

PLANNING PROPOSAL

**LOT 374 DP 750227, LOTS 1 AND 2 DP1047807 AND
PART OF LOT 355 DP41837, ARTHUR KAIN DRIVE,
MERIMBULA**



Prepared by the Pambula Merimbula Golf Club Ltd

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1. BACKGROUND

The Pambula Merimbula Golf Club Ltd (PMGC) currently leases all land within the Pambula Merimbula golf course including the existing clubhouse site, the open lot car parks and the 27-hole golf course from the NSW Department of Planning, Industry and Environment – Crown Lands. The PMGC currently holds two leases with the Department as shown in Figure 1.

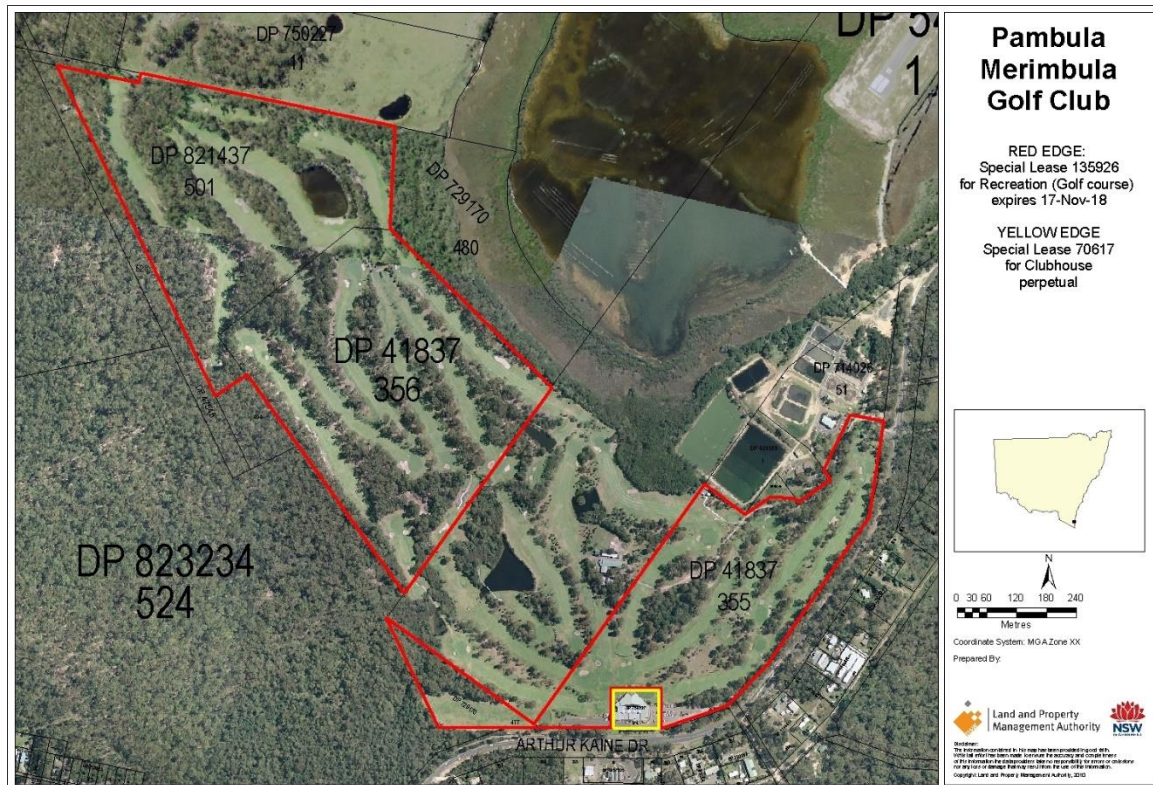


Figure 1: Aerial view of the Pambula Merimbula Golf Course including the clubhouse

In 1965 a lease was granted to the PMGC for 52 acres (21.04 hectares) on which to build a clubhouse and golf course. In November 1968 the clubhouse was officially opened followed by extensions to the building in 1975, 1989, 2001 and 2006. The PMGC purchased an additional 50 hectares of land adjacent to the golf course for possible future expansion of the golf course. The first nine holes of the golf course were operational in 1974 followed by expansion of the course in 1979 to 18 holes and finally 27 holes in 1989. Figure 1 also shows the extent of the golf course and the location of the club house lot within the course complex.

The Pambula Merimbula golf course is a public golf course. Despite the adverse impacts of Covid-19 almost 48,000 golfers played at the golf course during the 2020-2021 financial year comprising club members, visitors, and competition players. A total of 53 golf clubs from all around Australia (with the exception of Western Australia) participated in competition tournaments during that time demonstrating that the popularity of the Pambula Merimbula golf course extends well beyond the region. Unlike other golf courses in the district, the Pambula Merimbula golf course offers a 27-hole facility which allows a greater number of golfers to be using the course at any one time and also provides for competitions to run concurrently with casual golfers using only part of the course.

Whilst the golf course itself is a highly valued and popular public recreational facility the present clubhouse is no longer suited to the needs of the golf club members and their visitors. The internal dining spaces are far too large for members' use and, with increasing competition from nearby food and beverage establishments in both Pambula and Merimbula, the club has had to close its dining function and run a minimal service of alcohol and refreshments from a smaller function space known as the Garden Room, now renamed to "The 28th". Patronage of the poker machines has also declined in recent years due to competition from other service clubs in the locality.

