

## ITEM 3 POST EXHIBITION - TOURISM ACCOMMODATION REVIEW STRATEGY

The Wollongong Local Government Area currently has 67 tourist accommodation establishments, providing an estimated 1,845 rooms which can cater for over 5,376 guests. In addition, there are 211 cabins which can cater for 1,179 guests and 269 powered and 122 unpowered camping and caravanning sites each night. There are also currently 792 premises registered providing Short-term Rental Accommodation.

On 12 August 2024, Council endorsed the draft Tourism Accommodation Review Strategy for exhibition. The draft Strategy and updated supporting Discussion Paper were exhibited from 16 September 2024 to 4 November 2024. Fifteen submissions and 12 engagement website comments were received.

The draft Strategy has been reviewed and updated and it is recommended that the Tourism Accommodation Strategy be adopted.

### RECOMMENDATION

The Tourism Accommodation Strategy be adopted (Attachment 2).

### REPORT AUTHORISATIONS

Report of: Chris Stewart, Manager City Strategy

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

### ATTACHMENTS

- 1 Summary of Submissions
- 2 Tourism Accommodation Strategy

### BACKGROUND

Tourism and tourism accommodation is a contributor to Wollongong's economy, providing employment for about 4.4% of the workforce and 3% value added output (id Economy Profile 2022-23 data). Given Wollongong's large and diverse economy this is not unexpected, and the percentages are similar to the NSW average. Tourism is an important part of Wollongong's economy and supports other sectors. 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 (2020) and Economic Development Strategy 2019-2029 was 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.

On 12 August 2024, Council considered a report on the updated Discussion Paper and the draft Tourism Accommodation Review Strategy. Council resolved that -

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

The draft Strategy and updated supporting Discussion Paper were exhibited from 16 September 2024 to 4 November 2024.

### **Accommodation audit update**

The 12 August 2024 report indicated that Wollongong had some 74 tourist accommodation establishments within the Wollongong Local Government Area (LGA), providing an estimated 1,924 rooms. There were also 854 premises registered providing Short-term Rental Accommodation. The following changes have occurred to the LGA's accommodation capacity since the August 2024 Council report -

- Surfside 22 at 22 Crown Street, Wollongong reopened with 16 rooms.
- DA-2023/760 at 22-30 Kenny Street Wollongong has been approved, which includes a 107 room 4-star hotel.
- DA-2023/767 at 163-171 Crown Street and 80-82 Church Street was approved in December 2024 as a deferred commencement. The mixed-use development includes a 236-room hotel and 114 room motel. DA-2024/870 for demolition of existing structures and bulk excavation and earthworks is under assessment.
- 22 motel cabins have opened at Club Windang which were originally approved through a 2009 Development Application consent.
- The Normandie Motel at 30 Bourke Street, North Wollongong has been demolished, a reduction of 34 rooms.
- The number of registered Short-term Rental Accommodation premises has reduced from 825 to 792.
- In September 2024, a State Significant Development proposal for an ecotourism development at Lot 100 DP 715376 Lawrence Hargrave Drive, Coalcliff was lodged with the NSW Department of Planning, Housing and Infrastructure. The proposal is for 24 eco-tourist cabins, and amenities building and walking tracks. Council officers provided initial comments on the proposal. The land is zoned C2 Environmental Conservation, and the accommodation use is not permitted in the zone, which has resulted in the State Significant Development request. The Department is currently preparing Secretary's Environment Assessment Requirements (SEARs) which the applicant will use to prepare an Environmental Impact Statement for the proposal.

### **State Tourism initiatives**

#### Review of the NSW Visitor Economy Strategy 2030

On 8 October 2024, the NSW State Government released the Review of the NSW Visitor Economy Strategy 2030 (prepared in 2021) which seeks to achieve a \$91 billion visitor economy by 2035. The review proposes a 40% increase on the previous goal. The review highlights key challenges including -

- The need for 40,000 extra hotel rooms, a 41% increase on what's currently available.
- Significant worker and skills shortages in roles such as tour guides and chefs.
- Need for increased business event facilities in Sydney, Western Sydney and priority regional areas.

The Review of the NSW Visitor Economy Strategy 2030 sets out a series of recommendations for achieving the goal including -

- Prioritise the NSW Visitor Economy Strategy as a government-wide economic focus.
- Anchor the Visitor Economy Strategy around 'experience tourism'.
- Celebrate First Nations culture and businesses through authentic visitor experiences.
- Increase accommodation quality across regional NSW and quantity in Greater Sydney.
- Boost aviation capacity in key domestic and international markets.
- Leverage leisure events to grow seasonal visitation and showcase NSW's strengths.

- Dominate Australia's business events sector.
- Capitalise on NSW's status as being number one for international students.
- Foster a diverse, skilled visitor economy workforce.

The Review of the NSW Visitor Economy Strategy 2030 does not specifically mention Wollongong or the Illawarra.

#### Visitor Economy Infrastructure Investment Project Report

On 13 December 2024, Destination Sydney Surrounds South (DSSS) released the Visitor Economy Infrastructure Investment Project Report for the region. Relevant to Council's draft Tourism Accommodation Strategy, the report highlights that -

- There is strong interest by multiple investors in investing in accommodation in the region.
- The lack of accommodation is a major inhibitor to growth of the sector particularly the growing corporate sector.
- There is a perception of the region as a day-trip destination due to lack of accommodation (this is especially salient in relation to areas like Wollongong and the Southern Highlands).
- Additional spend and major events forgone due to lack of accommodation.
- The lack of accommodation demand and supply data means the health of the sector is not fully understood.
- The lack of accommodation supply targets means tourism is not prioritised in land-use planning (not considered highest and best use).
- Emerging engine industries (Defence, ICT, advanced manufacturing and professional services) become hamstrung by lack of accommodation to support corporate travel associated with business activities.

The report suggests that for the tourism sector, the State's development application processes are unclear, difficult to navigate and rarely beneficial. Also, that local government and State consent authorities are often considered to be obstructive, difficult to work with and unresponsive by the tourism industry.

The report includes the following recommendations -

- DSSS take the lead on attracting and coordinating tourism accommodation investment to the region.
- A whole of Government approach is required to encourage tourism accommodation investment.
- Introduce tourism development key performance indicators (KPIs) and indicative timeframes to signal to investors the intentions of responsible approval agencies.
- Improve the development application assessment processes, by State and Local Government, including reducing referral and assessment timeframes, utilising complying development, utilising Regional Panels.
- Deferring or exempting development contribution levies to encourage investment, albeit the local levy is only 1-2% of the development cost.

#### Warrawong Parklands

Between 18 November and 13 December 2024, the State Government sought suggestions for the future use of the Warrawong Parklands a 32-hectare State owned site on the Lake Illawarra foreshore along King Street and Northcliffe Drive, Warrawong. Part of the precinct is zoned SP3 Tourist.

The community was asked how they use the reserve, what they value and ideas for the future use. According to the website there were 207 contributions. The majority of suggestions appear to relate to low key recreation uses and lake uses. One comment opposed on-site camping and accommodation due to flooding and other constraints. Two submissions opposed free camping, while two submissions suggested that the permissibility of camping be reviewed and another submission considered that facilities should be constructed to support the camping and a \$10/night fee charged.

While noting that tourist accommodation is permissible in this location and could be a part of its development moving forward, no community comments appear to suggest a hotel or motel accommodation as a future use.

## PROPOSAL

In response to the exhibition of the draft Tourism Accommodation Strategy, 12 on-line and 15 submissions were received. The submissions are summarised in Attachment 1 and in the following table:

	Support	Oppose	Comment	Total
On-line comments	4		8	12
Accommodation operators & SP3 owners	3		3	6
State agencies	2		1	3
Organisations	2	1	1	4
Community letters / emails		1	1	2
<b>Totals</b>	<b>11</b>	<b>2</b>	<b>14</b>	<b>27</b>

Submissions from Venues NSW, Destination Sydney Surrounds South (DSSS), the Property Council of Australia – Illawarra generally supported the draft Strategy.

NSW Crown Lands did not support a zoning change on the Judbooley Parade, Windang foreshore and noted that the tourist parks and escarpment lookouts were on Crown Land and any changes needed to be consistent with the Reserve purpose.

**Comment:** The Strategy has been updated to reflect NSW Crown Lands comments.

Destination Wollongong submitted a 10-point plan, designed to tackle Wollongong's tourism accommodation shortage and boost Wollongong's Visitor Economy. The plan proposed -

- 1 Review planning controls across zoning, land uses, height and floor space allowances and parking requirements, to provide incentives and bonuses to developers to make both hotels and CBD serviced apartments as more financially viable propositions.
- 2 Identify and incentivise key CBD locations (on either private or public land) for five-star hotel developments, with prescriptive conditions to fill market gaps.
- 3 Explore opportunities to increase the number and quality of cabins in the three council tourist parks, to maximise capacity.
- 4 Ensure the WIN Stadium precinct master plan features a convention centre with flexible floorspace as a key attractor for Wollongong's conferencing market, designed to showcase its coastal location and complemented by nearby premium hotel product.
- 5 Facilitate and incentivise mid-market motels in Wollongong's suburbs to co-locate with clubs and/or enter into private-public partnerships to create a circular economy.
- 6 Identify and incentivise key sites in the Port Kembla district to service the BlueScope Masterplan redevelopment and the potential cruise terminal for the Port (which is particularly crucial, given that accommodation is not currently permitted on BlueScope land holdings).
- 7 Amend planning guidelines and provide bonuses to allow suitable sites for small-scale eco-accommodation to meet market demand along the route of the Great Southern Walk and Illawarra Escarpment mountain bike trail network.
- 8 Advocate for a suitable accommodation offering as part of the Warrawong foreshore master planning process, given the site's appropriate SP3 zoning, location and size.
- 9 Commission research by industry specialists to forecast the type, scale and location of accommodation required in the next 10 to 20 years.

- 10 Create a joint concierge service through Destination Wollongong and Council, informed by the above research, that targets new tourism product in priority sectors and locations to ensure alignment between attractors and the ability to service them.

**Comment:** The first three (3) suggestions are consistent with the draft Strategy. The use of Registered Club sites has been considered, however many are constrained by flooding. Tourism accommodation is listed as a sensitive land use which is not appropriate in flood prone lands. Genuine eco-tourism proposals are supported, however it should not be at the expense of the natural environment and they should have regard to site constraints. The other suggestions are outside the scope of the Tourism Accommodation Strategy and can be managed through broader tourism initiatives, including by Destination Wollongong.

