economic Development Strategy 2019-29* includes a number of 'potential game changers' – significant projects or activities that could have a major impact on Wollongong's labour market if delivered. One of these includes attracting more major events and tourism infrastructure to Wollongong. Hosting more and higher profile events would deliver both short and long term benefits to Wollongong, including supporting those in the accommodation, food and beverage and transport sectors.

The Strategy notes that Wollongong currently has around 2000 beds available each night (within 30 minutes of the CBD). The Strategy notes that Destination Wollongong is concerned about the immediate loss of 150 beds and the loss of up to 400 beds over the next 5 years.

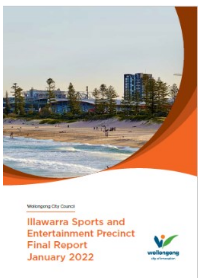
Actions relevant to this accommodation review include:

- Undertake a Tourism Lands Review in order to investigate the use of tourism-specific zoning on key coastal sites to ensure the provision of sufficient beds in Wollongong to support a growing visitor economy.

  [This Review completes this action]

Illawarra Sports and Entertainment Precinct report

In 2022 Council prepared the Illawarra Sports and Entertainment Precinct report which reflected the work of a steering committee established to provide advice to Venues NSW, the owners of the WIN Entertainment Centre. At the same time, Business Illawarra also released a report into the precinct.



The Council report encouraged Venues NSW to prepare a master plan to guide future development opportunities, this has not occurred. The Report recommendations included the redevelopment of the existing facilities to provide a contemporary entertainment ./ conferencing venue to cater for a range of events, improvements to the amenities surrounding the sporting field, provide commercial opportunities to support the precinct, review adjacent lands to support the delivery of the master plan and review current legislation and policies.

3. LAND USE CONTROLS

3.1 Land Use Definitions and Development Standards

The *Wollongong Local Environmental Plan (LEP) 2009* includes a series of definitions for tourist accommodation which are derived from the Standard LEP Instrument. The Local Environmental Plan (LEP) is a legal document which sets out development controls and zoning provisions for a local government area.

The *Wollongong LEP 2009* defines 'tourist and visitor accommodation' as:

> ***tourist and visitor accommodation*** *means a building or place that provides temporary or short-term accommodation on a commercial basis, and includes any of the following:*
>
> *(a) backpackers' accommodation,*
>
> *(b) bed and breakfast accommodation,*
>
> *(c) farm stay accommodation,*
>
> *(d) hotel or motel accommodation,*
>
> *(e) serviced apartments,*
>
> *but does not include:*
>
> *(f) camping grounds,*
>
> *(g) caravan parks, or*
>
> *(h) eco-tourist facilities.*

Land uses that are included within the 'tourist and visitor accommodation' definition are each defined separately as follows:

> ***backpackers' accommodation*** *means a building or place that:*
>
> *(a) provides temporary or short-term accommodation on a commercial basis, and*
>
> *(b) as shared facilities, such as a communal bathroom, kitchen or laundry, and*
>
> *(c) provides accommodation on a bed or dormitory-style basis (rather than by room).*
>
> ***bed and breakfast accommodation*** *means an existing dwelling in which temporary or short-term accommodation is provided on a commercial basis by the permanent residents of the dwelling and where:*
>
> *(a) meals are provided for guests only, and*
>
> *(b) cooking facilities for the preparation of meals are not provided within guests' rooms, and*
>
> *(c) dormitory-style accommodation is not provided.*
>
> ***hotel or motel accommodation*** *means a building or place (whether or not licensed premises under the Liquor Act 2007) that provides temporary or short-term accommodation on a commercial basis and that:*
>
> *(a) comprises rooms or self-contained suites, and*
>
> *(b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles,*
>
> *but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.*
>
> ***serviced apartment*** *means a building (or part of a building) providing self-contained accommodation to tourists or visitors on a commercial basis and that is regularly serviced or cleaned by the owner or manager of the building or part of the building or the owner's or manager's agents.*

Other tourism accommodation land uses that are defined in Wollongong LEP 2009, that are not part of 'tourist and visitor accommodation' definition are:

> ***camping ground*** *means an area of land, with access to communal amenities, used for the short term placement of campervans, tents, annexes or other similar portable and lightweight temporary shelters for accommodation and includes a primitive camping ground but does not include—*
>
> *(a) a caravan park, or*
>
> *(b) farm stay accommodation. (definition amended 6/10/22 by NSW Department of Planning and Environment)*
>
> ***caravan park*** *means an area of land, with access to communal amenities, used for the installation or placement of caravans, or caravans and other moveable dwellings, but does not include farm stay accommodation. (definition amended 6/10/22 by NSW Department of Planning and Environment)*
>
> ***eco-tourist facility*** *means a building or place that:*
>
> *(a) provides temporary or short-term accommodation to visitors on a commercial basis, and*
>
> *(b) is located in or adjacent to an area with special ecological or cultural features, and*
>
> *(c) is sensitively designed and located so as to minimise bulk, scale and overall physical footprint and any ecological or visual impact.*
>
> *It may include facilities that are used to provide information or education to visitors and to exhibit or display items.*
>
> ***farm stay accommodation*** *means a building or place—*
>
> *(a) on a commercial farm, and*
>
> *(b) ancillary to the farm, and*
>
> *(c) used to provide temporary accommodation to paying guests of the farm, including in buildings or moveable dwellings. (definition amended 6/10/22 by NSW Department of Planning and Environment)*

Camping grounds and eco-tourist facilities were not included as tourism definitions when the Wollongong LEP 2009 was notified in 2010. The uses were introduced into the LEPs through the amendments to the Standard LEP Instrument in June 2011. At that time camping grounds became a permissible use in the RE1 Public Recreation, RE2 Private Recreation and SP3 Tourism zone. Eco-tourism facilities are not permissible in any zone. Council will need to determine in which zones (if any) the use should be permissible.

Clause 5.4 of *Wollongong LEP 2009* contains the following development standards that relate to some of the tourism accommodation uses:

> ***5.4 Controls relating to miscellaneous permissible uses***
>
> ***(1) Bed and breakfast accommodation***
>
> *If development for the purposes of bed and breakfast accommodation is permitted under this Plan, the accommodation that is provided to guests must consist of no more than 3 bedrooms.*
>
> ….
>
> ***(5) Farm stay accommodation***
>
> *If development for the purposes of farm stay accommodation is permitted under this Plan, the accommodation that is provided to guests must consist of no more than 3 bedrooms in buildings.*

The Standard Instrument contains the Clause 5.13 for Eco-tourist facilities which is required to be included in an LEP if eco-tourist facilities are permitted.

5.13 Eco-tourist facilities

(1) The objectives of this clause are as follows:

(a) to maintain the environmental and cultural values of land on which development for the purposes of eco-tourist facilities is carried out,

(b) to provide for sensitively designed and managed eco-tourist facilities that have minimal impact on the environment both on and off-site.

(2) This clause applies if development for the purposes of an eco-tourist facility is permitted with development consent under this Plan.

(3) The consent authority must not grant consent under this Plan to carry out development for the purposes of an eco-tourist facility unless the consent authority is satisfied that:

(a) there is a demonstrated connection between the development and the ecological, environmental and cultural values of the site or area, and

(b) the development will be located, constructed, managed and maintained so as to minimise any impact on, and to conserve, the natural environment, and

(c) the development will enhance an appreciation of the environmental and cultural values of the site or area, and

(d) the development will promote positive environmental outcomes and any impact on watercourses, soil quality, heritage and indigenous flora and fauna will be minimal, and

(e) the site will be maintained (or regenerated where necessary) to ensure the continued protection of natural resources and enhancement of the natural environment, and

(f) waste generation during construction and operation will be avoided and that any waste will be appropriately removed, and

(g) the development will be located to avoid visibility above ridgelines and against escarpments and from watercourses and that any visual intrusion will be minimised through the choice of design, colours materials and landscaping with local indigenous flora, and

(h) any infrastructure services to the site will be provided without significant modification to the environment, and

(i) any power and water to the site will, where possible, be provided through the use of passive heating and cooling, renewable energy sources and water efficient design, and

(j) the development will not adversely affect the agricultural productivity of adjoining land, and

(k) the following matters are addressed or provided for in a management strategy for minimising any impact on the natural environment:

(i) measures to remove any threat of serious or irreversible environmental damage,

(ii) the maintenance (or regeneration where necessary) of habitats,

(iii) efficient and minimal energy and water use and waste output,

(iv) mechanisms for monitoring and reviewing the effect of the development on the natural environment,

(v) maintaining improvements on an on-going basis in accordance with relevant ISO 14000 standards relating to management and quality control.

The issues associated with Eco-tourism are discussed later in this report.

The Standard Instrument also contains the Clause 5.24 for Farm stay accommodation (introduced 6/10/22):

5.24 Farm stay accommodation [optional]

(1) The objectives of this clause are as follows—

(a) to diversify the uses of agricultural land without adversely impacting the principal use of the land for primary production,

(b) to balance the impact of tourism and related commercial uses with the use of land for primary production, the environment, scenic values, infrastructure and adjoining land uses.

***Direction—** Additional objectives may be included.*

(2) Development consent must not be granted to development for the purposes of farm stay accommodation on a landholding unless the consent authority is satisfied all buildings or manufactured homes used to accommodate guests on the landholding will be—

(a) on the same lot as an existing lawful dwelling house, or

(b) on a lot of a size not less than the minimum lot size for a dwelling house to be permitted on the lot under an environmental planning instrument applying to the land.

(3) Subclause (2) does not apply if the development is a change of use of an existing dwelling to farm stay accommodation.

(4) Development consent must not be granted to development for the purposes of farm stay accommodation on land unless the consent authority has considered—

(a) whether the development will result in noise or pollution that will have a significant adverse impact on the following on or near the land—

(i) residential accommodation,

(ii) primary production operations,

(iii) other land uses, and

(b) whether the development will have a significant adverse impact on the following on or near the land—

(i) the visual amenity or heritage or scenic values,

(ii) native or significant flora or fauna,

(iii) water quality,

(iv) traffic,

(v) the safety of persons, and

(c) whether the development is on bush fire prone land or flood prone land, and

(d) the suitability of the land for the development, and

(e) the compatibility of the development with nearby land uses.

Separate to the Wollongong LEP 2009, State Environmental Planning Policy (Housing) 2021 defines Short-term Rental Accommodation as:

***short-term rental accommodation** means a dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period.*

The SEPP also defines hosted and non-hosted short-term rental accommodation as:

***hosted short-term rental accommodation** means short-term rental accommodation provided where the host resides on the premises during the provision of the accommodation.*

> ***non-hosted short-term rental accommodation*** *means short-term rental accommodation provided where the host does not reside on the premises during the provision of the accommodation.*

On 9 April 2021, the (then) NSW Department of Planning, Industry and Environment published an amendment to SEPP Affordable Rental Housing, to introduce provisions for Short-term rental accommodation. From 1 November 2021, short-term rental accommodation became permissible under SEPP Affordable Rental Housing, as exempt development, as either hosted or non-hosted, subject to the requirements listed in the SEPP (as indicated in section 3.1 of this report). On 26 November 2021 the provisions were merged into SEPP (Housing) 2021.

The use is subject to the following requirements listed in the SEPP:

(a) the ***dwelling must have been lawfully constructed*** *to be used for the purpose of residential accommodation, and*

(b) the dwelling must comprise, or be part of, residential accommodation other than the following—

(i) a boarding house,

(ii) a group home,

(iii) a hostel,

(iv) a rural workers' dwelling,

(v) seniors housing, and

(c) the type of residential accommodation that the dwelling comprises, or is part of, must be permitted with or without development consent on the land on which the dwelling is located, and

(d) the ***dwelling must be registered*** *on the register established under clause 186X of the Environmental Planning and Assessment Regulation 2000, and*

(e) the dwelling must not be, or be part of, refuge or crisis accommodation provided by—

(i) a public or local authority, including the Department of Communities and Justice, the New South Wales Land and Housing Corporation or the Aboriginal Housing Office, or

(ii) any other body funded wholly or partly by the Commonwealth or the State, and

(f) if the dwelling is classified under the Building Code of Australia as class 1b or class 2–9—

(i) the dwelling must have a current fire safety certificate or fire safety statement, or

(ii) no fire safety measures are currently implemented, required or proposed for the dwelling, and

(g) the use of the dwelling for the purposes of short-term rental accommodation must otherwise be lawful, (eg under building strata laws or conditions of development consent) and

(h) the dwelling must not be a moveable dwelling within the meaning of the Local Government Act 1993.

On 28 October 2020 the *Fair Trading Amendment (Code of Conduct for Short-term Rental Accommodation Industry) Regulation (No 2) 2020* was published. Also on 28 October 2020 NSW Fair Trading released the Code of Conduct for the Short-term Rental Accommodation Industry which commenced on 18 December 2020. The NSW Fair Trading have been given the responsibility to monitor complaints and compliance. Any complaints concerning the operation of premises are to be directed to NSW Fair Trading. Any issues requiring immediate attention, such as late-night noise, should be directed to NSW Police.

The issues associated with short-term rental accommodation are discussed later in this report.

3.2 SP3 Tourist Zone

The *Wollongong Local Environmental Plan (LEP) 2009* includes the SP3 Tourist zone. The objective of the SP3 Tourist zone is, "*To provide for a variety of tourist-oriented development and related uses*".

There are 26 areas (127 lots) zoned SP3 Tourist within the Wollongong LGA, covering an area of 116 hectares (Figure 3.2, Table 3.1 and Appendix 1). The individual lots range in size from 3.4m^2 to 15 hectares and have an average area of 0.9 hectares. Many tourism areas contain multiple lots, that create a larger site area. Figure 3.1 shows the lot size distribution. Table 3.1 shows the distribution of the SP3 Tourist zone by suburb. Appendix 1 includes an air photo, address, lot size, current use and ownership of each site.

A land use survey has been completed to identify land uses current land uses that are occurring within sites zoned SP3 Tourist. It was found that in many locations, sites zoned for tourism purposes were not occupied by tourist-related uses. Eleven sites are being utilised for tourist accommodation purposes. Less than half of the sites zoned SP3 - Tourist are being utilised for tourist accommodation development catering for the holiday/leisure market and overnight visitors to the region.

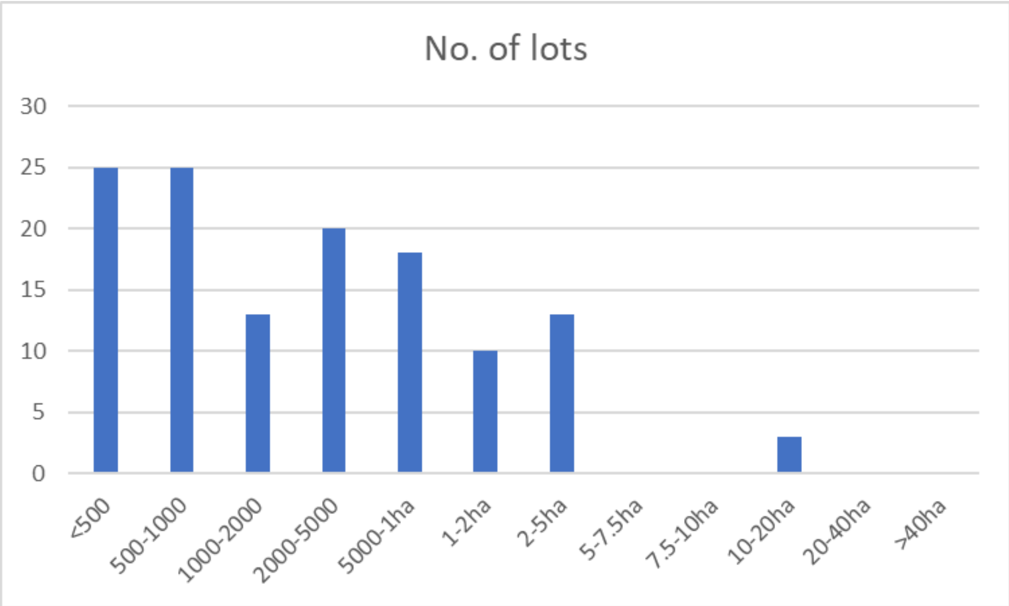
The land uses include:

- 3 Hotels:
    - the Novotel at North Wollongong
    - Headlands Hotel at Austinmer
    - Quality Suites at Fairy Meadow
- 2 Motels
    - Solomon Inn at Figtree
    - Fairways at Primbee
- 4 Tourist Parks:
    - owned & operated by Council, Bulli, Corrimal and Windang
    - Wollongong Surf Leisure Resort (WSLR) at Fairy Meadow - land and buildings owned by Council. The WSLR business and all self contained tourism cabins are privately owned.
- 2 Pub Hotels
    - Dapto Dandaloo Hotel at Brownsville
    - Lake Illawarra Hotel at Windang
- 5 Escarpment Lookouts –
    - Panorama house (private),
    - Sublime Point (Crown land)
    - Cliff hanger (Crown land)
    - Gateway Visitor centre (Crown land)
    - part of Mt Keira Summit Park (Council land).
- 5 Licensed Clubs / venues (no accommodation)
    - Hellenic Centre at Figtree
    - Western Suburbs leagues Club at Unanderra
    - Woonona-Bulli RSL club at Woonona
    - Towradgi Beach Hotel
    - Club Windang
- 2 Tourism Attractions

- Symbio Wildlife Park at Helensburgh
- The Illawarra Sports and Entertainment Precinct (Win Entertainment Centre and Football Stadium)

- Residential apartment buildings
- Retail premises
- Vacant land

Figure 3.1 Lot size distribution

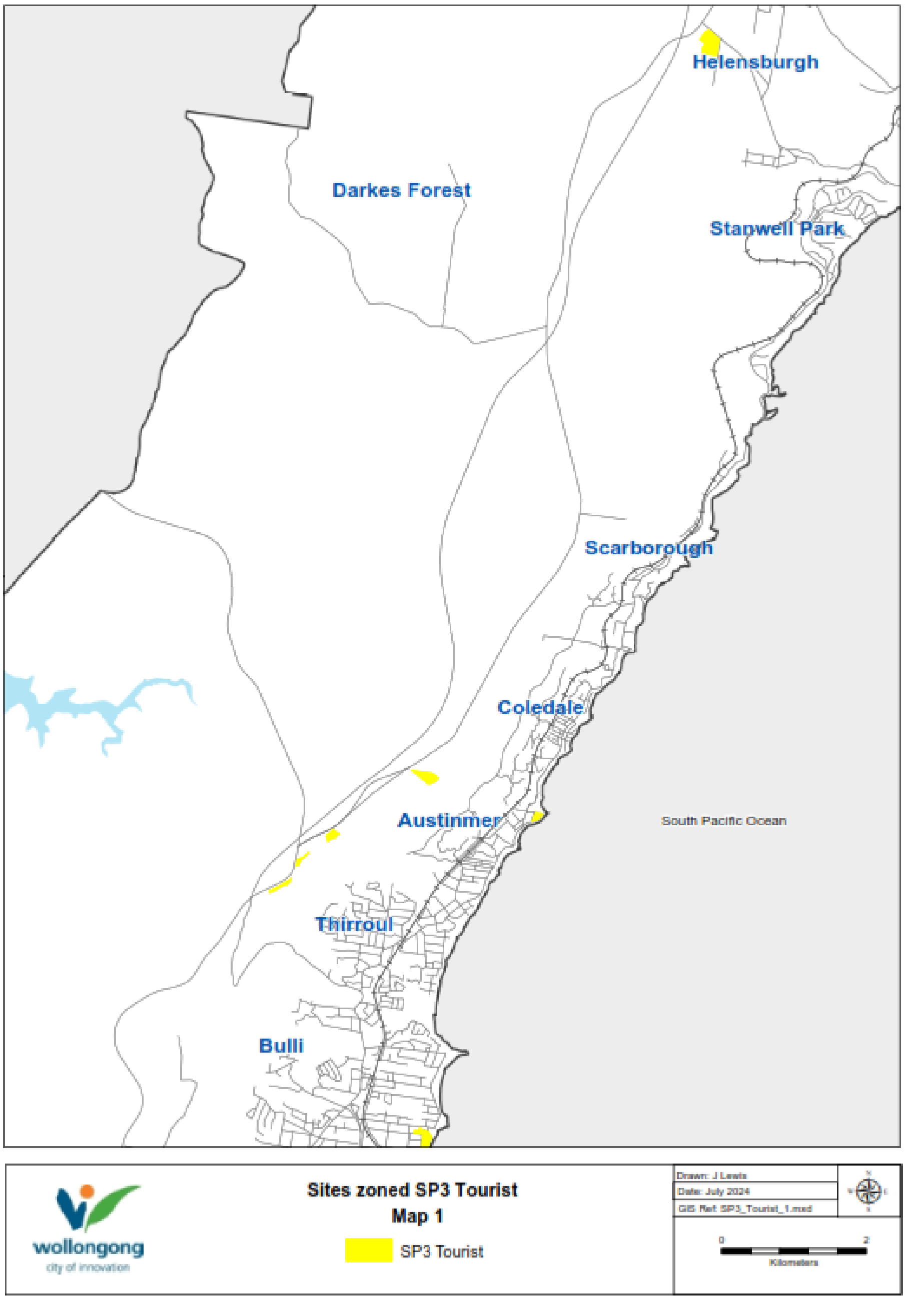


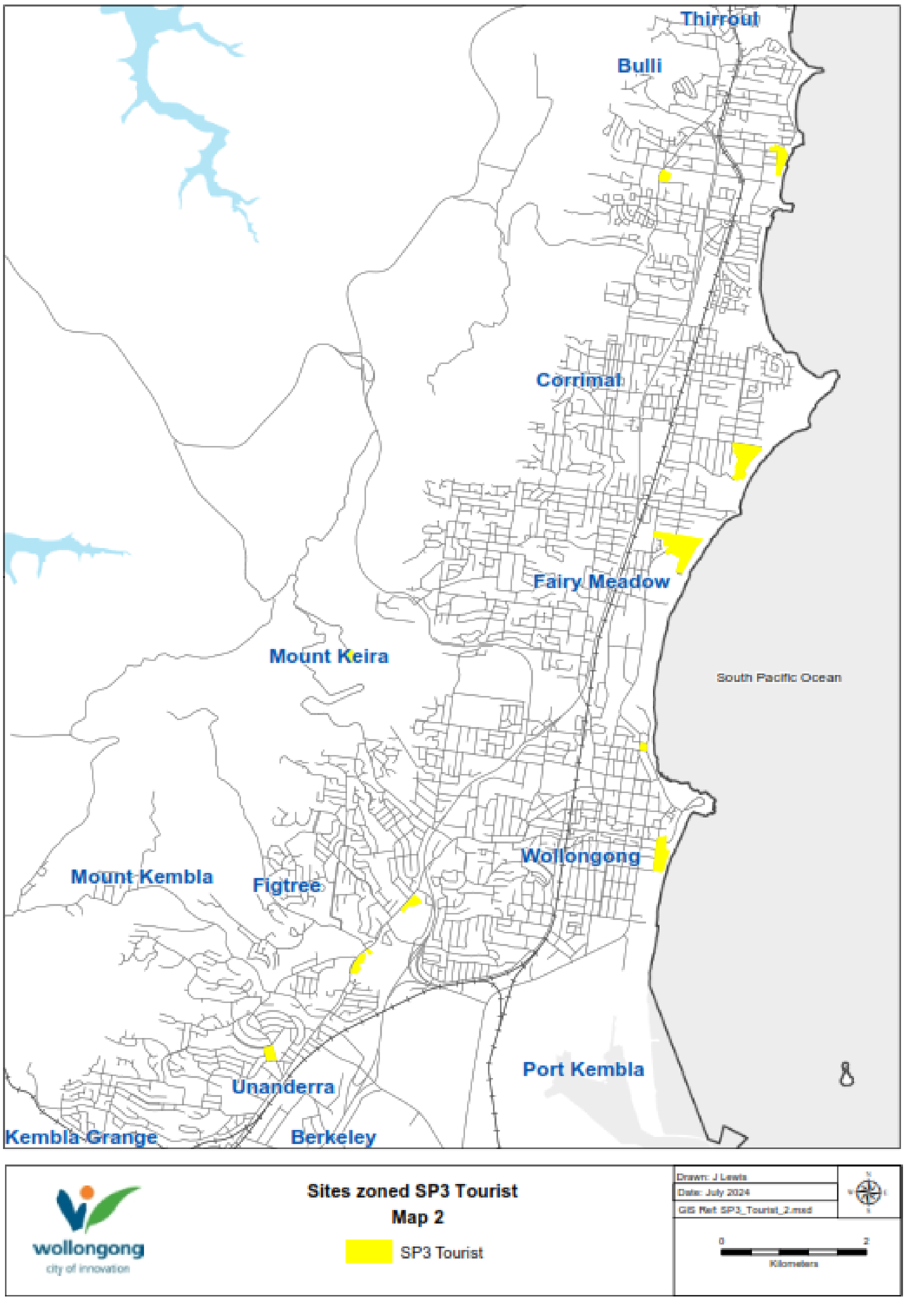
The largest area zoned for tourism occur along the Lake Illawarra at Kully Bay / Griffiths Bay at Warrawong. At Windang there are 4 areas zoned SP3 Tourism. In the northern coastal villages, the Headlands Hotel site at Austinmer, is the only site zoned SP3 Tourist located close to the foreshore.

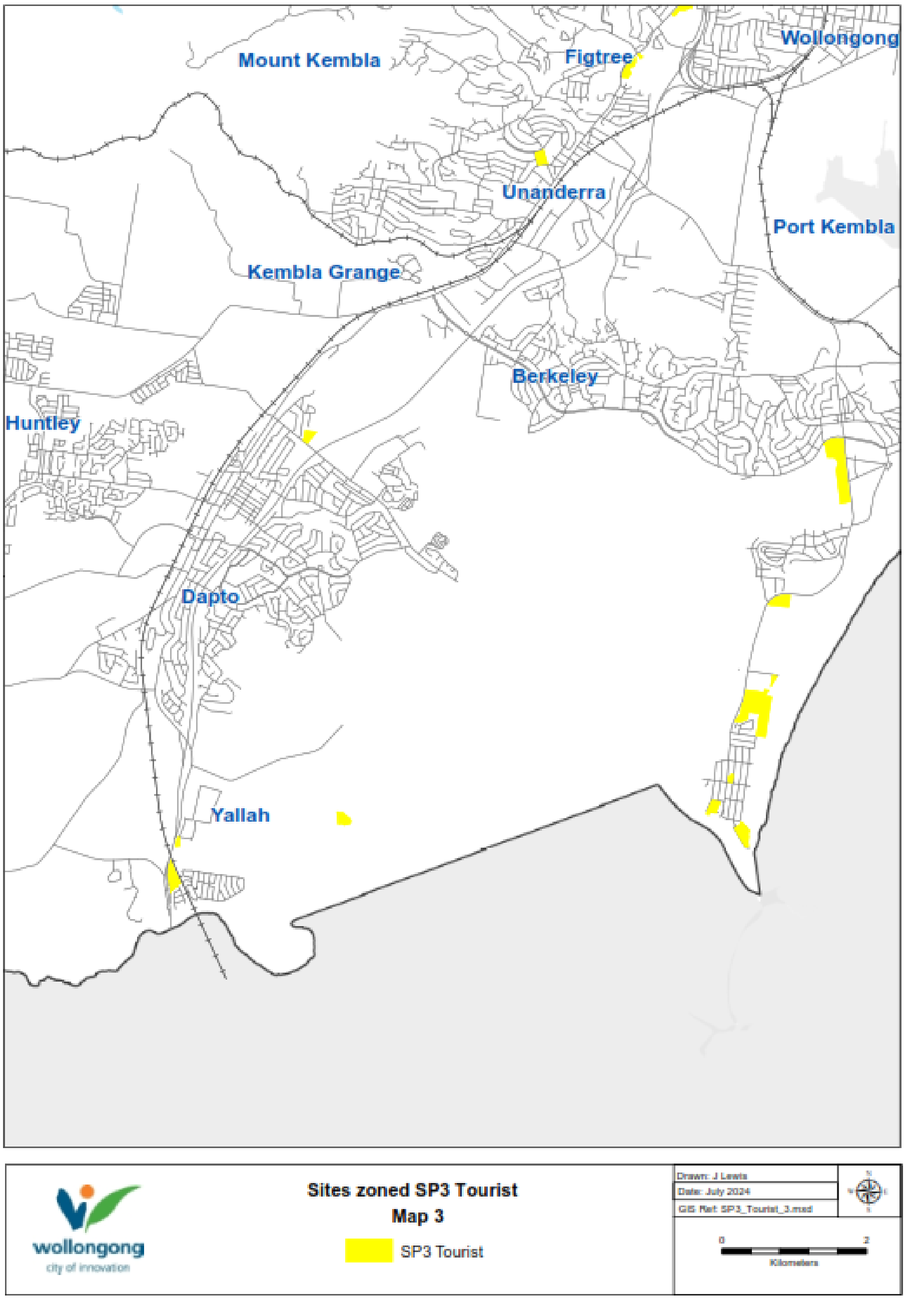
Table 3.1 Distribution of SP3 Tourist Zone by suburb

Suburb	No of lots	Area (ha)
AUSTINMER	2	1
BROWNSVILLE	1	2
BULLI	1	3
EAST CORRIMAL	1	10
FAIRY MEADOW	5	15
FIGTREE	5	3
HAYWARDS BAY	9	3
HELENSBURGH	4	7
MADDENS PLAINS	7	7
MOUNT KEIRA	1	1
NORTH WOLLONGONG	1	1
PRIMBEE	9	3
UNANDERRA	19	2
WARRAWONG	5	16
WEST WOLLONGONG	6	2
WINDANG	28	24
WOLLONGONG	14	6
WOONONA	7	9
YALLAH	2	3
Total	**127**	**116**

Figure 3.2 SP3 Tourist zone locations




Thirroul
Bulli
Corrimal
Fairy Meadow
Mount Keira
South Pacific Ocean
Mount Kembla
Figtree
Wollongong
Unanderra
Port Kembla
Kembla Grange
Berkeley
wollongong
city of innovation
Sites zoned SP3 Tourist
Map 2
SP3 Tourist
Drawn: J Lewis
Date: July 2024
GIS Ref: SP3_Tourist_2.mxd
0
2
Kilometers


Mount Kembla
Figtree
Wollongong
Unanderra
Port Kembla
Kembla Grange
Berkeley
Huntley
Dapto
Yallah
wollongong
city of innovation
Sites zoned SP3 Tourist
Map 3
SP3 Tourist
Drawn: J Lewis
Date: July 2024
GIS Ref: SP3_Tourist_3.mxd
0
2
Kilometers

The SP3 Tourist zone permits Tourist and Visitor Accommodation, as well as facilities/uses which support the tourism industry (Table 3.2). The SP3 Tourist zones offer protection to existing tourist developments by restricting the permissible land uses. The zoning of land SP3 Tourist ensures that land identified as having strategic potential for tourist development is not utilised to provide housing; and as such residential development is prohibited.

Table 3.2 SP3 Tourist zone land use table

	Land use
Development Permitted without consent:	Building identification signs; Business identification signs
Development Permitted with consent:	Advertising structures; Amusement centres; Aquaculture; Boat building and repair facilities; Boat sheds; Camping grounds; Caravan parks; Cellar door premises; Charter and tourism boating facilities; Centre-based child care facilities; Community facilities; Entertainment facilities; Food and drink premises; Function centres; Information and education facilities; Kiosks; Marinas; Markets; Moorings pens; Moorings; Neighbourhood shops; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs; Respite day care centre; Roads; **Tourist and visitor accommodation**; Water recreation structures
Prohibited:	All other land uses

Tourism accommodation uses are also permissible in a number of other land use zones as shown in Table 3.4.

2.3 Permissibility of Tourism Accommodation Uses

Tourist developments and tourist-related development are permissible uses within a number of land use zones. Table 3.3 indicates the permissibility of tourism accommodation in each land use zone. The following maps (Figure 3.3 – 3.9) illustrate this data graphically, showing areas where each tourism accommodation land use is permissible (subject to development approval).

The Land Use summary table (Table 3.3) and the following Figures highlight that tourism accommodation uses are permitted throughout multiple land use zones in the LGA, and not just restricted to the SP3 Tourist zone.

The table and maps excludes the C1 National Parks and Nature Reserves zone, which applies to land managed by the NSW National Parks and Wildlife Service (NPWS), such as the Royal National Park, Heathcote National Park, Dharawal National Park, Garrawarra State Conservation Area, and Illawarra Escarpment State Conservation Area. Land uses and development, including visitor accommodation, within National Parks and Nature Reserves is subject to the NSW National Parks and Wildlife Act 1974 and needs to be consistent with a NPWS Plan of Management for the Reserve. Camping is permitted at nominated locations within some reserves.