Added to these problems the building itself is becoming expensive to run. Poorly designed infrastructure services are costly operational items and maintenance costs in general for the building are rising. The PMGC Board has had to consider other potential uses for all or part of the club house premises as well as the option of shrinking the areas accessible to club members. However, reducing the available area for members does not address the overall costs of maintaining the existing building. Given the purpose built nature and relatively large scale of the clubhouse there are few, if any options, available for its adaptive use. The complex roof system combined with changes in levels, overly high ceiling spaces and complex service infrastructure design makes the task of renovating the current clubhouse for other complementary uses financially unviable.

The PMGC's preferred option is to enable the redevelopment of the clubhouse and its immediate environs for a use which is considered to be compatible with the golf course, namely Tourist and Visitor Accommodation. A redevelopment would also provide the opportunity for a modern, well designed, and functional smaller golf clubhouse that better suits the needs of club members and visitors.

2. THE SITE AND SURROUNDS

2.1 The site

The site comprises Lot 374 DP 750227, Lots 1 and 2 DP1047807 and part of Lot 355 DP41837, Arthur Kaine Drive, Merimbula. See Figure 2 and Appendix 1 which is a survey of the site indicating its boundaries. With a total area of 2.232 hectares the site is currently occupied by the Pambula Merimbula Golf Club House, the at-grade open lot car park areas adjacent to the clubhouse and part of the golf course greens abutting the club house. The site slopes gently towards the north and has direct access and a generous frontage to Arthur Kaine Drive. The highest point of the existing clubhouse as shown on the survey plan is at RL37.34. Photographs of the site including the interior of the existing golf clubhouse are contained in Appendix 2.

The clubhouse has a total building footprint of 4,970m² including portico, smoker's verandah, porches and balconies). On the upper level there are the main foyer and reception area, offices, IT room, bar, café and kitchen facilities, central bar, extensive dining areas, gaming room trophy room, garden room, storerooms, cool rooms and freezer room, two sets of male and female toilets and changing area facilities plus a disabled toilet. At the lower level is the Golf pro shop with workshop and two store rooms, child care area, function room with office, men's and women's locker rooms with WCs and showers, buggy cart store, keg room, workshop and store, plant room and staircases to the upper level. PMGC recently disposed of the majority of their poker machine licenses, retaining twenty for future use and has also disposed of the physical poker machines.



Figure 2: The site comprises three individual lots plus a small part of a larger lot

2.2 The surrounding area

To the north of the site is the balance of the 27-hole golf course. Both the Merimbula Airport and the Merimbula Sewage Treatment Plant are located to the east of the site.

Photographs in Appendix 3 show the current uses opposite and south of the site. They are a mix of tourist, restaurant and service businesses including Wheelers Restaurant and oyster shed, the Fairway Motel, a recently completed office building, storage to rent space, car wash and a machinery hire business.

2.3 Existing zoning

Under the Bega Valley Local Environment Plan (BVLEP) 2013 the site is currently zoned RE1 Public Recreation. See Figure 3.

The objectives of RE1 are:

- *To enable land to be used for public open space or recreational purposes.*
- *To provide a range of recreational settings and activities and compatible uses.*
- *To protect and enhance the natural environment for recreational purposes.*

The following uses are permitted with consent in the RE1 Zone:

Aquaculture; Boat launching ramps; Boat sheds; Building identification signs; Business identification signs; Caravan parks; Centre-based child care facilities; Community facilities; Environmental facilities; Flood mitigation works; Information and education facilities; Jetties; Kiosks; Markets; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs; Respite day care centres; Roads; Sewage treatment plants; Water recreation structures.

Prohibited uses within the RE1 Zone include any development not specified as Permitted without consent (which in this zone only includes Environmental protection works) or Permitted with consent as listed above. Tourist and visitor accommodation is currently a prohibited use in the RE1 Zone.