Submissions from tourism site owners and operators, included the following site-specific suggestions -

Submission	Comment
Club Windang – seeking a building height increase to 45m to enable a 7-storey motel and club development	The use of club sites for hotel and motel accommodation has been considered.  Tourism accommodation is listed as a sensitive land use. It is unlikely that the Club Windang site will be suitable for tourism accommodation, due to flood constraints.
Lots 429 & 501 Kruger Avenue, Windang - seeking to permit residential development and increase the building height to 20m	Tourism accommodation is listed as a sensitive land use. It is unlikely that the Kruger Avenue site will be suitable for tourism accommodation, due to flood constraints.
Otford Farm – seeking recognition of a 1982 development application approval of a 15-room motel and restaurant, and an additional use of Hotel and Motel Accommodation	The approved motel use has not progressed for some 40 years. If the consent remains valid, it can be acted upon or modified / amended. An additional use is not required to be listed in the LEP for the approved development. An additional use may result in a hotel or motel development of a different scale to the approved development.
163-171 Crown Street / 80-82 Church Street, Wollongong - the Globe development proposal supporting incentives for hotel development, and a review of parking rates	Support noted
131 Princes Highway, Figtree (the former bus depot) supporting a review of the SP3 zoning and suggesting that the E3 Productivity Support zone may be more appropriate	It is unlikely that the former bus depot will be used or is suitable for tourism accommodation, due to flood constraints, likely contamination and it is adjacent to an existing motel.  A scoping proposal could be submitted as the first step in reviewing the planning controls for the site.
Oscars Group – the owners of Wollongong Novotel, Towradgi Beach Hotel, Quality Suites, Towradgi and Unanderra Hotel. The submission requested that the Quality Suites site (19 Carters Lane Towradgi) also be zoned R3 Medium Density Residential consistent with the rezoning proposal for the adjoining residential apartment buildings which are part of the same strata plan.	The proposed change to the Quality Suites site is out of scope for this review. The focus of the Strategy is to increase tourism accommodation. There is a risk of a decrease in tourism accommodation if the suggestion was to be implemented.

The 27 submissions included 84 comments and suggestions, which have been considered under the following themes -

- Accommodation – 43 comments.
- Attractions and events – 13 comments.
- Marketing – two comments.
- Transport – five comments.
- Research – 11 comments.
- Employment – five comments.
- Implementation – two comments.
- Other uses – three comments.

***Accommodation:***

43 comments were received on a range of accommodation issues.

- ***Hotel and Motel Accommodation***

Ten comments supported increased hotel and motel accommodation, especially in the Wollongong City Centre.

Four (4) comments supported incentives and intervention to encourage more accommodation. One comment opposed bonus provision and the proposal to define serviced apartments as commercial floor space in the City Centre.

One (1) comment noted that the high room prices in Wollongong was due to the lack of accommodation competition.

One (1) submission suggested that more accommodation was required for people with a disability.

Two (2) submissions noted that hotel operators need residential development on-site, to make the tourism accommodation feasible.

One (1) submission noted that budget accommodation is being used to provide emergency housing accommodation, which is reducing the availability of rooms for visitors.

- ***Tourist Parks***

Two (2) comments identified the need to improve the facilities at the tourist parks. One comment suggested that more camping sites were required.

One (1) submission suggested that the tourist parks should be converted to residential estates to provide housing to address the housing crises. The three (3) Tourist Parks suggested, are on Crown Land that have a reserve purpose of public recreation. The Crown reserve purpose would not enable housing development.

- ***Short-term Rental Accommodation***

One comment was received on the impact of Short-term rental accommodation on long-term rental accommodation.

The number of registered properties providing Short-term Rental Accommodation continues to decline. In January 2025 there were 792 registered properties, of which 404 provide hosted and 388 non-hosted accommodation. Previously, in August 2024 there were 825 registered premises, with the peak occurring in March 2023 with 1,125 registered premises.

***Attractions and events:***

The Tourism Accommodation Review Discussion Paper noted a range of tourism attractions within the LGA. However, a review of attractions and events is outside the scope of the Tourism Accommodation Strategy. Nevertheless, feedback about the need for more attractions and events to attract more visitors and increase the range of activities provides context and includes -



- Supporting upgrades to the Illawarra Sports and Entertainment Precinct (Wollongong Entertainment Centre).
- Establish a convention centre.
- Wollongong Botanic Gardens – better marketing.
- Wollongong Harbour improvements.
- Establish a Regional Museum.
- Need a cinema.
- Relocate the Visitors Centre from Bulli Tops to Wollongong CBD.

Council coordinates and manages many events through a number of initiatives, including -

- Major Events Strategy, including -
  - UCI World Road Cycling Championships (2023).
  - Australian Triathlon Championships (April 2025) and World Triathlon Championships Finals (October 2025).
  - Yours and Owls Festivals.
  - Illawarra Folk Festival.
  - Sydney to the Gong Bike Ride.
  - Australia Day Aquathon.
- Community events:
  - News Years Eve and Australia Day events.
  - Community Fairs.
- Small Cultural Grants – for activities like music, performing arts, visual arts and craft, and other cultural projects, up to \$4,000
- Naidoc Week Grants – small grants for not-for-profit groups holding community events here in Wollongong during Naidoc Week, up to \$1,500
- In July 2024, Council announced it will sponsor 20 community events during 2024-25 through \$50,000 of financial assistance. The successful events are listed on [Connect with community at local events sponsored by Council | City of Wollongong](#)
- Connecting Neighbours Grants – small grants to community members and groups who want to make a positive impact in their local area. Up to \$250 for individual community members with a shared project idea. Up to \$1,000 for projects with the backing of a support organisation.
- Council's Events Calendar lists all events: [Events Calendar | City of Wollongong](#) while non-Council events are listed on the Visit Wollongong website: [Events | What's On | Visit Wollongong | Destination Wollongong](#)
- Permit/Plug/Play Program – Council received a \$500,000 grant from the State Government under the State's Vibrancy Reforms. The grant enables Council to review the complexity of planning and hosting street-based events, then streamline the process by implementing a local solution. Council is then required to host an event, evaluate the new process and provide feedback to the State Government. On 3 February 2025, Council resolved to streamline the event application process by preparing a Planning Proposal to amend the Wollongong LEP 2009 to exempt event organisers from the need to apply for development consent to hold events on Council managed land, including Crown land. An Event Application / licence from Council would still be required to hold the event.

### **Employment:**

Five comments were on the range of employment opportunities provided by visitor accommodation, the range of skills required, and the opportunity for youth employment.

It is agreed that tourism accommodation provides a range of employment opportunities, for a percentage of the workforce.

Economic Profile (ID) indicates that the LGA has a tourism workforce of 5,322 persons living in the LGA, (or 6.1% of the workforce) of which 43.2% are male and 56.7% female; 43.6% are 15-24 years of age, 32.1% are 25-44 years old; 46.0% work part-time and 53.6% have no qualifications. 446 workers (7.67%) appear to be in specific accommodation occupations, including 100 hotel managers (1.72%) and 44 hotel or motel receptionists, and 131 housekeepers (2.26%). Of the workforce, 4,598 persons (79%) are in Food and Beverage related occupations, of which some would work in accommodation venues, while the majority would be employed at cafes and restaurants.

**Marketing:**

Two comments identified the need for improved marketing of the City, accommodation and attractions.

Destination Wollongong manages the marketing of Events, Attractions and Accommodation within the LGA.

**Transport:**

Five (5) comments identified the need for improved public transport to service visitors. Two submissions supported the establishment of a Cruise terminal at Port Kembla, and identified the accommodation benefits.

One (1) submission identified the need for more flights into Shellharbour Airport from more destinations.

It is agreed that limited public transport service does impact the visitor experience of Wollongong. Including express trains not stopping at stations close to beaches or bushwalk track heads, poor service frequency, limited bus services and frequency.

**Research:**

Eleven comments identified the need for more research and data analysis into -

- Economic benefits of tourism and accommodation.
- Local spending.
- Market trends.
- Comparison with other Regional Cities.
- Visitor and accommodation needs.
- Environmental impacts and constraints.

One (1) submission identified the need for the preparation of an overall Tourism Strategy, addressing attractions, marketing and accommodation.

The Tourism Accommodation Discussion Papers (2021 and 2024) provided some of the suggested tourism data, research and analysis. The draft Tourism Accommodation Strategy contains suggestions to improve accommodation options and the number of rooms available through land use planning changes.

The preparation of a broader Tourism Strategy is beyond the scope of the current Tourism Accommodation Strategy.

## CONSULTATION AND COMMUNICATION

Formal exhibition of the draft Tourism Accommodation Strategy and updated Discussion Paper undertaken from 16 September 2024 to 4 November 2024, included the following consultation initiatives:

- An exhibition webpage on Council's Engagement Site
- Media releases
- Letters to all owners of land zoned SP3 Tourist
- Emails to known accommodation operators



- Emails to Tourism Roundtable participants
- Emails to other stakeholders

Council's webpage received 405 views, 221 documents were downloaded and 12 feedback comments were provided. As a consequence of the exhibition, 12 on-line comments and 15 submissions were received. The comments and submissions are summarised in Attachment 1. As a consequence of the submissions some minor amendments have been made to the draft Strategy which are highlighted in Attachment 2.

## 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

Tourism and tourism accommodation is a contributor to Wollongong's economy, providing employment for about 4.4% of the workforce and 3% value added output.

There are 67 tourist accommodation establishments within the Wollongong LGA, providing an estimated 1,845 rooms which can cater for over 5,376 guests. In addition, there are 211 cabins which can cater for 1,179 guests and 269 powered and 122 unpowered camping and caravanning sites available each night. There are also currently 792 premises registered providing Short-term Rental Accommodation.

On 12 August 2024, Council endorsed the draft Tourism Accommodation Review Strategy for exhibition. The draft Strategy and updated supporting Discussion Paper were exhibited from 16 September 2024 to 4 November 2024. Fifteen submissions and 12 engagement website comments were received.

The draft Strategy has been reviewed and updated in response to feedback.

It is recommended that the Tourism Accommodation Strategy be adopted to enable implementation projects to proceed.