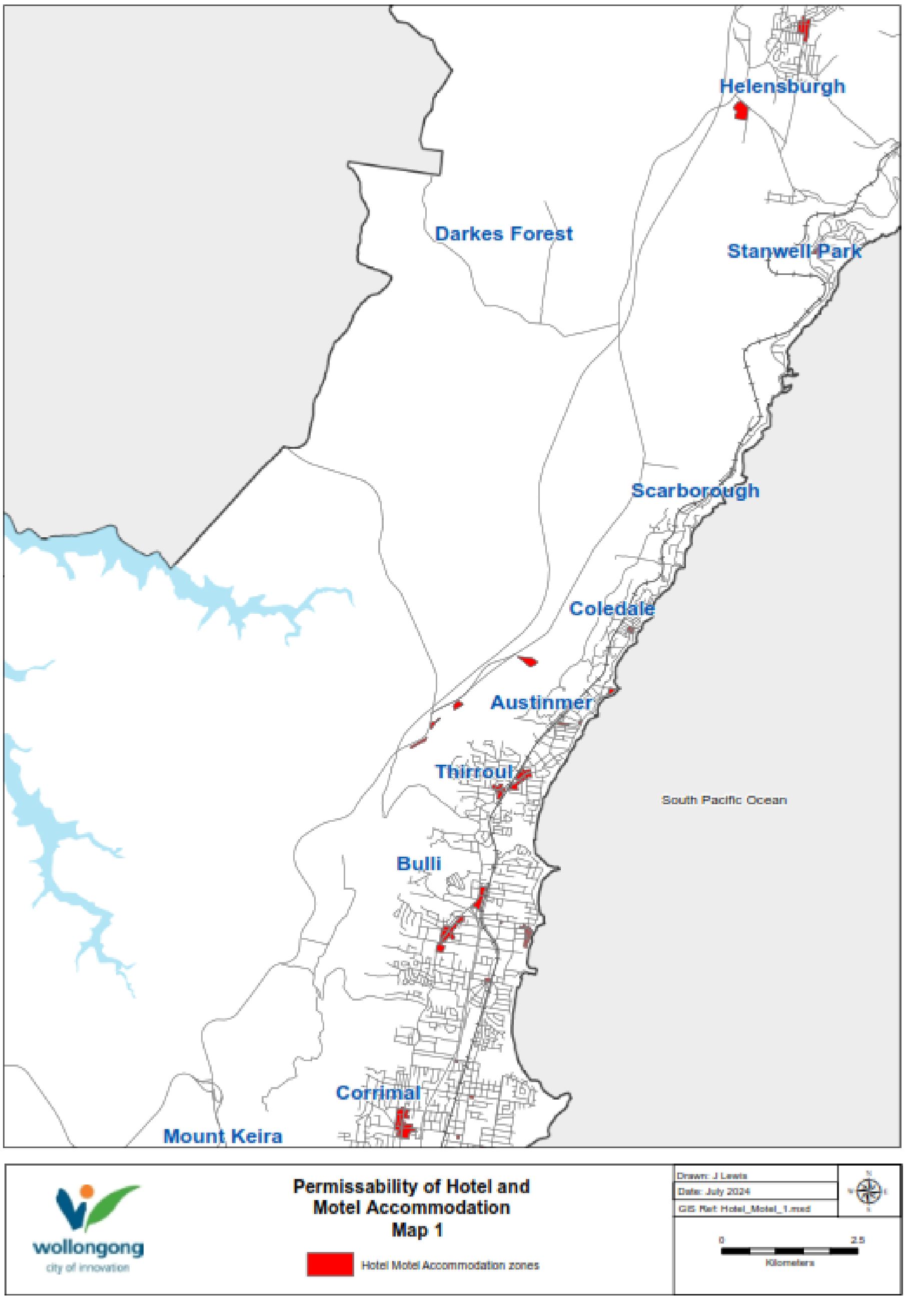
The table has been updated to reflect the State's changes to the Conservation and Employment zones (Business and Industrial) since the exhibition of the draft Discussion Paper.

Table 3.3 Permissibility of Tourist Accommodation across land use zones

	Rural			Residential					Employment							SP			Recr'n		Env Prot'n			Waterways		
	Primary Production	Rural Landscape	Primary Production Small Lots	General Residential	Low Density Residential	Medium Density Residential	High Density Residential	Large Lot Residential	Local centre	Commercial Centre	Mixed Use	Productivity support	General Industrial	Heavy Industrial	Working Waterfront	Special Activities	Infrastructure	Tourist	Public Recreation	Private Recreation	Environmental conservation	Environmental Management	Environmental Living	Natural Waterways	Recreational Waterways	Working Waterways
	RU1	**RU2**	**RU4**	**R1**	**R2**	**R3**	**R4**	**R5**	**E1**	**E2**	**MU1**	**E3**	**E4**	**E5**	**W4**	**SP1**	**SP2**	**SP3**	**RE1**	**RE2**	**C2**	**C3**	**C4**	**W1**	**W2**	**W3**
Tourist and Visitor Accommodation	x	x	x	x	x	x	x	x		c	c	x	x	x	x	x	x	c	x	x	x	x	x	x	x	x
Hotel or Motel accommodation	x	x	x	x	x	x	x	x	c	c	c	x	x	x	x	x	x	c	x	x	x	x	x	x	x	x
Serviced apartments	x	x	x	c	x	c	c	x	c	c	c	c	x	x	x	x	x	c	x	x	x	x	x	x	x	x
Bed & Breakfast accommodation	x	c,E	c,E	c,E	c,E	c,E	c,E	c,E	c,E	c,E	c,E	x	x	x	x	x	x	c,E	x	x	x	c,E	c,E	x	x	x
Backpackers' accommodation	x	x	x	x	x	c	c	x	c	c	c	x	x	x	x	x	x	c	x	x	x	x	x	x	x	x
Farm-stay accommodation	x	c	c	x	x	x	x	x	x	c	c	x	x	x	x	x	x	c	x	x	x	c	x	x	x	x
Caravan parks	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	c	c	c	x	x	x	x	x	x
Camping ground	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	c	c	c	x	x	x	x	x	x
Eco-tourist facility	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Short-tern Rental Accommodation		E	E	E	E	E	E	E	E	E	E	E									E	E				

c permitted with consent
x prohibited
E = maybe Exempt Development under SEPP (Exempt & Complying Development Codes) 2008

Figure 3.3 Permissibility of Hotel and Motel Accommodation



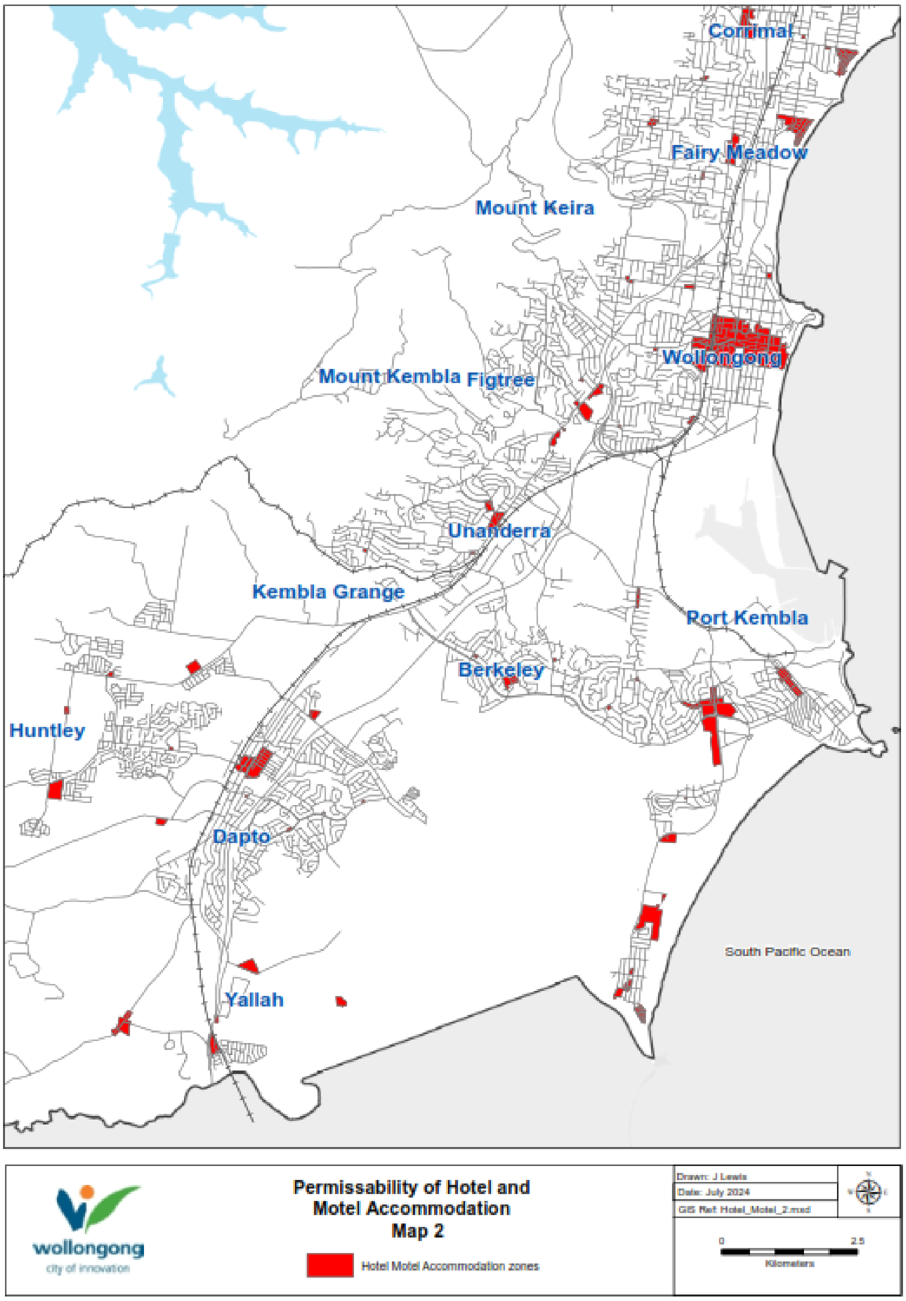
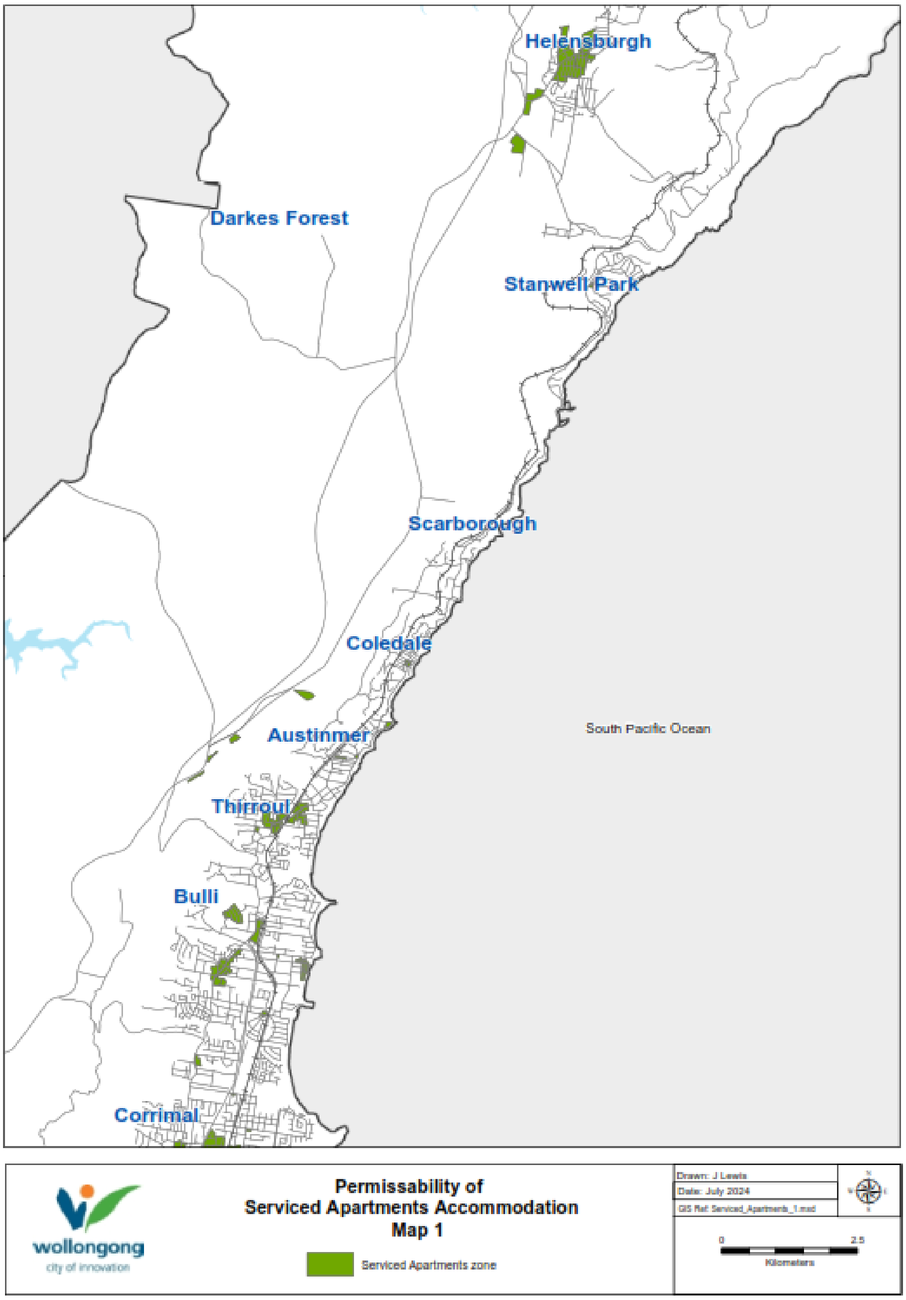
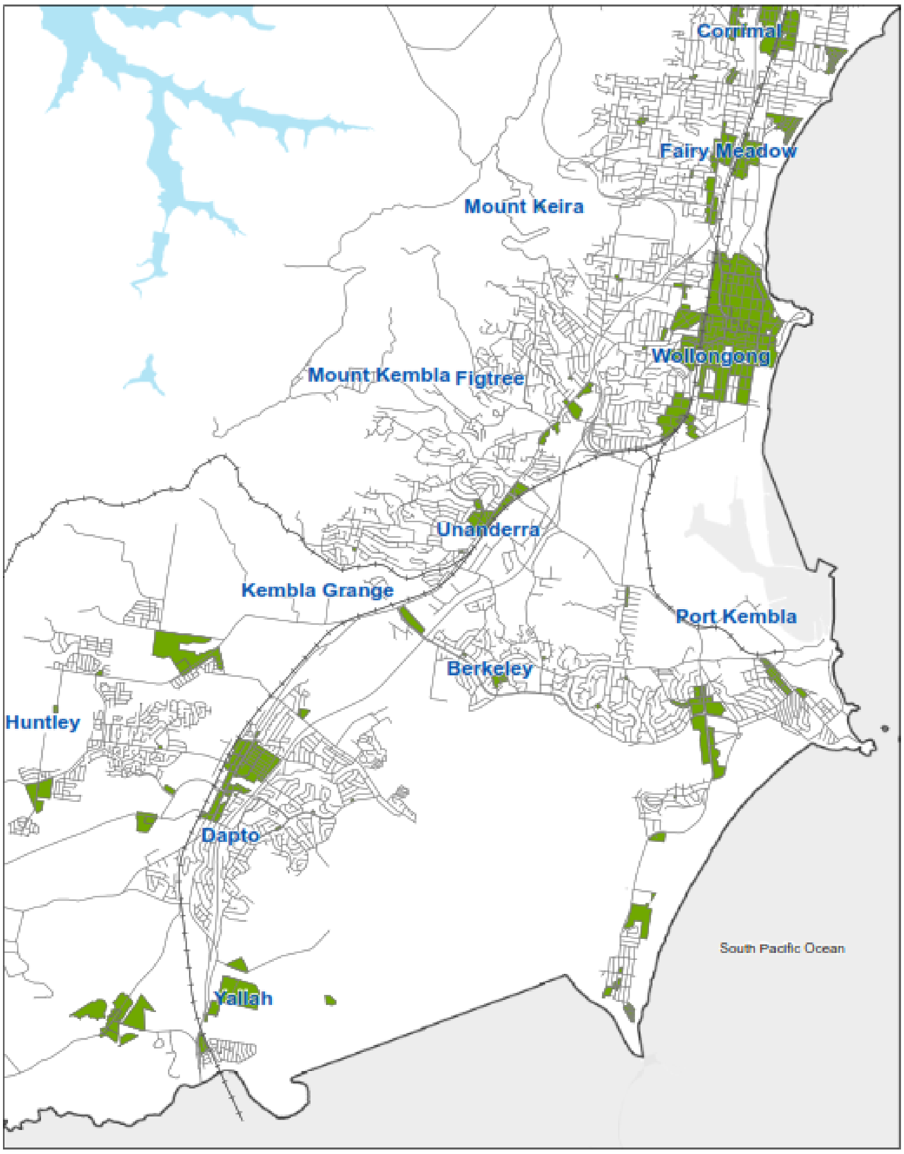

Corrimal
Fairy Meadow
Mount Keira
Wollongong
Mount Kembla
Figtree
Unanderra
Kembla Grange
Port Kembla
Berkeley
Huntley
Dapto
Yallah
South Pacific Ocean
Permissability of Hotel and Motel Accommodation
Map 2
Hotel Motel Accommodation zones
wollongong
city of innovation
Drawn: J Lewis
Date: July 2024
0
2.5
Kilometers

Figure 3.4 Permissibility of Serviced Apartments





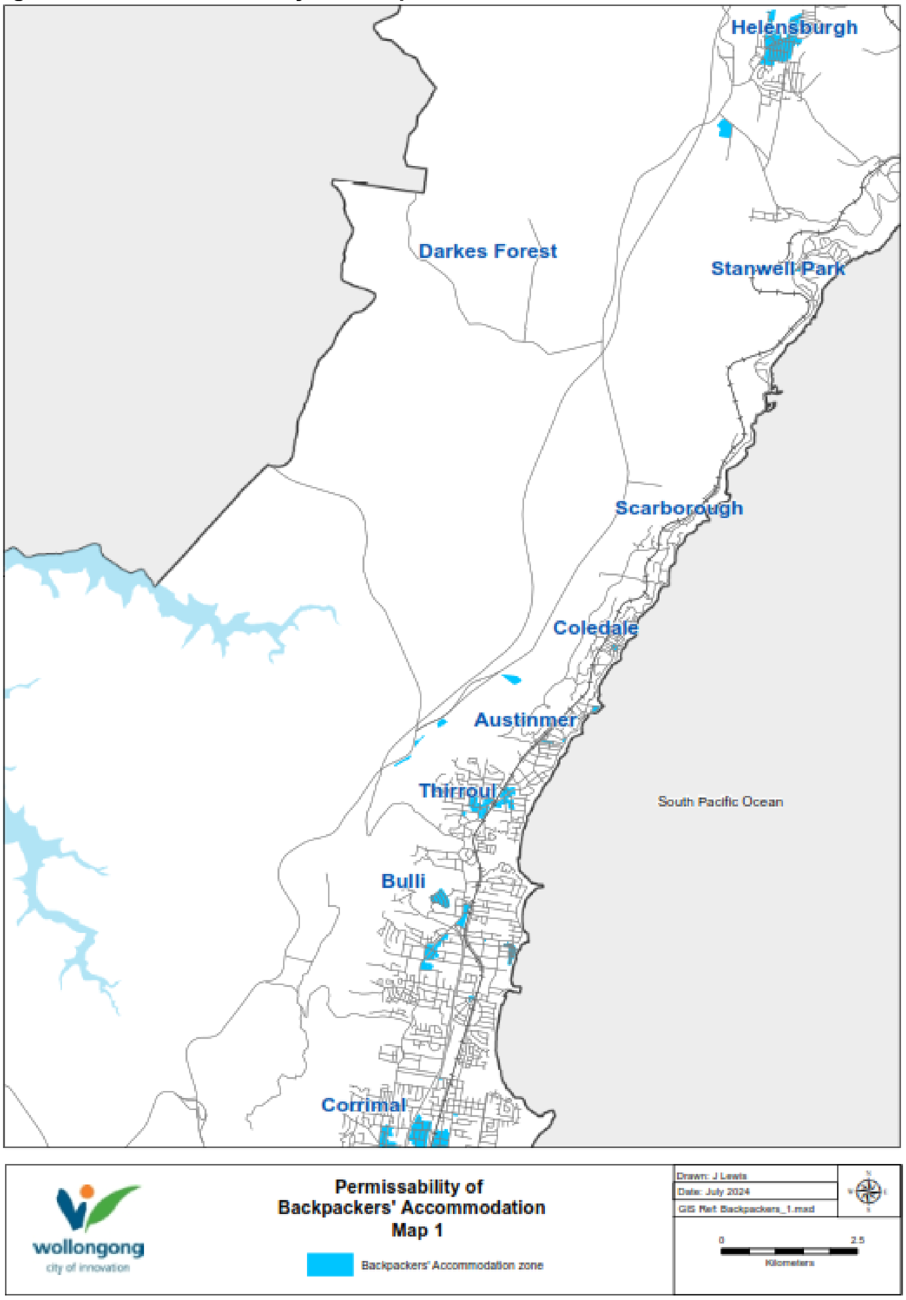
Permissability of
Serviced Apartments Accommodation
Map 2

Serviced Apartments zone

Drawn: J Lewis
Date: July 2024
GIS Ref: Serviced_Apartments_2.mxd

0 2.5
Kilometers

Figure 3.5 Permissibility of Backpacker Accommodation



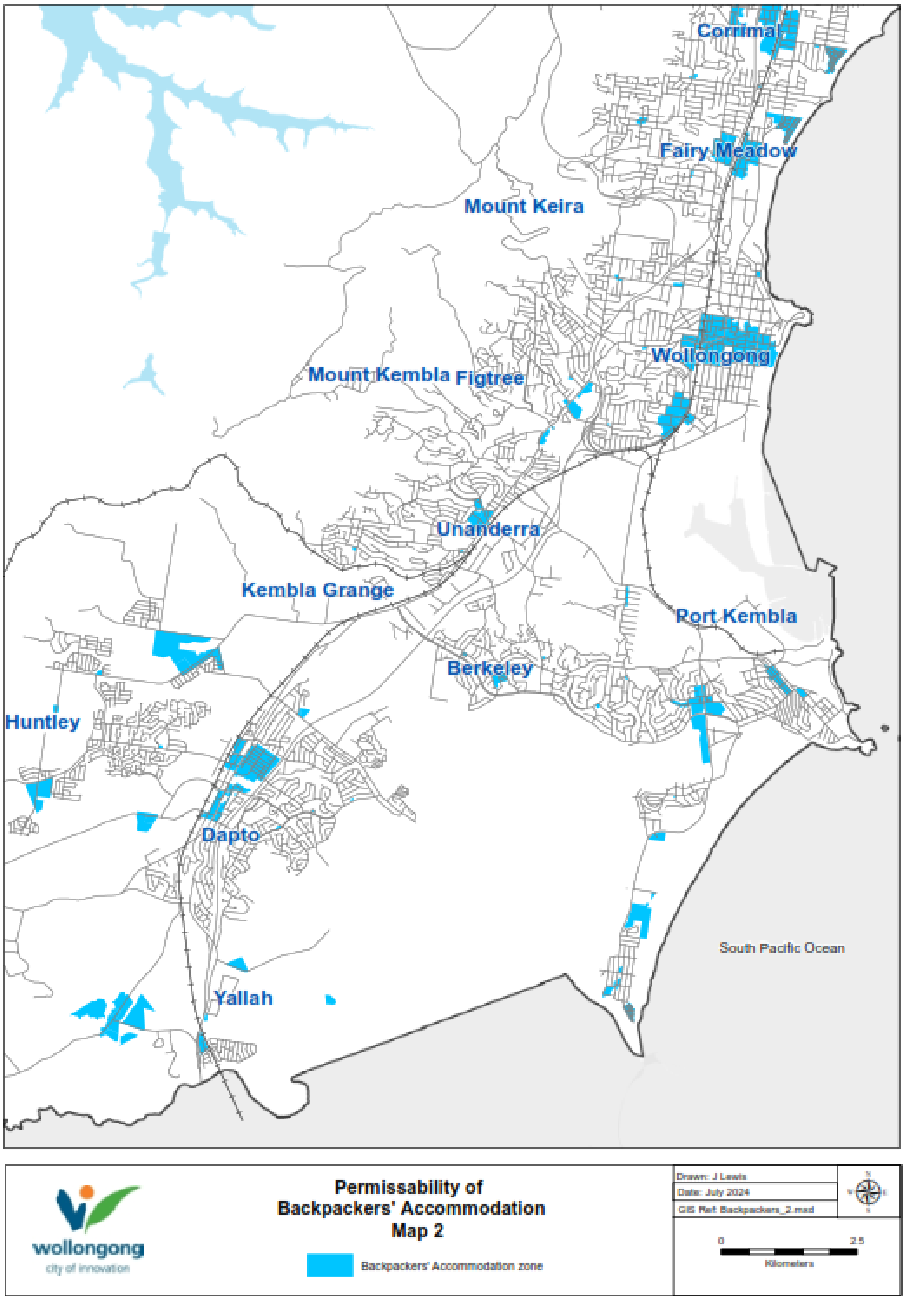
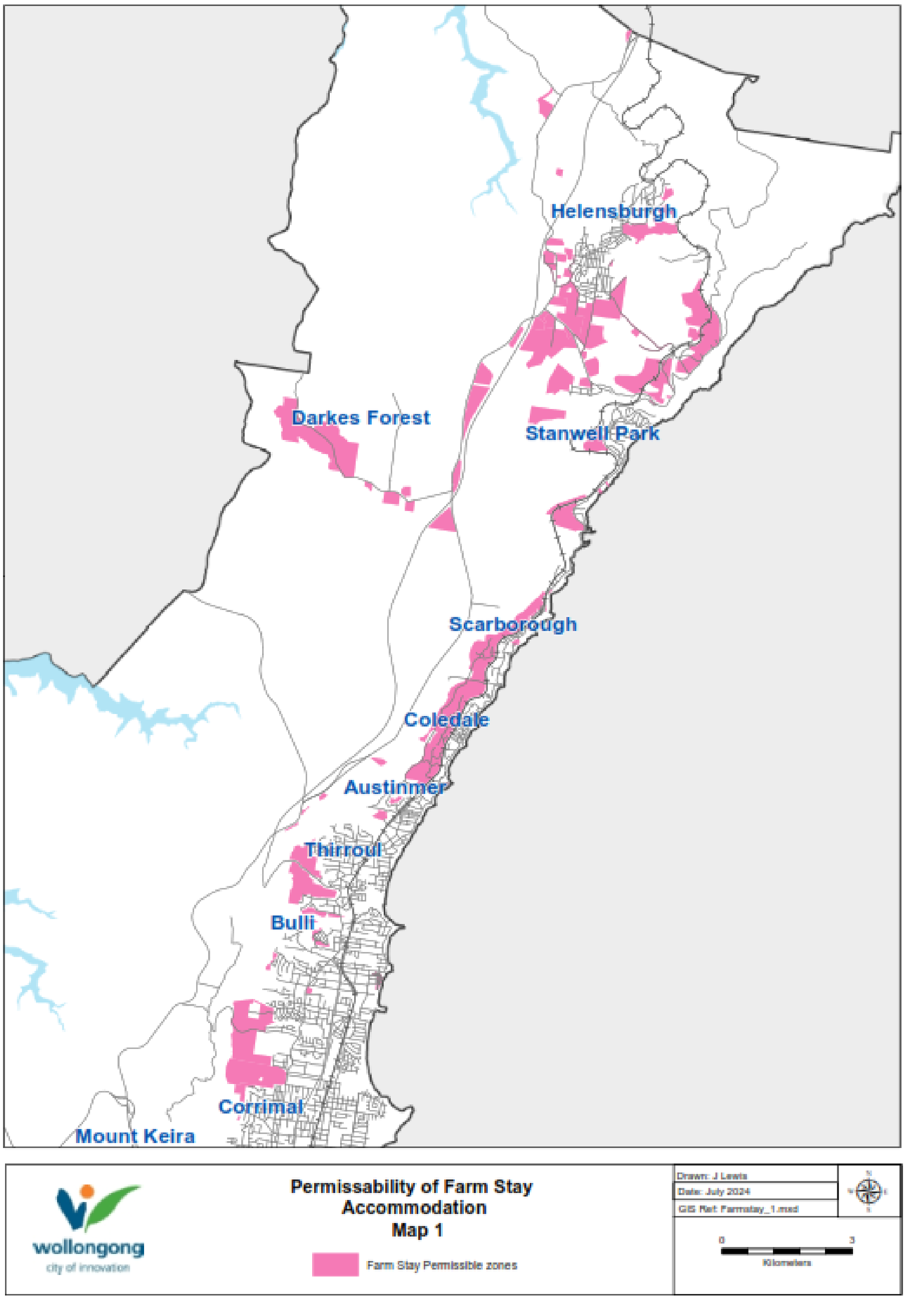
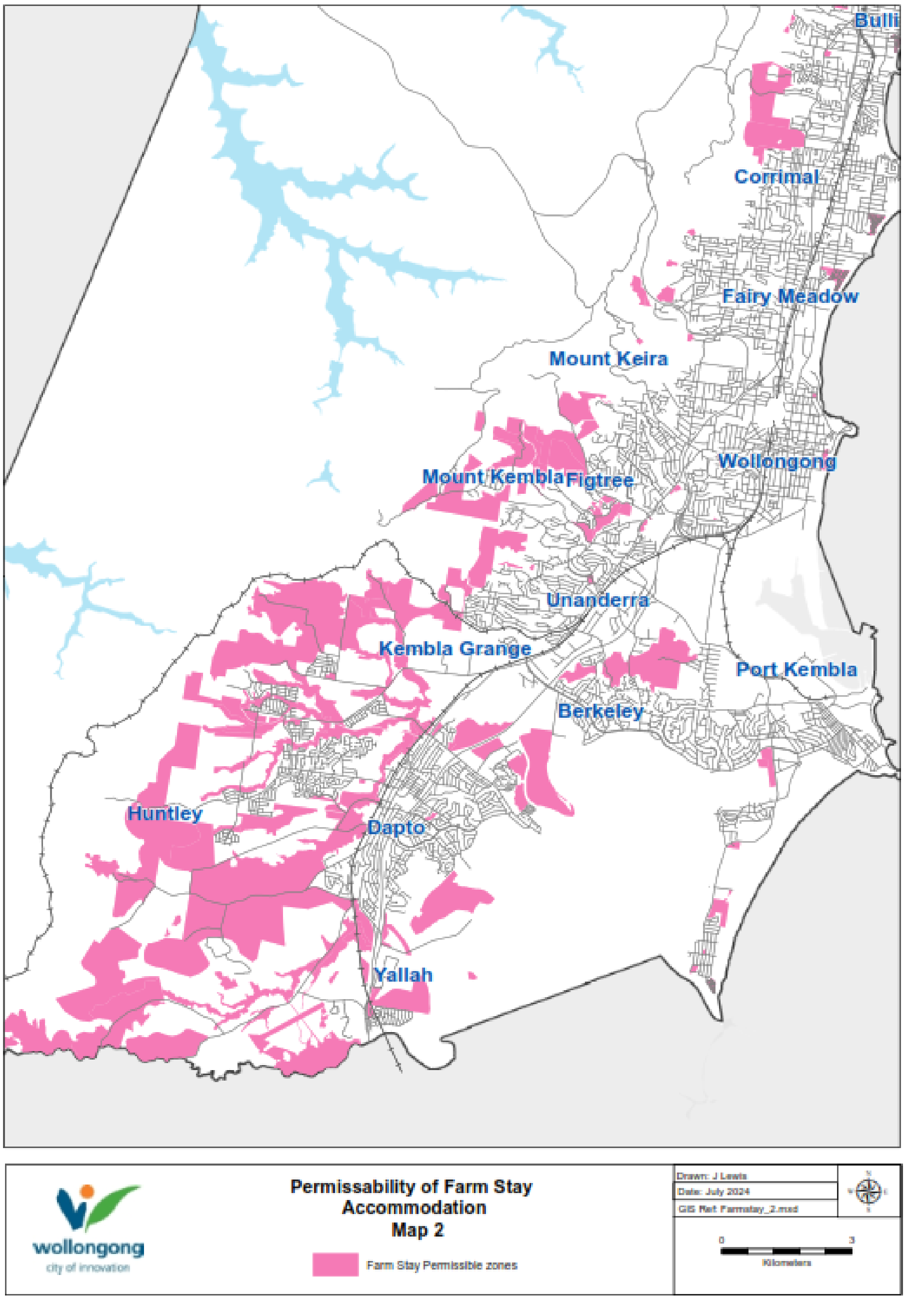

Corrimal
Fairy Meadow
Mount Keira
Wollongong
Mount Kembla
Figtree
Unanderra
Kembla Grange
Port Kembla
Berkeley
Huntley
Dapto
Yallah
South Pacific Ocean
Permissability of
Backpackers' Accommodation
Map 2
Backpackers' Accommodation zone
wollongong
city of innovation
Drawn: J Lewis
Date: July 2024
GIS Ref: Backpackers_2.mxd
0
2.5
Kilometers