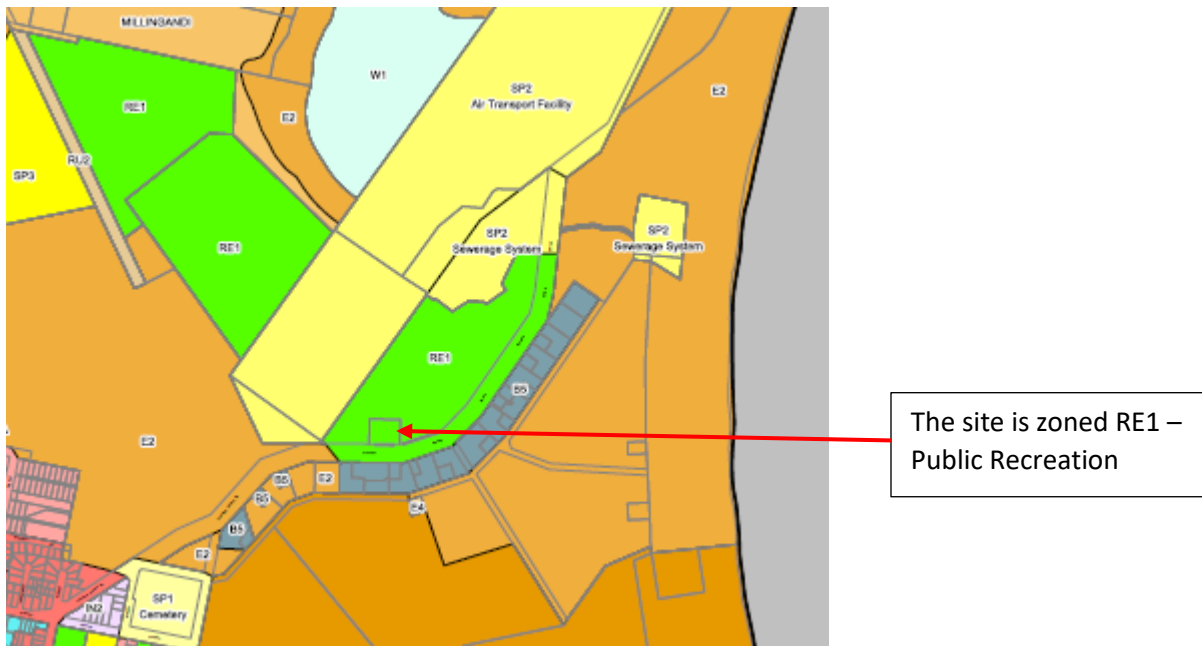


Figure 3: Existing Zoning of site and surrounds

Tourist and visitor accommodation is defined as follows:

Tourist and visitor accommodation means a building or place that provides temporary or short-term accommodation on a commercial basis, and includes 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.

Land opposite the site is zoned B5 Business Development in the BVLEP. It is noted that the site is within the Obstacle Limitations Surface area for Merimbula Airport.

2.4 Section 3.33 of the EP&A Act

Section 3.33 of the EP&A Act relates to planning proposals including matters that are to be addressed in a Planning Proposal. Specifically, Section 3.33 states:

- (1) *Before an environmental planning instrument is made under this Division, the planning proposal authority is required to prepare a document that explains the intended effect of the proposed instrument and sets out the justification for making the proposed instrument (the planning proposal).*
- (2) *The planning proposal is to include the following:*
 - (a) *a statement of the objectives or intended outcomes of the proposed instrument.*
 - (b) *an explanation of the provisions that are to be included in the proposed instrument.*

- (c) *the justification for those objectives, outcomes and provisions and the process for their implementation (including whether the proposed instrument will give effect to the local strategic planning statement of the council of the area and will comply with the relevant directions under section 9.1).*
- (d) *if maps are to be adopted by the proposed instrument, such as maps for proposed land use zones, heritage areas, flood prone land – a version of the maps containing sufficient detail to indicate the substantive effect of the proposed instrument.*
- (e) *details of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.*
- (3) *The Secretary may issue requirements with respect to the preparation of a planning proposal.*

The following sections of this Planning Proposal address the requirements of Section 3.33 of the EP&A Act.

3. OBJECTIVES AND INTENDED OUTCOMES

3.1 Objectives and Intended Outcomes

The objective of this Planning Proposal is to include *Tourist and visitor accommodation* in Schedule 1: Permitted uses under the Bega Valley Local Environmental Plan 2013. It is submitted that the Planning Proposal is the best means of achieving the intended outcome for the site which is to allow the lodgment of a development application for *Tourist and visitor accommodation* with Bega Valley Shire Council once Schedule 1 is amended. The Planning Proposal does not alter the current zoning of the site which covers the entire 27-hole public golf course complex. A rezoning of the site would not be appropriate or supported by Council or the wider community.

4. EXPLANATION OF PROVISIONS

4.1 Proposed amendment to Bega Valley LEP 2013

The proposed outcome will be achieved by amending the Bega Valley Local Environmental Plan 2013 Schedule 1 Additional permitted uses and the Associated Permitted Uses Map by inserting the following:

19 Use of certain land at Arthur Kaine Drive, Merimbula

- (1) *This clause applies to land at 173 Arthur Kaine Drive, Merimbula, being Lot 374 DP 750227, Lots 1 and 2 DP1047807 and part of Lot 355 DP41837 identified as “19” on the Additional Permitted Uses Map.*
- (2) *Development for the purpose of tourist and visitor accommodation is permitted with development consent.*

The Planning Proposal also includes amendments to the Additional Permitted Uses Map CL1_020A by applying ‘Additional Permitted Uses’ to Lot 374 DP 750227, Lots 1 and 2 DP1047807 and part of Lot 355 DP41837, Arthur Kaine Drive, Merimbula.

Pre-lodgment discussions with the Bega Valley Shire Council have indicated that whilst tourist and visitor accommodation is not necessarily incompatible with the objectives of the current zoning (RE1 Zone) Council is not willing to add this type of development to the list of developments permitted with consent within the zone. The concern relates to this zone covering other areas throughout the Bega Valley Shire that are environmentally sensitive to such development of which much of the land covered by the zone would be considered by Council to be unsuitable for tourist and visitor

accommodation. However, in terms of the Pambula Merimbula Golf Course complex the Council has indicated a willingness to consider a site specific provision under Clause 2.5 of the BVLEP as outlined above. It is noted that the Planning Proposal only relates to the land as identified in this report.