## Draft Tourism Accommodation Review Strategy – Summary of Submissions

### Contents

Our Wollongong on line comments .....	1
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Letters / emails - organisations .....	17
Letters / emails – community.....	21

### Our Wollongong on line comments

	Author	Comment
1.	Community member	Nice
2.	Community member	There needs to be more accommodation that is truly accessible for people with disability. Consultation with stakeholders is needed to ensure access is appropriately planned and designed.
3.	Community member	I support! I think there should be more done to entice people to come to the gong in the first place though. I think at the maximum people come here as a stop on a way to somewhere else or do a day trip - it would be fantastic if we could have more attractions or be THE place people want to stay in.
4.	Community member	<p>Every time we have had friends stay from interstate they end up sharing facilities with homeless people in both caravan parks and motels. I totally understand they need access to temporary accommodation but it's their lifestyle that is the issue thieving, poor social skills, unruly beg etc and our visitors paid a lot of money for this accommodation.</p> <p>Our caravan parks really don't rate compared to other around the state and we are missing so many opportunities to attract cyclist to our lake if only we could cycle around the lake and not have to go on busy and dangerous roads</p>
5.	Community member	<p>The goal is to ensure that the strategy not only attracts investment but also fosters community buy-in and supports sustainable job creation. By addressing key areas such as branding, marketing, experience-driven tourism, and employability, the strategy can be better positioned to achieve long-term success and provide lasting benefits for our Wollongong community.</p> <p><b>Stakeholder Engagement:</b> While the draft mentions the stakeholder roundtable, it lacks a more detailed summary of feedback from diverse groups such as residents, small business owners, and tourism operators beyond hotel developers. This could provide a more holistic understanding of</p>

	Author	Comment
		<p>the local community's needs and concerns, leading to greater support for the strategy.</p> <p><b>Specific Data Analysis:</b> The strategy would benefit from including more detailed quantitative data or projections, such as expected economic impact or estimated visitor growth, to support proposed amendments and planning changes. Projections on job creation, such as estimates of how many jobs might be created per new accommodation unit, would also help stakeholders understand the scale of economic impact.</p> <p><b>Market Trends Analysis:</b> Insights into broader tourism trends, such as shifts in accommodation preferences (e.g., rise in short-term rentals, eco-tourism), could provide a clearer rationale for the strategic directions. This analysis would help align Wollongong's offerings with evolving visitor expectations and preferences.</p> <p><b>Environmental Considerations:</b> While there is mention of bushfire concerns and environmental zones, a more thorough analysis of the environmental impacts of increased tourism accommodation (e.g., water use, waste management, and traffic congestion) is needed. The strategy should assess the capacity of existing infrastructure to support new developments, including utilities, transportation networks, and public services, to ensure sustainable growth.</p> <p><b>Comparative Analysis:</b> Including comparisons with other regional cities or case studies where tourism accommodation expansion significantly impacted local employability could enhance the strategy. This would help illustrate realistic expectations for job creation and economic growth in Wollongong, lending credibility to the projections and demonstrating the potential for long-term success.</p> <p><b>Actionable Timeframes:</b> Although the document discusses plans over the next 5-10 years, more detailed timelines for specific actions and progress evaluations could help clarify how the goals will be met. Clear milestones would provide a roadmap for stakeholders and ensure accountability in implementing the strategy.</p> <p><b>Marketing and Promotion Strategy:</b> A detailed strategy on how Wollongong will be marketed to potential investors and tourists is touched upon but not fully developed. This could help bridge the gap between planning controls and the attraction of investors, ensuring that Wollongong is positioned as a desirable destination with a unique identity.</p> <p><b>Economic Impact of Tourism Accommodation on Job Creation:</b></p> <ul style="list-style-type: none"> <li>• Direct and Indirect Employment: Tourism and hospitality sectors are significant sources of employment. New hotels, motels, and other accommodation options can create direct jobs (e.g., hospitality, maintenance, management) and indirect jobs (e.g., in supply chains, local attractions,</li> </ul>

	Author	Comment
		<p>restaurants). Including projections on potential job growth can help align training programs and investment with expected needs.</p> <ul style="list-style-type: none"> <li>• Seasonal and Long-term Employment Patterns: Tourism often faces seasonal fluctuations, influencing the types of jobs available (e.g., part-time, seasonal roles) and local economic stability. Addressing potential seasonal employment patterns based on visitor numbers can help plan for both temporary and permanent roles.</li> <li>• Skills and Training Needs: Predicting the types of skills required to support tourism accommodation growth (e.g., hospitality management, digital marketing) can guide local training programs. Collaborations with institutions like TAFE and the University of Wollongong can ensure that the workforce is equipped for these new jobs.</li> <li>• Youth Employment: Assessing opportunities for youth employment is crucial, especially in regions where young people may seek entry-level roles in tourism and hospitality. Highlighting these opportunities could help retain young talent in the Wollongong area, assists international students and address youth unemployment. Long-term Economic</li> </ul> <p><b>Resilience:</b> Analysing the role of tourism accommodation in creating a diversified local economy can demonstrate how these jobs contribute to long-term economic resilience. Understanding the economic multiplier effect—how increased tourism leads to spending in other sectors like retail, food services, and cultural activities—can provide a more holistic view of job creation beyond direct roles in accommodation. I trust that by considering these points the Draft Tourism Accommodation Strategy can align more closely with successful global practices. A stronger focus on stakeholder engagement, detailed analysis, and sustainability will ensure that the strategy is not only effective in attracting investment but also in providing meaningful benefits to the local community and economy. Thank you for taking the time to read my feedback.</p>
6.	Community member	<p>The tourism accommodation review strategy report to Council dated 12 August 2024 notes that a Tourist Accommodation Roundtable with tourism and development hosted by Council on 20 May 2024 provided feedback from industry representatives that included: A broader tourism marketing strategy is required (beyond scope of this planning control review)</p> <p>Is Council considering tourism opportunities on its land holdings? These pertinent points by industry representatives would indicate that the current accommodation review is too narrowly focused (or putting the cart before the horse).</p>

	Author	Comment
		The second point is also of interest. For example, Wollongong Botanic Gardens at Keiraville is hardly mentioned and not regarded as tourist zone despite being one of the highest rated tourist attractions on travel sites. Cities around the world with a botanic garden enjoy high visitation, and it is a mystery as why this garden precinct is not developed into a first class tourist attraction with a modern visitors centre, café, gallery and plant sales like Eurobodalla Botanic Garden near Batemans Bay and at other larger gardens. Wollongong Council's Tourism Accommodation Review Discussion Paper, dated July 2024, states: 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. A broader tourism marketing strategy is required to develop attractive tourism packages. A common strategy used by tourism bodies elsewhere is to suggest an itinerary for 1, 2 or more days. The Illawarra has many attractions for tourists looking for more than a day trip.
7.	Community member	Impose the requirement for residents who utilise short term rental accommodation to have an approved DA for an additional sole occupancy unit within their dwelling. The DA should be conditional of NCC fire separation requirements for SOU's being achieved. It's a life Safety hazard to users to be accommodated in non NCC Compliant accommodation. Also it's a commercial disadvantage to legitimate hotel/motel operators have to abide by Fire Safety requirements and they are trying to compete with backyarders.
8.	Community member	Having moved to the area 4 years ago, we have had many people who wanted to visit us and see Wollongong. However their visit has been very short, due to a lack of affordable decent hotel accommodation. Especially those coming from Sydney who usually bypass Wollongong on their way down south, is a missed opportunity for this city that can offer so much more. In addition to the accommodation an reliable train service to the city plus a decent frequent bus service to offer transport to the suburbs north and south of the CBD would add to the appeal of the city as a destination. Frequent means services every 15-20 minutes and running on weekends!  Finally it's a real blight on the city there is no cinema here, the sun does not always shine, we must be the only city of this size in the western world that does not have one. With the rate of the WIN development it could be decade before one becomes a reality there.
9.	Community member	There should be consideration whether it is appropriate to continue the 3 beachside campgrounds in Towradgi, Corrimal and Bulli. Land values have grown considerably, but the willingness to pay for a camping site has not, still around \$30-

	Author	Comment
		<p>40. Sydney does not have campgrounds, at what point do we realise we are not Tathra and permit tall buildings at these locations instead? These 3 sites alone can meet most of our tourist accommodation needs. The Review rightly notes that feasibility (and the shortages for apartments leading to more attractive profitability for developers) is an issue in getting hotels built. But this is not the case for a well located beachside hotel - because the willingness to pay for this accommodation would far outweigh costs - it would be an attractive investment. Feasibility for more market rate apartments is a similar story, and by starting with hotels on our coast we set a great precedence, politically, to start developing our coast where people want to live, where costs are not the issue - rather planning restrictions don't permit development. The 1km stretch of the City allowing tall buildings does not cut it. And the alternative does not exist - we will never get another hotel or many apartments built out in eg Balgownie. People come to Wollongong for the ocean and coastal public space. I strongly support The Review proposing to raising heights, FSR and changing use to permit more coastal development to respond to and appropriately reflect high land values. There is no denying the low density and strict settings of the planning system are in the way, as we also have a shortage of apartments, Aged Care and Child Care buildings. Feasibility can be overcome by permitting taller buildings where people want to be. These coastal places should probably not be wasted on campsites and low density development. We need to plan for what is appropriate in 2050 which should be &gt;10 storeys. Some locations might shadow the beach, a small area should be OK given we have many km of beach, and or going taller on headlands where solar access is less of an issue should be considered. Aiming for 3 storeys like the highly successful and desirable Headlands Hotel would be drastically under-developing it, with a lack of sites permitting this we would end up seeing redevelopment proposals for more luxurious, expensive accommodation for the few who can afford it in the mid term, well before the structures have past their use-by date. Aiming for more numbers would keep prices down for normal families who deserve a holiday. We see this premature redevelopment with many buildings only 40-50 years old, it is too soon, it's not ideal for investors, and it's a drag on construction capacity for our region.</p> <p>I'd like to note that in Kiama Council, they open up Council ovals over Christmas holidays for campers. We could do that in Fairy Meadow on the ovals if people want to have holiday camping sites. That way we can permit our 3 permanent camping sites develop hotels.</p>
10.	Community member	It would be beneficial to have more high-end accommodation in the CBD. The UCI event showed that we were lacking



	Author	Comment
		accommodation as this was sought out as far as Brighton by attendees. Having events in Wollongong would also contribute to increased use of our retail precinct that seems to have a high turnover.
11.	Community member	<p>Well done on continuing this important work. There are some significant inaccuracies in the audit of tourist and visitor accommodation. Any claimed tourist accommodation not listed on any Online Travel Agents cannot realistically be considered bona fide. Salt Serviced Apartments closed many years ago. Piccadilly, Keiraleigh, Sky, Dicey Riley's, The Harp, Keiraview and the Cabbage Tree motel have not had a bona fide "tourist" stay in them for many years. I'm also not aware of the following properties still operating as serviced apartments - Bel Mondo, Smith Street, Park Street. Lastly, the Pilgrim Lodge at Nan Tein Temple is ONLY available for buddhist retreats and accommodating long term students and is therefore not bona fide tourist accommodation. My list above includes approximately 400 claimed "tourist" rooms. Normandie has now been demolished and Park Beach will be soon. Flinders Motel is likely to be next to go, with it's residential development approval and having recently sold to a developer.</p> <p>My only other comment is in regard to the SP3 zoning. I note that all such sites in the LGA have been identified and analysed. There are extremely limited opportunities for hotel development within the very limited sites with this zoning. Realistic opportunities for hotel development have long existed at the Wollongong Entertainment Precinct and Kully Bay foreshore - however, I fundamentally question whether "continuing to prohibit" any form of residential development on such sites is sensible. Mixed use development is likely the most sensible approach to achieving genuine hotel development. The new Crowne Plaza at Shell Cove did not stack up financially without the residential component. Austinmer Headlands with 69 serviced apartments is an interesting case study. As a strata titled development, with the restrictions to owners use (I believe 90 nights per annum), many of the unit owners simply "lock up" their property and only use it as a private holiday home. ie, the unit is not made available in the short term letting pool for tourists. Perhaps preferable would have been to permit a modest residential component to the development on the requirement that a bona fide hotel be included - where all units where available for tourists 100% of the time. Hotels being "permitted" has never been the problem. Again, a hotel was always permitted on the SP3 zoned Austinmer Headlands site (arguably offering the most scenic views in NSW), yet it sat vacant and derelict for more than a decade. A planning approach to hotel development is of course valid, but on it's own cannot bridge the vast gap to economic viability. There are extreme barriers to entry for hotel development, particularly in</p>