Figure 3.6 Permissibility of Farm Stay Accommodation

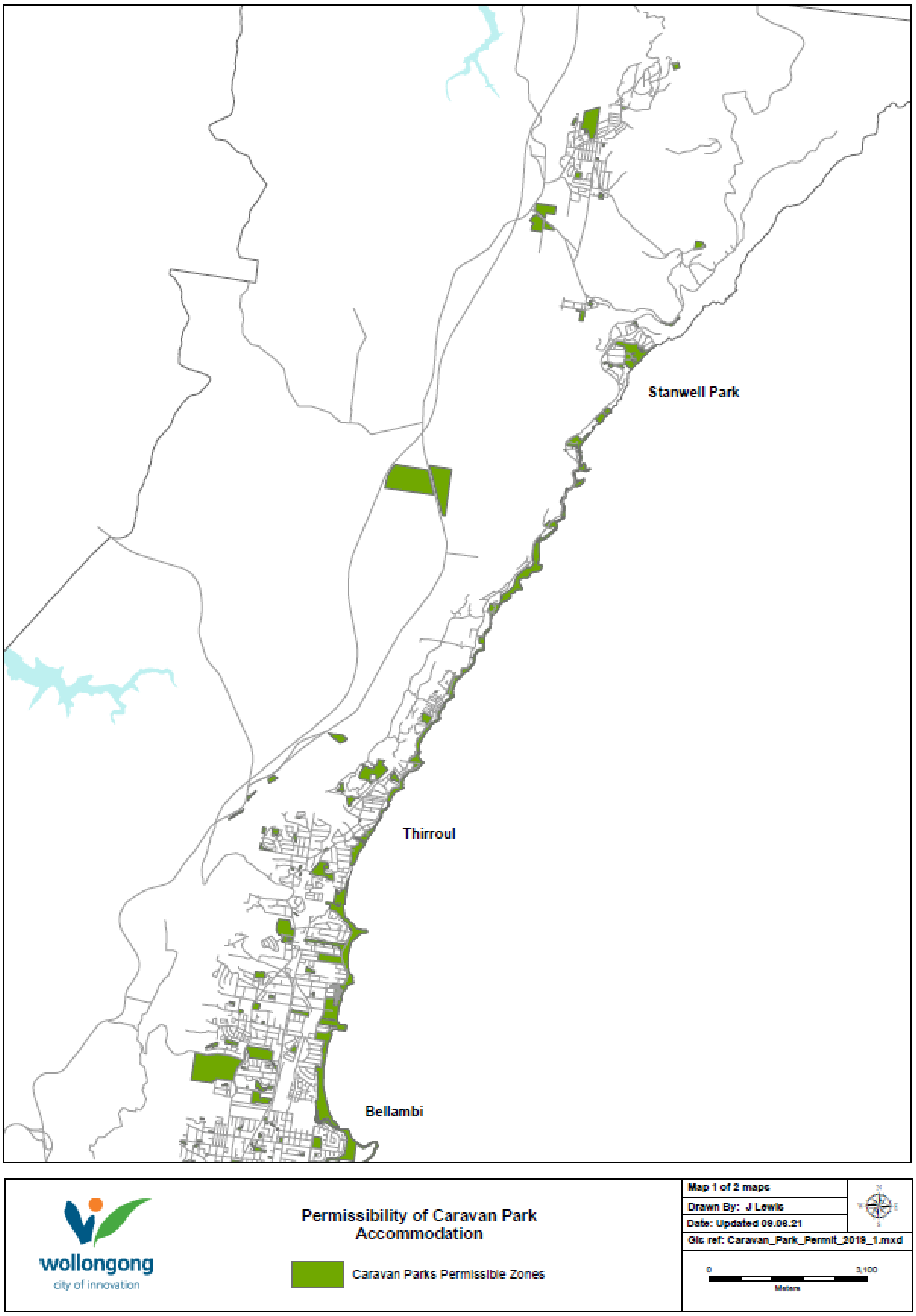


Note: Farm stay accommodation is only permissible as a secondary business to primary production



Note: Farm stay accommodation is only permissible as a secondary business to primary production

Figure 3.7 Permissibility of Caravan Parks



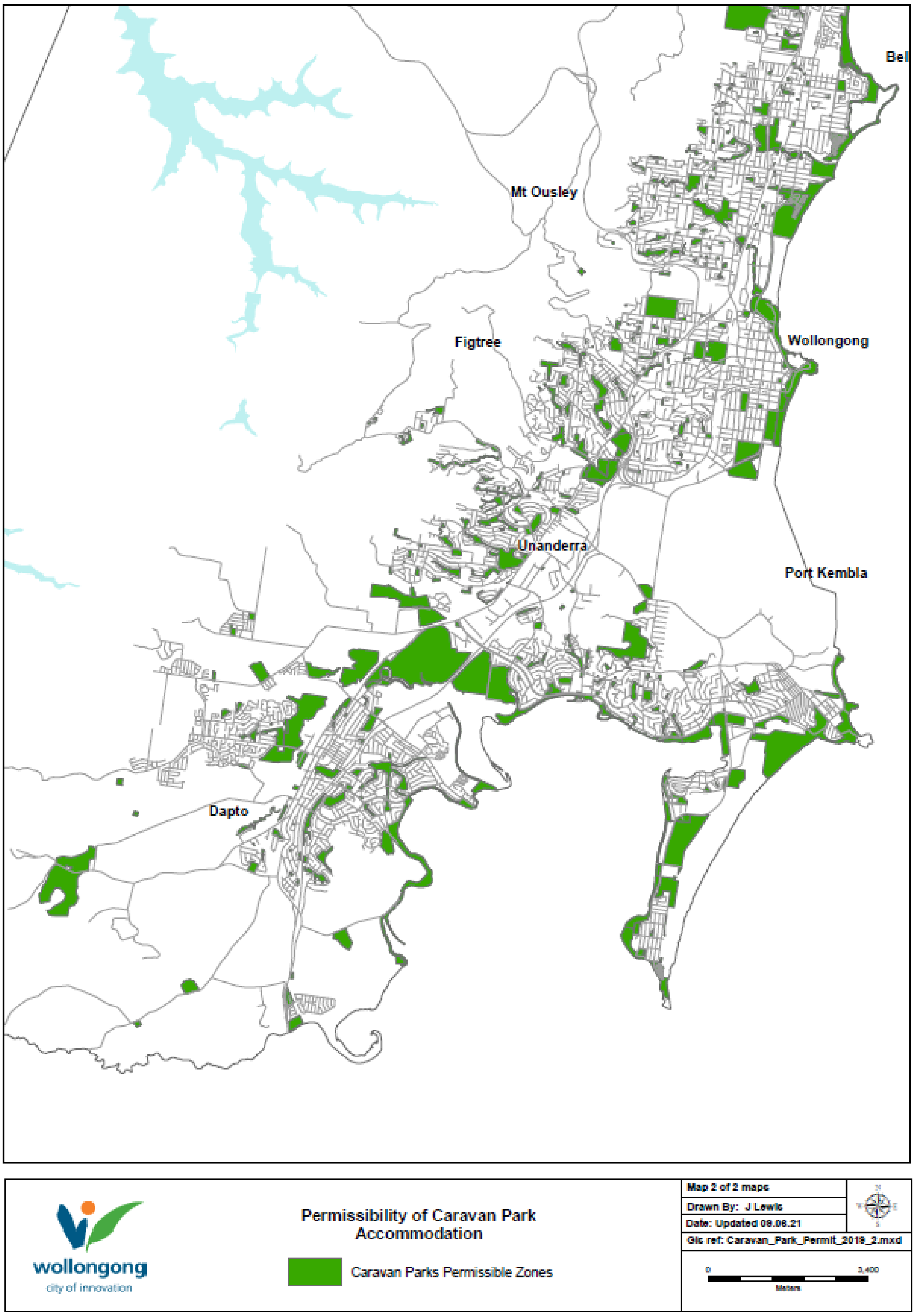
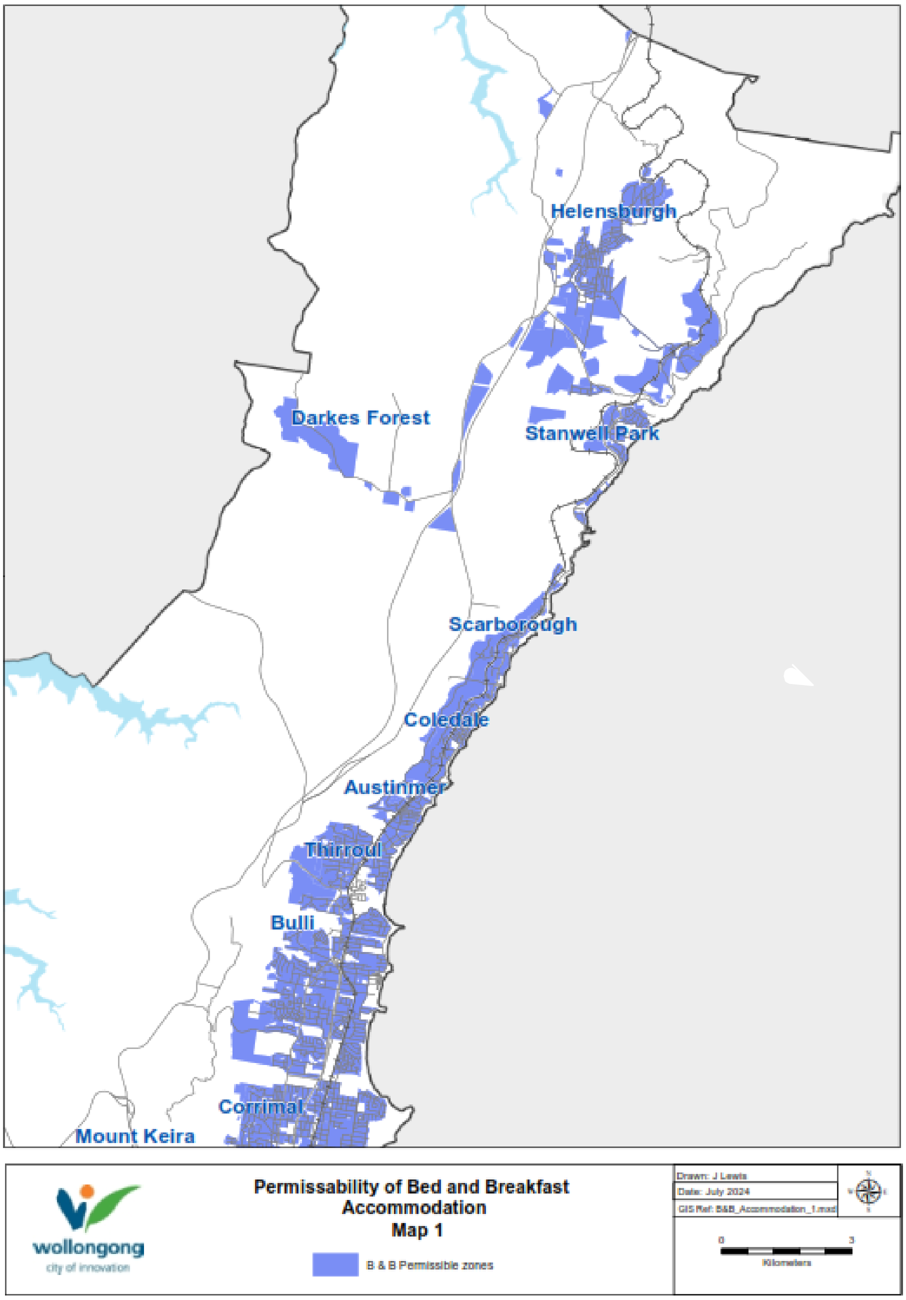
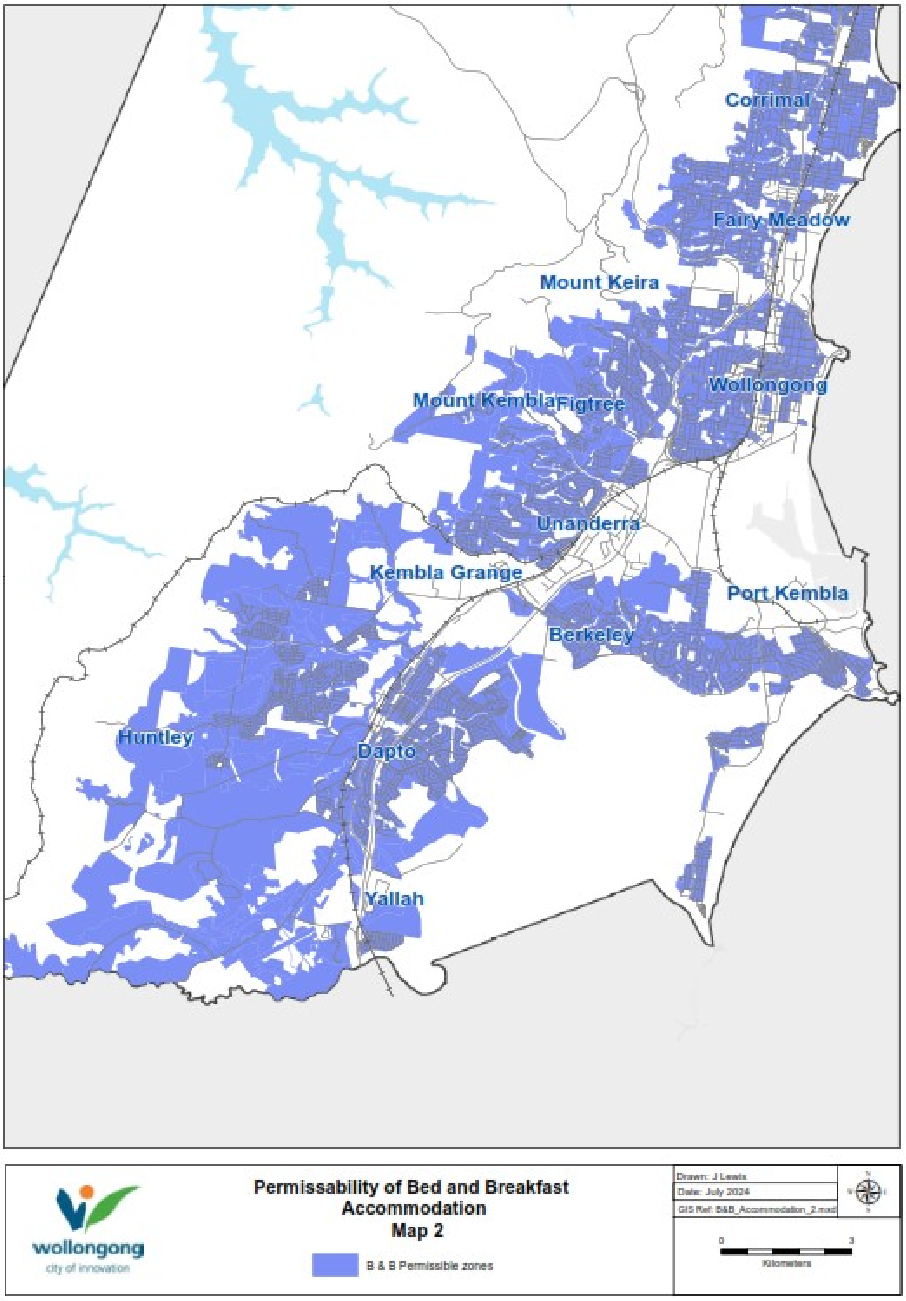

Bel
Mt Ousley
Figtree
Wollongong
Unanderra
Port Kembla
Dapto
wollongong
city of innovation
Permissibility of Caravan Park Accommodation
Caravan Parks Permissible Zones
Map 2 of 2 maps
Drawn By: J Lewis
Date: Updated 09.08.21
Gis ref: Caravan_Park_Permit_2018_2.mxd
0
3,400
Meters

Figure 3.8 Permissibility of Bed and Breakfast Accommodation

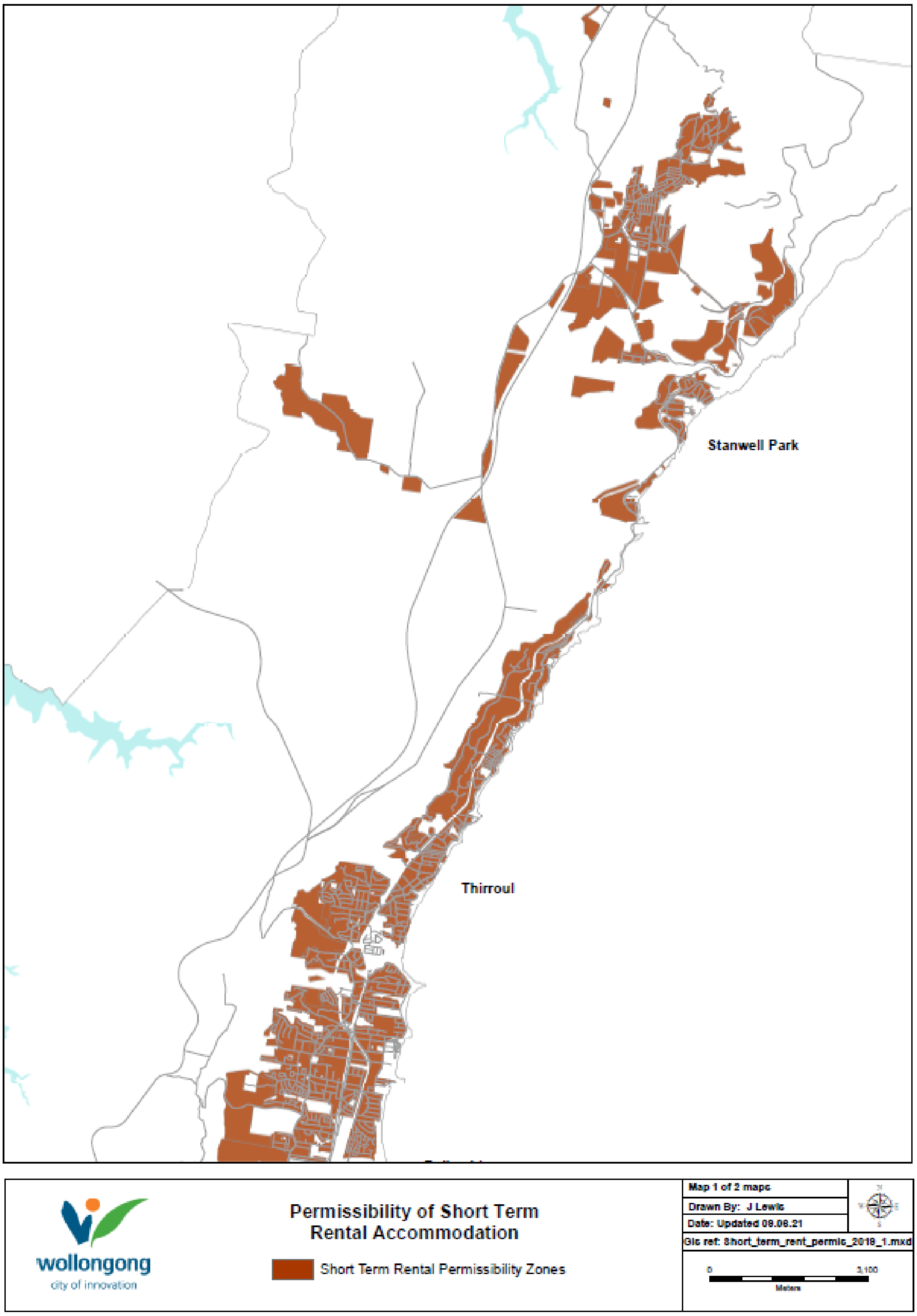


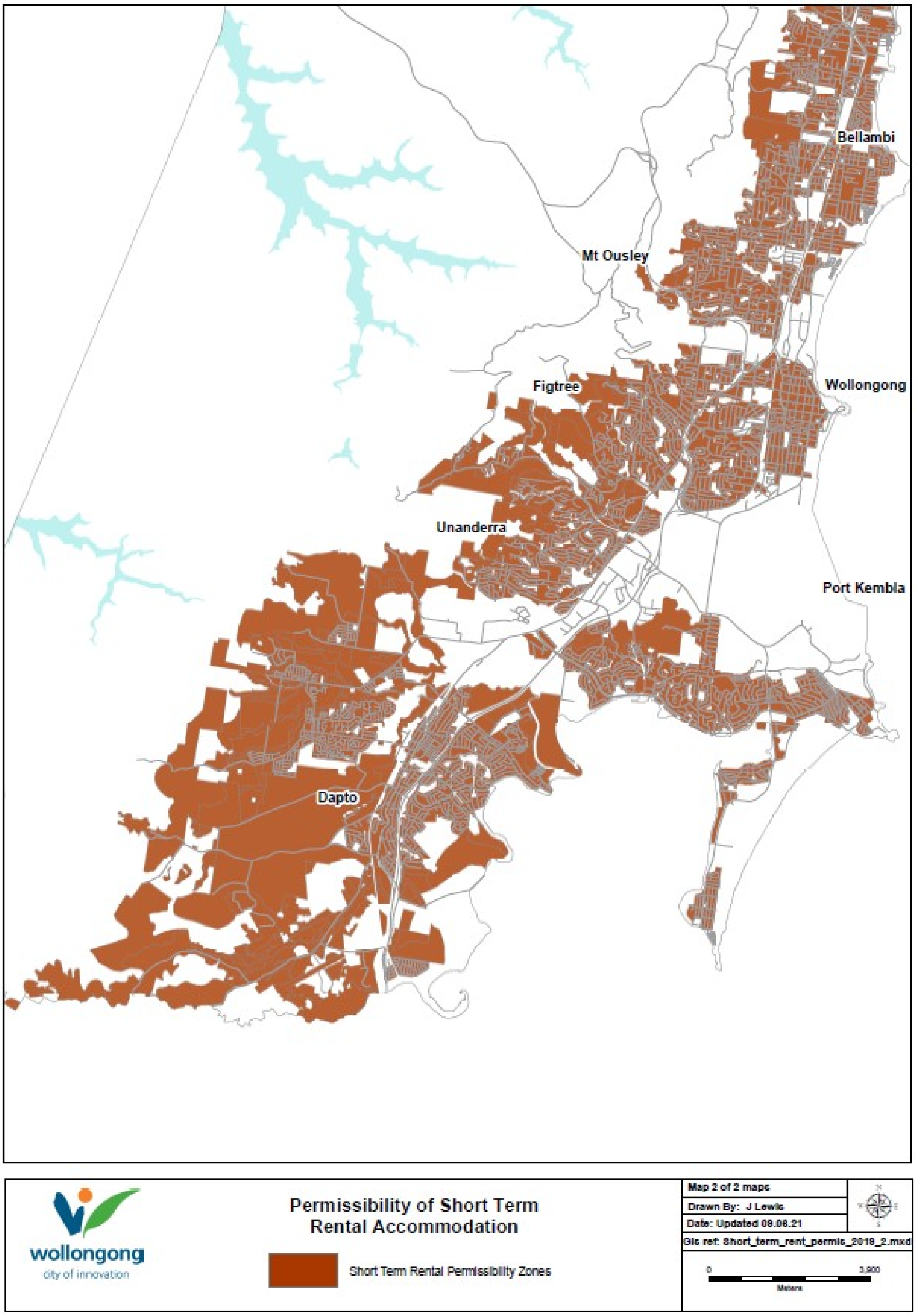
Note: In some circumstances B&B Accommodation may be exempt development under the SEPP (Exempt and Complying Development Codes) 2008.



Note: In some circumstances B&B Accommodation may be exempt development under the SEPP (Exempt and Complying Development Codes) 2008.

Figure 3.9 Permissibility of Short-term rental accommodation




Bellambi
Mt Ousley
Figtree
Wollongong
Unanderra
Port Kembla
Dapto
wollongong
city of innovation
Permissibility of Short Term
Rental Accommodation
Short Term Rental Permissibility Zones
Map 2 of 2 maps
Drawn By: J Lewis
Gis ref: Short_term_rent_permis_2019_2.mxd
0
Meters

3.4 Relevant Planning Strategies, Policies and Plans

There are a number of State and Regional planning policies and plans that affect tourism accommodation.

3.4.1 LEP Practice Note – PN 09-006

In 2009, the NSW Department of Planning issued an LEP Practice Note – PN 09-006 Providing for tourism in Standard Instrument LEPs. The Practice Note guides Council on providing tourism opportunities in their Local Environmental Plans. The Practice note was used in the preparation of the draft Wollongong LEP 2009.

The Practice Note suggests that the following accommodation types are appropriate in the following zones:

Tourism Land Uses	Suggested Zones
ACCOMMODATION	
Tourist and visitor accommodation (group term)	R1, B2, B4, SP3, E4
Backpackers' accommodation	RU5, R1, R3, B2, B3, B4, SP3, E4
Bed and breakfast accommodation	RU4, RU5, all R zones, B1, B2, B4, SP3, E2–E4
Camping ground [13]	RU1, RU2, RU4, RU5, R5, SP3, RE1, RE2, E2, E3
Caravan park	RU5, R1, R2, R5, SP3, RE1, RE2, E4
Eco-tourism[11]	RU1, RU2, RU4, R5, SP3, RE1, RE2, E2, E3
Farm stay accommodation	RU1, RU2, RU4, E2, E3
Hotel or motel accommodation	RU5, R1, R3, R4, R5, B2–B4, SP3, E4
Serviced apartment	R1, R3, R4, B2–B4, SP3, E4

Table 3.4 indicates the current permissibility of tourism accommodation uses under the Wollongong LEP 2009. The main difference is that eco-tourism is not currently permissible under the LEP.

3.4.2 Illawarra Shoalhaven Regional Plan 2041

On 1 June 2021 the Illawarra Shoalhaven Regional Plan 2041 was released which sets out the strategic framework for the region, aiming to protect and enhance the region's assets and plan for a sustainable future.

The Regional Plan identifies 15 regionally significant precincts that will drive jobs creation, housing diversity, and vibrant communities. The draft Regional Plan includes 30 objectives detailed under the 4 themes of:

- A productive and innovative region
- A sustainable and resilient region
- A region that values its people and places
- A smart and connected region

To implement the objectives of the Plan, there are numerous actions, strategies and activities.

The Plan does not include any specific actions or strategies relevant to this accommodation review.

3.4.3 Future Transport 2056 – Tourism and Transport Plan

In 2018, Transport for NSW released Future Transport Strategy 2056 a series of transport strategy documents, the most relevant for Wollongong and this study being the Regional NSW Services and Infrastructure Plan and the Tourism and Transportation Plan.

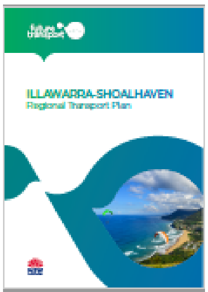
The Future Transport Strategy 2056 and its supporting documents are focused on six outcomes:

1. Customer Focused
2. Successful Places
3. Growing the Economy
4. Safety and Performance
5. Accessible Services
6. Sustainability

Regional NSW Services and Infrastructure Plan (2018) provides a 40 year vision for transport in regional NSW to support communities and productive economies. Transport for NSW is seeking to provide a safe, efficient and reliable network of transport services and infrastructure that recognises and reinforces the vital role of regional cities. The Plan outlines measure to improve transportation within and between regions. The Plan indicates a number of infrastructure improvements for the Wollongong LGA and the Illawarra Shoalhaven Region. The Plan does not include any specific actions or strategies relevant to this accommodation review.

Tourism and Transportation Plan (2018) notes that the transport needs of visitors and people who work in tourism differ from weekday commuters. Visitors may be unfamiliar with the transport system and may be travelling at different times and maybe carrying luggage. The Plan seeks to improve the visitor experience by improving the road network, public transport services and infrastructure, growing transport as a tourism activity. The Plan does not include any specific actions or strategies relevant to this accommodation review.

3.4.4 Illawarra Shoalhaven Regional Transport Plan

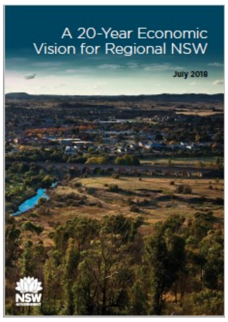


In August 2021 Transport for NSW released the Illawarra Shoalhaven Regional Transport Plan. The Plan which outlines the strategic framework for how Transport for NSW will respond to changes in land use, population and travel demand across the region over the next 20 years.

The Plan details proposed infrastructure works that will assist residents and visitors moving around the region.

The Plan does not include any specific actions relevant to this accommodation review.

3.4.5 A 20-year Economic Vision for Regional NSW



In 2018 the State Government published a 20 year economic vision for Regional NSW. Within this report, Wollongong is regarded as part of Sydney, rather than Regional NSW. However, the report is relevant as it indicates that the following 10 industry sectors will drive regional NSW economies over the next 20 years.

Agribusiness and forestry, Resources and Mining, Tourism, Tertiary Education, Health and Residential Care, Freight and Logistics, Defence, Advance Manufacturing, Renewable Energy, Technology – enabled Primary Industries.

Many of these industries occur within Wollongong, and form part of Council's Economic Development Strategy (2019).

The draft Plan does not include any specific actions relevant to this accommodation review.

4. EXISTING TOURIST ACCOMMODATION AUDIT

To able to inform a way forward and to assess the supply and demand for Tourism accommodation within the LGA, is it important to first understand how much tourism accommodation we currently have and where it is located. An audit of existing establishments has been completed.

4.1 DEVELOPMENT APPLICATION APPROVALS

A search of Council's development application database indicates Council has approved:

- 57 Development applications for Bed and Breakfast Accommodation, over 44 sites, with the most recent approval for a new facility in 2022
- Two Development Applications for Farm-stay Accommodation, with the most recent approval for a new facility in 2015
- 128 Development Applications for Motel accommodation over 80 sites, with the most recent approval for a new facility in 2006
- 159 Development Applications for Hotels (pubs) and Hotel accommodation, over 83 sites, with the most recent approval for a new facility in 2022. Two Development Applications are currently being assessed
- 23 Development Applications for Serviced Apartments, over 17 sites, with the most recent approval for a new facility in 2021
- 18 Development Application for "resorts", tourist parks and caravan parks, over 8 sites with the most recent approval for a new facility in 2010 which has not progressed.

There are a number of short comings with the database. The application data does not readily indicate the number of rooms approved. The database does not include accommodation facilities approved or constructed prior to 1960, although some older building application approvals do exist. The data does not provide an indication of the number of existing facilities, as some approval to construct accommodation facilities were acted upon, some accommodation facilities have since been demolished, and some other sites have had multiple approvals.

4.2 DISTRIBUTION AND INTENSITY OF ACCOMMODATION ESTABLISHMENTS

There are currently 74 tourist accommodation establishments within the Wollongong LGA, providing an estimated 1,924 rooms, 211 cabins and 269 powered and 122 unpowered camping and caravanning sites each night, which can cater for over 6,600 guests.

Since the draft report the former Ibis Hotel on Market Street, which had been used for university student accommodation, has reopened as Hotel Totto re-adding 150 rooms to the available room stock.

A summary of tourist accommodation in the Wollongong LGA is provided in Table 4.1.

Table 4.1 Summary of Tourist Accommodation

	Number of establishments	Number of rooms available	Guest Capacity	Number of Powered sites	Number of Unpowered sites	Number of Cabins	Cabin guest capacity
Backpackers Accommodation	1	13	32				
Bed and Breakfast Accommodation	11	20	50				
Holiday Letting	7	10	29				
Serviced Apartments	14	413	1164				
Tourist Parks	5			269	122	211	1179
Hotels and Motels - Budget Motel	24	682	1745				
Hotels and Motels - Hotel 4-4.5 star	2	370	1007				
Hotels and Motels - Mid Market	4	237	637				
Hotels and Motels - Conference Centre	1	116	600				
Hotels and Motels - Student	1	24	76				
Hotels and Motels - Luxury Boutique	2	7	20				
Hotels and Motels - Boutique	1	20	64				
Guest House	1	12	20				
Total	**74**	**1924**	**5444**	**269**	**122**	**211**	**1179**
Short term rental accommodation	854						

A list of tourist accommodation sites is provided in Appendix 2.

The establishments are distributed across the LGA, with the most establishment and the number of rooms being available in the Wollongong suburb and Ward 2. Table 4.2 and Figure 4.1 illustrates the distribution of tourist accommodation by type, and Figure 4.2 the intensity of tourist accommodation (by number of beds), across the LGA.

In addition, in April 2024 there were 854 premises registered as providing short-term rental accommodation. Short-term rental accommodation data is discussed in the following section.