5. JUSTIFICATION OF STRATEGIC AND SITE-SPECIFIC MERIT

Under Section 3.33(3) of the Environmental Planning and Assessment Act 1979 (the Act) a *Guide to preparing planning proposals* applies to this Planning Proposal. The guide includes a set of assessment criteria to be addressed by the proponent of the planning proposal to demonstrate the strategic merit of the proposal having due regard for any relevant regional plan, district plan, local plan and strategies and other planning related considerations. The following is an assessment for the Planning Proposal by PMGC based on the current relevant strategic planning documents they being:

- South East and Tablelands Regional Plan 2036
- Far South Coast Regional Economic Development Strategy 2018-2022
- Bega Valley Community Strategic Plan 2040
- Bega Valley Shire Local Strategic Planning Statement 2040
- Sapphire Coast Vision and Platform for Growth

The following assessment demonstrates that the Planning Proposal is consistent with these relevant strategies.

5.1 Is the planning proposal a result of any strategic study or report?

No.

The Planning Proposal has not been prepared in response to any strategic study prepared by Council.

5.2 Is the planning proposal the best means of achieving the objectives or intended outcome, or is there a better way?

Yes.

An amendment to Schedule 1 of the Bega Valley LEP 2013 is the best means of achieving the desired outcome to enable a development application for tourist and visitor accommodation on the site. Under the current RE1 Public Recreation zone the desired use and development is prohibited on the site. Council have indicated it would not support tourist and visitor accommodation being a permitted use in the zone as there are several areas subject to this zoning that are of environmental value and would be unsuitable for such a use. However a site specific amendment is preferred.

5.3 Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy?

5.3.1 South East and Tablelands Regional Plan 2036 (SETRP)

Consistent.

The site is within the South East and Tablelands Region (SETRP). The SETRP outlines four main goals for the region they being:

- Goal 1: A connected and prosperous economy
- Goal 2: A diverse environment interconnected by biodiversity corridors
- Goal 3: Healthy and connected communities
- Goal 4: Environmentally sustainable housing choices

Each Goal includes several Directions and associated Actions aimed at achieving each Direction. *Goal 1: A connected and prosperous economy* and its Directions is the most relevant goal for this Planning Proposal. More particularly, a priority growth sector for the South East and Tablelands Region is tourism. As stated on page 15 of the Regional Plan:

The planning system needs to respond to the specific needs of priority growth sectors to generate economic growth.

Direction 9: Grow tourism in the region acknowledges the diversity of tourist attractions on offer including the coastline of southern NSW where the PMGC is located. Golf has become one of the most popular sports in NSW contributing \$1.25 billion to the State's economy of which golf-related travel and tourism contributes \$103.7 million per annum.¹ This is in addition to golf as a sport contributing to a range of health and social benefits being a sport that is something for anyone and everyone and part of the Bega Valley Shire green infrastructure.

According to *Destination NSW South Coast Visitor Profile Report* for the year ended March 2020 the South Coast was Regional NSW's number 3 region for domestic overnight visitors, number 2 for nights and number 2 for expenditure. There were 4.4 million domestic overnight visitors who stayed 14.6 million nights in the South Coast and spent \$2 billion. For international visitors to the South Coast a total of 152,800 persons came to the area, stayed a total of 2.3 million nights, and spent \$224 million noting that these figures were less than the previous year due to restrictions on international visitors coming to Australia.²

It is acknowledged that the number of domestic and international tourists visiting the South Coast have declined since the Covid-19 pandemic but it is anticipated that post-Covid these numbers will recover and likely to continue the upward trend in popularity and appeal of the South Coast to tourists and visitors alike.

A key need of tourists and holidaymakers is accommodation. It is anticipated that this need will increase particularly with the Port of Eden attracting cruise ships to the area and Merimbula Regional Airport now operating two airlines, RexAir and QantasLink and shortly to be upgraded with an extended runway to cater for larger aircraft. These transport infrastructure assets located close to the Pambula Merimbula Golf Course are recognized as integral to increasing tourist/visitor numbers to the area.

Merimbula currently offers a range of tourist and visitor accommodation at different price points. However none of the five golf courses currently operating in the district provide the opportunity to stay in good quality accommodation located within the golf course precinct itself. This is particularly relevant to those that are visiting golfers including those playing in golf competitions who often seek accommodation within or close to the golf course environment. This concept of Stay-and-Play is becoming very popular as more golfers, including international golfers, tour Australia to play golf at different golf courses.

The Planning Proposal aims to offer the opportunity for the site to be used for tourist and visitor accommodation as well as including a new club house better suited to the needs of the PMGC members and visitors. Identifying the current clubhouse footprint and its immediate environs as the area subject to this Planning Proposal ensures that the golf course itself will remain as a 27-hole facility. With panoramic views across the golf course and easily accessed from Arthur Kaine Drive the

¹ The Community Impact of Golf in New South Wales – 2021, Golf NSW, Page 7

² South Coast Visitor Profiles for years ending March 2020 and June 2020, Destination NSW

site has the potential, subject to this proposal being approved, to fill a gap in the current tourist accommodation offer and, as importantly, attract more visitors to the area some of whom are seeking a weekend or week of golf as part of their recreational and social activities.

The Planning Proposal is consistent with the *South East and Tablelands Regional Plan*.