	Author	Comment
		Wollongong - with arguably the highest land values of any regional city in Australia. Objective 5 - "Preventing tourist accommodation being outcompeted by residential development by not permitting residential development in the SP3 Tourist zone". I feel this is flawed. Instead, we need to turn attention to incentivising tourist accommodation development where it is permitted (B2, B3, B4, B6 etc). In the suburban town centres, take Unanderra for example - the CBD sites permit mixed use development and already have 1.5:1 FSR - but are being gobbled up for 1 storey fast food developments, sometimes taking up the entire (strategic) site and only delivering 10% of the permitted Gross Floor Area. Simple example in such case, where a suburban motel near a train station could be very successful and actually be delivered, considering a far more realistic land value (compared to Wollongong CBD). Offering a 3:1 FSR for a bona fide tourist accommodation development. We're competing with the free market and when a 1 storey fast food restaurant, or obviously an affordable housing complex, is a far more profitable development than a 50 room motel - therein lies the problem. Genuine congratulations on trying to tackle this, but as I've been saying for nearly 20 years - bold action is needed.
12.	Community member	Any promotion of new hotel construction must be delivered such that the new supply of hotels is sustainable and Wollongong is able to generate sufficient new demand to support new hotels. Wollongong must attract and sustain annually new major events and corporate activity. There needs to be a balanced approach between demand and supply. Historically government incentives have not worked and have caused supply shocks that have had detrimental impacts on the accommodation market. Examples include Sydney in the lead up to the 2000 Olympics. As such, new supply should be left to the market and not manipulated through planning.

### Letters / emails – Accommodation & SP3 owners

	Author	Comment
1.	Otford Farm	We own land at Stanwell Tops that has a DA, which is substantially commenced during the approval period, for a 15 room motel, managers residence, restaurant and car parking Thank you for now mentioning Otford Farm with horse riding as part of the list of things to see and do in Wollongong LGA in the current draft Strategy. We note that in your new review you point out that 13 out of 74 existing tourism establishments are located in land use zones which do not permit the current accommodation use Of

	Author	Comment
		<p>particular note are the three accommodation providers located very close to our land.</p> <ul style="list-style-type: none"> <li>• <i>Tumbling Waters Retreat</i></li> <li>• <i>The Tops Conference Centre and Accommodation</i></li> <li>• <i>The Govinda Valley Spiritual Retreat and accommodation at Otford (Lot 1 DP 190250)</i></li> </ul> <p><i>We would like that as part of the review, our commenced Motel DA 81/407 at 192 Lawrence Hargrave Drive Stanwell Tops also have the proposal "Permit Hotel and Motel Accommodation as an additional permitted use on the site on Lots 1/2 DP 1106860 " to ensure that we do not face more hurdles to finish the much needed tourism accommodation. This will also keep us in line with the other accommodation providers in our immediate vicinity who also are not located on current zoning that allows approvals for motels and hotels.</i></p> <p>Also it should be noted Council clearly states:  <i>"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. "</i></p> <p>This means the likelihood of gaining a new approval, via Wollongong City Council, for a Motel Site on the site we have commenced on, or any other site in the area would be very minimal.</p> <p>We were astounded to find out that Urban Property Group has lodged with NSW Major Projects an "Eco Tourist Facility" of 24 Cabins and Pavilion on the cliff edge north of Coalcliff without mentioning our DA that will also be offering tourist accommodation in the near vicinity.</p> <p>Our humble and low key existing approved and commenced development is ideally located close to the Grand Pacific Walk as our site land abuts Bald Hill, hence can provide vital accommodation for the tourists who are doing sections of the walk.</p> <p>By having our Motel site clearly listed as an additional permitted use on our land in your final Tourism Accommodation Strategy it will be of great benefit to both us and also Council, showing that Tourist accommodation is being provided to service the new infrastructure of the Grand Pacific Walk.</p>
2.	MMJ for site owner	<b>163-171 Crown St, 80-82 Church St Wollongong / DJ &amp; City Diggers or The Globe Project</b>


	Author	Comment
		<p>The draft Strategy is strongly supported, but could be refined to ensure its effectiveness and flexibility. The site is zoned E2 Commercial Centre.</p> <p>DA-2023/767 proposes a mixed use development which includes 350 hotel/motel rooms.</p> <p>Incentive provisions for high-quality hotel and motel accommodation is supported. The term “5 star or equivalent” should be defined to ensure it encompasses upper midscale or above accommodation types or chains. The Globe may not conform to traditional 5 star ratings.</p> <p>Incentive provisions should not be limited to strictly sole hotel and motel accommodation developments. Sole hotel and motel accommodation developments are less viable. It is common practice to include tourist accommodation in mixed use developments, where varying land use types complement and promote activity between each other.</p> <p>The bonus provisions should be extended to missed use developments that provide a minimum threshold of say 200 rooms or more.</p> <p>The Globe has the capacity to increase the height of the hotel building, which won’t impact overshadowing of MacCabe Park between 12noon-2pm, but would overshadow in the morning. Its is suggested that “no overshadowing” be reworded to “no meaningful overshadowing” or “minimal impact between 12 noon – 2pm” on key public spaces.</p> <p>Support reduced car parking rates,</p>
3.	MMJ for site owner	<p><b>131 Princes Highway Figtree</b></p> <p>The site is zoned SP3 Tourist, with an FSR of 1.5:1 and maximum building height of 9m. Historically the site has functioned as a bus depot.</p> <p>The site is flood prone due to proximity to American Creek.</p> <p>The constraints challenge the feasibility of tourist-related uses.</p> <p>The owners advocate for the site to be rezoned to E4 General Industry or E3 Productivity Support. This would unlock the sites potential for meaningful redevelopment contributing to local economic growth.</p> <p>The draft Strategy outlines bonus provisions for tourist accommodation uses, but not other uses permitted in the SP3 tourist zone, creating a mismatch. Incentives for other permitted uses should be introduced.</p>
4.	Lakeside Windang Pty Ltd	<p><b>Lot 501 Kruger Avenue Windang</b> which land has a large frontage and widened road reserve to Windang Road. Lot 501 is zoned SP3 Tourist.</p> <p><b>Lot 429 Kruger Avenue Windang</b> which land is zoned R2 Low Density Residential which adjoins Lot 501.</p> <p>Both Lot 429 and 501 adjoin the Windang Golf Driving Range which occupies Lots 74 and 75 DP233101 and Lot 303</p>

	Author	Comment
		<p>DP774062 which are owned by Wollongong City Council and zoned SP3 Tourist.</p> <p>The strategy proposes to allow “hotel and motel accommodation” with an FSR 1:1 in the R2 Low Density Residential zone.</p> <p>The SP3 zoned land at Warrawong known as the Kings Wharf Development has a FSR of 1.5:1 and a height limit of 20.0m. I am also aware development of this land is unlikely to proceed. Currently Lot 501 DP 809609 and Lots 74 and 75 DP233101 and Lot 303 DP774061 have a FSR of 1.5 :1 with a height limit of 9.0m.</p> <p>Lots 74 and 75 DP233101 and Lot 303 DP774061 are bounded on their eastern boundary by the unmade Shellharbour Road which divides the SP3 zone.</p> <p>From a strategic view point we request that the height limit on Lot 501 DP809609 and Lots 74 and 75 DP233101 and Lot 303 DP774061 be increased to 20.0m with the current FSR 1.5:1 remaining.</p> <p>The Draft Tourist Accommodation Strategy 2024 suggests major hotel development occur within the Wollongong CBD. It is also important that major hotel development also occur north and south of the Wollongong CBD for the benefit of tourists and residents.</p> <p>Hotel development north of the Wollongong CBD has taken place with the Headlands Hotel at Austinmer which is zoned SP3 Tourist and has a FSR of 1.5:1 and a height limit of 15.0m.</p> <p>Hotel development south of the Wollongong CBD which is required could occur at Windang on the lands noted above if provided with a height limit of 20.0m particularly given that the Kings Wharf Development at Warrawong is unlikely to proceed.</p> <p>The land noted above at Windang has acid sulphate issues which will require future development to have undercroft parking to avoid basement construction hence the need for an increased height limit.</p> <p>The Tourism Accommodation Review Strategy 2024 notes Lot 501 as containing a swamp. This is incorrect Lot 501 in part does contain a stormwater detention basin for the Windang Garden Estate.</p> <p>This existing detention basin would be retained as a feature and landscaped in a future hotel development on Lot 501.</p>

	Author	Comment
		<p>The current SP3 zoning under Wollongong LEP 2009 does not allow “residential accommodation”.</p> <p>The prohibition on “residential accommodation” needs to be reviewed by Council and considered with the viability and management of major hotel developments.</p> <p>There needs to be in major hotel developments some allowable “residential accommodation” for key workers and some permanent residents of the development.</p> <p>In providing housing for key workers and some permanent residents the viability and operational management of a major hotel development is secured.</p> <p>A major hotel developed at Windang would include many of the other permissible uses in the SP3 zone to provide vitality and a sense of place to the major hotel development as a destination.</p> <p>The Windang SP3 Tourist zone is unique located between Lake Illawarra and the ocean beach.</p> <p>The SP3 Tourist land to the east of the unmade Shellharbour Road being Lots 135,140 and 156 DP726745 being a former airstrip now in Aboriginal ownership also provides an opportunity for a sensitively designed future Aboriginal related tourist development within the existing 9.0m height limit.</p>
5.	HWIS for Club Windang	<p>Club Windang Board and its Members, we welcome Council's review of Tourist Accommodation in the Wollongong Local Government Area (LGA). As a key Stakeholder (SP3), the Club supports the increase in the number of tourism accommodation beds available in the Wollongong LGA.</p> <p>As you are aware, Club Windang is currently completing a Motel Cabin project in Cedar Avenue Windang comprising twenty (20) new Motel Cabins, Cabana, Laundry &amp; Pool . This will generate 78 accommodation beds opening in the first quarter of 2025.</p> <p>The Board are now in the process of Master Planning its Bowling Club site located in Judbooley Parade to encompass two (2) Motel Towers over a new 'state of the art' Club facility. Located at the southern entrance of the Wollongong LGA, it will become 'the Gateway' to Wollongong City.</p> <p>The build would be completed in two (2) Stages to enable continual trade during the construction period. Details as follows:-</p>