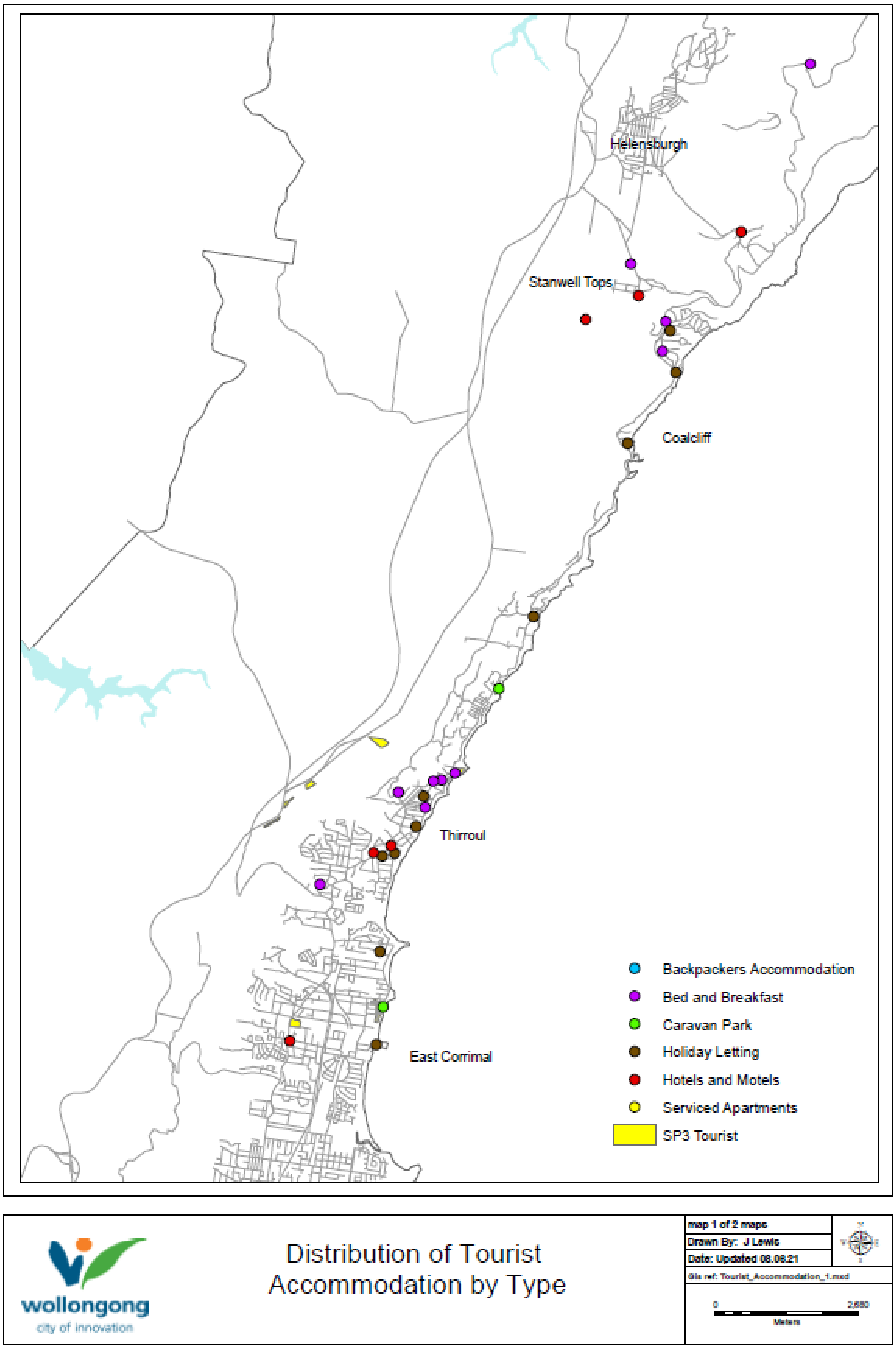
Table 4.2 Accommodation type and numbers by suburb

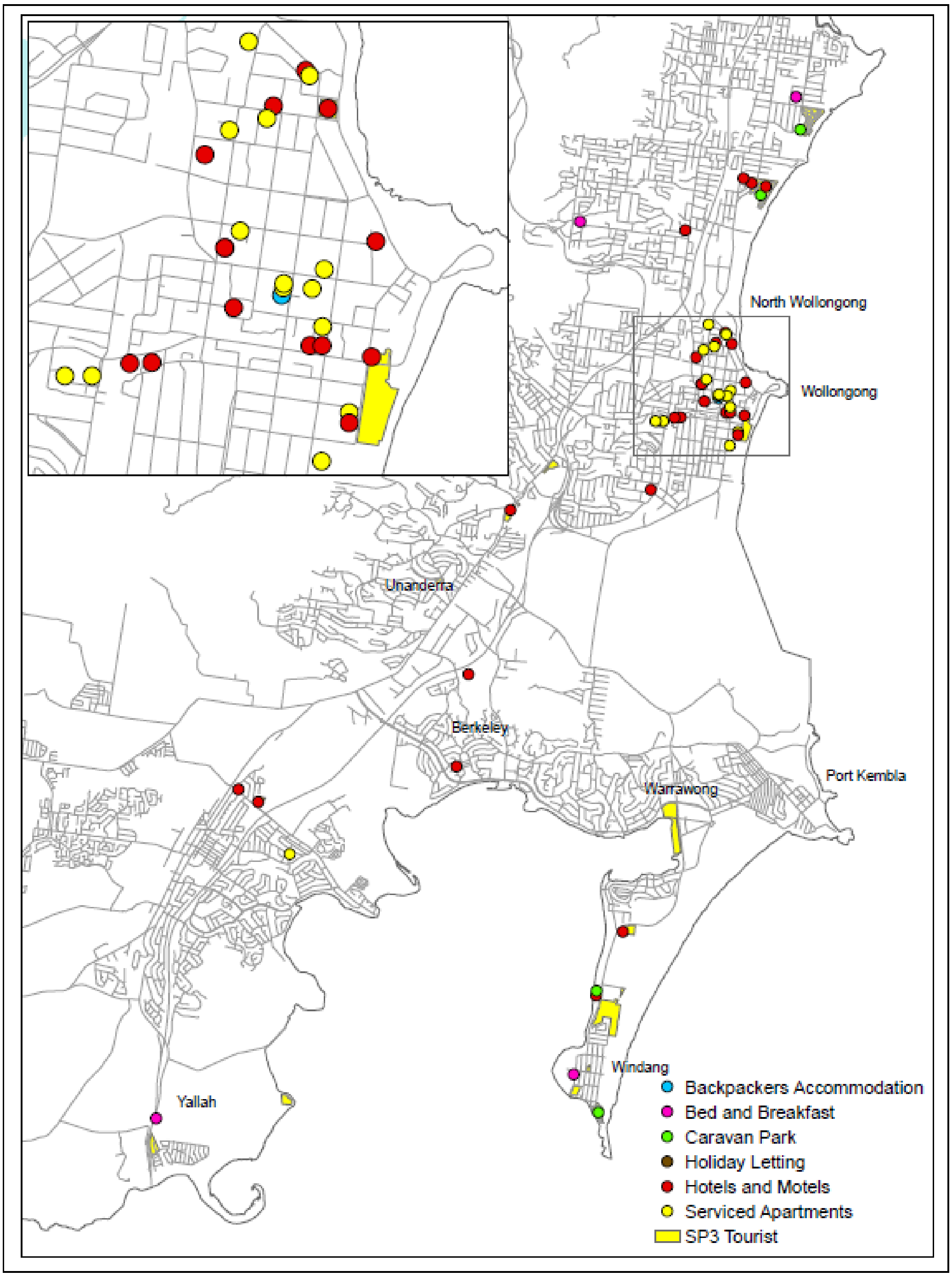
	Number of establishments	Number of rooms available	Guest Capacity	Number of Powered sites	Number of Unpowered sites	Number of Cabins	Cabin guest capacity
WARD 1	**33**	**408**	**1265**	**196**	**122**	**182**	**1034**
AUSTINMER	**4**	**73**	**12**				
Bed and Breakfast Accommodation	3	4	12				
Serviced Apartments	1	69					
BULLI	**2**	**2**	**4**	**54**	**5**	**30**	**175**
Bed and Breakfast Accommodation	1	2	4				
Tourist Parks	1			54	5	30	175
COLEDALE	**3**	**2**	**10**	**5**	**44**		
Bed and Breakfast Accommodation	1						
Hotels and Motels - Luxury Boutique	1	2	10				
Tourist Parks	1			5	44		
EAST CORRIMAL	**1**			**101**	**48**	**44**	**295**
Tourist Parks	1			101	48	44	295
FAIRY MEADOW	**4**	**58**	**189**	**36**	**25**	**108**	**564**
Hotels and Motels - Budget Motel	3	58	189				
Tourist Parks	1			36	25	108	564
HELENSBURGH	**1**	**3**	**8**				
Hotels and Motels - Budget Motel	1	3	8				
OTFORD	**3**	**23**	**70**				
Bed and Breakfast Accommodation	2	3	6				
Hotels and Motels - Boutique	1	20	64				
STANWELL PARK	**2**	**8**	**19**				
Bed and Breakfast Accommodation	1	5	12				
Holiday Letting	1	3	7				
STANWELL TOPS	**3**	**122**	**612**				
Bed and Breakfast Accommodation	1	1	2				
Hotels and Motels - Conference Centre	1	116	600				
Hotels and Motels - Luxury Boutique	1	5	10				
THIRROUL	**4**	**39**	**103**				

	Number of establishments	Number of rooms available	Guest Capacity	Number of Powered sites	Number of Unpowered sites	Number of Cabins	Cabin guest capacity
Bed and Breakfast Accommodation	1	1	4				
Holiday Letting	1	2	4				
Hotels and Motels - Budget Motel	2	36	95				
TOWRADGI	**1**	**45**	**138**				
Hotels and Motels - Mid Market	1	45	138				
WOMBARRA	**3**	**1**	**6**				
Holiday Letting	3	1	6				
WOONONA	**2**	**32**	**94**				
Holiday Letting	1	1	4				
Hotels and Motels - Budget Motel	1	31	90				
WARD 2	**30**	**1210**	**3343**				
CONISTON	**1**	**20**	**40**				
Hotels and Motels - Mid Market	1	20	40				
NORTH WOLLONGONG	**2**	**35**	**90**				
Hotels and Motels - Budget Motel	2	35	90				
WOLLONGONG	**27**	**1155**	**3213**				
Backpackers Accommodation	1	13	32				
Guest House	1	12	20				
Hotels and Motels - Budget Motel	7	220	455				
Hotels and Motels - Hotel 4-4.5 star	2	370	1007				
Hotels and Motels - Mid Market	2	172	459				
Hotels and Motels - Student	1	24	76				
Serviced Apartments	13	344	1164				
WARD 3	**11**	**306**	**836**	**73**	**0**	**29**	**145**
BERKELEY	**2**	**108**	**324**				
Hotels and Motels - Budget Motel	2	108	324				
BROWNSVILLE	**2**	**53**	**168**				
Hotels and Motels - Budget Motel	2	53	168				
CONISTON							

	Number of establishments	Number of rooms available	Guest Capacity	Number of Powered sites	Number of Unpowered sites	Number of Cabins	Cabin guest capacity
Hotels and Motels - Budget Motel	**1**	**12**	**24**				
FIGTREE	**1**	**55**	**132**				
Hotels and Motels - Budget Motel	1	55	132				
PRIMBEE	**1**	**30**	**90**				
Hotels and Motels - Budget Motel	1	30	90				
WINDANG	**4**	**48**	**98**	**73**	**0**	**29**	**145**
Bed and Breakfast Accommodation	1	4	10				
Holiday Letting	1	3	8				
Hotels and Motels - Budget Motel	1	41	80				
Tourist Parks	1			73	0	29	145
Total	**74**	**1924**	**5444**	**269**	**122**	**211**	**1179**

Figure 4.1 Distribution of Tourist Accommodation



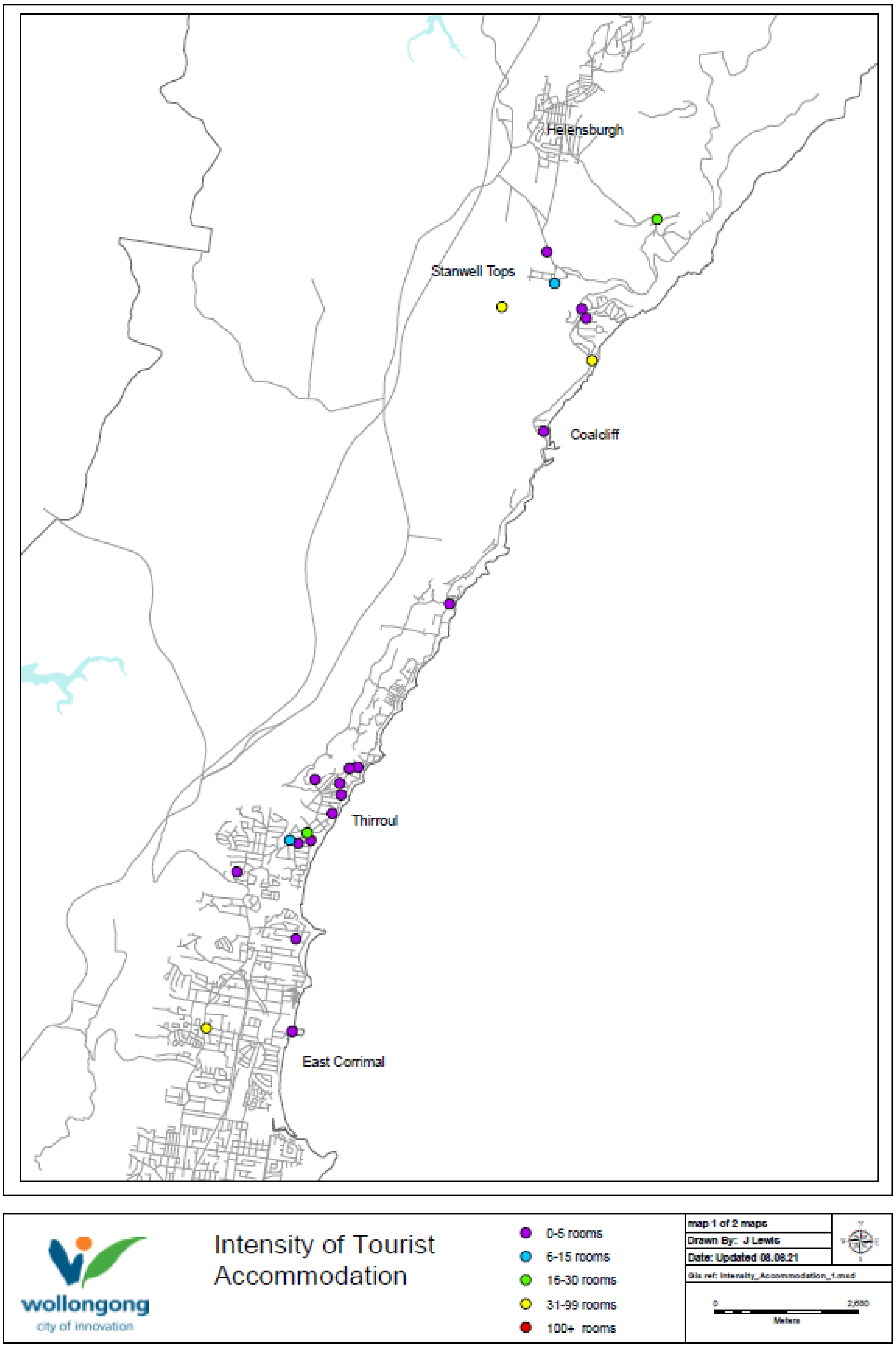


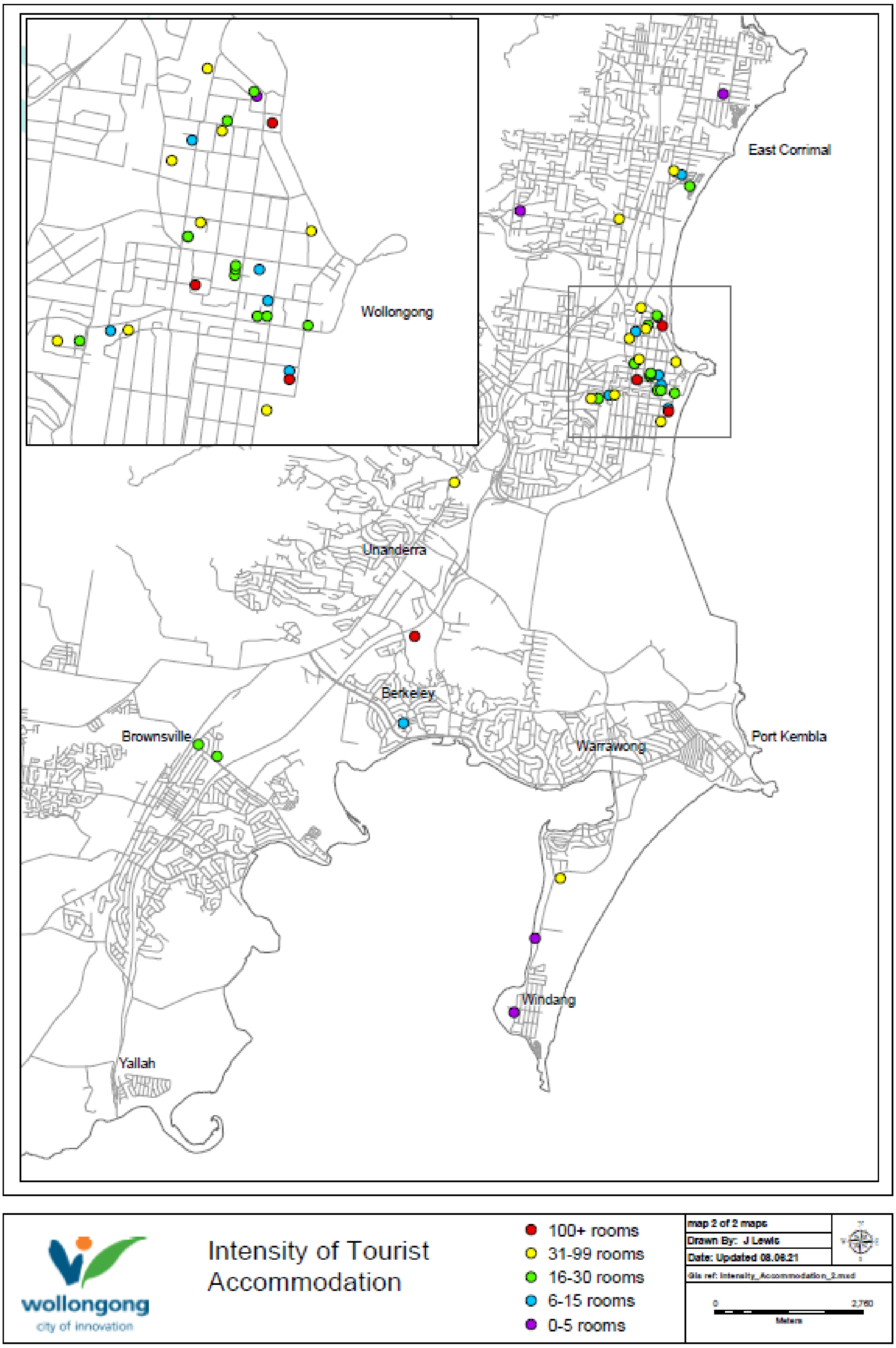
wollongong
city of innovation

Distribution of Tourist Accommodation by Type

map 2 of 2 maps
Drawn By: J Lewis
Date: Updated 080621
Gis ref: Tourist_Accommodation_2.mxd
0 2,680
Meters

Figure 4.2 Intensity of Tourist Accommodation



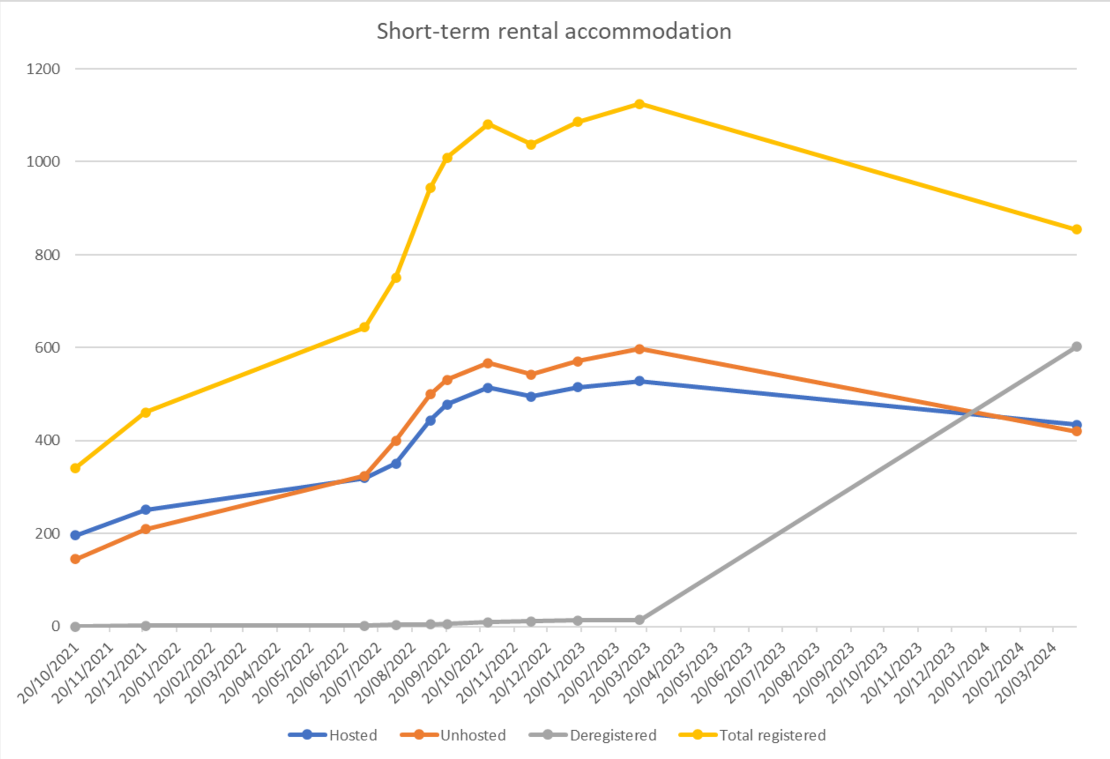

East Corrimal
Wollongong
Unanderra
Berkeley
Brownsville
Warrawong
Port Kembla
Windang
Yallah
wollongong
city of innovation
Intensity of Tourist Accommodation
100+ rooms
31-99 rooms
16-30 rooms
6-15 rooms
0-5 rooms
map 2 of 2 maps
Drawn By: J Lewis
Date: Updated 08.08.21
Gis ref: Intensity_Accommodation_2.mxd
0
2,760
Meters

4.3 Short-term rental accommodation registrations

Since 2021, Short-term rental accommodation premises are required to be registered on the NSW Planning Portal. In April 2024 there were 854 short-term rental accommodation premises registered on the Planning Portal. The premises can be managed by the owners or real estate agents and are advertised on various websites. Of the premises, 434 premises are owner occupied / hosted, (e.g. a room available within a dwelling), and 420 are non-hosted.

In the lead up to the UCI World Road Cycling Championship (September 2022) the number of registered premises increased significantly, with an additional 330 premises registered in August and September 2022 (Figure 4.3). Following the event there was a dip in registrations, but has subsequently increased again. The registration data was not able to be accessed between March 2023 and April 2024. During this period 602 premises were deregistered (reason unknown) and 80 premises blocked (reasons unknown).

Figure 4.3 Short-term rental accommodation registrations 2021-2024



The registration data also shows that premises are available throughout the LGA, across 55 suburbs, although are concentrated in Wollongong (171 premises), Thirroul (75 premises) and Bulli (66 premises) (table 4.3)

Table 4.3 Short-term Rental Accommodation by suburb

Ward / Suburb	Hosted	Non-Hosted	Total
WARD 1	**254**	**229**	**483**
Austinmer	24	17	41
Balgownie	1	4	5
Bellambi	5	3	8

Ward / Suburb	Hosted	Non-Hosted	Total
Bulli	36	30	66
Clifton		1	1
Coalcliff	1	1	2
Coledale	24	13	37
Corrimal	16	12	28
Darkes Forest	1		1
East Corrimal	14	12	26
Fairy Meadow	8	9	17
Helensburgh	7		7
Otford	3	6	9
Russell Vale	2	3	5
Scarborough	4	6	10
Stanwell Park	16	16	32
Stanwell Tops	5	2	7
Tarrawanna	4		4
Thirroul	36	39	75
Towradgi	8	11	19
Wombarra	13	10	23
Woonona	26	34	60
WARD 2	**137**	**138**	**275**
Coniston	4	5	9
Cordeaux Heights	1		1
Figtree	11	4	15
Gwynneville	3	3	6
Keiraville	8	5	13
Mangerton	5	1	6
Mount Keira	1	1	2
Mount Kembla	2		2
Mount Ousley	3	1	4
Mount Pleasant	1	1	2
Mount Saint Thomas	2		2
North Wollongong	6	20	26
Unanderra	5	2	7
West Wollongong	7	2	9
Wollongong	78	93	171
WARD 3	**43**	**53**	**96**
Avondale	1	1	2

Ward / Suburb	Hosted	Non-Hosted	Total
Berkeley	2	2	4
Dapto	2		2
Farmborough Heights	3	3	6
Haywards Bay		2	2
Horsley	2	1	3
Huntley		1	1
Kanahooka	2	1	3
Kembla Grange	1	3	4
Koonawarra		1	1
Lake Heights	6	5	11
Marshall Mount	1	1	2
Port Kembla	10	11	21
Primbee	5	5	10
Warrawong	3	2	5
Windang	3	12	15
Wongawilli		2	2
Yallah	2		2
Grand Total	**434**	**420**	**854**

(Note: some suburbs extend across Ward boundaries, but have only been listed in 1 Ward)

The form of accommodation available is summarised in table 4.4.

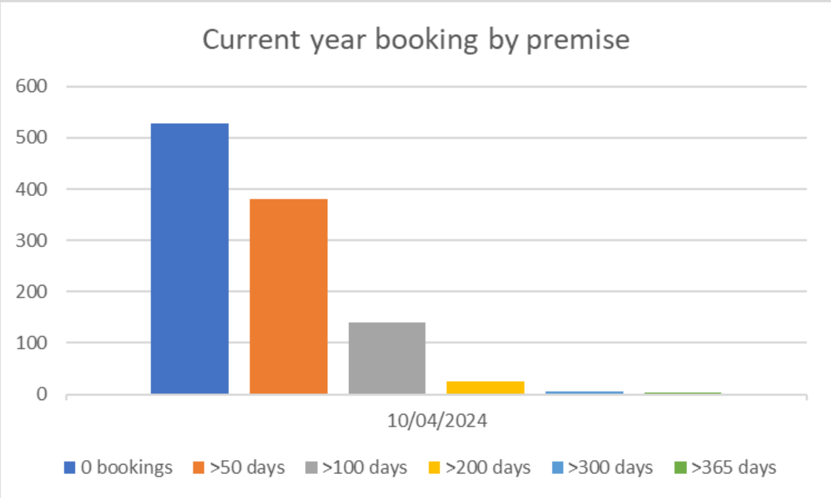
Table 4.4 Type of short-term rental accommodation

Type of Residential Accommodation	Hosted	Non-Hosted	Total
Attached dwelling	58	23	81
Dual Occupancy	23	16	39
Dwelling House	184	222	406
Manor House	2	1	3
Multi Dwelling Housing	16	21	37
Multi Dwelling Housing (Terraces)	5	6	11
Residential Flat Building	68	114	182
Secondary Dwelling	64	5	69
Semi-Detached Dwelling	13	8	21
Shop Top Housing	1	4	5
Total	**434**	**420**	**854**

The number of premises available on each night, varies depending on current bookings, seasonal demand and local events. The peak demand periods for domestic travellers are likely to be school holidays and long weekends. The reduction in overseas visitors due to COVID-19 boarder closures, may have resulted in a reduction in demand.

According to the April 2024 registration data, during the current year 529 premises have not had any bookings. The average number of booking nights is 35. One premise had more than 300 nights booked (Figure 4.4). The accuracy of the data is unknown, as it relies on the inputs from the owners and is not checked by the NSW Department of Planning, Housing and Infrastructure and cannot be checked by Council officers.

Figure 4.4 Short-term rental accommodation booking nights



4.4 Accommodation Audit Findings

The following findings were identified from the accommodation audit.

- A large proportion of accommodation is available within the Wollongong City Centre. Hotel and motel accommodation and serviced apartments are substantially located within the Wollongong City Centre however there are also smaller motels situated in other suburban centres. As a result the intensity of available beds is highly concentrated with 50% of all hotel/motel accommodation in the City Centre.
- The major contributors to accommodation outside the City Centre are the Pilgrim Lodge at the Nan Tien Temple (100 rooms, 540 guest capacity), Wollongong Surf Leisure Resort at Fairy Meadow (500 beds in tourism cabins) and The Tops Conference Centre at Stanwell Tops (80 rooms, 600 guest capacity).
- There are multiple budget accommodation offers available across the LGA.
- There is an absence of visitor accommodation (excluding short-term rental accommodation) in the suburbs of Lake Heights, Warrawong, Port Kembla, Unanderra, West Wollongong, Mt Keira and Helensburgh areas. This may reflect the lack of demand, lack of tourist attractions, predominantly residential character or high land values of these areas.
- There is only one backpacker hostel, which is centrally located in the City Centre. There are also several other cheap accommodation options at pubs/taverns throughout the City. A comparison was made with other Cities of a similar scale and context to obtain a guide as to whether this is proportionate with the scale of the City. Newcastle has four 'backpacker hostels' and Geelong has one.
- The majority of Bed and Breakfast accommodation are located in the Northern Suburbs (Ward 1) at Thirroul, Austinmer and Stanwell Park. This type of accommodation suits the 'tourer' and the 'romantic getaway' tourists and it is not surprising to see the predominance of this

accommodation in the northern villages given that it exhibits a high scenic amenity and is in close proximity to Sydney, the Seacliff Bridge, beaches and the Royal National Park.

- Short-term rental accommodation and holiday letting properties occur throughout the LGA and are focused on Wollongong and the Northern Suburbs.

4.5 Possible increases and decreases in accommodation

In addition to the existing accommodation, there have been 8 Development Applications approved for new establishments for a total of 701 rooms. However only 1 site is under construction (96 rooms). The approval on 1 site has lapsed and the approvals on 3 sites have been replaced by new development applications for residential development. Accordingly, the maximum additional rooms approved is reduced to 239 rooms over 4 sites (Table 4.5).

A further two Development Applications are under assessment for an additional 457 rooms, including the former DJs site which is proposed to contain a 5 star hotel and motel (Table 4.5).

Table 4.5 Recent tourist accommodation development applications:

DA No.	Address	Accommodation type	No. rooms proposed	Status
Determined				
DA-2009/1037/B	Huntley Golf resort- Avondale Road, Avondale	Golf lodge / resort	60	Approved – Amendment B in 2013. Not constructed
DA-2016/1061/B	28-32 Young Street & 29-31 Belmore Street Wollongong	Mixed use development including 87 hotel rooms (serviced apartments). Amendment B increased rooms to 96	96	Approved 2017. Amendment C approved 2022. Under construction “Grand Pacific Hotel Wollongong”
DA-2016/1557/A	385A Crown Street, Wollongong	8 Storey hotel	~~45~~	Approved 2017. Amendment A approved 2018. Not constructed Consent lapsed
DA-2020/528	357-359 Crown Street, Wollongong (corner Gladstone Ave)	20 storey Hotel	~~120~~	Approved 2020. Not constructed. Unlikely to proceed, new DA-2023/156 for mixed use development under assessment
DA-2020/1490	37-39 Burelli Street, Wollongong	14 storey Hotel	~~241~~	Approved 21/8/21 Unlikely to proceed, new DA-2022/714 for mixed use development containing 71 residential apartments under assessment
DA-2021/1342/A	46 Flinders Street, Wollongong	Serviced Apartments	47	Approved 13/7/22. Amendment A approved 27/4/23. Not constructed
DA-2022/14	24-30 Kenny Street, Wollongong	18 storey Mixed use development	~~56~~	Approved 2022

DA No.	Address	Accommodation type	No. rooms proposed	Status
				Not constructed – likely to be replaced by DA-2023/760 below
DA-2022/211	4 Auburn Street, Wollongong	24 storey Mixed use development (also includes 3 commercial spaces, 59 residential units)	36	Approved 2023 Not constructed
Sub-total - approved	**8**		**701**	
Sub-total under construction or may progress	**4**		**236**	
Under assessment				
DA-2023/760	22-30 Kenny Street, Wollongong	18 Storey Mixed Use development (also includes 105 residential units)	107	Under assessment
DA-2023/767	163-171 Crown Street, 80 Church Street, Wollongong (old David Jones site)	The Globe – Mixed Use 5-star hotel & motel , Club, offices	236 Hotel 114 Motel	Under assessment
Sub-total	**2**		**457**	
Total	**6**		**686**	

Over the past few years, a number of tourism accommodation establishments within the LGA have transferred ownership. The *Economic Development Strategy 2019-2029* notes Destination Wollongong's concern about the immediate loss of 150 beds and the loss of up to 400 beds over the next 5 years. While the new owners may wish to continue to provide accommodation, it is likely that some establishments will be closed, and development applications lodged to redevelop the site for other uses.

Council has approved three development applications that if enacted will reduce the number of accommodation rooms available by 82 rooms (Table 4.6). It is anticipated that we may overall see a reduction of rooms available in the LGA over the next 5 years, though a combination of redevelopment of existing sites and if the approved developments don't proceed.

In many instances the planning controls permit larger residential development (ie residential apartment buildings), which offer higher and more immediate financial returns. There is limited investment in tourist accommodation, especially hotels and motels, due to difficulties getting finance, higher returns for other uses and on-going maintenance and running costs.

Table 4.6 Current development applications that may reduce accommodation

DA No.	Address	Proposed development	Potential room reduction	Status
DA-2015/639/A	Beach Park Motel 10 Pleasant Avenue, North Wollongong	5 storey Residential Flat Building	18	Approved 2015 (amendment approved 2022)
DA-2021/1168	Downtown Motel 72-76 Crown Street, Wollongong	9 storey commercial building	30	Approved 2022
DA-2021/1308	Normandie Inn 30 Bourke Street, North Wollongong	5 storey Residential Flat Building	34	Refused 2022. Review of determination approved 2023. Amendment C under assessment
Total			82	

5. DEMAND FOR ACCOMMODATION

A review of literature indicates that there are various methods used to work out the demand for tourism accommodation. These include:

- Occupancy rates
- Gap Analysis
- Trends Analysis
- Setting Targets
- Sector targets
- Demand Targets/ Policy shifts

Each of these methods are outlined below.

5.1 OCCUPANCY RATES

The occupancy rate refers to the number of occupied or rented units at a given time compared to the total number of available rental units. The occupancy rate of existing facilities provides an indication of demand for additional accommodation facilities. The higher the rate, the more demand for additional facilities.

Specific accommodation occupancy data for the Wollongong LGA is not available. Published National and State data includes Wollongong as part of the South Coast Regional of NSW which extends to the Victorian boarder. The Australian Accommodation Monitor report for the 2018-19 financial year (STR 2019) (pre COVID) indicates that the tourism accommodation facilities on the South Coast were operating at 65.9% occupancy rate. For comparison Sydney was at 83.4% occupancy rate. A year later the 2019-20 report (STR 2020) indicates tourism accommodation facilities on the South Coast were operating at 55% occupancy rate (down 10.9%) and Sydney at 65.3% occupancy rate (down 18.1%). The time series graphic in the NSW Tourism Accommodation Snapshot published by Destination NSW for the December quarter 2020 (page 7 of this report) shows the effect COVID had on occupancy rates and the domestic market recovery.