5.3.2 Far South Coast Regional Economic Development Strategy 2018-2022

Consistent.

The strategy provides a long term economic vision for the Shires of Bega Valley and Eurobodalla. As stated on page 3:

The Strategy aims to leverage the region's endowments: its unique natural amenity; productive climate, soils and water for food production purposes; access to Sydney, Canberra and Melbourne; lifestyle appeal, particularly for retirees; intellectual, cultural and social capital; and strong local institutions and businesses. These endowments are the basis of the Region's current and future specialisations in dairy cattle farming, food product manufacturing, health care and tourism.

The PMGC, like the Merimbula RSL and Merimbula Sapphire Club, are all strong community based institutions catering for domestic, interstate and international visitors and tourists.

In 2016 employment in accommodation and food services was 2,700 persons being the third largest sector for the Region behind retail trade and health care and social assistance. However, there is evidence that during the 2011-2016 period employment in the Accommodation sector has been declining relative to the NSW industry average. This may be due to several factors such as more property owners in the Region becoming permanent residents (noting the growth in retiree numbers), some owners of holiday homes deciding not to make their dwellings available for tourist accommodation or a decline in the construction of new tourist accommodation generally in the Region.

Four elements of the Strategy are addressed. Element 1 states:

Support the development, diversification and growth of the Region's tourism sector and the Region's overall lifestyle appeal. (Page 11)

International tourism for the Region is expected to grow with nearby Canberra Airport, the Port of Eden attracting cruise ships and upgrading of Merimbula airport. The Strategy recognizes that the tourism sector in the Far South Coast

must develop offerings that attract visitors all year round and attract a diverse range of tourists (in particular high spending tourists). This will require both substantial diversification of the tourism products and specialized marketing. (page11)

Part of the development, diversification and growth of the tourism sector is the availability of well designed, good quality tourist accommodation in locations that capitalize on the natural and cultural setting of the area. This Planning Proposal aims to offer the opportunity for this to occur in the tourist and visitor accommodation sector.

A review of tourist and visitor accommodation in the hotel/motel category indicates that of the forty four establishments rated by Booking.com in 2021 at least 60 per cent currently available in

Merimbula are three to three and half star quality. Another 40 per cent were rated four to four and half stars but there was no five star hotel/motel accommodation.

The findings of the *Sapphire Coast Visitor Profile and Satisfaction* project completed during the period from January to March in 2011 concluded, amongst other matters, that:

‘Despite a high overall satisfaction score, there is clearly scope to improve offerings (including quality) such as food and wine, accommodation (particularly hotel/motel), tours, attractions, roads, signage, information services etc. This is particularly important if the region’s focus is to attract more first-time visitors to the region and/or increase visitation in non-peak periods, both of which are likely to be less skewed to the family market. The local industry should consider diversifying, reinvigorating and developing their products and services so as to remain competitive both domestically and internationally.’³

The majority of existing hotel/motel accommodation in Merimbula is older style development which is of average quality. Whilst it meets the needs of the more budget conscious holidaymaker it is not attractive to a more up-market clientele who are seeking at least five star accommodation in a setting which is both relaxing and memorable. The Planning Proposal will provide the opportunity for the establishment of a contemporary well designed tourist and visitor accommodation facility within the Pambula Merimbula Golf Course precinct and contribute significantly to the region’s commercial accommodation offer.

Furthermore, as golf is an all year round recreational activity, the Planning Proposal is consistent with the strategy’s aim to attract both diversity in tourists visiting the area and diversity in the tourist accommodation offer.

5.4 Is the planning proposal consistent with a Council’s local strategy or other local strategic plan?

5.4.1 Bega Valley Community Strategic Plan 2040

Consistent.

The Community Strategic Plan (CSP) 2040 has been developed in collaboration with the Bega Valley Shire community and is a long term vision aiming to meet the priorities and aspirations of the community.

Outcome 2 - Employment and Learning Opportunities of the CSP includes as Goal 3 the following:

‘Goal 3: Our economy is prosperous, diverse and supported by innovative and creative businesses.’

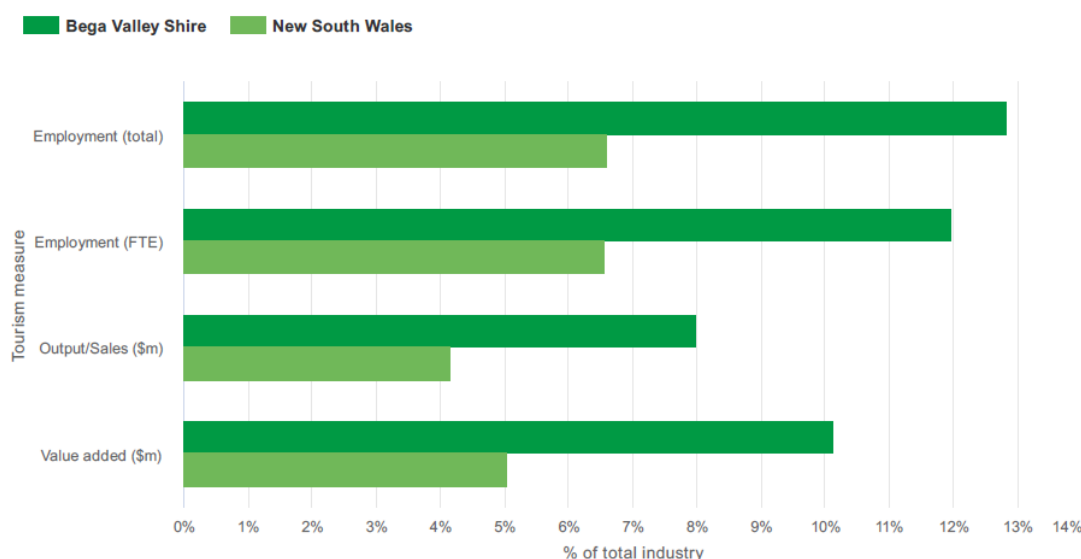
The strategy recognizes the important role played by the Port of Eden, Merimbula Airport and Regional highway linkages as the transport services bringing more tourists and holidaymakers to the Shire. As shown in Figure 4 tourism and hospitality are major contributors to the Shire’s economy bringing investment, jobs and facilities for both local and visitor use.