	Author	Comment
		<p>Stage 1</p> <ul style="list-style-type: none"> <li>• Basement Carparking for Club Patrons and Motel Guests</li> <li>• Ground Floor Clubhouse, Motel facilities &amp; Public Spaces</li> <li>• Level 1, Clubhouse Facilities &amp; Function Facilities</li> <li>• Seven (7) Levels of Motel accommodation with 95 Rooms</li> </ul> <p>Stage 2</p> <ul style="list-style-type: none"> <li>• Move Existing Club into Motel Tower 1</li> <li>• Demolish Existing Clubhouse</li> <li>• Extend Basement Carparking</li> <li>• Extend Clubhouse across two (2) Towers at Ground Level &amp; Level 1</li> <li>• Five (5) Levels of Motel Accommodation with 55 Rooms &amp; Roof Terrace</li> </ul> <p>To accommodate the proposed design, height planning controls will need to be adjusted in the LEP &amp; DCP (2009) to allow a minimum height level of 35.50m. However, we would request that a maximum height level be set at 45.00m to take into account current flood levels in the area and additional parking levels that may be required.</p> <p>As you can imagine, this will be an 'Iconic Tourist Development' that will set new standards for tourist accommodation. With a 'state of the art' clubhouse, Function Facilities and view over the lake and ocean, the development will be Council's showpiece for Tourism. It will draw visitors and guests from intrastate, interstate and overseas.</p> <p>Akin to our plans to develop the Club site, we would also ask Council to consider the conversion of the adjacent redundant park into an on-ground parking area with modern Rest Room facilities. Following the Council's redevelopment of the foreshore area, this has drawn additional locals and tourists to the area to utilise the extraordinary foreshore areas. As you would know, parking is essential to the success of any tourist area. Currently, visitors to the foreshore are parking on the redundant park and in the limited Club parking area. Last weekend, visitors to the area were parking on the redundant park and in the side streets up to a kilometre away which is not ideal and poses safety risks for the locals in narrow streets.</p> <p>Should Council recognise the urgent need to accommodate parking for tourists, the Club is willing to consider a</p>

	Author	Comment
		<p>Voluntary Planning Agreement (VPA) with Council as part of the Masterplan Development to build the on-grade carpark and modern Rest Room facilities.</p> <p>This would be almost essential (and built first) given the construction logistics in and around the new development over a two (2) year period.</p> 
	2 <sup>nd</sup> email on behalf of Club Windang	<p>Further to Club Windang's submission, we raised the issue of parking in and around the lake foreshore. More specifically, the lack of parking given the attraction of the area following Council's rejuvenation of the foreshore precinct which has been well received by the public.</p> <p>Over the past 12 months, the public have taken to parking their cars on the redundant Parkland adjacent to the Club. The volume of parking varies from a dozen or so cars to being fully taken up.</p> <p>The Council has identified the need to develop 'Tourism' and a critical element for this success is public parking. As part of your Draft submission to Council, I ask that you consider the redundant park be re-zoned (or re-tasked) as a potential Public Carpark. As mentioned, Club Windang would be willing to look at a Voluntary Planning Agreement (VPA) to build an on-grade carpark and new Rest Room facility as part of its long-term development of its site.</p>
6.	Oscars Group	<p><b>170 Pioneer Road, Towradgi (The Towradgi Beach Hotel)</b>  <b>19 Carters Ln, Towradgi (Quality Suites)</b>  <b>14 Cliff Rd, North Wollongong (Novotel Wollongong Northbeach)</b>  <b>27 Central Rd, Unanderra (Unanderra Hotel)</b></p> <p>we would welcome the opportunity to discuss any potential planning and development opportunity across our holdings within the Wollongong LGA. We have undertaken studies across our Towradgi Beach Hotel site including ecological, flood, traffic and planning studies and have considered various options that we would like to explore with Council. Request Council to consider the inclusion of our Stara title (SP90280) Quality Suites into their proposed change to residential zoning of the blocks directly behind us at 25 Carters Ln (SP83610) currently Zoned SP3.</p>

	Author	Comment
		Oscars primary business is Accommodation and Food & Beverage, creating employment along with attracting and supporting tourism in each of its locations. Oscars group employs nearly 3000 people across more than 50 operations along the east coast of Australia, from as far north as Cairns through to Victoria.

## Letters / emails – State agencies

	Author	Comment
1.	Destination Sydney Surrounds South (DSSS)	<p>Council's comprehensive strategy is essential for the growth and sustainable development of the tourism sector in the Wollongong Local Government Area (LGA). The proposal not only addresses the current limitations in accommodation availability but also sets the foundation for long-term growth and competitive positioning of Wollongong as a premier tourist destination.</p> <p><b>Key Points of Support:</b></p> <p><b>Retention and Expansion of Existing Accommodation -</b> By encouraging the upgrading and expansion of existing hotel and motel facilities, this strategy ensures that current infrastructure is not only preserved but modernised. This is a crucial step in maintaining a diverse range of accommodation options that can cater to various visitor demographics and evolving preferences. At the recent NSW Visitor Economy Forum, the impact of the Western Sydney Airport on regional visitor growth and the need for additional accommodation was a strong theme.</p> <p><b>Establishment of High-End Accommodation -</b> The introduction of two new five-star (or equivalent) hotels in the Wollongong City Centre represents a significant leap forward for the region. High-end accommodations attract a higher-spending visitor, contributing to the local economy and increasing the city's appeal as a world-class destination. It will also create jobs and stimulate investment in complementary sectors, such as dining, entertainment, and retail.</p> <p><b>Incentives for Development -</b> The strategy's use of planning controls to incentivise development is forward-thinking and practical. Offering these incentives encourages developers to invest in the area, ultimately leading to an increase in accommodation options while preserving the integrity of our natural and urban landscapes. These measures will boost confidence in the local market and facilitate strategic partnerships.</p> <p><b>Preserving the SP3 Tourist Zone -</b> The prevention of residential development within the SP3 Tourist zone ensures that this prime land remains dedicated to its intended purpose. By protecting this zone, the strategy preserves</p>

	Author	Comment
		<p>opportunities for future tourism accommodation developments, which are critical to meet the increasing demand for visitor stays in the region.</p> <p><b>Comprehensive Review of Planning Controls -</b> A periodic review of the planning controls, including height restrictions, floor space ratio, and other development controls, ensures that the SP3 Tourist zone remains flexible and responsive to market needs. This adaptive approach promotes sustainable growth while maintaining the quality and character of the area.</p> <p>The Draft Tourism Accommodation Review Strategy 2024 is a timely and necessary initiative to unlock Wollongong's full potential as a destination. Its balanced approach between development incentives, preservation of key zones, and monitoring ensures that the region can sustainably meet the needs of both visitors and residents alike. DSSS supports this strategy and encourages Council to continue pushing forward with these ambitious, yet achievable goals.</p>
2.	Venues NSW	<p>Venues NSW commends Wollongong City Council for its work on the tourism accommodation review and the proposed changes to increase investment in new tourism and hotel facilities. The proposed changes align closely with Venues NSW's master plan for the future of WIN Stadium and a new WIN Arena to replace the current WIN Entertainment Centre.</p> <p>Venues NSW's facilities make a significant contribution to the Illawarra economy, creating jobs, driving expenditure and attracting visitors to the region. Having a range of modern and attractive accommodation facilities is vital for the Illawarra region to secure new and lock in existing major sporting and entertainment events.</p> <p>Venues NSW's master plan reimagines WIN Stadium's foreshore location, making one of the best stadium sites in world sport even better. The master plan also proposes a new WIN Arena and, importantly, will create new and improve current connections to the Wollongong CBD. Venues NSW is also strongly supportive of the proposal to increase the allowable height for a new WIN Arena to 32m, which is appropriate for a modern multi-purpose arena.</p> <p>We look forward to continuing our work with Council to establish Wollongong as a premier tourist destination for sports and entertainment and better serving the broader Illawarra community.</p>
3.	Department of Planning, Housing	<p>The Department notes that Wollongong City Council intends to prepare Plans of Management for Crown Reserves that contain the 3 Council managed tourist parks being Bulli,</p>

	Author	Comment
	and Infrastructure - Crown Lands	<p>Corrimal and Windang Tourist Parks. These parks are located on Crown Reserves reserved for the purpose of Public Recreation and therefore should be accessible by the general public and available for the public's recreational use and enjoyment. Any proposed developments should enhance the use of the reserve for its intended purpose. Plans of management are the appropriate authorising environment to assess the impact of proposed developments and identify any limiting factors. The Department would like to take this opportunity to reiterate that Plans of Management must be consistent with the reserve purpose.</p> <p>The draft Strategy also suggests that camping/glamping be considered at Sublime Point (reserve purpose Public Recreation) and permitted through the adoption of a Plan of Management. Once again, the Department reiterates that Plans of Management must be consistent with the reserve purpose and any additional proposed land uses may require the addition of new reserve purposes under section 2.14 of the Crown Land Management Act 2016. Further consultation with Crown Lands and the claimant Aboriginal Land Council will be required.</p> <p>The draft Strategy suggests rezoning of Crown land consisting of 'bushland' at Sublime Point to C2. The bushland area is reserved under the National Parks and Wildlife Act 1974 as a State Conservation Area and the current zoning, being C1, is the most appropriate.</p> <p>The Department is raising concerns about the suggestion of changing the zoning of Lot 101 DP 1195639, Judbooley Parade, Windang from SP3 to RE1 as this will restrict future uses of the site and therefore adversely affect the land value. This site is subject to undetermined Aboriginal Land Claims. The Department advises that consultation regarding this proposal be undertaken with Crown Lands and the claimant Aboriginal Land Council as a key stakeholder.</p> <p>The draft Strategy suggests zoning changes at Woodrow Place, Figtree from RE2 (Low Density Residential) to E3 (Productivity Support). It is suggested that Wollongong City Council staff consult with the Department in relation to either acquisition of the land or creation of a new reserve and appointment of Council as Crown Land Manager prior to further consultation about these proposed changes and any potential impacts on Crown land.</p>

## Letters / emails - organisations

	Author	Comment
1.	Neighbourhood Forum 5	<p>At its meeting on 2<sup>nd</sup> September the Forum resolved that Council be advised of:</p> <ol style="list-style-type: none"> <li>1. very strong objection to allowing hotels and motels in the R2 Low Density residential zone, except, if the State Government persists in destroying our residential neighbourhoods, when they are in association with proposals under the new Transit Oriented Development;</li> <li>2. objection to re-defining serviced apartment as commercial when clearly they are only used for residential purposes;</li> <li>3. objection to giving a floor space bonus of 2:1 (making up to 8:1 total) for hotels and motels in Business Centres.</li> </ol>
2.	Neighbourhood Forum 5	<p>At its meeting 4/11/24 the Forum resolved that Council be advised of the need for:</p> <ol style="list-style-type: none"> <li>1 support for efforts to attract much-needed new tourist accommodation, for all standards, particularly recognising the need for at least one 5-6 star hotel to compete with other like-sized cities and for the strategy to identify appropriate sites before trying to attract market interest;</li> <li>2 Council to prioritise and fund the creation of a quality regional museum in the city's cultural precinct to show its industrial, heritage, cultural, colonial and military history;</li> <li>3 relocate the tourist visitor facility to the city centre as a location much more appropriate than at Bulli Tops;</li> <li>4 support for the incorporation of a convention centre able to host large scale events in plans to redevelop the WEC;</li> <li>5 undertaking a master planning exercise for the area surrounding historic Wollongong Harbour to enhance its untapped potential as a tourist drawcard;</li> <li>6 dramatically increasing the promotion of what are currently seen as 'hidden gems' such as Wollongong Botanic Gardens and the adjoining Gleniffer Brae and consideration of infrastructure enhancements in the gardens to enable outdoor concerts in summer;</li> <li>7 support and promotion of Port Kembla as a new cruise terminal;</li> <li>8 a review of opportunities for providing camping sites.</li> </ol>
3.	Destination Wollongong	<p>Destination Wollongong makes the following comments on the draft Tourism Accommodation Review Strategy.</p> <p>We submit a 10-point plan for consideration, designed to tackle Wollongong's tourism accommodation shortage and boost Wollongong's Visitor Economy:</p>