Anecdotal data suggests that some local facilities were operating at 80% occupancy (pre-COVID), noting occupancy varies from weekday-weekend, summer-winter, school holidays and when events are occurring.

The submission of Development Applications for new accommodation venues also indicates that there is demand for more rooms. As noted, Council has approved eight development applications for hotels (701 rooms - although only 1 site has progressed to construction), and is currently assessing another development applications (457 rooms).

The number of Short-term Rental Accommodation establishments can also provide an indication of demand. While Short-term Rental Accommodation compete with traditional accommodation establishments, they also provide an indication of where people want to stay and visit. If there is no demand in particular locations, they will stop advertising and cease operation. The number of Short-term Rental Accommodation premises peaked in March 2023 and has since declined by 271 properties.

5.2 GAP ANALYSIS

A subset of the existing occupancy rates is to undertake a gap analysis of accommodation types. A gap analysis looks at the existing supply of Tourism accommodations to identify whether any types of accommodation are absent or there are not many establishments providing that form of accommodation.

The existing supply analysis, shows the following gaps:

- There are no 5 or 6 star accommodation in the LGA

- There are 2 approved Farm-stay accommodation venues in the rural parts of the LGA, but neither appears to be operating. It is acknowledged that rural land uses activities are limited to Darkes Forest and West Dapto (future residential land).
- There is 1 approved Eco-tourism accommodation establishments
- There are 2 boutique / luxury establishments
- Camping is only permitted at Coledale Beach Reserve, excluding camping in the public and privately run tourist parks, and the Royal National Park.

5.3 Comparative Analysis

Another method used to consider demand is to compare the supply of venues with similar sized cities or local government areas. Wollongong is often compared to Newcastle and Geelong, as coastal regional cities, although there are differences.

Newcastle CBD is some 170km from the Sydney CBD which takes about 2 hours and a quarter to drive. Newcastle is supported by Newcastle Airport at Williamtown. Newcastle is similar to Wollongong as it has an industrial heritage, including a former steelworks, and has the largest coal export Port terminal in NSW. The former industrial precinct adjacent the Hunter River has been converted to an attractive mixed use destination, which includes hotels.

Geelong CBD is some 74km from the Melbourne CBD which takes about an hour and quarter to drive. Geelong also has an industrial manufacturing heritage focused on car production, which have closed. Geelong is supported by Avalon airport and Spirt of Tasmania terminal.

The following table provides some economic comparison data.

Table 5.1 Comparative data with Newcastle and Geelong LGAs

	Wollongong	**Newcastle**	**Geelong**
Population	219,141	174,294	282,809
LGA area	714km2 (although ½ is Sydney Drinking Water Catchment)	186.8km2	1,252km2
Tourism sales (2022/23)	$1671.1m	$2291.9m	$2510.0m
Tourism value add (2022/23)	$989.6	$1261.5m	$1137.7m
Tourism Employees (2016)	5,783	6,765	6,666
International visitor nights (2018/19	1,758,785	2,166,821	1,422,820
Domestic visitor nights (2018/19)	2,193,244	4,490,775	3,694,942
Domestic visitor nights (2022/23)	2,397,028	3,90,443	3,999,155
International visitors reason for visit (%) and length of stay			
• Visit friends	33.5% / 12.9 days	28.5% / 15.8 days	37.5% / 29.8 days
• Holiday	41.9% / 7 days	50.3% / 7.4 days	42.6% / 5.2 days
• Education	9.5% / 117.8 days	9.2% / 88.7 days	8.3% / 100.6 days

(Source: id Community & Economy profiles)

(Note: International data not available for the period after 2018/19)

The data shows that tourism is a greater economic contributor to both the Newcastle and Geelong economies. Domestic visitor nights were higher in both Newcastle and Geelong. Wollongong has more international visitors than Geelong, but less than Newcastle. A greater percentage of international visitors go to Geelong to visit friends and relatives and stay longer, while a greater percentage of holiday trips are made to Newcastle, and more trips for education are made to Wollongong.

A comparison of the number of accommodation establishments in each location is difficult to quantify. Like Wollongong, both Newcastle and Geelong are CBDs, suburbs and LGAs.

5.4 Trend Analysis

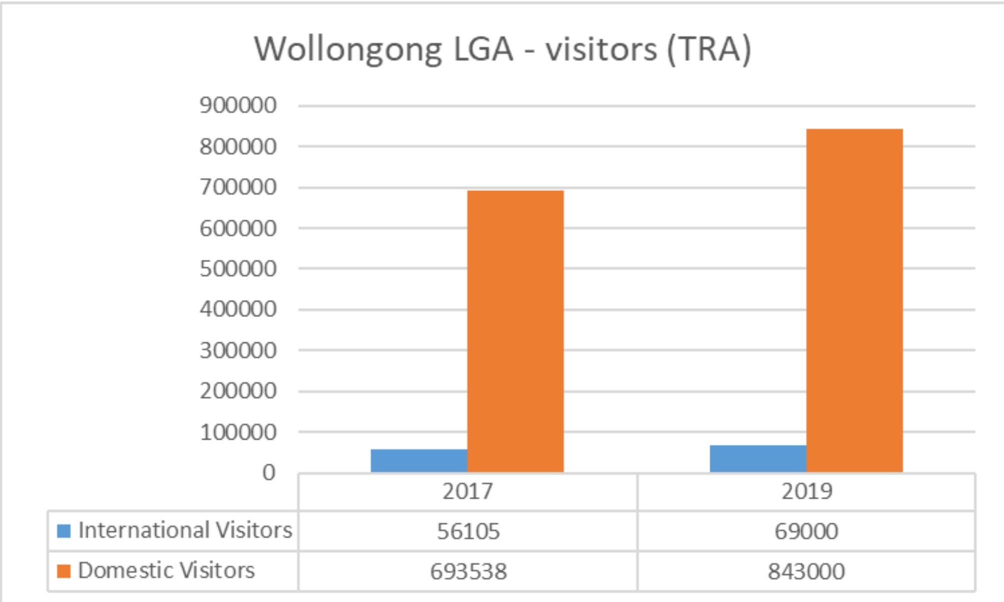
Trends analysis is a technique that uses historical data – generally over multiple consecutive years – to understand patterns of growth or decline. This data is used to try and determine (or assume) future movements based on what's happened in the past.

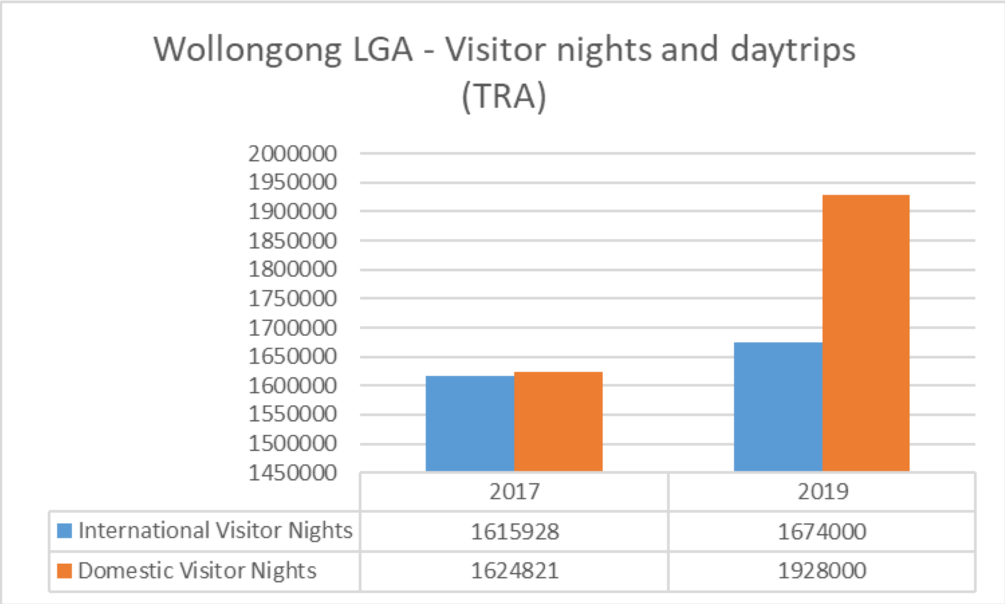
Many tourism sector documents use trend analysis to highlight the demand for additional accommodation. The assumption is that the current average growth will continue, as the number of visitors to Wollongong continues to increase. An assessment is made as to whether existing accommodation can satisfy that growth, or how many extra rooms are required.

The Tourism Research Australia's 2017 and 2019 Local Government profiles for the Wollongong LGA (pre-COVID) show:

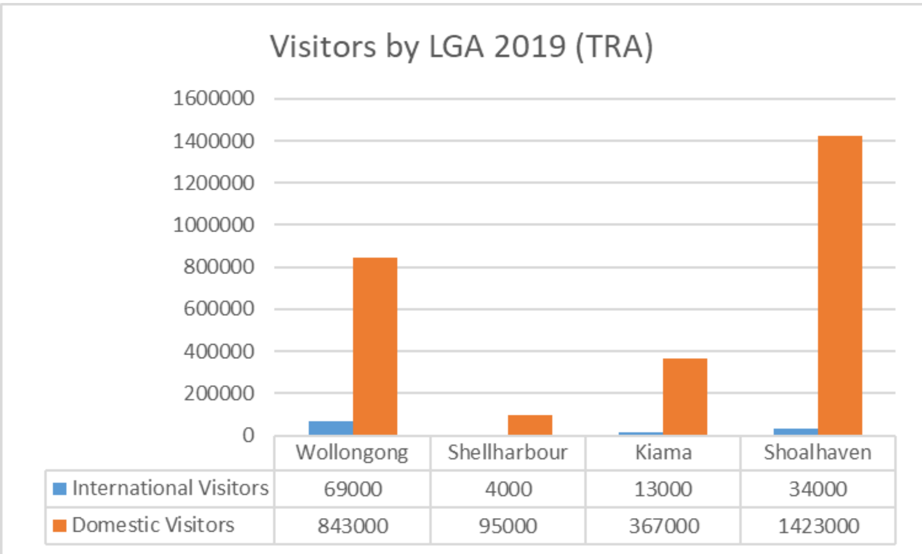
- International visitors increased from 56,105 to 69,000 persons (23%) and visitor nights increased from 1,615,928 to 1,674,000 (3.6%)
- Domestic visitors increased from 693,538 to 843,000 persons (21.6%) and visitor nights and daytrips increased from 1,624,821 to 1,928,000 (18.7%)

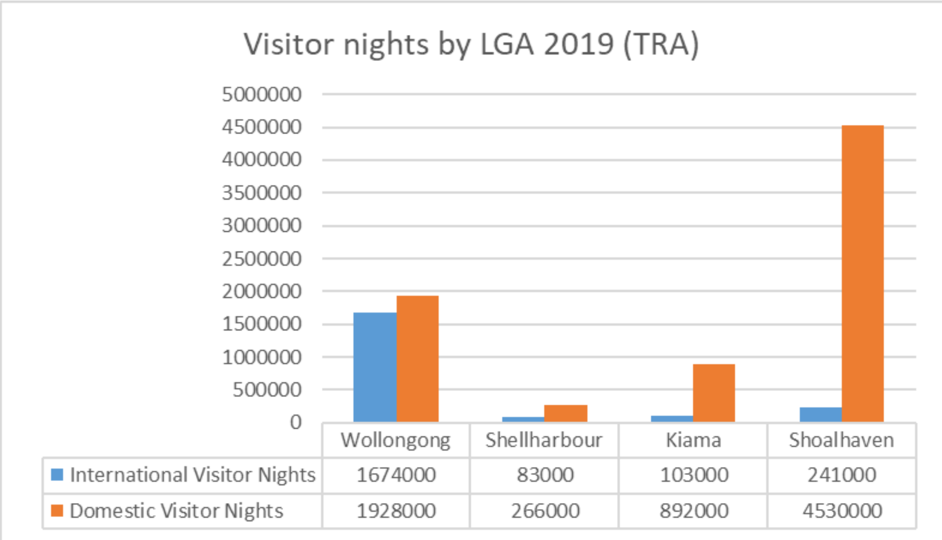
Visitors nights is a multiplication of the number of visitors and average length of stay.





Tourism Research Australia (TRA) Local Government Profiles enables a comparison of visitation to Wollongong with the other LGAs in the Region, which shows that Wollongong has the largest number of international visitors and international visitor night. The Shoalhaven LGA has the highest number of domestic visitors and domestic visitor nights.





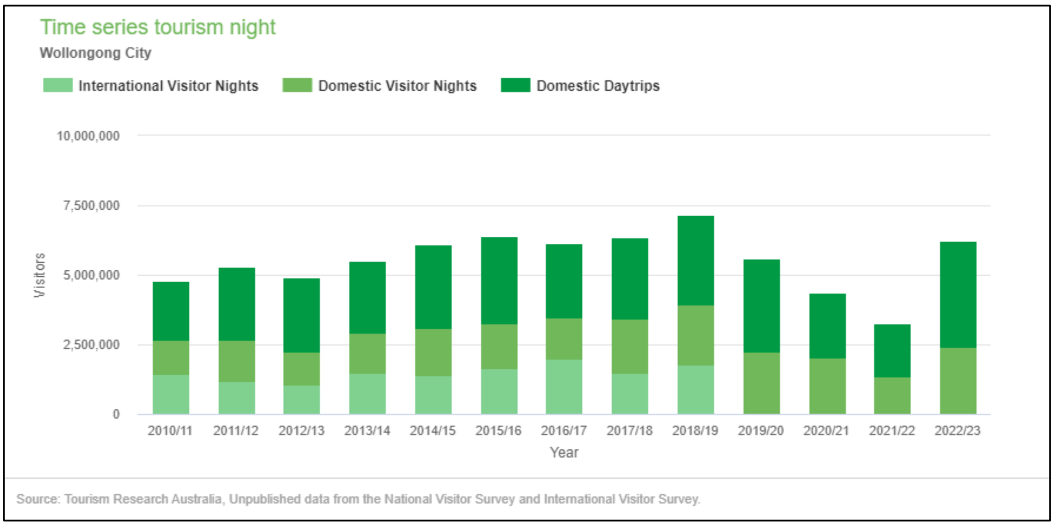
Tourism Research Australia website does not contain specific data for Wollongong prior to 2017, as Wollongong was classified as part of the South Coast region. This limitation on data available, only allows us to see the change between those years and does not allow the interpretation of a trend.

Council's Economic id profile contains international tourism accommodation data for 9 years and domestic data for 13 years. The website indicates that the data comes from Tourism Research Australia, however the numbers do vary from those above. The data shows more fluctuations than the 2017 and 2019 data sets, although there is an overall increase trend.

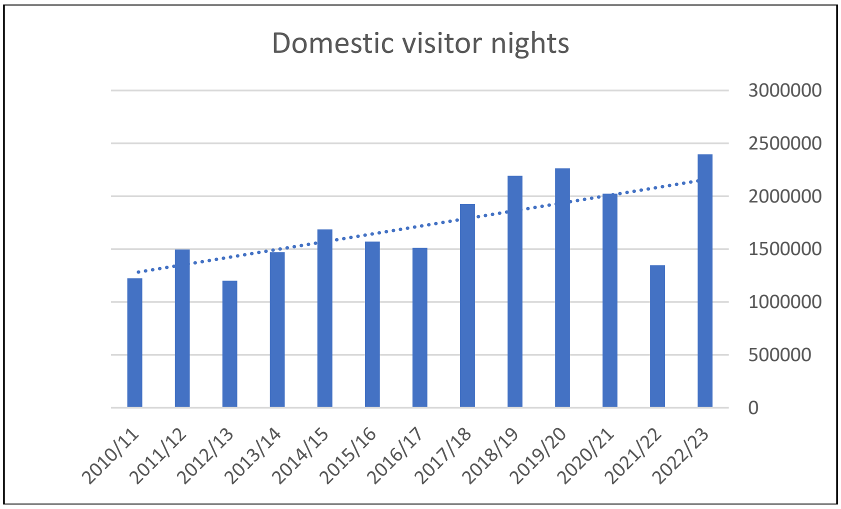
Between 2010/11 and 2018/19 international visitor nights numbers have increased by 20% from 1,455,056 visitors nights in 2010-11 to 1,75,785 in (2018-19), although peaked in 2016-17 at 1,982,013 and had a low in 2012-13 of 1,041,035 (data from 2029-20 to 2022/23 not available). Overall there was an average annual 4.6% growth in international visitor nights.

Domestic visitor nights numbers increased by 95% from 1,224,964 visitors (2010-11) to a peak of 2,397,028 (2022-23) and a secondary COVID peak in 2019/20 of 2,263,869, although there was a low of 1,201,866 in 2012-13. Overall there was an average annual 8.9% growth in domestic visitor numbers.

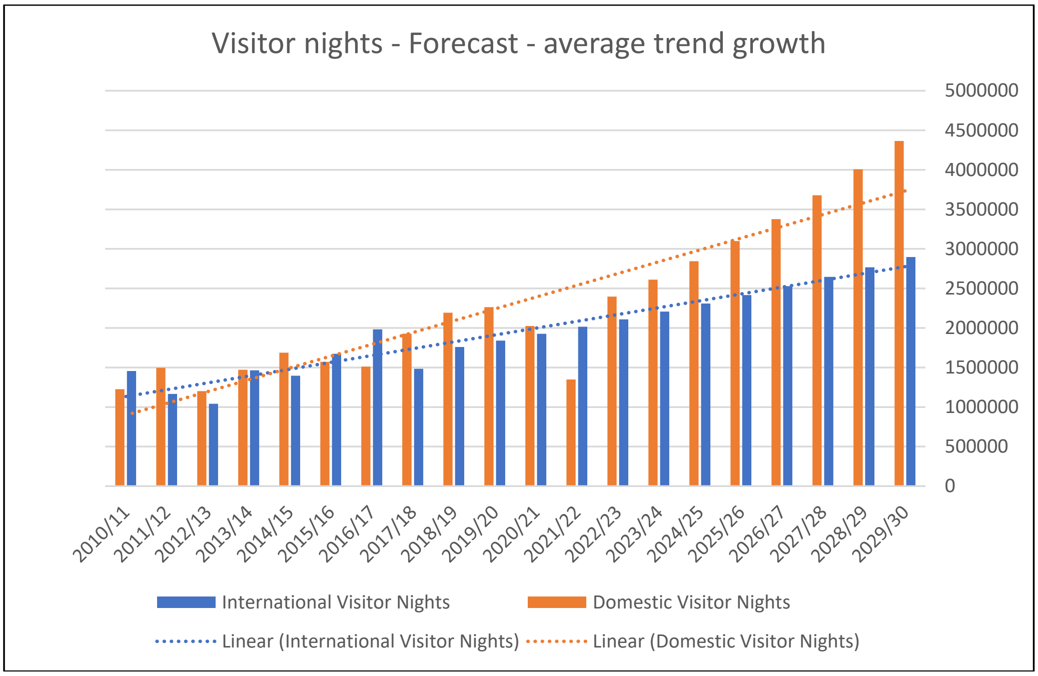
Domestic day trips have increased by 81% from 2,103,950 in 2010/11 to 3,816,352 in 2022/23, with a COVID dip in 2021/22 of 1,902,831 trips. Converting day trips to visitor nights is a key strategy.



(International visitor night data not available 2019/20 to 2022/23)

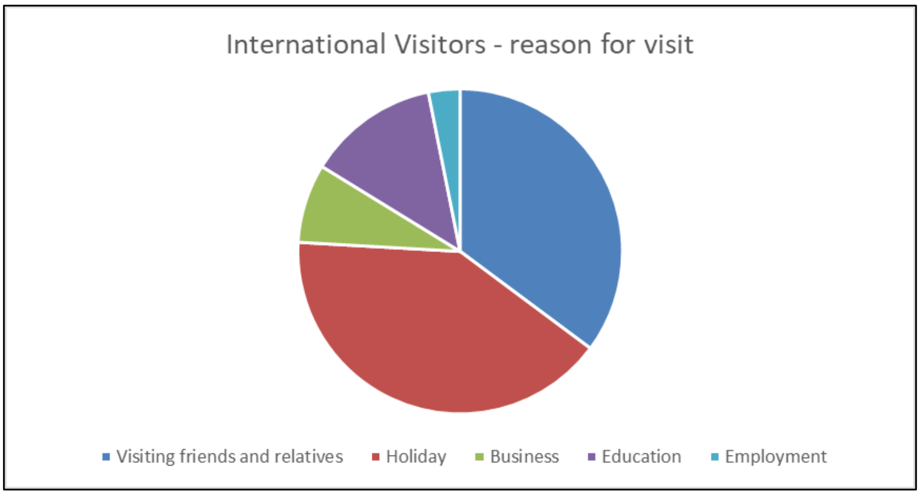


Extrapolating the long term annual increase of 4.6% for international visitor nights and 8.9% for domestic visitor nights suggest that there will be continuing increase demand. Like the previous years, the growth will not be linear and will fluctuate. Any increase in visitor growth would need to be supported by increased accommodation.

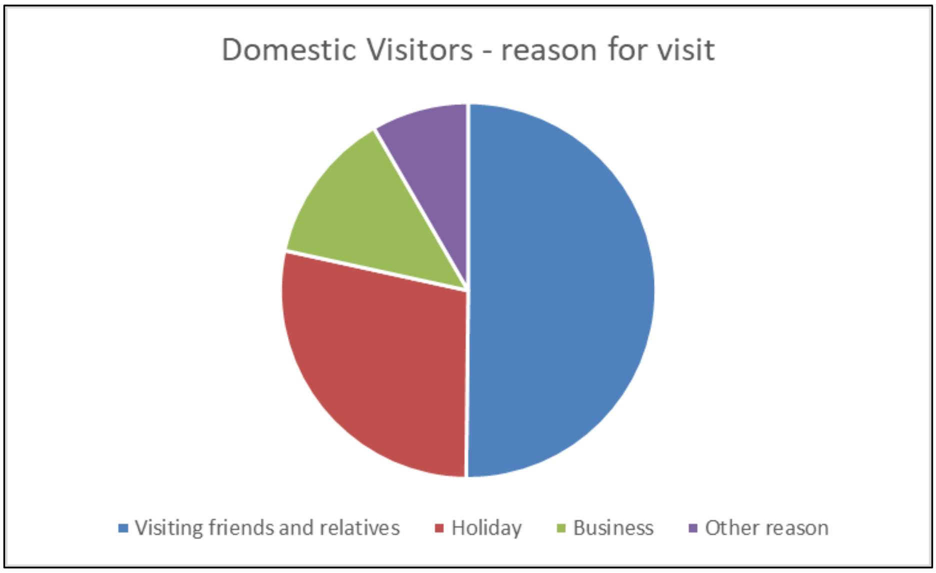


Over the 10 year period, on average international visitors stay 27.4 nights in Wollongong, with the annual rate varying from 21.6 to 32.2 nights. For comparison, international visitors stay on average 6.9 nights in the Shoalhaven. Domestic visitors stay on average 2.3 nights (ie the weekend or a mid-week conference).

Many international and domestic visitors come to Wollongong for holidays, or to visit friends and relatives. The international visitor data is strongly influenced by students coming to Wollongong for education, and visits from their relatives. The students stay longer and tend to be staying at University student accommodation venues, rather than at privately operated hotels or serviced apartments.



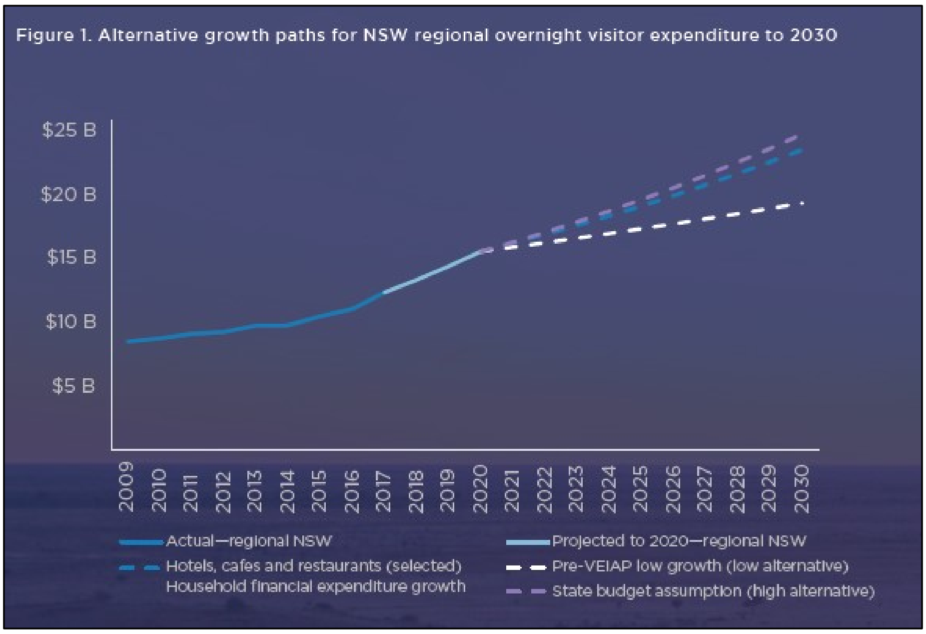
Domestic visitors stay on average 2.3 nights with a narrower range of 2.1 to 2.6 nights, with the majority visiting friends and relatives.



5.5 SETTING TARGETS

Similar to trend analysis, some tourism strategy documents include an aim or forecast for a "X%" increase in growth, which is usually higher than the trend analysis. An assessment is made as to whether existing accommodation can satisfy that growth, and if not, how many extra rooms are required. Often, this target is based on expenditure ($) rather than visitor numbers. When people stay overnight rather than day trips, how much they spend (their expenditure) increases significantly due to the inclusions of overnight accommodations, more meals and activities at a location.

The *NSW Visitor Economy Industry Action Plan 2030* (2018) aimed to triple 2009 NSW overnight visitor expenditure to 2030, by aiming to achieve: $45 billion by 2025 and $55 billion by 2030. The Plan also includes a Regional NSW target for overnight visitor expenditure of $20 billion by 2025 and $25 billion by 2030. The report includes the following graphic to show the possible growth paths (report prepared in 2018 pre-COVID).



Destination Sydney Surrounds South zone has adopted a target to double 2012 overnight visitor expenditure to $2.01 billion in 2022, which will require a 5% year-on-year growth target for the period 2017 and 2022,

The previous *Destination Sydney Surrounds South Destination Management Plan (2018)* also includes the following market segment targets for the region:

Market Segment	Current Share	Target Share	2022 Value	Increase in Value
100km - 200km drive market families, couples and young singles	19.19%	19.49%	$4.3B	$67.4M
International visitors to Sydney* (inc. touring)	5.2%	5.5%	$427M	$30M
Travel for a purpose (self-drive):				
Leisure Events	14.6%	15%	$1.37B	$13.1M
Business Events (with a Convention Centre)	6.3%	8%	$2.4B	$9.2M
Cultural visitors	8.6%	9%	$196M	$11.9M
Cruise	0.6%	2%	$2.21M	$633K

The documents do not indicate how many extra rooms are required to meet the increased visitation.

5.6 Sector Targets

Similar to broad targets, some tourism strategy documents aim for an "X%" increase in growth in particular tourism sectors.

For example, the *Chinese Tourism Strategy* (2012) aimed to double Chinese visitation to NSW by 2020. The Strategy did not indicate how many extra rooms would be required to meet this extra demand in the regions.

The previous *Destination Sydney Surrounds South Destination Management Plan* (2018) includes the following targets for international markets (visitors from specific countries or continents) for the region:

Market Segment	Current Share	Target Share	2022 Value	Increase in Value
Asian (Collective)	3.2%	3.5%	$225M	$15.4M
China	2.6%	3%	$115M	$12M
UK	7.7%	8.1%	$51M	$3M
USA	4%	4.5%	$45M	$19M
Korea	6.2%	6.8%	$27B	$2.5M
New Zealand	3.9%	4.5%	$18M	$2.3M
Total				**$54M**

The Plan did not include any specific targets for the Wollongong LGA or the Illawarra-Shoalhaven Region

5.7 Demand targets / policy shifts

Similar to targeting tourism sectors, there could be policy shifts to target specific events.

The *Wollongong Major Events Strategy 2016-2020* aims to target 1-2 signature events per year, plus 3-5 major events, 10-15 key regional events and unlimited community events. The strategy seeks to flatten the summer spike in accommodation demand by targeting shoulder and low season events, so as to avoid accommodation bottlenecks and provide sustained income for local businesses throughout the year. The strategy aims to use major events to convert the engaged and growing day-tripper market into overnight visitation. The strategy also seeks to prioritise multi-day events, to increase overnight visitation, with exhibitions and festivals and tournaments to be targeted.

A spread of events across the year is important to support the amount of accommodation and services required for one-off events, such as the 2022 UCI World Road Riding Championships Sufficient accommodation cannot be provided locally or within the region to service large one-off events. The international teams stayed in Sydney and were transferred daily to Wollongong for the events.

The hosting of State and National sporting or cultural events increases demand for weekend accommodation. It is understood that the NSW Tip Football competition outgrew Wollongong, and the event was then moved to another region where more accommodation was available.

Prior to COVID-19, Cruise ships were stopping at Port Kembla for day visits to the region. If cruise ships were able to start or end their cruise at Port Kembla, there may be increased demand for accommodation on the night before a cruise departs, or upon return. Although the size of the cruise ships varies, with a small cruise ship carrying up to 2,250 passenger, and large cruise ships carrying up to 5,000 passengers.

One option to increase weekday visitation to Wollongong, would be encourage more conferences. For a conference of 1,000 people, some 1,000 beds in 4 star accommodation venues would be required. Currently there are 370 rooms available in 4+ star accommodation. A suitable conference venue is also required, however that issue is outside the scope of this review.

As the amount of A-grade office space increases in the Wollongong CBD, and more corporate executives visit, there is also increasing demand for corporate accommodation. Similarly, the future development of the surplus Bluescope lands at Port Kembla includes a long-term forecast to provide up to 30,000 jobs. The new businesses will generate additional corporate demand for accommodation

New major tourism or recreation attractions, such as the Cringila Hills Recreation Park, or Criterium Track at Unanderra and Mountain Biking in the Illawarra Escarpment, may increase demand for local accommodation.

6. ISSUES FOR DISCUSSION

The previous analysis identifies several issues for review. These issues are themed and further defined in this chapter.

6.1 Retention of Existing Establishments

The *Economic Development Strategy 2019-2029* notes Destination Wollongong concerned about the immediate loss of 150 beds and the loss of up to 400 beds over the next 5 years. Council has approved 3 development applications that, if progressed, will result in the loss of 84 rooms. As noted in Chapters 3 and 4, many existing hotel and motel accommodation establishments are on land zoned for residential use or commercial uses. The viability of some establishments is influenced by a combination of factors, including:

- Increased running costs,
- Increase maintenance costs for older building,
- The high land value, especially large sites that could achieve higher residential outcomes due to FSR or height controls. This is especially the case in the R1 General Residential zone that surrounds the Wollongong CBD. The combination of large sites, an FSR of 1.5:1, height limits of 16m, 24m or 32m and coastal views makes residential apartment buildings an attractive development option.
- Residential developments are generally strata subdivided and sold off. Therefore, a return on investment (profit) is realised quickly for a residential developer. Tourism accommodation, although sometimes includes strata units, requires a long term investment as it takes time to recoup the costs of development. The uncertainty around visitation numbers increases the risk profile.

To incentivise the retention and upgrading of existing facilities, measures such as zoning, floor space bonuses, parking rates, and/or developer contributions could be reviewed.

6.2 Encouragement for New Establishments

As well as retaining existing accommodation, new accommodation venues are also required to meet projected demand. As noted in chapter 5, the domestic tourism market is likely to continue to increase. The implementation of initiatives in the Economic Development Strategy and various tourism strategies will further increase visitation. Domestic day visitors need to be encouraged to stay longer, for a night or two or more. As noted, overnight visitors have a higher spend and therefore greater benefit to the local economy.

Council has approved 8 new hotels and 2 development application is under assessment. However, only 1 of the approvals has commenced construction

To incentivise the establishment of new facilities, measures such as zoning, floor space bonuses, parking rates, and/or developer contributions could be considered. Land could be zoned SP3 Tourist to flag a site as being suitable for a new Hotel or Motel development.

6.3 Permissibility of Land Uses

The *Wollongong LEP 2009* permits a variety of tourism accommodation styles across the LGA. The majority of existing accommodation facilities are outside the SP3 Tourist zone on land zoned for other priorities, such as business or residential. Although tourism accommodation may also permitted, generally the other uses permitted in these zones are more economically attractive. The SP3 Tourist zone contains a variety of uses, the majority of which are not for tourism or tourism accommodation.

The following issues were identified with the permissibility of tourist accommodation uses.

1. The land use zoning pattern in the Northern Suburbs is dominated by R2 Low Density Residential, C3 Environmental Conservation and C4 Environmental Living. These zones do not permit a range of tourist accommodation such as backpackers' accommodation, hotel and motel accommodation or serviced apartments. The land therefore cannot support tourist

attractions in this area, in proximity to the Tourist (Seacliff Bridge, Grand Pacific Drive, beaches, villages, escarpment) and the potential luxury and romantic tourism markets that have been identified. The only areas that do permit this type of development are the small business zoned areas and the SP3 Tourist zoned site at Headlands Avenue.