Goal 3 seeks, amongst other matters, to develop tourism services and facilities of which good quality, well designed accommodation is an integral part of the visitor experience and prosperity of

³ *Sapphire Coast Visitor Profile and Satisfaction Report: Summary and Discussion of Results*, Tourism Research Australia, Canberra

the local economy. The Planning Proposal seeks to allow use of the site for tourist and visitor accommodation and is therefore consistent with the CSP.

Value of tourism and hospitality 2019/20



Source: National Institute of Economic and Industry Research (NIEIR) ©2021 Compiled and presented in economy.id by .id (informed decisions)

.id informed decisions

Figure 4: The Value of tourism and hospitality in the Bega Valley Shire

5.4.2 Bega Valley Shire Local Strategic Planning Statement 2040

Consistent.

The Local Strategic Planning Statement (LSPS) has been prepared in accordance with Clause 3.9 of the *Environment Planning and Assessment Act 1979*. As stated on page 6

‘The Bega Valley Local Strategic Statement (LSPS) is a planning tool that provides direction for land use in the Bega Valley Shire through to 2040.’

The LSPS includes planning priorities, strategic directions and actions to guide decisions about how land should be used and outlines the types of development that are likely to gain Council support and those that may not secure support.

The Land Use Vision in the LSPS identifies Tourism as one of the Council’s planning priorities. As stated on page 23:

‘Tourism

The natural and cultural assets of the Shire have been enhanced to create a flourishing year-round tourism industry supporting local employment in a wide range of associated businesses.’

In 2016 11.1% of the Shire’s resident workforce was employed in Accommodation and Food Services being the second highest employment sector after Health Care and Social Assistance at 13.1%. A significant component of jobs in accommodation caters for the tourist market in coastal towns such as Merimbula.

The LSPS acknowledges that a flourishing year round tourism industry supports long term employment, sustains local businesses beyond seasonal demand and attracts further growth and investment in the Shire. With golf an all-year-round sport and social activity the opportunity to provide tourist and visitor accommodation within the golf course precinct will employ locals not only in the construction sector initially but in the longer term in the accommodation, hospitality and food sectors.

As stated already in the 2020/21 FY the PMGC attracted almost 48,000 golfers with fifty-three golf clubs across Australia playing tournament and competition golf within a highly accessible and attractive coastal location that also offers other cultural, recreational and leisure activities as well as a diverse food and beverage offer. The Community Impact of Golf in NSW 2021 Report⁴ states that of the \$24 million generated in the golf sector in Bega Valley Shire approximately \$3 million is attributed to Golf Tourism. There is potential to grow golf tourism in the Shire especially if opportunities to Play and Stay at the golf course are provided. The Planning Proposal can provide such an opportunity because a tourist and visitor accommodation facility on the subject site brings the golf experience to the front door of such accommodation and creates local jobs.

The LSPS notes that one of the challenges for land use is

‘encouraging luxury and eco accommodation developments to match the expectations of visitor markets.’ (Page 49)

Part of the success of the ‘Play and Stay’ concept for golf courses is the provision of high quality and well-designed accommodation. To stand out in the market place as a destination of choice requires both the experience and the accommodation being memorable and enjoyable. The site is well positioned to address this land use challenge.

The Pambula Merimbula Golf Course, unlike other golf courses in the district, offers a 27 hole playing experience in an idyllic setting abounding with wildlife, views of Lake Merimbula and an attractive treed setting. Adding high quality accommodation on the site as an integral part of a golf package is likely to attract more golfers to Merimbula who will, in turn, spend more money at restaurants, cafes, shops and services located within the local towns of Merimbula and Pambula and further afield. In addition, for those who are not golf enthusiasts, being able to stay in quality accommodation offering a panoramic outlook across the golf course to Lake Merimbula, close proximity to two surf beaches (Merimbula and Pambula) and other tourist related activities is an experience not yet available in the locality.

Planning Priority 9 of the LSPS is about Open Space and Recreation. It is noted that the Pambula Merimbula Golf Course is part of the Shire’s public open space and recreation network. It is submitted that by providing suitable accommodation on the site attractive to keen out-of-town golfers will not only generate local jobs but also support the aim of people living healthy and active lives and assist in ensuring the golf club operates as a viable and sustainable business.