	Author	Comment
		<ol style="list-style-type: none"> <li>1. As flagged in the report, review planning controls across zoning, land uses, height and floor space allowances and parking requirements, to provide incentives and bonuses to developers to make both hotels and CBD serviced apartments as more financially viable propositions.</li> <li>2. Identify and incentivise key CBD locations (on either private or public land) for five-star hotel developments, with prescriptive conditions to fill market gaps.</li> <li>3. Explore opportunities to increase the number and quality of cabins in the three council tourist parks, to maximise capacity.</li> <li>4. Ensure the WIN Stadium precinct master plan features a convention centre with flexible floorspace as a key attractor for Wollongong's conferencing market, designed to showcase its coastal location and complemented by nearby premium hotel product.</li> <li>5. Facilitate and incentivise mid-market motels in Wollongong's suburbs to co-locate with clubs and/or enter into private-public partnerships to create a circular economy.</li> <li>6. Identify and incentivise key sites in the Port Kembla district to service the BlueScope Masterplan redevelopment and the potential cruise terminal for the Port (which is particularly crucial, given that accommodation is not currently permitted on BlueScope land holdings).</li> <li>7. Amend planning guidelines and provide bonuses to allow suitable sites for small-scale eco-accommodation to meet market demand along the route of the Great Southern Walk and Illawarra Escarpment mountain bike trail network.</li> <li>8. Advocate for a suitable accommodation offering as part of the Warrawong foreshore master planning process, given the site's appropriate SP3 zoning, location and size.</li> <li>9. Commission research by industry specialists to forecast the type, scale and location of accommodation required in the next 10 to 20 years.</li> <li>10. Create a joint concierge service through Destination Wollongong and council, informed by the above research, that targets new tourism product in priority sectors and locations to ensure alignment between attractors and the ability to service them .</li> </ol> <p>Planning controls obviously play a crucial role in hotels being built, so having council proactively address this is a welcome initiative. There is, however, a number of mitigating factors when only one of the last eight approved developments actually came to fruition. We need to act decisively when you consider the</p>

	Author	Comment
		<p>lead times required for hotels and the feeder opportunities on the horizon – from Western Sydney Airport to the redevelopment of BlueScope land, a potential cruise terminal, master plans for Warrawong and the WIN Stadium precinct, and the soon-to-open Great Southern Walk and Illawarra Escarpment mountain bike trail network. The current ceiling in the number of hotel rooms is already restricting the expansion of business tourism, major events and significant visitation from looming opportunities such as cruise turnarounds.</p> <p>Ä co-operative and co-ordinated approach is needed across all levels of government, industry bodies and private landholders. Urgent consideration of a number of specific and practical shorter-term solutions is necessary, while we work together to address some more substantial projects. A hand-in-glove approach is required across entities to prevent market gaps. For instance, National Parks will soon launch the 67km Great Southern Walk as a showcase attraction. However, it appears there will likely not be any huts built on Maddens Plains as part of this project, leaving non-campers with no suitable accommodation in the area two-thirds of the way into a multi-day walk. This is a critical flaw. It makes the handling of a proposal such as this <a href="#">Coalcliff could get a 24-cabin eco-tourism facility   Region Illawarra</a> an important and urgent issue.</p> <p>The issue is not only just about more accommodation beds. More tourism attractions, major events and conferences provide significant boosts to the visitor economy and local employments. We should offer a dedicated concierge service and targeted inducements to attract permanent product that contributes to our lifestyle and enriches the lives of both locals and visitors. Attractions that should be considered include a nature-based adventure park, a wave pool, a film studio, the southern hemisphere's most radical skate park, a golf entertainment complex, an LA-style beachside basketball precinct, a festival site and convention centre. High land values are an inhibitor, but the region can be an attractive proposition for any of these facilities, if Wollongong is progressive in providing incentives, imaginative in shared land use, willing to unlock dormant blocks, and prescriptive in what we want. Further attractions to position Wollongong as 'Sydney's playground' will reap financial, social, community and health benefits.</p> <p>It is more difficult to prove feasibility and gain investment for hotels, compared to residential development. Intervention by way of incentives is needed to address the imbalance. Once residential blocks are approved, the land is lost to public use forever. Hotels and serviced apartments stimulate our local economy, as do attractions and shared use facilities that</p>

	Author	Comment
		provide locals with jobs, host events, engage the community and attract visitors.
4.	Property Council of Australia – Illawarra	<p>Overall, we are supportive of Council reviewing the strategy to encourage new and expanded tourist accommodation proposals. The incentives and changes to the planning controls are welcomed and we hope to see these implemented and taken up by industry to provide more tourist accommodation options and venues.</p> <p>We acknowledge that to bring two five-star hotels online within 10 years also means that we need to ensure we have the right mix of events to attract people to the city. We would like to see Council taking a bold step in working closely with Destination Wollongong and other industry stakeholders to collaborate and develop a clear Tourism Strategy that attracts investment, promotes our city and our ‘unique selling point’ to draw people to the area.</p> <p>We believe there is a real opportunity to increase tourism and the number of visitors to our city, however that is not achieved without the support of the community and local businesses. Projects such as the Illawarra Sports and Entertainment Precinct and conference venue being planned will be key to attracting corporate events and other expos, which will entice further tourism accommodation to be developed in the city. It is also important that we are working with industry and tourism accommodation providers to provide a diverse range of accommodation options and understand ‘what we need’ from a demand perspective. It would be great to see Council do some further work with Destination Wollongong about ‘who’ is visiting Wollongong and what types of accommodation they need which could then feed into this strategy.</p> <p>For example, when an event such as ‘Yours and Owls’ is held in the city we need to be able to support this cohort of visitors with a range of options to stay in Wollongong at a range of price points, not only a hotel or a traditional type of accommodation. Understanding who our ‘visitor’ is should be a very important part of this strategy, and should reflect and support a wider tourism and events strategy for the city.</p> <p>We believe this strategy is a positive step forward and welcome any opportunity to work with Council to provide feedback and insights from the industry to enable further collaboration and implementation of this strategy.</p>

## Letters / emails – community

	Author	Comment
1.	Community member	<p>I was fortunate to attend the recent release of the State Government's 'Visitor Economy Strategy 2030 Review', with my key takeaway being that it has never been more important for a city to have its ducks in a row regarding its visitor economy strategy. NSW currently enjoys \$51.4 billion in annual visitor spend, yet Wollongong captures disproportionately little of this. The good news is that the state government aims to increase this visitor spend to \$91 billion in the next five years, and we're incredibly low-hanging fruit here in Wollongong, as is the broader Greater Illawarra Region.</p> <p>From a local government perspective, Wollongong must be culturally prepared to allocate bandwidth toward this lucrative growth sector. Comparing this strategy with its predecessor, it's clear that progress is being made within Wollongong Council. However, true success will only come when both the council and the community fully understand the problem.</p> <p>In brief, I believe the key challenges to address are as follows:</p> <p><a href="#">The Current Market</a></p> <p>The visitor economy is fiercely competitive, and due to an undersupply of quality, affordable hotel rooms, Wollongong has priced itself out of the market. For example, in Wollongong's CBD, 3-star hotels are priced like 4-star hotels, and 4-star hotels often exceed the rates of 5-star hotels elsewhere, sometimes by a considerable margin. This has left Wollongong's room yield higher than Sydney's, despite not having a single 5-star hotel in the mix.</p> <p>[It is important to note that openly acknowledging this problem will enhance investor confidence within the hotel sector, which cannot be overstated.]</p> <p><a href="#">Our Local Economy</a></p> <p>Cities need a healthy mix of spenders to sustain and grow. Wollongong's CBD relies heavily on local spending, leaving it vulnerable to changes in the local economy. With many Wollongong residents saving for their own holidays, the question remains: who is saving to spend money here?</p> <p>Spend Map Data, combined with the post-COVID decline in cash usage, reveals that Wollongong's CBD has experienced a more than 20% drop in customer spend, while business costs have risen by over 30%. This highlights the urgent need to attract more visitors from outside the region and explains why the CBD is dotted with 'For Lease' signs and struggling businesses.</p> <p><a href="#">Flyability</a></p> <p>With 74% of NSW's visitor economy driven by domestic visitors—70% of whom come from Victoria and Queensland—Shellharbour Airport serves as a poignant 'temperature check'</p>