In order to address this problem consideration has been given to:

- Making 'hotel and motel accommodation' and 'backpackers' accommodation' permissible in the R1 General Residential, R2 Low Density and R3 Medium-Density Residential zones and including additional controls in Wollongong DCP 2009. Amenity, traffic and neighbourhood character impacts are likely to be the major concern. Site suitability criteria could be imposed such as a minimum site area control and requiring proximity to main roads.
- Increasing the number of bedrooms permitted in clause 5.4(1) of the LEP for bed and breakfast accommodation. This would be undesirable as it is a clumsy means of achieving greater permissibility for small scale hotels. Also this action would lead to unintended amenity impacts and increase the scale of development beyond what is suitable and capable on most residential properties.
- Including a new land use definition of 'Guest House' which would be based on the definition of hotel and motel accommodation but have a capacity set in clause 5.4 of Wollongong LEP 2009. The Standard LEP Instrument hinders the ability to undertake this option.

2. The existing supply of caravan parks is very limited and there are unlikely to be other suitable caravan park sites in the LGA. This is due to the large site area required and the cost of land in areas with high scenic/amenity value. In order to maintain a range of accommodation options (in particular for families) it is critical that existing sites continue to be protected by inclusion within the SP3 Tourist, RE1 Public Recreation or RE2 Private Recreation zones.

6.4 Short-Term Rental Accommodation

As noted in section 3.1, Short-term Rental Accommodation is defined in *State Environmental Planning Policy (Housing) 2021* as:

> ***short-term rental accommodation*** *means a dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period.*

Since November 2021, properties have been required to be registered on the NSW Planning Portal. As indicated in section 4.2, in April 2024 there were 854 properties registered across 54 suburbs. The data shows that the average booking per premise is 35 nights for the current year.

The Planning Portal registration data for each Local Government Area (LGA) is only available to the relevant Council. To enable a comparison, in July 2022 the other 3 Illawarra Shoalhaven Councils were contacted to find out the number of registered premises in each of their LGAs. They advised that they had the following registered properties:

Table 6.1 Short term rental accommodation - Illawarra Shoalhaven LGAs Hosted and non-hosted comparison 2022

LGA	Hosted	Non-hosted	Total
Wollongong	371	361	732
Shellharbour	94	102	196
Kiama	267	422	689
Shoalhaven	1,045	2,911	3,956

As with Wollongong, the number of premises in the other LGAs would have changed over the last 2 years.

The Homelessness NSW dashboard enables a more recent comparison of entire properties being used for short term rental accommodation for August 2023. The data would excludes hosted properties.

Table 6.2 Short term rental accommodation - Illawarra Shoalhaven LGAs whole property comparison 2023

LGA	No. of full properties being used for STRA in Aug 2023	Median Occupancy rate over 12 months	STRA as a % of unoccupied dwellings
Wollongong	669	61%	12%
Shellharbour	193	58%	14%
Kiama	658	56%	39%
Shoalhaven	4132	48%	32%

(source: Housing and Homelessness Dashboard – Homelessness NSW)

The two comparisons show that Wollongong is not experience the same short term rental accommodation pressure as Kiama and Shoalhaven LGAs.

Other coastal LGAs have experienced significant growth in the short-term lettings of residential dwellings and there has been pressure placed on Council's to address associated amenity conflicts, with planning controls. Adverse amenity impacts (by way of garbage, car parking, traffic, noise, parties, anti-social behaviour etc) are sometimes attributed to short term holiday rentals due in part to the transient nature of occupants. As some properties are non-hosted, it is difficult to complain to the owner who could live in another region.

Additionally, short-term rental accommodation is having an adverse impact on the availability of long term rental accommodation in some coastal LGAs. Byron Council has received State approval to reduce the number of days a property can be used for non-hosted short-term rental accommodation in some of its residential suburbs from 180 days to 90 days, although the key tourism suburbs are not affected.

Short-term rental accommodation contribute positively to the tourism industry of a region, by providing accommodation, increasing tourist numbers, awareness and expenditure, and therefore benefit the local economy. However, they also compete with traditional forms of accommodation such as hotel and motel rooms.

As the State has enacted a State-wide approach to short-term rental accommodation there is no requirement for Council to amend or review its local planning controls.

In February 2024 the Department of Planning, Housing and Infrastructure released a discussion paper on Short and long term rental accommodation. The results of the feedback or any policy changes have not been released.

6.5 Eco-Tourist Facilities

Eco-Tourism is ecologically sustainable tourism that fosters environmental and cultural understanding, appreciation and conservation. With our unique natural environment and strong tourism sector, Eco-tourism presents opportunities for Wollongong. Eco-tourism includes both attractions / activities and accommodation. This report only considers accommodation.

As noted in section 4.1 of this report, the Standard LEP Instrument now includes a definition of eco-tourist facilities and a mandatory clause if the use is permitted. As the use was not permissible under the Wollongong LEPs prior to the amendment to the Standard Instrument, it remains prohibited. Council is required to prepare and exhibit a Planning Proposal to make the use permissible and introduce standard clause 5.13.

In 2006, Ecotourism facilities was introduced as a use permissible with development consent in the Non urban, Residential, Business, Tourism and Environmental Protection zones of the Wollongong LEP 1990 by Amendment 235. The use was defined as:

> ***ecotourism facility*** *means any nature-based tourism, educational or interpretative facility that is constructed and managed so as to be ecologically sustainable and without detrimental impact on the ecology of the locality. It may include some form of guest accommodation (but not a caravan park), facilities for provision of meals and a manager's residence.*

The definition was aimed at providing eco-tourism activities and experiences, not ecotourism accommodation.

In 2007, Council approved DA-2007/360 for an ecotourism development at 98-100 Lawrence Hargrave Drive Stanwell Park, which contained 5 self-contained cabins, managers residence, multipurpose room and swimming pool. The land was zoned 7(b) Environmental Protection Conservation and is now zoned C3 Environmental Management. The development has not been constructed and has now lapsed.

In 2008, the Land and Environment Court approved DA-2007/1799 for an ecotourism facility at 2 Morrison Avenue, Coledale, which contained a manager residence, facility centre and two accommodation cabins. The land was zoned 7(b) Environmental Protection Conservation and is now zoned C2 Environmental Conservation. The facility was constructed and is known as Coledale Rainforest Retreat.

There was some also criticism that the LEP definition was too loose and the use was being used as a means to get a dwelling house approved on a 7(b) Environmental Protection zoned land, where the minimum lot size for an ecotourism facility was less than the minimum lot size required for a dwelling house.

Council needs to determine whether the use should become a permissible under the current Wollongong LEP 2009, and in which zones.

The current standard instrument definition is:

eco-tourist facility *means a building or place that—*

> *(a) provides temporary or short-term accommodation to visitors on a commercial basis, and*
>
> *(b) is located in or adjacent to an area with special ecological or cultural features, and*
>
> *(c) is sensitively designed and located so as to minimise bulk, scale and overall physical footprint and any ecological or visual impact.*
>
> *It may include facilities that are used to provide information or education to visitors and to exhibit or display items.*
>
> **Note—**
>
> See clause 5.13 for requirements in relation to the granting of development consent for eco-tourist facilities.
>
> Eco-tourist facilities are not a type of ***tourist and visitor accommodation***—see the definition of that term in this Dictionary.

Unlike the former Wollongong LEP 1990 definition, the Standard Instrument definition is focused on providing accommodation rather than experiences. As the majority of the Wollongong LGA has been developed and serviced, there are few locations where an eco-tourist facility could establish without damaging its setting.

Clause 5.13 of the Standard LEP Instrument states:

5.13 Eco-tourist facilities

(1) The objectives of this clause are as follows—

> *(a) to maintain the environmental and cultural values of land on which development for the purposes of eco-tourist facilities is carried out,*
>
> *(b) to provide for sensitively designed and managed eco-tourist facilities that have minimal impact on the environment both on and off-site.*

(2) This clause applies if development for the purposes of an eco-tourist facility is permitted with development consent under this Plan.

(3) The consent authority must not grant consent under this Plan to carry out development for the purposes of an eco-tourist facility unless the consent authority is satisfied that—

> *(a) there is a demonstrated connection between the development and the ecological, environmental and cultural values of the site or area, and*

(b) *the development will be located, constructed, managed and maintained so as to minimise any impact on, and to conserve, the natural environment, and*

(c) *the development will enhance an appreciation of the environmental and cultural values of the site or area, and*

(d) *the development will promote positive environmental outcomes and any impact on watercourses, soil quality, heritage and native flora and fauna will be minimal, and*

(e) *the site will be maintained (or regenerated where necessary) to ensure the continued protection of natural resources and enhancement of the natural environment, and*

(f) *waste generation during construction and operation will be avoided and that any waste will be appropriately removed, and*

(g) *the development will be located to avoid visibility above ridgelines and against escarpments and from watercourses and that any visual intrusion will be minimised through the choice of design, colours, materials and landscaping with local native flora, and*

(h) *any infrastructure services to the site will be provided without significant modification to the environment, and*

(i) *any power and water to the site will, where possible, be provided through the use of passive heating and cooling, renewable energy sources and water efficient design, and*

(j) *the development will not adversely affect the agricultural productivity of adjoining land, and*

(k) *the following matters are addressed or provided for in a management strategy for minimising any impact on the natural environment—*

   (i) *measures to remove any threat of serious or irreversible environmental damage,*

   (ii) *the maintenance (or regeneration where necessary) of habitats,*

   (iii) *efficient and minimal energy and water use and waste output,*

   (iv) *mechanisms for monitoring and reviewing the effect of the development on the natural environment,*

   (v) *maintaining improvements on an on-going basis in accordance with relevant ISO 14000 standards relating to management and quality control.*

The definition and standard clause do not provide any guidance on the scale (size) of an eco-tourism facility meaning it could apply to anything ranging from a single building to a large resort.

It may be appropriate that the land use tables not be amended to permit the use with development consent in any zone. Rather the definition and clause remain available for consideration as part of any site specific proposal.

6.6 Guest houses

Historically there were many guest houses in the LGA, often close to railway stations, including Seaview Guest House at Bulli (demolished) and Railway Guest House at Bulli (now a licenced venue – Resin Brewery).

Some places called *Guest houses* provide shared accommodation or are boarding houses, and don't provide accommodation for visitors.

Guest houses are not defined in the Standard LEP instrument and therefore not listed in Council's LEP. It is considered that a "guest house" definition would be beneficial to provide a use that is larger than a Bed and Breakfast (3 bedrooms) and smaller than hotel or motel accommodation. There are numerous guest houses in locations such as the Southern Highlands and Blue Mountains, the majority of which would have been established prior to the Standard LEP Instrument. Under the current LEP they would need to be defined as hotel or motel accommodation.

An internet search comes up with a variety of guest house definitions and explanations:

- A small hotel, or a small house in the grounds of a large house, where visitors/guests can stay (Collins dictionary and Oxford dictionary)
- A small hotel or private home where people can pay to spend the night (Macmillian dictionary)
- A guesthouse is traditionally a small, privately owned homestead that rents out its rooms at a daily rate. A guesthouse will also have fewer rooms than a hotel, usually anything from 4-10 rooms. A hotel is often a larger establishment that is corporately owned. (Evertsdal guest house – South Africa) (https://evertsdal.com/what-is-the-difference-between-a-hotel-and-a-guesthouse/)
- A guesthouse is generally a larger property with more than 5 bedrooms. It's basically a small hotel and are usually owner-operated. The host might live on the premises. A bed and breakfast is generally smaller than a guest house, and normally accommodate no more than 6 guests. (https://cheaphotels4uk.com/bb/difference-breakfast-guesthouse.html)

As noted in section 6.1, the Wollongong LEP 2009 could be amended to include a new land use definition of 'guest house' which would be based on the definition of hotel and motel accommodation but have a capacity set in clause 5.4 of Wollongong LEP 2009. However, the Standard LEP Instrument hinders the ability to undertake this option.

6.7 Farm Stay Accommodation

Farm stay accommodation is permitted in the rural zones. In March 2021, the NSW Department of Planning, Industry and Environment published a draft Explanation of Intended Effect (EIE) on Agritourism and small-scale agriculture development, part of which seeks input on whether the definition of farm stay accommodation should be amended.

In October 2022 the (then) NSW Department of Planning and Environment amended the Standard LEP Instrument and State Environmental Planning Policy (Exempt and Complying Development) 2008 to include farm stay accommodation. Farm stay accommodation is defined as:

a building or place—

(a) on a commercial farm, and

(b) ancillary to the farm, and

(c) used to provide temporary accommodation to paying guests of the farm, including in buildings or moveable dwellings.

The SEPP enables the use to now permitted as exempt development or complying development, as summarised in the following table.

Activity	Exempt development	Complying development
Farm stay accommodation	• Permitted in RU1, RU2, RU4 zones and in other zones where agriculture, extensive agriculture, intensive livestock agriculture and intensive plant agriculture are permitted. • Maximum 20 guests in tents, caravans and campervans. • Maximum 6 caravans and campervans. • Maximum 21 consecutive days of stay. • Minimum landholding of 15ha for camping/caravans. • Use up to 60m2 gross floor area of an existing residential accommodation or manufactured home. • Off street parking.	• Permitted in RU1, RU2, RU4 zones where farm stay accommodation is permitted under the LEP. • Maximum 6 buildings on the landholding. • Maximum 21 consecutive days of stay. • Minimum landholding size of 15ha (new buildings). • Maximum 60m2 gross floor area for a new building or use up to 60m2 of an existing building. • Use up to 25m2 of an existing building to provide communal amenities or facilities. • Off street parking.

(DPIE 2021)

During the exhibition of the draft SEPP, Council officers expressed concern about the proposed changes, especially allowing 20 persons to camp on rural properties for upto 14 days at a time as exempt development. The 10-20+ hectare rural properties in Wollongong are not the same as the large rural properties in Western NSW. While friends and family camping on a property during summer is acceptable, the proposal to allow commercial year round camping without approval was not considered appropriate and would not provide community input via a Development Application exhibition process.

No approval from Council would be required. Adjoining landowners would not be notified. Council does not have the resources to check on whether a tent/caravan is being occupied and for how long someone is staying. It also doesn't address how is waste managed in unsewered locations.

Dwellings on rural properties can also be used for short-term rental accommodation.

Since 2014 Council has considered 2 Development Applications for Farm stay accommodation:

- in 2014, Council approved the use of an existing dwelling on a property zoned C3 Environmental Management at Stanwell Tops
- in 2019, an application was withdrawn for the construction of a farm stay accommodation on a property zoned C3 Environmental Management at Wombarra, where there was no existing dwelling house or agricultural activity.

There has been no DAs for farm stay accommodation on rural zoned land.

To avoid further instances of the farm stay accommodation use, being a means to get a dwelling house approved on an C3 Environmental Management property, it may be appropriate that the use be removed from the land use table.

6.8 Council and Crown land

Council owns 2,244 lots which cover an area of 3,066 hectares of land within the Wollongong LGA. This represents 4% of the LGA. The majority of Council land is parks, sportsfields, drainage reserves and bushland. Council also owns community buildings, libraries, works depots, and the waste depot.

In terms of land zoned SP3 Tourist, Council owns the Mt Keira Summit Park (zoned SP3 and C2).

Within the Wollongong LGA there is also some land owned by the State Government that is zoned for tourism. The Crown Reserves of Bulli Tops Gateway Centre, Cliffhanger and Sublime Point at Bulli Tops are zoned SP3 Tourist and part C2 Environmental Conservation. The SP3 Tourist zone permits camping at these locations, however the Reserve purpose does not currently permit the use. Council is in the process of preparing Plans of Management for the three Crown Land Reserves.

The three Council run Tourist Parks (Windang, Corrimal and Bulli) are located on Crown Reserves. The three Tourist Parks are an important component of the available tourism accommodation, providing powdered and unpowered camping and caravan sites.

In addition to planning controls under the *Environmental Planning and Assessment Act 1979*, Council land and Crown Reserves (where Council is the Crown land manager) has an extra layer of control that governs land uses, activities, management, leases and licences.

Council and Crown land (where Council is the Crown land manager) is required to be classified as either Community Land or Operational Land under the *Local Government Act 1993* and *Crown Land Management Act 2016*, respectively. Community land is required to be categorised as either Park, Sportsground, General Community Use, Area of Cultural Significance, or Natural Area.

Any Council and Crown Community land that is classified as Community Land is also required to be subject to a Plan of Management. Council has prepared a number of Plans of Management for Council land. The draft Community Land Plan of Management for Council land does proposed to enable temporary camping on Council land, to support events and festivals.

Council is in the process of preparing Plans of Management for Crown Land Reserves, where Council is the Crown Land Manager.

The large area of SP3 Tourist land on the foreshore of Lake Illawarra at Kully Bay, Warrawong, was previously managed by the Lake Illawarra Authority and is currently managed by Property NSW. It is not a Crown Reserve or Council land which means it is not managed under the *Crowns Lands Management Act 2016* or *Local Government Act 1993*. The southern car park has become a popular free camp / caravan stay area. The car park does not have any amenities, with visitors relying on being self-sufficient or using the nearby take-away food establishments.

6.9 DCP CONTROLS

The Wollongong DCP 2009 does not provide many specific land use development controls for tourism accommodation. Chapter C4 applies to development applications for Caravan Parks, Camping Grounds and Manufactured Home Estates. Provisions in other chapters would apply depending on the land zoning (eg chapter B4 Development in Business Zones) or the locality (eg Chapter D13 Wollongong City Centre). Additionally, provisions in a number of City wide chapters would be relevant, eg C1 Access for People with a Disability, C3 Car Parking and Access, E6 Landscaping, E7 Waste Management and others may be relevant depending on the location eg C10 Aboriginal heritage, C11 Heritage Conservation, C13 Floodplain management and C16 Bush Fire management.

In terms of car parking, Chapter C3 specifies the following rates:

Land Use	Car Parking Requirements	Bicycle Parking Requirements	Motorcycle Parking Requirement	Delivery / Service Truck Requirement
Backpackers accommodation	*City wide:* 1 car parking space per 2 staff plus 1 car parking space per 5 beds	1 bicycle space per 5 beds plus 1 car parking space per staff member	1 motor cycle space per 25 car parking spaces	NA
Bed and breakfast accommodation	*City wide:* As per dwelling house plus 1 car parking space per guest bedroom	NA	1 motor cycle space per 10 guest bedrooms	NA
Tourist and visitor accommodation	*City wide:* 1 car parking space per 2 staff members plus 1 car parking space per apartment / unit	NA	1 motor cycle space per 10 apartments / units	Small Rigid Vehicle
Hotel or motel accommodation	*City wide:* 1 car parking space per 2 staff members plus 1 car parking space per unit / apartment *Wollongong City Centre:* 1 car parking space per 4 staff plus 1 car parking space per motel unit or 0.5 car parking space per hotel unit / apartment Zones E2 Commercial Core and MU1 Mixed Use in Wollongong city centre (as per WLEP): 1 car parking space per 40m2 GFA, where the hotel or motel accommodation is not strata subdivided	NA	1 motor cycle space per 25 car parking spaces	>15 units/ apartments – Large Rigid Vehicle

Land Use	Car Parking Requirements	Bicycle Parking Requirements	Motorcycle Parking Requirement	Delivery / Service Truck Requirement
	If a restaurant is included in the hotel / motel which is available to the general public, then an additional 15 car parking spaces per 100m2 GFA of the restaurant shall be included			
Caravan park	*City wide:* 1 car parking space per site Note: In accordance with Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005	NA	NA	Large Rigid Vehicle (Waste collection trucks and Coaches)

Car parking can add to the cost of the development. Although the Illawarra Rail line services the Wollongong LGA, the train service is not fully utilised due to the hourly servicing timetable, and the lack of other modes of transport to connect visitors from stations to your accommodation especially in the northern suburbs. Accordingly, there is a reliance on travel by car and therefore the need for parking.

A review of the recent Development Applications approvals for hotels in the City Centre found that the car parking rate was complied with and variations not sort.

There has been some confusion as to whether the Tourist and Visitor Accommodation rate or the Hotel and Motel Accommodation rate applies to hotel development. The use specific rate should be applied. The Tourist and Visitor Accommodation use should be updated to indicate it excludes the more specific rates.

Within the Wollongong City Centre the cost of excavating basement car parking is expensive and can affect the feasibility of a development.

Conversely, many visitors drive to Wollongong and want parking at or close to where they are staying. A lower car parking rate in locations close to rail stations (with frequent train services) could be considered.

6.10 Attractions

The attractions that drive people to visit a location are varied and changing. People go to destinations for a specific activity e.g.. the beach, bushwalks, conferences, shopping, events, festivals and then look for somewhere to stay.

Conversely, we are seeing a rise in boutique and destination accommodation offers within Australia and NSW such as The Calile Hotel in Brisbane, Paramount Hotel in Surry Hills and Paperbark Camp in Jervis Bay where people are seeking out that particular accommodation experience, which is further supported by surrounding restaurants, bars and cultural venues.

Some of the main attractions in the Wollongong LGA include

Natural attractions:

- Beaches and foreshore parks and picnic areas
- Lake Illawarra
- Natural bushland of the Illawarra Escarpment and the National Parks
- Illawarra Escarpment lookouts
- Coastal rockpools

- Wollongong Botanic Garden

Things to do and see:

- Symbio Wildlife Park
- Otford Farm – horse riding
- Sky Dive the Beach
- Australian Motorlife Museum at Kembla Grange
- Nan Tien Temple
- Sri Venkateswara Temple
- Sea Cliff Bridge
- Grand Pacific Walk
- Events at WIN Stadium and Wollongong Entertainment Centre
- Events at Illawarra Performing Arts Centre (IPAC) and Wollongong Town Hall
- Events at Anita's Theatre at Thirroul and community theatres
- Inside industry - Steelworks and Working Port tours
- Kembla Grange Racetrack
- Dapto Dogs
- Wollongong lighthouses
- Small bars, cafes and restaurants
- Music festivals and venues
- Mountain Biking

Popular attractions in nearby LGAs, include the Jamberoo Action Park, Historical Aircraft Restoration Society (HARS) at Shellharbour Airport and the Illawarra Fly Treetop Walk.

Wollongong does not have an international / bucket list attraction like the Great Barrier Reef, Uluru or the Sydney Opera House. Although post-COVID that may not be a bad thing. Destinations that have relied on international visitors, such as Far North Queensland, have been hit hard by the COVID boarder closures. Whereas, the variety of attractions in Wollongong, proximity to Sydney and predominately a domestic tourism market the COVID impacts, while significant, have not been as great as other regions.

The on-going promotion of existing attractions will increase visitor numbers and the length of stay. Tourism attraction uses also require planning approval through the lodgement and assessment of development applications. The permissibility will depend on the proposed use and the zoning and other planning controls and constraints applying to the land.

7. FINDINGS

A summary of the findings of this review is presented below:

1. Wollongong has strong day visit appeal, due to its close proximity to Sydney, relying heavily on beaches and scenic drives/lookouts.
2. Most overnight visitors to the Illawarra domestic visitors.
3. The main purposes of travel to Wollongong are ‘visit relatives/friends’ and ‘holiday/leisure’. Education is also a major reason for travel to Wollongong.
4. The choice and usage of hotel and motel accommodation is significantly lower than State and National averages.
5. The Backpacker market is negligible, however other budget offers are available.
6. Intensity of accommodation is concentrated in and around the Wollongong City Centre.
7. There is an absence of accommodation in the southern suburbs. Accommodation in the northern suburbs comprises of mainly bed and breakfast establishments.
8. There is a need to attract more domestic and international overnight visitors to Wollongong throughout the year, to make additional accommodation feasible.

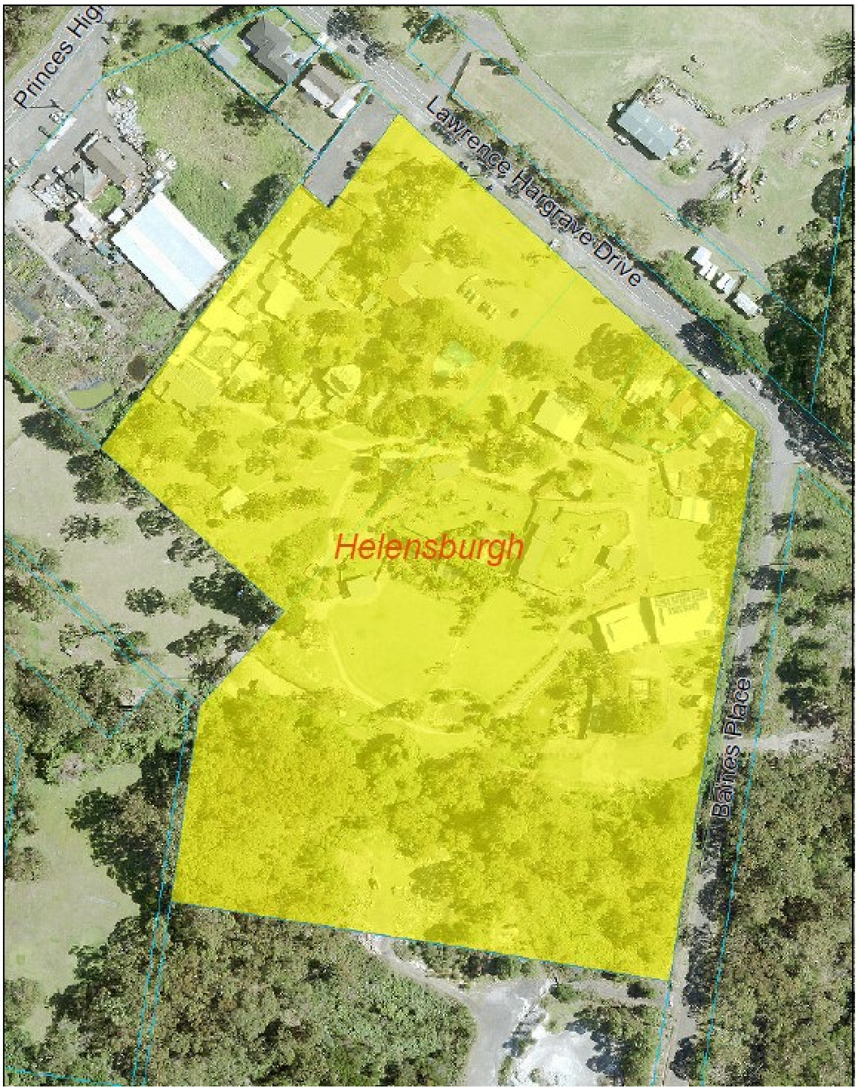
The next steps in the review are:

- Community and tourism industry input into the review
- Update and finalise the Discussion paper
- Prepare a draft Tourism Accommodation Strategy
- Exhibit the draft Strategy
- Finalise the Strategy
- Implement the strategy recommendations through amendments to the Wollongong LEP 2009, Wollongong DCP 2009 and other documents

APPENDICIES

APPENDIX 1 - SP3 TOURIST ZONES SITES

Symbio Wildlife Park, Helensburgh



Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lots 1000, 1001, 1002, 1003 DP 870352 7-15 Lawrence Hargrave Drive, **HELENSBURGH**	66168.1m^2	9m	Not mapped	Symbio Wildlife Park 2 dwelling houses	Private ownership

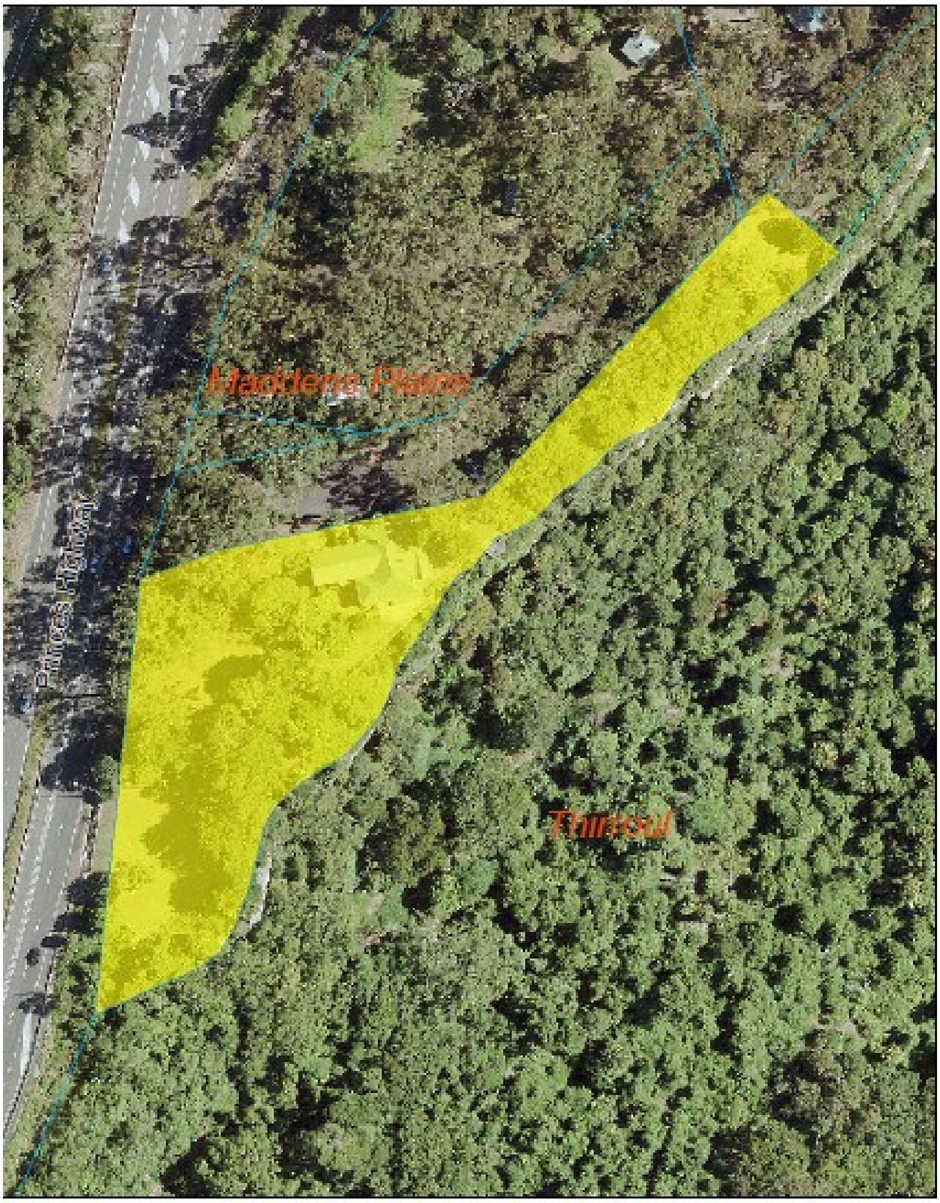
Sublime Point, Maddens Plains

Site	Approximate Area	Max Building height	Floor Spac e Ratio	Land Use/s	Ownership
Lot 31 DP 1083116 Lot 32 DP 1083116 **MADDENS PLAINS (Sublime Point)**	33403 m²	9m	0.5:1	Sublime Point Lookout and amenities - picnic shelters, BBQs, bathrooms Sublime Point restaurant and café - single storey brick structure including manager's residence Telecommunications facility	Lot 31 - Wollongong City Council (WCC) Lot 32 - The State of NSW – Crown Land managed by Wollongong City Council - Bulli Pass Scenic Reserve Trust

Panorama House, Maddens Plains

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1s & 2 DP 538828 **MADDENS PLAINS (Panorama House)**	16767m²	9m	0.5:1	Panorama House Restaurant and Function Centre Motel Telecommunications tower	Private ownership

Cliffhanger Café/Restaurant and Lookout, Maddens Plains



Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 7004 DP 92952 **Princes Highway MADDENS PLAINS**	7905m²	9m	05:1	Cliffhanger café/restaurant and function centre, car park, lookout and amenities (bathrooms, picnic area)	The State of NSW – Crown Land managed by Wollongong City Council

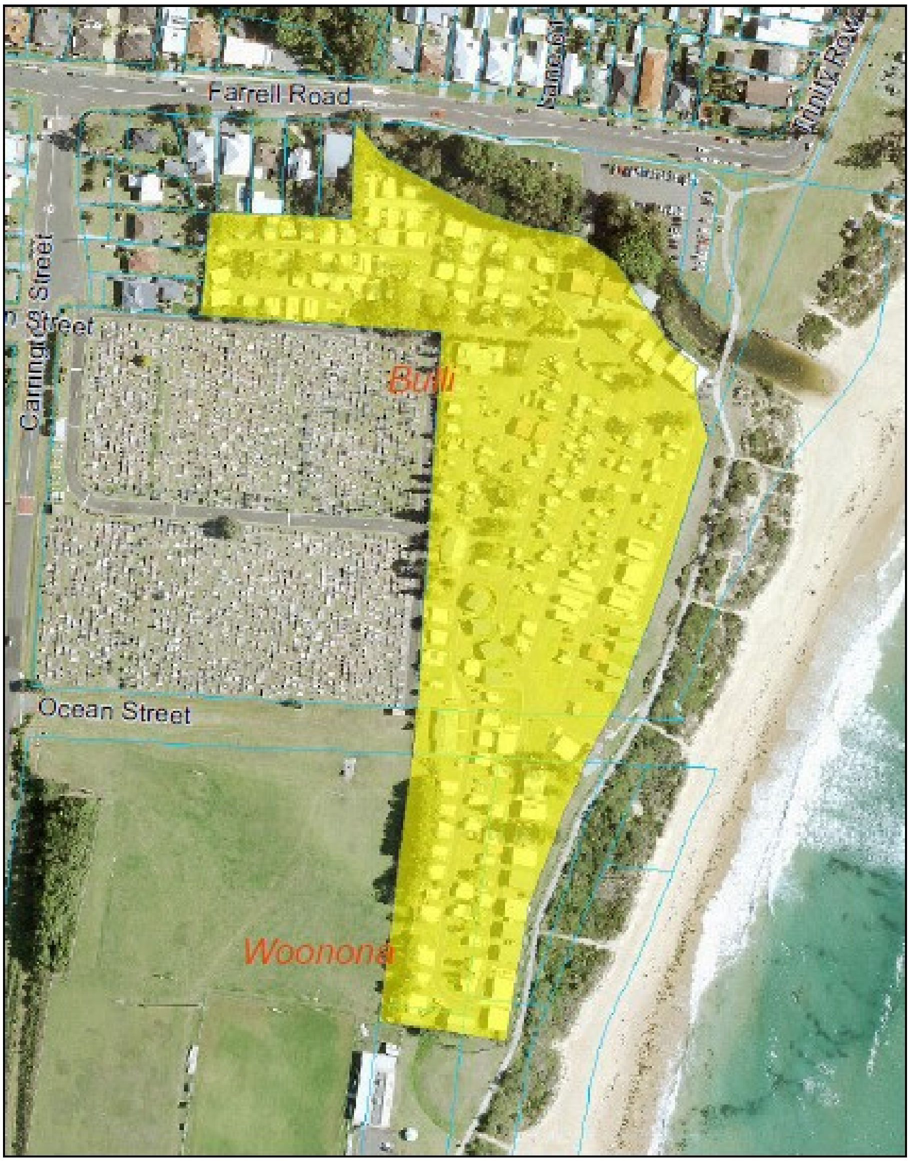
Gateway Centre and Bulli Pass Scenic Reserve, Bulli Tops