The Planning Proposal is consistent with the relevant planning priorities of the LSPS.

5.4.3 Sapphire Coast Vision and Platform for Growth

Consistent.

⁴ Op cit Golf NSW, p84

As stated by the former mayor of Bega Valley Shire in her welcome statement in the Sapphire Coast Vision and Platform for Growth:

'The visitor economy is the cornerstone of our local economy. It enlivens our towns and villages, connects our shire to the outside world and helps our community to thrive. Supporting sustainable growth in this important sector is a priority for the Bega Valley Shire Council.' (Page 3)

The value of tourism to the Bega Valley economy cannot be underestimated. For example, in the year ending 2018 (being pre-Covid times) just over one million people visited the Bega Valley region (the Sapphire Coast). These tourists spent a total of \$499 million with flow on and multiplier effects to other businesses and services in the area. The tourism sector generated 3,500 jobs.

Opportunities identified in the document include attracting sporting events to the region and packaging products and experiences for the Sydney to Melbourne International drive market. Weaknesses within the current tourism sector for the Sapphire Coast include a low standard of accommodation, an emphasis on strata style ownership of accommodation, a lack of low or shoulder season tourist volumes and more visitor accommodation reverting to residential use. Much of the available commercial tourist and visitor accommodation in towns such as Merimbula is older style budget priced motel development which is appealing to some but not to others. The Planning Proposal aims to provide the opportunity for contemporary, high quality tourist and visitor accommodation of which there is so little currently available in the area.

The vision and growth document adopts a three pronged approach namely:

- Building a compelling brand (unique destination positioning)
- Increasing competitiveness (Experience development); and
- Transitioning to a year round destination (Market development).

In particular, the Sapphire Coast Vision and Platform for Growth states:

Growth opportunities are ideally with growing domestic visitor markets prepared to visit in shoulder and even low season, seeking immersive experiences in nature, coast, community and local produce. This growth opportunity also brings higher spend potential. (Page 19)

The PMGC recognizes that it needs to reposition itself within the golf course market. It also acknowledges that there are now five golf courses within a 20-30 minute drive from Merimbula creating a competitive market for both golf membership and visiting golfers. In terms of market development the PMGC is wanting to capture the growing domestic visitor market but also the middle class Asian market many of whom now play golf. The mega trend of more people taking multiple short breaks throughout the year rather than the annual longer break often during summer can result in more visitors to the Sapphire Coast and more money into the local economy. It can also mean more people coming to Merimbula for a long weekend of golf, attend a golf tournament or just 'chill out' in an idyllic location. Providing short term accommodation within the golf course precinct is consistent with these objectives.

Furthermore, the PMGC knows that in broadening its offer to include accommodation will benefit other businesses and tourist operators in the Sapphire Coast. Visitors coming to play golf at any time throughout the year will be able to enjoy the area's food and wine, the diversity of natural environments, spot whales, visit nearby villages and towns and participate in cultural festivals, markets and events. The Planning Proposal has the potential to generate economic multiplier

benefits for other businesses in the town and region who cater to the needs of tourists and help build the capacity of the tourism industry and the people it employs.

The Planning Proposal is consistent with the *Sapphire Vision and Platform for Growth*.

5.4.4 Other relevant South Coast tourism data supporting the Planning Proposal

The adverse impacts of the 2019 bushfires followed by Covid-19 on the tourism sector for the South Coast has been significant not only in terms of dollars spent in the sector but the number of people employed in the sector as well as a reduction in annual occupancy rates of tourist and visitor accommodation. Trends prior to these events (that is, for 2018-2019) indicate increases in tourism employment with 15,282 persons working in the sector being 7.7 per cent of the region's workforce. Although the majority of tourism businesses in the South Coast in 2019 employed between 1 to 19 employees the total number of tourism businesses (5,099 businesses) was ranked No. 4 across all of NSW.

In terms of Gross Value Added, whilst Food Services contributed 24 per cent of the total tourism dollars (\$274m) Accommodation was the second biggest contributor (\$238m) for the South Coast. Domestic overnight visitors stayed a total of 15,274,000 nights (or an average of 3 nights) being an 18 per cent increase in 2019 and spent \$2,192m also an 18 per cent increase on the previous year. However from 2016-2017 to 2018-2019 only an additional 47 rooms⁵ were added to the tourist accommodation sector in the South Coast noting that holidaymakers are the main category of overnight visitors to the region.⁶

This additional data demonstrates the strong appeal the South Coast has in terms of attracting tourists and visitors. The demand is most pronounced in the domestic overnight and domestic day visitor sectors but it is anticipated with improvements to Merimbula Airport and the Port of Eden (both of which act as gateways to the South Coast) the domestic and international visitations to Merimbula will increase as will the demand for tourist and visitor accommodation. The subject site is well positioned to take advantage of this potential growth.

In summary, it is submitted that the Planning Proposal has solid strategic merit. It is consistent with and will give effect to the relevant regional strategies and local strategies by allowing tourism and visitor accommodation as a land use appropriate for the site whilst retaining the current Public Recreation zoning.