		<p>on Wollongong's visitor economy. Despite servicing Australia's ninth-largest catchment area, our airport ranks only 75th in terms of traffic. The lack of accommodation options in Wollongong contributes to this under performance, and improving hotel capacity will be essential in reversing this trend.</p> <p><b>Connectivity</b></p> <p>The 'Wollongong City Centre Movement &amp; Place Plan' is an excellent example of problem identification, revealing a city that isn't well-connected to the region or even within itself. Regions experiencing growth in their visitor economies are characterized by strong connectivity and place-making efforts that enhance the visitor experience. Understanding this problem clearly will lead to the desired outcomes.</p> <p><b>Building Hotels</b></p> <p>While it may appear that the CBD's hotel problem is on the verge of being solved, given the number of rooms currently in pre-planning and planning stages, the reality is different. It has been 42 years since the last large-scale, full-service hotel opened its doors in Wollongong's CBD. Over the years, planners have seen thousands of hotel keys proposed, but none built in this space. Learning from these 42 years of challenges is critical to finally getting these hotels out of the ground. Repeating the same approaches won't yield different outcomes, no matter how promising the proposals look.</p> <p><b>Affordable Housing</b></p> <p>As Wollongong drives construction growth, hosts large events, and supports industry expansion, the absence of sufficient hotels creates a perfect storm that pushes housing stock into the short-term rental market. Solving the hotel shortage is integral to addressing the affordable housing issue. The lack of competition among hotels drives landlords toward the short-term rental market, leading to higher rental yields by displacing families in favor of short-term visitors. [It's also important to note that short-term rentals tend to be self-contained, benefiting national supermarkets and bottle shops over local businesses.]</p> <p><b>Youth Unemployment</b></p> <p>Wollongong's limited employment diversity has exacerbated the issue of youth unemployment. With key sectors being heavy industry, trades, and care services, many young people struggle to find meaningful job opportunities outside of these. Expanding the tourism sector would introduce more engaging jobs, helping to reduce Wollongong's disproportionately high youth unemployment rate.</p> <p><b>Illawarra Sports &amp; Entertainment Precinct (ISEP)</b></p> <p>Wollongong is currently not fit for purpose when it comes to expanding the WIN Entertainment Stadium and Entertainment Centre. Visitors already experience price hikes of over 300% on event days, and this will only worsen with the increased capacity of ISEP. Expanding hotel capacity will</p>
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		<p>strengthen the business case for what could be one of the most exciting developments in Wollongong’s recent history, ensuring it receives government funding.</p> <p><b>Chicken &amp; Egg</b></p> <p>A persistent issue in Wollongong has been a tendency to wait for external factors to align instead of actively advocating for hotel development. This reflects a misunderstanding that the market alone will deliver the necessary infrastructure. The data makes it clear: demand isn’t the issue. Without proactive intervention, residential development will always win out. Land and construction costs make it almost impossible for hotels to compete in this space. Councils must identify the types of hotels the city needs, their ideal locations, and how to attract these developments.</p> <p><b>Regional Marketing</b></p> <p>The federally defined ‘Illawarra Region’ is one of the most resource-rich areas in the state. However, the five LGAs within the region often compete with one another instead of working together to attract external spending. While Wollongong’s role as a vibrant city hub is improving, it needs a critical mass of accommodation to fully deliver on its potential, benefiting not only Wollongong but also the surrounding LGAs.</p> <p><b>Fit for Purpose</b></p> <p>Maintaining existing accommodation stock requires careful management. Essential structural elements include on-site parking, ensuite bathrooms, exclusive loading areas, access to transport hubs, and effective noise mitigation.</p> <p>Not all hotels are created equal. It is crucial to strategically encourage the right types of hotel developments in the right areas.</p> <p><b>Conclusion</b></p> <p>This strategy represents a critical step in aligning Wollongong’s future with the broader goals of the state’s visitor economy. The challenges we face—whether it’s the shortage of quality hotels and the need for better connectivity—are not insurmountable, but they do require decisive and coordinated action. Every aspect of the visitor economy is interconnected and without adequate accommodation, we will continue to lose opportunities for events, tourism, and investment that could benefit the entire region.</p> <p>Solving these problems isn’t just about building hotels—it’s about creating a city and a region that can sustain growth while enhancing the quality of life for locals. It requires a shift in mindset within both the council and the community to view Wollongong as a competitive destination worthy of investment. Thoughtful regional marketing that unifies the Illawarra LGAs under a shared vision will be essential, ensuring that Wollongong acts as a central hub for visitors while driving economic benefits across the region.</p>
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		<p>There's also a unique opportunity to align tourism growth with solutions to other critical issues. Increasing accommodation supply can ease the pressure on housing, reducing the reliance on short-term rentals that displace families. Similarly, a thriving tourism sector can address youth unemployment by creating diverse, engaging job opportunities. Each hotel built and each event hosted strengthens Wollongong's capacity to attract future investment and builds the case for major developments like ISEP.</p> <p>The work that has gone into this strategy reflects a growing understanding of the region's potential and the barriers that need to be overcome. However, this is just the beginning. Sustained progress will require ongoing dialogue between the public and private sectors, continuous data-driven adjustments, and a willingness to adapt to evolving market conditions.</p> <p>By keeping these conversations active and prioritizing long-term, strategic thinking, we can position Wollongong to capitalize on the projected visitor economy growth. Together, we have the opportunity to transform Wollongong into not just a destination but a model for how cities can balance tourism with community well-being and economic resilience. The journey ahead will require perseverance, but with the right collaboration and commitment, we can unlock extraordinary outcomes for Wollongong and the entire Illawarra Region.</p>
2.	Resident Stanwell Tops	<p>TUMBLING WATERS RETREAT</p> <ol style="list-style-type: none"> <li>1. SUPPORTING COUNCIL C2 -ENVIRONMENTAL CONSERVATION ZONE OF TUMBLING WATERS RETREAT SITE STANWELL TOPS</li> <li>2. OBJECTING TO permit Hotel and Motel accommodation as already Council has stated that the zoning does not allow these types of facilities.</li> <li>3. Allowing such classification of the facilities is clearly an overdevelopment of the site in such a zone and limited overcrowded site area.</li> <li>4. Originally presented to Stanwell Tops ratepayer residents and approved by the then eventual proven corrupt Council as a "health retreat", the site has metastasised into a wedding/ conference/ restaurant and accommodation through apparent stealth amendments completely removed from the original attention of "health retreat".</li> <li>5. At one time (documented) Council was approached by Cardno Forbes Rigby not to advertise one amendment as it would be "detrimental" to their client. However Council, to their credit, public advertised the amendment.</li> <li>6. Council will have all this documentation.</li> <li>7. The site is located in a proven high bushfire zone with limited exits out of Stanwell Tops.</li> <li>8. There is already unauthorised use of the Council Reserve off Bendena Gardens for Wedding Guests at TWR and also in</li> </ol>

		<p>Longview Crescent. All guests must park on site. The Council Reserve has been seriously eroded.</p> <p>9. It is not in the Public or Ratepayers interest to have this proposal approved, considering it is adjacent to local ratepayers who live across from this establishment.</p> <p><b>THE TOPS CONFERENCE CENTRE</b></p> <p>1. This site is already adequately addressed for catering to large numbers.</p> <p>2. The site has a considerable area impacting on the Woronora Plateau/Illawarra Escarpment Wildlife Corridor.</p> <p>3. The Hargrave Creek runs through the property into the Stanwell Tops, hanging swamp, one of the highest rated protected areas in the Wollongong LGA. It is already cut by a road into the establishment.</p> <p>4. It is located in a proven high risk bushfire site with limited exits out of Stanwell Tops.</p> <p>5. Enough traffic volume already is impacting the Stanwell Tops.</p> <p><b>GOVINDA VALLEY SPIRITUAL RETREAT</b></p> <p>1. Located in Otford Valley, this site already has accommodation that apparently has unauthorised separate ensuites in some of the facilities, i.e. without DA consent.</p> <p>2. There is no sewerage utility and is a seep away system into the steeply sloping front yard in close proximity of the Hacking River.</p> <p>3. Because the site is isolated in a proven high bushfire zone and limited access, it would be wise of Council to not recommend a Hotel or Motel Classification that would increase patronage putting them in possible harms way in the event of a bushfire storm.</p> <p>4. A poor single lane access across the Hacking River railway weir and is frequently closed due to flooding and flash flooding.</p> <p><b>CONCLUSION</b></p> <p>1. For the above reasons for the individual resorts, I can not support any of the Hotel and Motel recommendations as shown in the Tourism Accommodation Review.</p> <p>2. I agree with the following Statement in the Review as these 3 sites are within the Illawarra Escarpment or in the proven Wildlife Corridor between the Escarpment and the Royal National Park (Hacking River Catchment):-</p> <p>“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</p>
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		economic and employment benefits of tourist accommodation, shouldn't override the existing conservation values."
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Wollongong City Council

# Tourism Accommodation Strategy

February 2025

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## 1. INTRODUCTION

Tourism and tourism accommodation is a contributor to Wollongong's economy, providing employment for about 4.4% of the workforce and 3% value added output (id Economy Profile 2022-23 data). Increased visitation, especially overnight visitors, has a positive benefit to the local economy through increased expenditure which supports local businesses and jobs.

The Wollongong LGA currently has some 67 tourist accommodation establishments, providing an estimated 1,845 rooms which can cater for over 5,376 guests. In addition there are 211 cabins which can cater for 1,179 guests and 269 powered and 122 unpowered camping and caravanning sites each night. There are also 792 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	4	43	32				
Bed and Breakfast Accommodation	9	15	36				
Holiday Letting	7	12	35				
Serviced Apartments	13	389	1024				
Tourist Parks	5			269	122	211	1179
Hotels and Motels - Budget Motel	22	654	1724				
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	1	5	10				
Hotels and Motels - Boutique	2	36	128				
Guest House	1	12	20				
<b>Total</b>	<b>67</b>	<b>1845</b>	<b>5376</b>	<b>269</b>	<b>122</b>	<b>211</b>	<b>1179</b>
Short-term rental accommodation	792						

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 property 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.

Following exhibition, the draft Discussion Paper was updated to reflect the feedback and changes in State planning policy and is available to provide background to the Strategy.

On 12 August 2024 Council noted the updated Discussion Paper and endorsed the draft Tourism Accommodation Review Strategy for exhibition. The draft 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. The draft Strategy was exhibited from 16 September to 8 November 2024. On [XX XXXXX] 2025 Council considered a report on submissions, and resolved to adopt this Tourism Accommodation Strategy.



## 2. 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 Tourism Accommodation Review and this 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 **adopted**:

*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 three 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

Following the closure of the Wollongong Youth Hostel (YHA), there are no backpacker facility operating 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.

The Backpacker accommodation use will 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 9 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, bed and breakfast accommodation will 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 and the Code SEPP agri-tourism changes has provided alternative, easier pathway for a rural 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 development standards in the SEPP. On this basis, it is proposed to retain farm stay accommodation 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 33 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 ten applications approved for additional hotel accommodation and two development applications are under assessment that propose three separate hotels. Of the ten 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 works have not commenced on the other sites. Two applications were approved in late 2024 for 2 developments, one of which contains 236 room hotel and 114 room motel, the other includes a 107 room hotel.