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lots 1 & 2 DP 1083121 **Princes Highway** **BULLI TOPS (Gateway Centre and Bulli Pass Scenic Reserve)**	10847m²	9m	Lot 1 0.5:1 Lot 2 no mapped maximum height	Gateway Tourist Office Restaurant Lookout	The State of NSW – Crown Land managed by Wollongong City Council

Headlands Hotel site, Austinmer

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lots 100 & 101 DP 1212173, Not Formed road and part Headland Avenue **Headlands Avenue AUSTINMER (Headlands Hotel site)**	6844m² (Lot 100 & 101) 9970.8 m^2 Including not formed road and part Headland Avenue	Lot 100 9 m & 15 m Lot 101 9 m & 3 m	1.5:1	Headlands Hotel - pub and bistro/restaurant. Accommodation	Private ownership

Bulli Tourist Park Farrell Road, Bulli



Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 173 DP 728053 Part of Lots 1 & 3 DP 197758 Part of Lots 4 & 5 DP 1129987 **Farrell Road** **BULLI (Bulli Tourist Park)**	43064m² (approximately)	9m	0.5:1	Bulli Tourist park, caravans, camping and cabin accommodation and associated facilities including, function/conference room	The State of NSW – Crown Land managed by Wollongong City Council

Princes Highway, Woonona

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 830398 **429-431 Princes Highway WOONONA**	2263m²	11m	1.5:1	Vacant	Private ownership
Part of Lot 1 DP 1172253 **417-421 Princes Highway WOONONA**	330.5m²	11m	1.5:1	Two storey commercial development – under ground parking and out building	Private ownership
Part of Lot 2 DP 830398 **455-459 Princes Highway WOONONA (RSL Club)**	15034m²	11m	1.5:1	Woonona Bulli Memorial RSL & carpark & Youth Centre	Woonona Bulli RSL Memorial Club Limited

Corrimal Tourist Park Murray Road, East Corrimal

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Part of Lot 174 DP 728054 **Murray Road** **EAST CORRIMAL**	101141m²	9m	0.5:1	Corrimal Tourist Park: Caravan, camping and cabin accommodation and BBQ areas and kiosk	The State of NSW – Crown Land managed by Wollongong City Council

Pioneer Road, Fairy Meadow

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 2001 DP 1102607 **170 Pioneer Road** **FAIRY MEADOW** **(Towradgi Beach Hotel)**	17340m²	9m	1.5:1	Towradgi Beach Hotel: pub & beer garden, playground, restaurant, function room, large car park	Private ownership

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
				Waves Nightclub Motel	
Lot 107 DP 613634 **Pioneer Road** **FAIRY MEADOW**	3800m²	9m	1.5:1	Drive-through bottle-shop and car park	Private ownership
Lot 1 DP1150670 **19 Carters Lane** **FAIRY MEADOW** **(former Leisure Coast Motel site)**	4540m²	9m	1.5:1	Motel - Pioneer Sands and associated commercial facilities (approved DA-2006/151) containing 45 rooms	Private ownership
Lot 2 DP1150670 **19-27 Carters Lane** **FAIRY MEADOW** **(former Leisure Coast Motel site)**	6081m²	9m	1.5:1	4 Residential apartments buildings (approved as part of DA-2004/857)	Private ownership
Lot 2 DP 863756 **201 Pioneer Road** **FAIRY MEADOW** **(Wollongong Surf Leisure Resort)**	121700m²	9m	0.5:1	Wollongong Surf Leisure Resort - cabins, caravan and camping sites and associated facilities: Function centre with commercial kitchen, but not a restaurant. McKeon's Swim School Over 50's residential development along eastern edge of resort	Wollongong City Council (land & buildings owner). The WSLR business and all self-contained tourism cabins are privately owned

Mount Keira Summit Park, Mount Keira

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Part of Lot 1 DP 875991 **Queen Elizabeth Drive** **MOUNT KEIRA (Mt Keira Summit Park)**	13289m²	9m	0.3:1	Container kiosk Lookout Telecommunication tower	Wollongong City Council

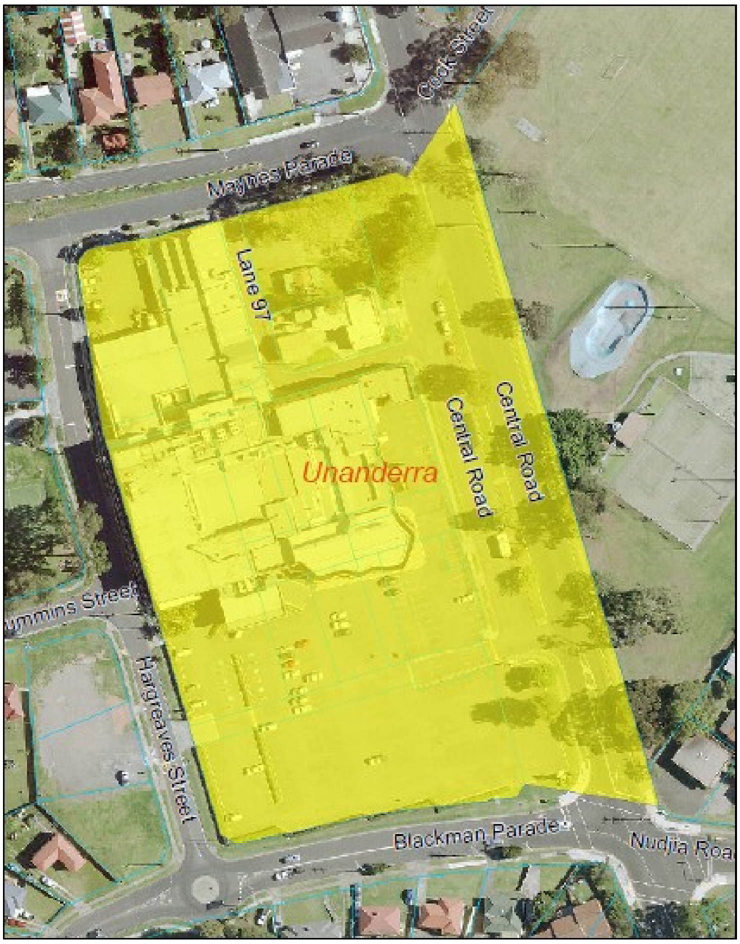
47-59 Princes Highway, West Wollongong and 1-9 Princes Highway, Figtree

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 839750 Lot 2 DP 839750 Lot 3 DP 788652 Lot 4 DP 788652 Lot 5 DP 788652 Lot 6 DP 788652 Part of Lot 45 DP 847121 Part of Lot 6 DP 1136414 Part of Lot 5 DP 1136414 **47-59 Princes Highway WEST WOLLONGONG** **1-9 Princes Highway FIGTREE**	9159 m² 1877 m² 1842 m² 1903 m² 1780 m² 2234 m² 1890 m² 1580 m² 732 m²	11m	1.5:1	Hellenic club food and drink premises Figtree Cellars Medical Practice Apartments - Residential housing Community health centre	Wollongong Hellenic Club Limited Private ownership Private ownership Wollongong City Council

131 and 111 Princes Highway, Figtree

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 782774 **131 Princes Highway FIGTREE**	10225m²	9m	1.5:1	Bus depot	Private ownership
Lot 1 DP 227479 Lot 1 DP 782774 **111 Princes Highway FIGTREE** **Woodrow Place**	11550m² 10370 m²	9m	1.5:1	Motel - Sovereign Inn Light industrial Road	Private ownership Private ownership Wollongong City Council

Central Road, Unanderra



Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 494 DP 31905 **80 Central Road UNANDERRA**	613m²	15m	1.5:1	Unanderra Fire and Rescue Station	NSW Fire and Rescue
Lot 1 DP 720922 Lot 206 DP 521643 Lot 1 DP 241842 Lot 1 DP 729171 Lot 1 DP 205003 Lot 1 DP 657222 Lots 1-9 DP 203572 Lot 1 DP 244201 Lot 493 DP 31905 **Central Road UNANDERRA**	15074m²	15m	1.5:1	Western Suburbs Leagues Club (Wests Illawarra) (2 -3 storey structure)	Wests Illawarra Leagues Club

Kully Bay, Northcliffe Drive and King Street Warrawong

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Part Lot 7 DP 241845 **Northcliffe Drive WARRAWONG (Kully Bay Park)**	4168 m²	20m	1.5:1	Kully Bay Oval (football field) Cycleway Wetlands Open space Car park	Property NSW
Part Lot 3 DP 1154074	137109 m2	20m	1.5:1		Property NSW
Part Lot 8 DP 218305 **King Street WARRAWONG**	691 m²	20m	1.5:1	Very small parcel of land zoned SP3. Vegetated, split zone - C2	Property NSW
Lot 1 DP 438328 Lot 1 DP 439900 **King Street WARRAWONG**	708 m² 37.9 m²	20m	1.5:1	Small parcel of land on corner of King Street and Northcliffe Drive. Infrastructure. Fenced.	Sydney Water

Golf Place and Windang Road, Primbee

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Pt Lot 72 DP 14502 Pt Lot 73 DP 14502 **43-45 Windang Road PRIMBEE**	1391m² 1720	9m	1.5:1	Accommodation forming part of Comfort Inn Fairways Resort	Private ownership

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 47 DP 14502 **22 Golf Place PRIMBEE**	910.5m²	9m	1.5:1	Residence 1 storey	Private ownership
Lot 1 DP 771907 **24 Golf Place PRIMBEE**	6423.3m²	9m	1.5:1	Comfort Inn Motel - 2 storey brick structures Conference room	Private ownership
Lot 46 DP 14502 **20 Golf Place PRIMBEE**	746m²	9m	1.5:1	Residence 1 storey	Private ownership
Lot 45 DP 14502 **18 Golf Place PRIMBEE**	525m²	9m	1.5:1	Residence 1 storey	Private ownership
Lot 1 DP 1093756 **Windang Road PRIMBEE**	8615m²	9m	1.5:1	Vacant land	Illawarra Retirement Trust
Lot 2 DP 1093756 **Port Kembla Golf Club 30 Golf Place PRIMBEE**	14087m²	9m	1.5:1	Golf course	Private ownership
Lot 106 DP579950 **Corner Windang Road and Golf Place PRIMBEE**	427m²	9m	1.5:1	Vacant land	Wollongong City Council

Windang Road, Windang

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 301 DP 774061 **Unnamed Road 4 (access road for CDEP nursery)**	5189m²	9m	1.5:1	Vegetated, mapped as containing EEC.	Wollongong City Council

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
WINDANG (land opposite south-east corner of Golf Course)					
Lot 140 DP 726746 Lot 303 DP 774061 **Windang Road** **WINDANG (land behind Driving Range)**	9046 m² 10400 m²	9m	1.5:1	Cleared land as well as vegetation to east	Lot 140 - Illawarra Local Aboriginal Land Council Lot 303 - Wollongong City Council
Lot 75 DP 233101 Lot 74 DP 233101 **71-81 Windang Road , 83-91 Windang Road** **WINDANG (Driving Range)**	30900 m² 37530 m²	9m	1.5:1	Port Kembla Driving Range, including front office, 1 storey structure Mini golf	Wollongong City Council
Lot 157 DP 823249 **Windang Road** **WINDANG (unformed Boundary Road, behind Driving Range)**	9180m²	9m	1.5:1	Cleared, pockets of vegetation	The State of NSW – Crown Land managed by Wollongong City Council
Lot 135 DP 726745 Lot 156 DP 823249 **Windang Road** **WINDANG (land behind Boundary Road)**	24080 m² 25750 m²	9m	1.5:1	Vacant land, some parts vegetated	Illawarra Local Aboriginal Land Council
Lot 501 DP 809609 **Kruger Avenue** **WINDANG**	18300m²	9m	1.5:1	Cleared land/swamp.	Private ownership

Lake Illawarra Hotel site, Windang Road, Windang

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 657240 **193-197 Windang Road WINDANG**	5749m²	9m	1.5:1	Lake Illawarra Hotel Bottle shop	Private ownership

Cedar Avenue and Judbooley Parade, Windang

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 19359 **15 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Brick 1 storey residence	Windang Bowls Club Limited

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 2 Sec 1 DP 19359 **13 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Brick 1 storey residence.	Windang Bowls Club Limited
Lot 3 Sec 1 DP 19359 **11 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Weatherboard 1 storey residence	Windang Bowls Club
Lot 4 Sec 1 DP 19359 **9 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Brick 1 storey residence.	Windang Bowls Club
Lot 5 Sec 1 DP 19359 **7 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Appears to be vacant lot.	Windang Bowls Club
Lot 6 Sec 1 DP 19359 **5 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Fibro 1 storey residence.	Private ownership
Lot 7 Sec 1 DP 19359 **3 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Fibro 1 storey residence.	Windang Bowls Club
Lot 8 Sec 1 DP 19359 **1 Cedar Avenue WINDANG**	474m²	9m	1.5:1	Vacant/informal parking	Private
Lot 2 DP 9944 **15 Judbooley Parade WINDANG**	746m²	9m	1.5:1	Vacant lot.	Wollongong City Council
Lot 101 DP 1195639 **17 Judbooley Parade WINDANG**	555m²	9m	1.5:1	2 storey brick units	NSW Trade & Investment Crown Lands
Lot 102 DP 1195639 **17a Judbooley Parade WINDANG**	134 m²	9m	1.5:1	Vacant	NSW Trade & Investment Crown Lands

Windang Tourist Park Fern Street, Windang

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 133 DP 728047 **Fern Street** **WINDANG**	38490m²	9m	0.5:1	Windang Tourist Park - cabins, caravan and camping accommodation	The State of NSW – Crown Land managed by Wollongong City Council

Dandaloo Hotel/Motel Kanahooka Road, Brownsville

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 8 DP 560853 **336 Kanahooka Road BROWNSVILLE**	19360m²	9m	0.5:1	Dandaloo Hotel/Motel. Drive-through bottle shop, function room, playing field behind. Car park	Private ownership

Yallah Roadhouse Princes Highway, Yallah

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 156657 **Princes Highway YALLAH (Yallah Roadhouse)**	5968m²	9m	0.5:1	1 storey structure – Place of Worship and café (former Yallah Woolshed). 1 storey residence - Yallah House bed and breakfast	Private ownership

Macquarie Place Haywards Bay

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 101 DP 1070495 **2 Macquarie Place HAYWARDS BAY**	3530m²	9m	0.5:1	Service Station	Private ownership
Lot 102 DP 1070495 **6 Macquarie Place HAYWARDS BAY**	2517m²	9m	0.5:1	Food and drink premises	Private ownership

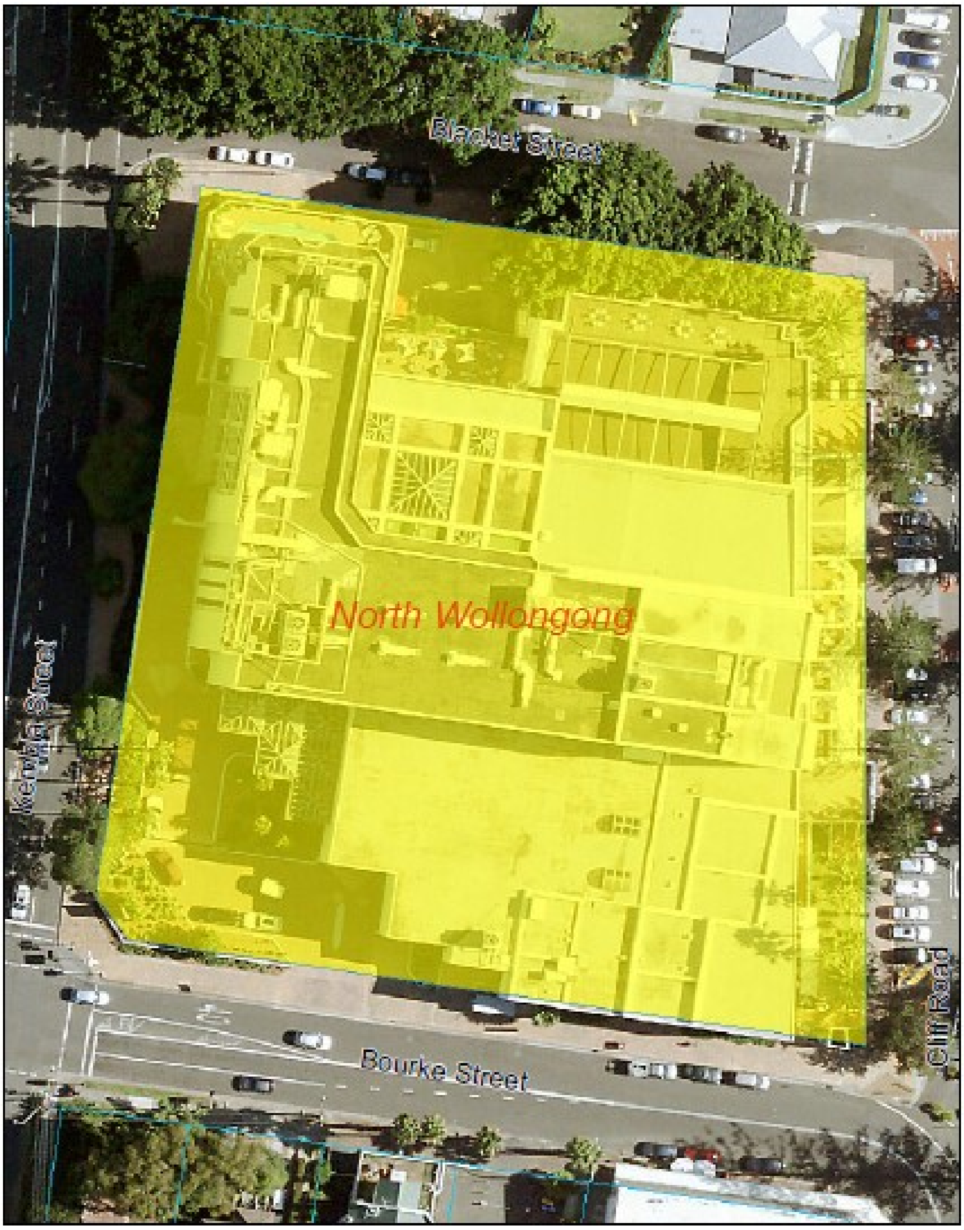
Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1103 DP 1138959 **10 Macquarie Place HAYWARDS BAY**	3455m²	9m	0.5:1	Hungry Jacks	Private ownership
Lot 1104 DP 1138959 **14 Macquarie Place HAYWARDS BAY**	2728m²	9m	0.5:1	Vacant Land	Private ownership
Lot 1105 DP 1138959 **18 Macquarie Place HAYWARDS BAY**	2775m²	9m	0.5:1	Vacant Land	Private ownership
Lot 108 DP 1070495 **1 Macquarie Place HAYWARDS BAY**	1639m²	9m	0.5:1	Vacant Land	Private ownership
Lot 107 DP 1070495 **1 Macquarie Place HAYWARDS BAY**	2958m²	9m	0.5:1	Childcare Centre	Private ownership
Lot 106 DP 1070495 **11 Macquarie Place HAYWARDS BAY**	2130m²	9m	0.5:1	Vacant Land Approved child care DA-2015/1661	Private ownership
Lot 1106 DP 1138959 **22 Macquarie Place HAYWARDS BAY**	7812m²	9m	0.5:1	As above.	Private ownership

Crown and Harbour Streets, Wollongong

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 143 DP 786508 Lot 101 DP 872951 Lot 1 DP 1091530	8693m² 43800 m² 701 m²	24/32m 24/32/ no height 24m/no height	No mapped FSR	WIN Entertainment Centre and WIN Stadium Five Islands Brewery and restaurant/bar	Illawarra Venues Authority

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 7 DP 1091530 Lot 6 DP 1091530 **9-11 Crown Street WOLLONGONG (WIN Entertainment Centre/WIN Stadium)**	198 m² 5 m²	No height No height			
Pt1 Lot 2 DP 1178194 Lot 2 DP 1178194 **Lot 2 Harbour Street WOLLONGONG**	3.49 m² 1016	48m	1.5:1	WIN Entertainment Centre and WIN Stadium	WCC
Lot 96 DP 751299 **9-11 Crown Street WOLLONGONG (Marine Drive Reserve)**	500m²	No mapped height	No mapped FSR	Small triangular parcel of Crown land adjacent to stadium containing cycleway	The State of NSW – Crown Land managed by Wollongong City Council
Lot 90 DP 1024782 **10 Crown Street WOLLONGONG**	715m²	32m	No FSR	Block of flats, heritage item of local significance under WLEP 2009	Private ownership
Lot 10 DP 8952 Lot 11 DP 8952 Lot 1 DP 19434 Lot 2 DP 19434 **12-16 Crown Street WOLLONGONG**	715 m² 715 m² 449 m² 436 m²	32m 32m 24m 24m	No FSR	3 unit blocks, 3 storeys. John Curtin flats.	NSW Land and Housing Corporation
Lot 8 DP 8952 **22 Crown Street WOLLONGONG**	715m²	32m	No FSR	City Beach Motel (2 storeys)	Private ownership
Lot 106 DP 751299 **Harbour Street WOLLONGONG**	25m²	32m	No FSR	Substation	Endeavour Energy Australia

Novotel Northbeach hotel, Cliff Road North Wollongong



Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownership
Lot 1 DP 793327 **2-14 Cliff Road** **NORTH WOLLONGONG**	7784m²	24m	3:1	Novotel Northbeach hotel	Private ownership

Pt Lot 501 DP 112361, Tallawarra

Site	Approximate Area	Max Building height	Floor Space Ratio	Land Use/s	Ownershi p
Pt Lot 501 DP 1129361 **TALLAWARRA**	24835m²	9m	0.5:1/no mapped FSR	The land is currently vacant but its future is subject to a determination of a Major Project applying to the land (MP-2009/131 - new subdivision incorporating residential, commercial, retail, industrial, public open space and environmental management precincts).	Energy Australia

APPENDIX 2 – LIST OF TOURIST ACCOMMODATION FACILITIES

Where current land uses are not consistent with their land use (they may have been approved/permissible under previous environmental planning instruments), redevelopment for the same purpose may be permissible under existing use rights however development potential and intensification will be strictly limited.

(Note: there maybe additional establishments not listed, or some establishments may have closed. Any updates or corrections are welcome).
(Green highlight indicates updates made as a consequence of the 2021 exhibition)

Style	Name	Suburb	Number of rooms	Capacity	Powered sites	Unpowered sites	No Cabins	Total cabin capacity
Hotels and Motels - Budget Motel	Beach Park Motel	NORTH WOLLONGONG	18	51				
Hotels and Motels - Budget Motel	Berkeley Hotel	BERKELEY	13	24				
Hotels and Motels - Budget Motel	Boat Harbour Motel	WOLLONGONG	42	120				
Hotels and Motels - Budget Motel	Nightcap at The Charles Hotel	FAIRY MEADOW	13	34				
Hotels and Motels - Budget Motel	Cabbage Tree Motel	FAIRY MEADOW	36	120				
Hotels and Motels - Budget Motel	Golf Place Inn (formerly Comfort Inn Fairways)	PRIMBEE	30	90				
Hotels and Motels - Budget Motel	Downtown Motel	WOLLONGONG	30	60				
Hotels and Motels - Student	Keiraview Accommodation	WOLLONGONG	24	76				
Hotels and Motels - Mid Market	Totto (formerly UOW, Ibis Wollongong)	WOLLONGONG	150	375				
Hotels and Motels - Budget Motel	Nan Tien Temple Pilgrim Lodge	BERKELEY	95	300				
Hotels and Motels - Budget Motel	Normandie Inn	NORTH WOLLONGONG	17	39				
Hotels and Motels - Hotel 4-4.5 star	Novotel Wollongong Northbeach	WOLLONGONG	204	671				
Hotels and Motels - Budget Motel	Soloman Inn (formerly Sovereign Motel)	FIGTREE	55	132				
Hotels and Motels - Budget Motel	Thirroul Beach Motel	THIRROUL	20	63				

Style	Name	Suburb	Number of rooms	Capacity	Powered sites	Unpowered sites	No Cabins	Total cabin capacity
Hotels and Motels - Budget Motel	Comfort Inn - Towradgi Beach Hotel	FAIRY MEADOW	9	35				
Hotels and Motels - Budget Motel	Elsinor Motor Inn	BROWNSVILLE	25	70				
Hotels and Motels - Budget Motel	The Windmill Motel	WOONONA	31	90				
Hotels and Motels - Mid Market	Quality Suites Pioneer Sands	TOWRADGI	45	138				
Hotels and Motels - Budget Motel	Dandaloo Hotel Motel	BROWNSVILLE	28	98				
Hotels and Motels - Boutique	Surfside 22 (formerly City Beach Motel)	WOLLONGONG	16	64				
Hotels and Motels - Budget Motel	Harp Hotel	WOLLONGONG	21	46				
Hotels and Motels - Budget Motel	Flinders Motel	WOLLONGONG	63	141				
Hotels and Motels - Mid Market	Coniston Hotel	CONISTON	20	40				
Hotels and Motels - Budget Motel	Dicey Riley's Hotel	WOLLONGONG	15	24				
Hotels and Motels - Budget Motel	Piccadilly Motor Inn	WOLLONGONG	33					
Hotels and Motels - Hotel 4-4.5 star	Sage (formerly Chifley)	WOLLONGONG	166	336				
Hotels and Motels - Mid Market	Best Western City Sands - Wollongong Golf Club	WOLLONGONG	22	84				
Hotels and Motels - Budget Motel	The Beaches Hotel	THIRROUL	16	32				
Hotels and Motels - Luxury Boutique	Tumbling Waters Retreat	STANWELL TOPS	5	10				
Hotels and Motels - Luxury Boutique	Coledale Rainforest Retreat	COLEDALE	2	10				
Hotels and Motels - Boutique	Heart and Soul Retreat (Govinda Valley Spiritual Centre)	OTFORD	20	64				
Hotels and Motels - Conference Centre	The Tops Conference Centre	STANWELL TOPS	116	600				
Hotels and Motels - Budget Motel	Helensburgh Hotel	HELENSBURGH	3	8				

Style	Name	Suburb	Number of rooms	Capacity	Powered sites	Unpowered sites	No Cabins	Total cabin capacity
Hotels and Motels - Budget Motel	Five Islands Hotel	CRINGILA	12	24				
Hotels and Motels - Budget Motel	Lakeside Inn at Oasis Resort	WINDANG	41	80				
		TOTAL	**1456**	**4149**				
Serviced Apartments	Headlands Hotel	AUSTINMER	69					
Serviced Apartments	Argo Serviced Apartments	WOLLONGONG	34					
Serviced Apartments	Smith Street Apartments	WOLLONGONG	10	42				
Serviced Apartments	Bel Mondo Apartments	WOLLONGONG	8	20				
Serviced Apartments	Belmore All Suite Hotel	WOLLONGONG	34	102				
Serviced Apartments	Mantra (formerly Best Western) Wollongong	WOLLONGONG	44	164				
Serviced Apartments	Adina Apartment Hotel Wollongong (formerly Medina Executive Apartments	WOLLONGONG	72	144				
Serviced Apartments	Park Street Serviced Apartments	WOLLONGONG	17	59				
Serviced Apartments	Quest Wollongong	WOLLONGONG	42	273				
Serviced Apartments	Sky Accommodation	WOLLONGONG	14	28				
Serviced Apartments	NorthPoint - Apartments	WOLLONGONG	6	28				
Serviced Apartments	Salt Serviced Apartments	WOLLONGONG	24	140				
Serviced Apartments	Sage (formerly Chifley)	WOLLONGONG	10					
Serviced Apartments	Wollongong Serviced Apartments	WOLLONGONG	21	72				

Style	Name	Suburb	Number of rooms	Capacity	Powered sites	Unpowered sites	No Cabins	Total cabin capacity
		TOTAL	**405**	**1072**				
Guest House	Keiraleagh House	WOLLONGONG	12	20				
Backpackers Accommodation	Wollongong YHA	WOLLONGONG	13	32				
		TOTAL	**25**	**52**				
Bed and Breakfast Accommodation	Austinmer Gardens	AUSTINMER	2	4				
Bed and Breakfast Accommodation	Austinmer Sur La Mer	AUSTINMER	1	4				
Bed and Breakfast Accommodation	Glastonbury	AUSTINMER	1	4				
Bed and Breakfast Accommodation	Stanwell Park Tutor Lodge	STANWELL PARK	5	12				
Bed and Breakfast Accommodation	Lake Illawarra Bed and Breakfast	WINDANG	4	10				
Bed and Breakfast Accommodation	Pass and Pause B&B Cottage	THIRROUL	1	4				
Bed and Breakfast Accommodation	Southview Boutique Guest House	BULLI	2	4				
Bed and Breakfast Accommodation	Otford Cottage	OTFORD	2	4				
Bed and Breakfast Accommodation	Otford Valley	OTFORD	1	2				
Bed and Breakfast Accommodation	Coledale BnB	COLEDALE						
Bed and Breakfast Accommodation	Topstay Accommodation	STANWELL TOPS	1	2				
		TOTAL	**20**	**50**				
Holiday Letting	Blue Oyster Beach House	WOMBARRA	1	6				

Style	Name	Suburb	Number of rooms	Capacity	Powered sites	Unpowered sites	No Cabins	Total cabin capacity
Holiday Letting	Grand Pacific Hideaway - Beach House	WOMBARRA	NA					
Holiday Letting	Beach Break Wombarra	WOMBARRA	NA					
Holiday Letting	Cudgeree Bay Guest Houses	WINDANG	3	8				
Holiday Letting	Obsessed by the Sea	WOONONA	1	4				
Holiday Letting	Stanwell Park Beach Cottage	STANWELL PARK	3	7				
Holiday Letting	Sea Breeze Holiday Apartment	THIRROUL	2	4				

		TOTAL	**10**	**29**				
Tourist Parks	Wollongong Surf Leisure Resort	FAIRY MEADOW			36	25	108	564
Tourist Parks	Bulli Beach Tourist Park	BULLI			54	5	30	175
Tourist Parks	Corrimal Beach Tourist Park	EAST CORRIMAL			101	48	44	295
Tourist Parks	Windang Beach Tourist Park	WINDANG			73	0	29	145
Tourist Parks	Coledale Camping Reserve	COLEDALE			5	44		
		TOTAL	**0**	**0**	**269**	**122**	**211**	**1179**
		GRAND TOTAL	**1916**	**5352**	**269**	**122**	**211**	**1179**

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Wollongong City Council

Tourism Accommodation Review Strategy

Draft July 2024

Contents

Tables

1. INTRODUCTION

Tourism is an important part of Council's *Economic Development Strategy (2019-2029).* Increased visitation, especially overnight visitors, has a positive benefit to the local economy through increased expenditure which supports local businesses and jobs.

Wollongong currently has some 74 tourist accommodation establishments within the Local Government Area (LGA), providing an estimated 1,924 rooms, 211 cabins and 269 powered and 122 unpowered camping and caravanning sites each night, which can cater for over 5,400 guests. There are also 854 premises registered providing Short-term Rental Accommodation.

The available accommodation is summarised in Table 1.1.

Table 1.1 Accommodation summary

	Number of establishments	Number of rooms available	Guest Capacity	Number of Powered sites	Number of Unpowered sites	Number of Cabins	Cabin guest capacity
Backpackers Accommodation	1	13	32				
Bed and Breakfast Accommodation	11	20	50				
Holiday Letting	7	10	29				
Serviced Apartments	14	413	1164				
Tourist Parks	5			269	122	211	1179
Hotels and Motels - Budget Motel	24	682	1745				
Hotels and Motels - Hotel 4-4.5 star	2	370	1007				
Hotels and Motels - Mid Market	4	237	637				
Hotels and Motels - Conference Centre	1	116	600				
Hotels and Motels - Student	1	24	76				
Hotels and Motels - Luxury Boutique	2	7	20				
Hotels and Motels - Boutique	1	20	64				
Guest House	1	12	20				
Total	**74**	**1924**	**5444**	**269**	**122**	**211**	**1179**
Short-term rental accommodation	854						

On 28 June 2021, Council endorsed the draft Tourism Accommodation Review – Discussion Paper for exhibition. The draft Discussion Paper reviews the planning controls that affect tourism accommodation. Tourism accommodation venues occur throughout the LGA, although are concentrated around the Wollongong City Centre. Different forms of Tourism accommodation are permissible in many zones under the Wollongong LEP 2009. The SP3 Tourist zone is partially used for tourism accommodation.