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 Tourism Accommodation 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.~~
  - Permit additional floor space ratio and height of building bonuses for hotel and motel accommodation, and serviced apartments, based on the following table:

Zone	No. existing premises	Existing		Proposed increase for Hotel and Motel Accommodation and Serviced Apartments	
		Floor Space Ratio	Height of Buildings (m)	Floor Space Ratio bonus	Height of Buildings (m) bonus
R1 General Residential	8	1.5:1	9, 16, 24, 32	0.5:1	8m (2 stories)
R2 Low Density Residential	5	0.5:1	9	0.5:1	4m (1 storey)
R3 Medium Density	0	0.5:1, 0.75:1, 1.2:1	11, 13, 15, 16	0.5:1	8m (2 stories)
E1 Local Centre	5	0.75:1, 1.5:1	9, 11, 15, 20, 30	0.5:1	8m (2 stories)
E2 Commercial Centre – City Centre	6	Base 1.5:1 Commercial up to 6:1 Residential up to 3.5:1	16, 32, 48, 60, 65, 80, 120	Nil < 50 rooms 0.5:1 for 50 - 100 rooms	30%

Zone	No. existing premises	Existing		Proposed increase for Hotel and Motel Accommodation and Serviced Apartments	
		Floor Space Ratio	Height of Buildings (m)	Floor Space Ratio bonus	Height of Buildings (m) bonus
				1:1 for 101-200 rooms 1.5:1 for >200 rooms	
E3 Productivity Support	2	Base 1.5:1 Commercial up to 3.5:1 Residential up to 2.5:1	6, 16, 24, 32	0.5:1	30%
MU1 Mixed Use – City Centre	5	Base 1.5:1 Commercial up to 3.5:1 Residential up to 2.5:1	24, 48,	0.5:1	30%
SP3 Tourist	9	Nil, 0.5:1, 1.5:1	9, 11, 15, 24, 32	1:1	12m (3 stories)
RE1 Public Recreation	0	Nil, 0.5:1, 1.5:1	9, 11, 15, 24, 32	0.5:1	8m (2 stories)
RE2 Private Recreation	2	Nil	9	Nil	4m (1 storey)
C2 Environmental Conservation	2	Nil	9	Nil	4m (1 storey)
C3 Environmental Management	1	Nil	9	Nil	Nil

- consider rezoning some sites where the existing Tourism Accommodation use is not currently permitted to another zone.
- Wollongong DCP 2009
  - Chapter C3 Parking - Clarify and reduce parking rate, to remove inconsistency
- Wollongong City-wide Development Contributions Plan:
  - Defer the development contributions for Hotel and Motel Accommodation (or that component in mixed use developments) 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 12 Serviced Apartment developments, 11 of which are in the Wollongong City Centre. The Serviced Apartment use is 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 by the development industry, 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 January 2025 there were 792 registered short-term rental accommodation (STRA) premises in the LGA. Of these, 404 premises offered hosted accommodation and 388 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.

Conversely, 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 Council manages 3 tourist parks and the Coledale Beach campground.

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

The three tourist parks managed by Council are on Crown Reserves which have a reserve purpose of public recreation. Council is required to prepare a Crown Land Plan 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.

Council is open to considering the inclusion of a low scale hotel or motel component in the tourist parks, to expand the accommodation offer. The Crown Reserves have the reserve purpose of "public recreation". To enable the hotel and motel accommodation use, an additional purpose would need to be included in the reserve, through the Plan of Management process. All Crown Reserves in the LGA are subject to NSW Aboriginal Land Claims and Federal Native Title considerations, which will need to be considered as part of any change to the reserve purpose and use.

### 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 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), the Windmill Motel (Woonona) and Helensburgh Hotel. 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. In addition, 2 motels are operating in the R1 General Residential zone, one of which may close as the development of a residential flat building has been approved.

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 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.
19 Carters Lane, Quality Suites at Fairy Meadow 25 Carters Lane, Fairy Meadow - Residential strata development	Developed – no additional opportunity Developed – no additional opportunity	9m Building height Flooding 9m Building height Flooding	No change proposed Rezone to R3 medium Density Residential and review building height to align with existing development. Opportunity to review building height on part of the site to enable a hotel development.
Towradgi Beach Hotel	Hotel or motel accommodation	9m Building height Flooding	
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

SP3 Precinct / site	Accommodation opportunity	Constraints, comments	Proposal
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 – <b>Additional reserve purpose required.</b> 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
West's 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
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 site specific 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

SP3 Precinct / site	Accommodation opportunity	Constraints	Proposal
Former Bus depot, Princes Highway, Figtree	Unlikely to be developed for hotel or motel accommodation, adjacent to existing motel	9m height limit Flooding Adjacent to existing motel	No change proposed Scoping proposal required to commence review of planning controls for alternate zone
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	Crown Land – Public recreation purpose – POM needed Infrastructure, Bush fire	No change proposed Review zoning boundaries to better reflect bushland and parkland.
Gateway Centre, Bulli Tops - Visitor centre, parking	Limited available land	Infrastructure, Bush fire	No change proposed
Sublime Point, Maddens Plains - Cafe	Camping, glamping	Crown Land – Public recreation purpose – POM needed Infrastructure, Bush fire, Environmental and cultural values	Rezone bushland area to C2 Review zoning boundaries to better reflect bushland and parkland.
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

SP3 Precinct / site	Accommodation opportunity	Constraints	Proposal
Tallawarra point (Yallah) - Bushland	Identified for future tourism use.	Infrastructure. Height limit	No change proposed.
Kully Bay, King St, Warrawong - Recreation, vacant land <b>Warrawong Parklands</b>	Hotel, motel, camping	NSW Government ownership. <b>Masterplan announced to be prepared</b> <b>Masterplan in preparation</b>	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)	<b>Change to RE1 (to reflect public recreation status)</b> <b>Zoning change not supported by NSW Crown Lands</b>

## 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. **Commercial and Mixed use developments in the Wollongong City Centre are assessed against DCP chapter D13 Wollongong City Centre.**

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	<i>City wide:</i> 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	<i>City wide:</i> 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	<i>City wide:</i> 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

Land Use	Car Parking Requirements	Bicycle Parking Requirements	Motorcycle Parking Requirement	Delivery / Service Truck Requirement
Hotel or motel accommodation	<p><i>City wide:</i> 1 car parking space per 2 staff members plus 1 car parking space per unit / apartment</p> <p><i>Wollongong City Centre:</i> 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</p> <p>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</p> <p>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</p>	NA	1 motor cycle space per 25 car parking spaces	>15 units/ apartments – Large Rigid Vehicle
Caravan park	<p><i>City wide:</i> 1 car parking space per site</p> <p>Note: In accordance with Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005</p>	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 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 land use
- R2 Low Density Residential zone - make *hotel and motel accommodation* a permissible land use

##### 3.1.2 Clause amendments

Introduce a new clause that introduces a Floor Space Ratio (FSR) and Height of Building bonus in the following zones for Hotel and Motel Accommodation, and Serviced Apartments:

Zone	No. existing premises	Existing		Proposed increase for Hotel and Motel Accommodation and Serviced Apartments	
		Floor Space Ratio	Height of Buildings (m)	Floor Space Ratio bonus	Height of Buildings (m) bonus
R1 General Residential	8	1.5:1	9, 16, 24, 32	0.5:1	8m (2 stories)
R2 Low Density Residential	5	0.5:1	9	0.5:1	4m (1 storey)
R3 Medium Density	0	0.5:1, 0.75:1, 1.2:1	11, 13, 15, 16	0.5:1	8m (2 stories)
E1 Local Centre	5	0.75:1, 1.5:1	9, 11, 15, 20, 30	0.5:1	8m (2 stories)
E2 Commercial Centre – City Centre	6	Base 1.5:1 Commercial up to 6:1 Residential up to 3.5:1	16, 32, 48, 60, 65, 80, 120	Nil < 50 rooms 0.5:1 for 50 - 100 rooms 1:1 for 101- 200 rooms 1.5:1 for >200 rooms	30%
E3 Productivity Support	2	Base 1.5:1 Commercial up to 3.5:1	6, 16, 24, 32	0.5:1	30%



Zone	No. existing premises	Existing		Proposed increase for Hotel and Motel Accommodation and Serviced Apartments	
		Floor Space Ratio	Height of Buildings (m)	Floor Space Ratio bonus	Height of Buildings (m) bonus
		Residential up to 2.5:1			
MU1 Mixed Use – City Centre	5	Base 1.5:1 Commercial up to 3.5:1 Residential up to 2.5:1	24, 48,	0.5:1	30%
SP3 Tourist	9	Nil, 0.5:1, 1.5:1	9, 11, 15, 24, 32	1:1	12m (3 stories)
RE1 Public Recreation	0	Nil, 0.5:1, 1.5:1	9, 11, 15, 24, 32	0.5:1	8m (2 stories)
RE2 Private Recreation	2	Nil	9	Nil	4m (1 storey)
C2 Environmental Conservation	2	Nil	9	Nil	4m (1 storey)
C3 Environmental Management	1	Nil	9	Nil	Nil

- ~~• R1 General Residential zone – an additional 0.5:1 FSR for existing and proposed hotel and motel accommodation, which would increase FSR to 2:1, with a 4m height increase~~
- ~~• R2 Low Density Residential zone – an additional 0.5:1 FSR for existing and proposed hotel and motel accommodation, which would increase FSR to 1:1, with a 4m height increase.~~
- ~~• E2 Commercial Centre – an additional 2:1 FSR for existing and proposed hotel and motel accommodation, and backpacker accommodation and allowing the maximum building height to be exceeded provided there is no overshadowing of key public spaces~~
- ~~• MU1 Mixed Use – an additional 0.5:1 FSR 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)  131 Princes Highway (former Bus Depot)	<ul style="list-style-type: none"> <li>• Change to E1 – consistent with land to the north</li> <li>• FSR 0.75:1</li> <li>• Height 11m (no change)</li> <li>• Min Lot Size – Nil (no change)</li> <li>• Change to E3 - consistent with land to the north</li> <li>• FSR nil</li> <li>• Height 9m (no change)</li> <li>• Min Lot Size nil (no change)</li> <li>• Council is open to consider the lodgement of a Planning Proposal request for alternate planning controls, supported by at minimum a flood risk impact assessment, traffic study, contamination assessment, future vision / masterplan</li> </ul>
Sublime Point, Maddens Plains	Café & bushland	Review zoning boundaries to better reflect NPWS / Council ownership, the bushland and parkland areas.
Cliffhanger, Bulli Tops - Cafe	Closed Café & bushland	Review zoning boundaries to better reflect bushland and parkland.
15 and 17 Judbooley Parade, Windang	Open space	Change to RE1 <ul style="list-style-type: none"> <li>• FSR Nil</li> <li>• Height 9m</li> <li>• Min Lot Size Nil</li> </ul> (not supported by NSW Crown Lands)
Fairy Meadow Lot 2 DP 1150670 25 Carters Lane	4 residential flat buildings (existing)	Change to R3 <ul style="list-style-type: none"> <li>• FSR 1.5:1 (no change)</li> <li>• Height 12m</li> </ul> Min Lot Size Nil (no change)
Illawarra Sports and Entertainment Precinct (Win Entertainment Centre and Football Stadium)	Entertainment Center and residential development	Opportunity to increase height limit to 32m on Entertainment Centre and 12-16 Crown St

### 3.1.5 Future Key Sites – Wollongong

Council is open to receiving and assessing Scoping Proposals / Planning Proposal requests to nominate a large site as a “key-site” to establish a process to vary LEP and DCP planning controls and development standards to facilitate major hotel developments in the Wollongong City Centre E2, MU1 or SP3 zones, which provide more than 200 rooms, of at least 5 star or equivalent standard. Proposals would need to demonstrate design excellence (LEP clause 7.18) and not be on flood prone land (LEP clauses 5.21 and 5.22). Any amendments would be for the hotel use and would not be transferrable to another permitted use. The hotel accommodation could form part of a mixed use development.

## 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 1/40m<sup>2</sup> 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. An additional Reserve purpose of tourism accommodation may be required. NSW Aboriginal Land Claims and Federal Native Title implications will need to be considered.

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 an additional Reserve purpose and 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.