The draft Discussion Paper was exhibited from 19 July 2021 to 30 September 2021 and 9 submissions were received. Advice from a further 20 establishments confirmed or updated the accommodation capacity data, and 10 owners advised that their premise was no longer used for visitor accommodation. Since then, one establishment has reopened, Council has approved development applications for 8 new hotel accommodation venues, although only 1 has commenced construction, and is assessing 2 other development applications.

Also informing the Review was a Tourist Accommodation Roundtable held in May 2024, which provided an opportunity for invited stakeholders with an interest in tourism accommodation to share their experiences and expertise. Participants very generously took the time to discuss barriers and opportunities that would support more investment in tourist accommodation development in the city.

Some of the feedback provided included:

- More rooms and beds are required to attract and support major events and conferences, including one or two 5 star or equivalent hotels
- Acknowledged that a number of approved development applications for hotels had not progressed to construction
- Nature of tourist accommodation is changing towards more mixed use developments
- Wollongong CDB is primarily a weekday business and conferencing market
- Hotel feasibility is challenging due to a range of factors, including high land and construction costs, holding costs before operational cashflow kicks in, and competition with higher yielding uses.
- General support for incentives flagged in discussion paper, however encouraged Council to consider more opportunities:
  - bonus/incentive provisions supported for hotel investment, including specific controls for targeted sites
  - rezoning additional CBD sites to SP3 Tourist not supported
- A broader tourism marketing strategy would further support the tourist accommodation sector
- Consider tourism opportunities on public land holdings.

The draft Discussion Paper has been updated to reflect the feedback and changes in State planning policy and is available to provide background to the draft Strategy. This draft Tourism Accommodation Review Strategy has been prepared to guide possible amendments to land use planning controls to incentivise and support the retention of and development of new tourism accommodation across the City.

2. DRAFT TOURISM ACCOMMODATION STRATEGY

Wollongong currently contains a good variety of accommodation at different price points and markets (Table 1.1). However, Wollongong is lacking a 5 or 6 star hotel facility which is considered a significant gap in the market that supports corporate visitation.

Industry feedback is that Wollongong also lacks the required number of rooms / beds to attract major events and conferencing. While not quantified, this strategy seeks to provide a land use planning framework that supports investment in more hotel keys (rooms).

As a regional city, businesspeople visit Wollongong during the week for work trips, training, and conferences. There are opportunities for greater mid-week visitation underpinned by the recent increase in A-grade office space attracting visitation by corporates as well as the public and private hospitals, Wollongong University and TAFE attracting visitation by professionals who need accommodation during their stay.

On the weekend, Wollongong's proximity to Sydney means that for many people, Wollongong is an easy day trip to visit family and friends, attend an event or enjoy our local attractions.

Council would like to maximise the economic and employment benefit of increased visitation and would like to convert weekend day trips into overnight stays so visitors spend more and enjoy what Wollongong has to offer.

The attraction of and investment in tourist infrastructure is a shared opportunity across all tiers of government, industry associations and the development / investor sector. Council's roles in tourism accommodation, extend to the following:

- Manages planning controls that permit and guide tourist accommodation venues and protect the surrounding amenity. Council must balance the demand and need for accommodation with other land uses.
- Assesses development applications for tourism accommodation and activities.
- Manages 3 tourist parks and a campground.
- Promotes tourism and events through Destination Wollongong
- Enables and supports events on community land, including markets, festivals, and sporting events.
- Manages beaches and some natural areas, which are significant attractors to visitors.

The draft Tourism Accommodation Review and this draft Strategy focus on the first role, the provision of planning controls to support investment in hotels. Broader tourism promotion activities would build on this focus and consider matters such as branding, marketing, promotion, and product development.

2.1 TOURISM ACCOMMODATION OBJECTIVE AND STRATEGIES

The following tourism accommodation guiding objective is proposed:

To increase the number of tourism accommodation beds available in Wollongong LGA. This will be achieved by:

a. *Retaining, upgrading and expanding existing hotel and motel accommodation*
b. *Targeting the establishment of two new 5 star or equivalent hotel in the Wollongong City Centre*
c. *Enabling new tourism accommodation opportunities on existing SP3 Tourism zone sites*

To progress the objective, the following strategies are proposed:

1. Provide incentives through planning controls, for the development of at least two 5 star or equivalent accommodation venues within Wollongong City Centre within 5 - 10 years.
2. Continue to permit and encourage a range of accommodation types throughout the LGA.

3. Through planning controls, encourage the retention and upgrading of existing accommodation facilities.
4. Incentivise through planning controls, an increase in the number of rooms available.
5. Prevent tourist accommodation being out-competed by residential development, by not permitting residential development in the SP3 Tourist zone
6. Review the planning controls of the SP3 Tourist zone to ensure it is fit for purpose, including the land use table, height controls, floor space ratio and associated development controls.
7. Monitor the number and percentage of short-term rental accommodation available, and impact on long-term rental accommodation.

2.2 Tourism Accommodation Types

The Wollongong LEP 2009 defines tourist and visitor accommodation as *a building or place that provides temporary or short-term accommodation on a commercial basis, and includes any of the following—*

(a) backpackers' accommodation,

(b) bed and breakfast accommodation,

(c) farm stay accommodation,

(d) hotel or motel accommodation,

(e) serviced apartments,

but does not include—

(f) camping grounds, or

(g) caravan parks, or

(h) eco-tourist facilities.

The later 3 land uses are still forms of visitor accommodation but are not included in the broader parent definition.

In addition, Short-term Rental Accommodation is separately defined under the Housing SEPP 2021 to mean:

> ***short-term rental accommodation** means a dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period.*

It is divided into hosted and non-hosted accommodation, defined as:

> ***hosted short-term rental accommodation** means short-term rental accommodation provided where the host resides on the premises during the provision of the accommodation.*

> ***non-hosted short-term rental accommodation** means short-term rental accommodation provided where the host does not reside on the premises during the provision of the accommodation*

This part of the strategy will consider whether changes to planning controls need to be made to each of the different forms of accommodation. It is noted that full merit-based assessment would be undertaken on any development application lodged.

2.2.1 Backpacker Accommodation

There is currently one backpacker facility approved in the LGA. Due to the proximity to Sydney, and the nature of the local tourism experience, Wollongong is not high on backpackers' itinerary. As a result, there does not appear to be demand for additional establishments. Nevertheless, we want to support this form of accommodation in appropriate locations if there is demand in the future.

It is proposed that the backpacker accommodation use remain a permissible land use in the R3 Medium Density Residential, E1 Local Centre, E2 Commercial Centre, E3 Productivity Support and SP3 Tourist zones.

No LEP or DCP changes are proposed.

2.2.2 Bed and Breakfast Accommodation

There are currently 11 bed and breakfast accommodation facilities in the LGA. The permissibility of short-term rental accommodation through the SEPP Housing has provided an alternate, easier approval pathway for a dwelling to be used for accommodation. The most recent development approval for a bed and breakfast was in 2022 and it is anticipated that Council will receive very few development applications in the future for the use.

To provide opportunities for this form of accommodation should there be interest in the future, it is proposed that bed and breakfast accommodation remain a permissible land use in the RU2 Rural Landscapes, RU4 Primary Production Small Lots, R1 General Residential, R2 Low Density Residential, R3 Medium Density Residential, E1 Local Centre, E2 Commercial Centre, MU1 Mixed Use, SP3 Tourist, C3 Environmental Management and C4 Environmental Living zones.

No LEP or DCP changes are proposed.

2.2.3 Farm Stay Accommodation

Two Farm Stay accommodation facilities have been approved in the LGA with the most recent approval in 2015, however, it appears that neither site is operating. The use is permitted in the Rural and Environmental Management zones.

The Agri-tourism reforms through the Code SEPP, permits Farm Stay accommodation as either exempt or complying development if the specified development standards are satisfied. The permissibility is guided now by SEPP (Exempt and Complying Development) 2008 (part 2 subdivision 16E and Part 9 division 4).

Similar to Bed and Breakfast Accommodation, the permissibility of short-term rental accommodation through SEPP Housing 2021 has provided an alternative, easier pathway for a dwelling to be used for accommodation. It is anticipated that Council will not receive many development applications for Farm Stay Accommodation.

The draft Tourism Accommodation Discussion paper had suggested that farm stay accommodation could be removed as a permitted use in the rural and environmental conservation zones, as the use is now permitted as exempt and complying development via the SEPP. However, removing the use would preclude development applications being lodged with Council for proposals that don't comply with the complex development standards in the SEPP. On this basis, we proposed to retain farm stay as a permitted use to provide a local merit-based planning pathway if required.

No LEP or DCP changes proposed.

2.2.4 Hotel and Motel Accommodation

There are 35 hotel and motel accommodation facilities in the LGA providing a range of accommodation choices from budget to luxury boutique. The Hotel and motel accommodation use is currently a permissible land use in the E1 Local Centre, E2 Commercial Centre, MU1 Mixed Use, SP3 Tourist zones.

Within the Wollongong City Centre, there have been eight applications approved for additional hotel accommodation and two development applications are under assessment that propose three separate hotels. Of the eight applications approved, only one site is under construction. One consent has lapsed, two of the sites have been subject to subsequent development applications which do not include tourism accommodation and has not commenced on two sites.

In talking to industry, we understand that some of the barriers to hotel development include –

- Cost of financing and current interest rates
- Cost of construction
- Need for cross-subsidisation by other uses
- Return on investment / cash flow commencing occurring at opening of the hotel

- Having an arrangement with an international Hotel brand does not provide additional cash flow for construction

The Discussion paper identified the need to incentivise the retention or redevelopment of existing hotel and motel accommodation and the provision of new accommodation facilities. In response to the matters raised, the following amendments are proposed –

- Wollongong LEP 2009:
    - Make *hotel and motel accommodation* permissible in the R1 General Residential zone. This land use zone is located around the Wollongong City Centre, in Wollongong and North Wollongong and would provide for greater permissibility of hotels and motels in the City Centre; close to major services, attractions (such as restaurants, city beaches/parks, the harbour and nightlife) and transport. This action could assist in stimulating investment in the city centre and support the local tourism industry, fostering competition and addressing supply. This change would also ensure that should existing tourist accommodation developments located in the R1 zone wish to redevelop or intensify their use this would be permissible (subject to development consent).
    - Make *hotel and motel accommodation* permissible in the R2 Low Density Residential zone. This would make a number of existing motels across the LGA which are located in R2 Low Density Residential zones as permitted land uses. It may also encourage additional facilities to be established.
    - permit an additional floor space ratio of 0.5:1 for Hotel and Motel Accommodation in the R1 General Residential and R2 Low Density Residential zones
    - permit an additional floor space ratio of 2:1 for Hotel and Motel Accommodation in the City Centre E2 Commercial Centre, MU1 Mixed Use zones. The bonus FSR provision would not be available to mixed use developments.
    - consider rezoning some sites where the existing Tourism Accommodation use is not currently permitted to another zone.
- Wollongong DCP 2009
    - Clarify and reduce parking rate, to remove inconsistency
- Wollongong City-wide Development Contributions Plan:
    - It is proposed that development contributions for Hotel and Motel Accommodation (or that component in mixed use developments) be deferred until Occupation Certificate. This will assist the cash flow of hotel developments which don't have pre-sales like residential development.

2.2.5 Serviced Apartments

There are 14 Serviced Apartment developments, 13 of which are in the Wollongong City Centre. The Serviced Apartment use is currently a permissible land use in the R1 General Residential, R3 Medium Density Residential, E1 Local Centre, E2 Commercial Centre, MU1 Mixed Use, and SP3 Tourist zones.

In response to the matters raised, the following amendments are proposed –

- Wollongong LEP 2009
    - Clause 4.4A(6) City Centre – move serviced apartments from being considered as residential FSR to commercial FSR
- Wollongong DCP 2009
    - Clarify and reduce parking rate – same as Hotel and Motel Accommodation

2.2.6 Short-term rental accommodation

Short-term rental accommodation supports the tourist economy by providing additional accommodation options for visitors. In April 2024 there were 854 registered short-term rental accommodation (STRA) premises in the LGA. Of these, 434 premises offered hosted accommodation and 420 premises non-hosted accommodation. Under current legislation, hosted and non-hosted STRA premises can operate for 365 days per year, although some Councils have reduced that number to 180 days and Byron Shire Council has a 60 day limit in some suburbs.

The flip side is that short-term rental accommodation (especially for non-hosted accommodation) does reduce the number of properties available for longer term rental accommodation. However, at less than 1% of housing stock, Wollongong does not have the high number or percentage of short-term rental accommodation dwellings that is the case in some other coastal holiday regions.

In February 2024 the Department of Planning, Housing and Infrastructure released a discussion paper on Short and Long-term Rental Accommodation. The discussion paper noted some of the positives and negative aspects of STRA and discussed what other States and countries are doing. The discussion Paper sought input and did not propose any changes.

Council officers made a submission to the Department which (in summary):

- outlined the number and distribution of STRA in the LGA (at the time)
- Noted the impact on the viability and feasibility of existing and proposed accommodation facilities
- Noted the benefits of the visitor accommodation
- suggested a moratorium of the use of properties for STRA given the current housing crisis and lack of accommodation for renters and key-workers.
- suggested that the use be inserted into the Standard LEP Instrument, to enable Council to determine local policy settings.

The Department may propose changes to the rules for STRA following its consideration of submissions received. At the moment, Council has no legislative responsibility, resources or authority to monitor and enforce for short-term rental accommodation requirements.

At this stage, the Department has not announced the findings of the review and as such no changes to our planning policies are proposed. Further review of the settings for short term rental accommodation may be considered following the outcome to the Department's review.

2.2.7 Camping grounds and caravan parks

There are four caravan parks and one camping areas in the LGA (excluding National Parks), of which 3 tourist parks and the Coledale Beach campground are managed by Council.

The use is permitted in the SP3 Tourist, RE1 Public Recreation and RE2 Private Recreation zones.

The tourist parks managed by Council are on Crown Reserves and Council is required to prepare Crown Land Plans of Management for these reserves.

The use of Council or Crown Land for pop-up camp sites to provide event accommodation is supported. For example, Bulli Showground provides a camping option for the Bulli Folk Festival, and camping / glamping options were available for the UCI World Road Cycling championships.

The provision of pop-up sites needs to comply with the Local Government (Manufactured Homes Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2021 and guidelines to ensure the health and safety of users. For example, adequate toilets and amenities, fire safety and waste management. The site may also need to be rehabilitated post event. Council needs adequate time to assess any development application prior to an event.

The current approach to the provision and permissibility of camping grounds and caravan parks are appropriate for current requirements.

No LEP or DCP changes are required or proposed. Council has prepared Plans of Management for Council land and some Crown Reserves which would enable temporary use. The preparation of Plans of Management for the three Crown Reserves which contain the tourist park, and the Bulli Tops Crown Reserves is scheduled to occur over the next 1-2 years.

2.2.8 Eco-tourism accommodation

Eco-tourism accommodation is not currently permitted in the LGA. Two establishments were approved under the previous Wollongong LEP 1990.

There are very few locations in the LGA where a genuine eco-tourism facility could be established. Council would not support the clearing of bushland to enable a facility to be established, or to satisfy Bush Fire Asset Protection Zone requirements. A large facility would also need to be connected to the reticulated infrastructure networks (power, water, sewerage).

The other accommodation definitions provide a range of options and zones for accommodation uses to be established, which also could be promoted as “eco” friendly.

Standard Instrument clause 5.13 Eco-tourist facilities provides development assessment criteria for eco-tourist facilities so that they maintain the environmental and cultural values of the land, and are designed sensitively with the environment. The clause is not currently included in Wollongong LEP 2009. Given the limited availability of locations that may be appropriate for Eco-tourist facilities in the Wollongong LGA, it is not proposed to introduce clause 5.13 Eco-tourist facilities into the LEP.

Council will consider site specific Planning Proposals for any genuine eco-tourism proposal. If Council supports the preparation of a Planning Proposal, clause 5.13 could be introduced into the LEP through that process.

No LEP or DCP changes are proposed.

2.3 Existing Accommodation Facilities

The draft Tourism Accommodation Review found that 13 of the 74 existing tourism establishments are located in land use zones which do not permit the current accommodation use. These establishments would have been approved under older planning legislation, when the use was permitted or pre-date planning legislation.

- A number of motels across the LGA are located in R2 Low Density Residential zones including: Thirroul Beach Motel, Elsinor Motel (Brownsville) and the Windmill Motel (Woonona). These motels are older developments approved between the 1960s and 1980s. The current residential zoning is appropriate for these sites given surrounding land uses are primarily detached housing.

  It is proposed that the Hotel and Motel Accommodation use be permitted in the R1 General Residential and R2 Low Density Residential zones. The proposed bonus FSR provision is aimed to encourage the retention and expansion of existing premises and allow investment. Alternatively, consideration could be given to rezoning the sites to another zone such as SP3 Tourist, however this option was not supported by representatives at the May 2024 Roundtable.

  Proposal: Permit Hotel and Motel accommodation in the R1 General Residential and R2 Low Density Residential zones. Merit based development assessment process will assess site suitability of any proposals.

- Tumbling Waters Retreat is a luxury accommodation provider located at Lot 1 DP 213308 (Stonehaven Road) Stanwell Tops. It has been operating since 2002 and offers conference/function facilities and a licensed restaurant/private dining facility. A number of development applications relating to this use on the site have been approved. The site is currently zoned C2 Environmental Conservation. The C2 zoning does not permit accommodation uses. The site is also listed as containing a local heritage item.

  Proposal: Permit Hotel and Motel accommodation as an additional permitted use on the site

- The Tops Conference Centre and Accommodation at Stanwell Tops (Lots 2 and 3 DP 541421) has a split zoning of C2 Environmental Conservation and C3 Environmental Management. The site caters for groups of up to 600 persons, and has a range of educational and recreational (outdoor) facilities. The current zoning does not permit the accommodation development. Most of the accommodation is located on the southern Lot 3 DP 541421 on land zoned C3 Environmental Management.

  Proposal: Permit Hotel and Motel accommodation as an additional permitted use on Lot 3 DP 541421 on land zoned C3 Environmental Management.

- The Govinda Valley Spiritual Retreat and accommodation at Otford (Lot 1 DP 190250) is zoned part C2 and part C3. The zoning was reviewed as part of the Review of former 7(d) land in Helensburgh, Otford and Stanwell Tops over a number of years, which recommended the retention of the C3 zone.

Proposal: Permit Hotel and Motel accommodation as an additional permitted use on the site on Lot 1 DP 190250 zoned C3 Environmental Management.

The rezoning of sensitive bushland sites in the Illawarra Escarpment, Escarpment Plateau, Sydney Drinking Water Catchment or the Hacking River catchment to SP3 Tourism or to permit new tourist accommodation facilities, including eco-tourism, is not supported. The escarpment and bushland are part of the attraction of Wollongong and should be protected to ensure it can be enjoyed by future generations. The potential economic and employment benefits of tourist accommodation, shouldn't override the existing conservation values.

2.4 SP3 Tourist zone

The draft Tourism Accommodation Review found that land zoned SP3 Tourism was being used for a variety of purposes, some related to tourism. Some sites have uses inconsistent with the SP3 zone where an alternative zone maybe more appropriate. For example:

- Sites used for residential uses
- Sites used for retail uses
- Sites used for recreational uses
- Sites containing significant bushland

A review of all the existing SP3 Tourist zone sites was undertaken, and for each site a direction regarding the appropriateness of the zone in that area given the current uses and desired future uses has been proposed.

The sites are divided into three (3) tables, based on the principle that sites which already provide accommodation should be encouraged / incentivised to provide additional accommodation, followed by encouraging accommodation to be provided on other sites zoned SP3 Tourist.

- Table 2.1 – sites with existing accommodation. Consider options to retain accommodation or provide additional accommodation.
- Table 2.2 – sites that don't current contain accommodation – and where there may be an opportunity for accommodation.
- Table 2.3 – sites that are currently vacant, – and where there may be an opportunity for accommodation.

The proposed changes are linked to the Accommodation Review or minor housekeeping amendments. Changes have not been proposed relating to other strategies or issues. Landowners can lodge a Scoping Proposal and subsequent Planning Proposal with Council for a more detailed review and assessment.

Table 2.1 Review of existing SP3 Tourist sites – with existing accommodation uses

SP3 Precinct / site	Accommodation opportunity	Constraints, comments	Proposal
Headlands Hotel, Austinmer	Additional accommodation	Reviewed in 2014 as part of Planning Proposal and DCP chapter	No change proposed
Novotel, North Wollongong	Additional accommodation	24m building height limit. Current building has approximated 32m height. Increased overshadowing of North Beach and State Heritage listed items.	Review current 24m building height limit.

SP3 Precinct / site	Accommodation opportunity	Constraints, comments	Proposal
Quality Suites at Fairy Meadow	Developed – no additional opportunity	9m Building height Flooding	Review current 9m building height limit to align with existing development.
25 Carters Lane, Fairy Meadow - Residential strata development	Developed – no additional opportunity	9m Building height Flooding	Rezone to R3 medium Density Residential and review building height to align with existing development.
Towradgi Beach Hotel	Hotel or motel accommodation	9m Building height Flooding	Opportunity to review building height on part of the site to enable a hotel development.
Lake Illawarra hotel, Windang	Developed – no additional opportunity	9m Building height Flooding	No change proposed
Fairways, Golf Place, Primbee	Additional accommodation	9m Building height Flooding	No change proposed
Dandaloo Hotel Motel, Brownsville	Additional accommodation	9m Building height Flooding	No change proposed
Solomon Inn, Figtree	Additional accommodation	9m Building height Flooding	No change proposed
Wollongong Surf Leisure Resort at Fairy Meadow	Hotel or motel to provide additional accommodation	9m Building height Flooding	No change proposed
Bulli Tourist Park Corrimal Tourist Park Windang Tourist Park	Hotel or motel to provide additional accommodation option. 9m height limit would enable 2 storey development	Crown Land - Plan of Management required. 9m Building height. Commercial operator to build and manage	Consider opportunity in the preparation of draft Crown Land PoM.

Table 2.2 Review of existing SP3 Tourist sites – not currently containing accommodation uses

SP3 Precinct / site	Accommodation opportunity	Constraints	Proposal
Symbio Wildlife Park at Helensburgh	Camping, glamping	Infrastructure	No change proposed
Woonona-Bulli RSL club at Woonona, and vacant land (former service station)	Hotel, motel accommodation	9m height limit, flooding	No change proposed
Wests Illawarra, Central Rd, Unanderra - Registered club, Fire station	Hotel, motel accommodation.	15m height limit 1.5:1 FSR, Flooding	No change proposed
Hellenic Club, Princes Highway, Figtree	Hotel, motel accommodation.	Flooding	No change proposed
Figtree baby Health Clinic (Council land) - 9 Princes Highway, Figtree	Nil		Rezone to RE1 consistent with adjacent Figtree park

SP3 Precinct / site	Accommodation opportunity	Constraints	Proposal
5-7 Princes Highway, Figtree	Strata Residential development		Rezone to R2 Low Density, with 9m height limit and 0.5:1 FSR
Bottle shop, 49 Princes Highway, Figtree (Lots 4,5,6 DP 788652)	No suitable available land, with current development	Flooding	Change western part, adjacent to Highway, to E1 – consistent with land to the north. Considered C3 zone for riparian land
Windang Bowling Club, Judbooley Parade, Windang	Hotel, motel accommodation	9m height limit Flooding	No change proposed
Haywards Bay - Highway Service Centre, developed land (see table 4 for vacant land)	No suitable available land, with current development		No change proposed
Yallah woolshed - Place of worship, Café (used as an event space)	Nil - no available land		No change proposed
Bus depot, Princes Highway, Figtree	Could be redeveloped for hotel or motel accommodation		No change proposed
Mt Keira Summit Park (part of) - Kiosk, car park, lookouts	No available land	Infrastructure, Bush fire, Environmental and cultural values	No change proposed. Reviewed as part of Mt Keira Summit Park Plan of Management
Cliffhanger, Bulli Tops - Cafe	No available land, unless C2 land rezoned	Infrastructure, Bush fire	No change proposed
Gateway Centre, Bulli Tops - Visitor centre, parking	Limited available land	Infrastructure, Bush fire	No change proposed
Sublime Point, Maddens Plains - Cafe	Camping, glamping	Infrastructure, Bush fire, Environmental and cultural values	Rezone bushland area to C2
Panorama Hotel, Maddens Plains - Function Centre	Hotel or motel accommodation, glamping	Infrastructure, Bush fire	No change proposed
Illawarra Sports and Entertainment Precinct (Win Entertainment Centre and Football Stadium) and adjacent sites	Nil onsite Hotel on surrounding land	Existing residential development. Adjacent heritage item. Building height limit	Opportunity to increase height limit to 32m on Entertainment Centre and 12-16 Crown St

Table 2.3 Review of existing SP3 Tourist sites – currently vacant sites

SP3 Precinct / site	Accommodation opportunity	Constraints	Proposal
Woodrow Place (road reserve) Figtree	Nil		Rezone to E3 - consistent with land to the north
Haywards Bay - Highway Service Centre, vacant land	Highway motel		No change proposed
Tallawarra point (Yallah) - Bushland	Identified for future tourism use.	Infrastructure. Height limit	No change proposed.
Kully Bay, King St, Warrawong - Recreation, vacant land	Hotel, motel, camping	NSW Government ownership. Masterplan announced to be prepared	Retain SP3 – review following State's masterplan
Windang Rd / Kruger Ave - Vacant land	Hotel, motel	Contamination, flooding, 9m height limit	No change proposed
15 and 17 Judbooley Parade, Windang	Nil	Crown Land (park)	Change to RE1 (to reflect public recreation status)

2.5 Development Control Plan Chapter

The Wollongong DCP 2009 does not have a Tourism uses chapter. Chapter C4 applies to development applications for Caravan Parks, Camping Grounds and Manufactured Home Estates.

Given the low number of development applications, a specific development control plan chapter has not been a priority.

In DCP Chapter C3 Car Parking and Access, the Tourist and Visitor Accommodation rate should be clarified to indicate that it excludes the more specific tourism accommodation rates, such as hotel and motel accommodation.

Wollongong DCP 2009 Chapter E3 currently lists parking rates for Tourist and Visitor Accommodation, as well as different rates for the sub-uses of backpacker accommodation, bed and breakfast accommodation and hotel or motel accommodation. This creates some confusion as to which rate should be applied.

Table 2.4 Current car parking rates

Land Use	Car Parking Requirements	Bicycle Parking Requirements	Motorcycle Parking Requirement	Delivery / Service Truck Requirement
Backpackers accommodation	*City wide:* 1 car parking space per 2 staff plus 1 car parking space per 5 beds	1 bicycle space per 5 beds plus 1 car parking space per staff member	1 motor cycle space per 25 car parking spaces	NA
Bed and breakfast accommodation	*City wide:* As per dwelling house plus 1 car parking space per guest bedroom	NA	1 motor cycle space per 10 guest bedrooms	NA
Tourist and visitor accommodation	*City wide:*	NA	1 motor cycle space per 10	Small Rigid Vehicle

Land Use	Car Parking Requirements	Bicycle Parking Requirements	Motorcycle Parking Requirement	Delivery / Service Truck Requirement
	1 car parking space per 2 staff members plus 1 car parking space per apartment / unit		apartments / units	
Hotel or motel accommodation	*City wide:* 1 car parking space per 2 staff members plus 1 car parking space per unit / apartment *Wollongong City Centre:* 1 car parking space per 4 staff plus 1 car parking space per motel unit or 0.5 car parking space per hotel unit / apartment Zones E2 Commercial Core and MU1 Mixed Use in Wollongong city centre (as per WLEP): 1 car parking space per 40m2 GFA, where the hotel or motel accommodation is not strata subdivided If a restaurant is included in the hotel / motel which is available to the general public, then an additional 15 car parking spaces per 100m2 GFA of the restaurant shall be included	NA	1 motor cycle space per 25 car parking spaces	>15 units/ apartments – Large Rigid Vehicle
Caravan park	*City wide:* 1 car parking space per site Note: In accordance with Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005	NA	NA	Large Rigid Vehicle (Waste collection trucks and Coaches)

The specific rates are more appropriate for each use and should be applied.

The following amendments are proposed:

- The Tourist and Visitor Accommodation general rate should be deleted and the specific rates used.
- The motor cycle rate for Bed and Breakfast Accommodation is not required and should be deleted.
- Require electric vehicle charging space to be at least 1 of the spaces, more for larger developments
- Remove City Centre hotel 1/40m2 parking rate, which is higher than 0.5/room rate
- Introduce a Serviced Apartment parking rate consistent with the hotel rate.
- Introduce a parking rate for Farm-stay accommodation of 1 space per bedroom (the same as Bed and Breakfast accommodation)

2.6 Wollongong City-wide Development Contribution Plan

To incentivise new Hotel accommodation, it is proposed that the Wollongong City-wide Development Contribution Plan 2024 be amended to enable new hotel developments to pay development contributions at Occupation Certificate stage, rather than at Construction Certificate. This will assist the cash flow of hotel developments which don't have pre-sales like residential development.

Council may also consider a reduction to the development contribution for commercial only developments (including hotels) in the City Centre to 1% of the development cost (instead of 2%).

3 IMPLEMENTATION

Implementation of the recommendations of the draft Strategy will require amendments to the Wollongong Local Environmental Plan (LEP) 2009, Wollongong Development Control Plan (DCP) 2009, Wollongong City-Wide Development Contribution Plan 2023 and Plans of Management.

3.1 WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009 AMENDMENTS - PLANNING PROPOSAL

3.1.1 Land Use table amendments

Make the following amendments to the Land Use Tables:

- R1 General Residential zone - make *hotel and motel accommodation* a permissible use
- R2 Low Density Residential zone - make *hotel and motel accommodation* a permissible use

3.1.2 Clause amendments

Introduce a new clause that introduces a floor space ratio (FSR) bonus in the following zones:

- R1 General Residential zone - an additional 0.5:1 for existing and proposed hotel and motel accommodation, which would increase FSR to 2:1.
- R2 Low Density Residential zone - an additional 0.5:1 for existing and proposed hotel and motel accommodation, which would increase FSR to 1:1.
- E2 Commercial Centre - an additional 2:1 for existing and proposed hotel and motel accommodation, and backpacker accommodation.
- MU1 Mixed Use - an additional 0.5:1 for existing and proposed hotel and motel accommodation, and backpacker accommodation.

Amend clause 4.4A Floor space ratio—Wollongong city centre by deleting “or serviced apartments or a combination of such uses” from subclause (6). This will allow serviced apartments to be considered as commercial developments, rather than residential developments, in terms of floor space ratios.

3.1.3 Schedule 1 - Additional Use sites

Permit Hotel and Motel accommodation as an additional permitted use on the following sites:

- Tumbling Waters Retreat located at Lot 1 DP 213308 (Stonehaven Road) Stanwell Tops
- The Tops Conference Centre and Accommodation at Stanwell Tops (Lot 3 DP 541421) on the C3 Environmental Management zoned land
- The Govinda Valley Retreat and accommodation at Otford (Lot 1 DP 190250) on the C3 Environmental Management zoned land

3.1.4 Map amendments

The zoning and associated development standards for the following sites, currently zoned SP3 Tourist, are proposed to be amended.

Table 3.1 Possible LEP map amendments

Precinct / site	Current land use	Proposal
Kully Bay, King St, Warrawong	Recreation, vacant land	Review following completion of State's masterplan
Figtree	Bottle shop Woodrow Place (road reserve	• Change to E1 – consistent with land to the north • FSR 0.75:1 • Height 11m (no change) • Min Lot Size – Nil (no change) • Change to E3 - consistent with land to the north • FSR nil • Height 9m (no change) • Min Lot Size nil (no change)
Sublime Point, Maddens Plains	Café & bushland	Rezone the bushland area to C2
15 and 17 Judbooley Parade, Windang	Open space	Change to RE1 • FSR Nil • Height 9m • Min Lot Size Nil
Fairy Meadow Lot 2 DP 1150670 25 Carters Lane	4 residential flat buildings (existing)	Change to R3 • FSR 1.5:1 (no change) • Height 12m Min Lot Size Nil (no change)

3.2 Wollongong Development Control Plan 2009 amendments

Amend the following parking rates in Wollongong DCP 2009 - Chapter C3 - Car Parking and Access:

- The Tourist and Visitor Accommodation general rate should be deleted and the specific rates used.
- The motor cycle rate for Bed and Breakfast Accommodation is not required and should be deleted.
- Require electric vehicle charging space to be at least 1 of the spaces, more for larger developments
- Remove City Centre hotel 1/40m2 parking rate, which is higher than 0.5/room rate
- Introduce a Serviced Apartment parking rate consistent with the hotel rate.
- Introduce a parking rate for Farm-stay accommodation of 1 space per bedroom (the same as Bed and Breakfast accommodation)

3.3 Wollongong City-wide Development Contribution Plan 2024

Amend the Plan to enable new hotel accommodation development applications to pay development contributions at occupation certificate, rather than construction certificate stage.

3.4 Plans of Management

As part of the preparation of Plans of Management required for the Crown Reserves that contain the 3 tourist parks consider whether other forms of accommodation should be allowed.

As part of the preparation of a Plan of Management required for the Sublime Point, Bulli Tops Crown Reserve consider whether camping / glamping should be a permitted use.

3.5 INCENTIVES AND BONUSES NOT TRANSFERRABLE

Any concessions, incentives or bonuses offered by Council and approved through the development assessment process are not transferrable to other development proposals. If Council issues development consent for a hotel development with additional floor space, reduced car parking and deferred development contributions, these incentive measures do not transfer to another form of development if the hotel does not proceed or the development is constructed and change is subsequently sought. While the built form may not be able to be modified, extra car parking for residential development will be required. Compliance with the Apartment Design Guide and relevant National Construction Code will also be expected.