6 STATE ENVIRONMENTAL PLANNING POLICIES

6.1 Is the planning proposal consistent with applicable State Environmental Planning Policies?

Table 1 indicates that the Planning Proposal is consistent with the relevant SEPPs they being:

- State Environmental Planning Policy (Transport and Infrastructure) 2021
- State Environmental Planning Policy (Resilience and Hazards) 2021
- State Environmental Planning Policy (Biodiversity and Conservation) 2021

⁵ Rooms include hotels, motels and serviced apartments with 15 rooms or more.

⁶ Tourism Research Australia, South Coast NSW

Table 1: State Environmental Planning Policies: Assessment of Planning Proposal

Relevant SEPP	Consistency
State Environmental Planning Policy (Transport and Infrastructure) 2021	Consistent. The Planning Proposal is consistent with the stated aim of the SEPP: <i>to facilitate the effective delivery of infrastructure across the State</i> by— (a) improving regulatory certainty and efficiency through a consistent planning regime for infrastructure and the provision of services; and (b) providing greater flexibility in the location of infrastructure and service facilities; and (c) allowing for the efficient development, redevelopment or disposal of surplus government owned land.
State Environmental Planning Policy (Resilience and Hazards) 2021	Consistent. The planning proposal does not contain provisions that would hinder the application of this SEPP. Any future proposal that involves a change of land use would be subject to a merit assessment including consideration of Chapter 4 Remediation of Land at the detailed development assessment stage.
State Environmental Planning Policy (Biodiversity and Conservation) 2021	Consistent. The Planning Proposal does not contain provisions that would hinder the application of this SEPP and any future development would need to consider and comply with this SEPP.

7 MINISTERIAL DIRECTION s9.1 DIRECTION

7.1 Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 Directions)?

The Ministerial Directions have been considered in the preparation of this Planning Proposal report. The main directions of relevance are discussed below.

7.1.1 Direction 1.1 Implementation of Regional Plans

The objective of this direction *is to give legal effect to the vision, land use strategy, goals, direction and actions contained in Regional Plans*. As stated in Direction 1.1:

Planning proposals must be consistent with a Regional Plan released by the Minister for Planning.

As noted the Planning Proposal is consistent with the South-East and Tablelands Regional Plan 2036 and, in particular Direction 9: Grow tourism within the Region. See Section 5.3.1.

7.1.2 Direction 1.3 Approval and Referral Requirements

Direction 1.3 aims *to ensure that LEP provisions encourage the efficient and appropriate assessment of development*. The planning proposal seeks changes to LEP 2013 by adding an additional permitted use to certain land. The changes proposed do not add to any additional concurrence, consultation or referral of development applications to a Minister or public authority or increase the likelihood of additional designated development.

The Planning Proposal is therefore consistent with Direction 1.3 Approval and Referral Requirements.

7.1.3 Direction 1.4 Site Specific Provisions

The objective of Direction 1.4 is *to discourage unnecessarily restrictive site specific planning controls*. The Planning Proposal is seeking an amendment to the current specific planning controls for the site, namely, to change Schedule 1 Additional permitted uses and the Associated Permitted Uses Map in the BVLEP so that a development application can be lodged for the purpose of tourist and visitor accommodation on the site within its current zoning RE1 Public Recreation. This Planning Proposal, by its very nature, does not contain or refer to drawings that show details of a proposed tourist and visitor accommodation development. It relates only to land within the site itself and does not seek to rezone that land. It is submitted that the current BVLEP includes relevant development standards or requirements applicable to a tourist and visitor accommodation development application.

At present a large golf club house is located within the site with the surrounding area to the north, east and west comprising a 27-hole public golf course. As mentioned earlier, the existing building is of scale and design which no longer meets the needs of the gold club. An opportunity exists, subject to this Planning Proposal being approved, to redevelop the site with a smaller club house facility and ancillary tourist and visitor accommodation development. As mentioned previously the 'play and stay' concept in the game of golf is gaining popularity not only in the domestic tourism sector but internationally. Merimbula is a popular tourist destination where there is currently a lack of high quality 4+ star accommodation. The site is strategically well located to provide such accommodation subject to consent from the Bega Valley Shire Council and has sound strategic support as discussed in Section 5.

The Planning Proposal is consistent with Direction 1.4 Site Specific Provisions.

7.1.4 Direction 4.3 Planning for Bushfire Protection

The objectives of this direction are:

- (a) protect life, property and the environment from bushfire hazards, by discouraging the establishment of incompatible uses in bushfire prone areas; and*
- (b) encourage sound management of bush fire prone areas.*

This Direction applies if the site to which the Planning Proposal applies will affect, or is in proximity, to land mapped as bushfire prone land. Portions of the site are within the Bushfire Protection Area as shown in Figure 5.

Any subsequent development resulting from the planning proposal must:

- (a) have regard to Planning for Bushfire Protection 2019,*
- (b) introduce controls that avoid placing inappropriate development in hazardous areas,*
- (c) ensure that bushfire hazard reduction is not prohibited within the Asset Protection Zone (APZ).*
- (d) The Planning Proposal does not alter the controls that will continue to apply to bushfire prone land. The Planning Proposal is for a change to Schedule 1 Permitted uses in the BVLEP 2013 and does not propose any development. In accordance with the Direction, it is understood that Bega Valley Shire Council may seek written advice from the Commissioner of the NSW Rural Fire Service on this Planning Proposal.

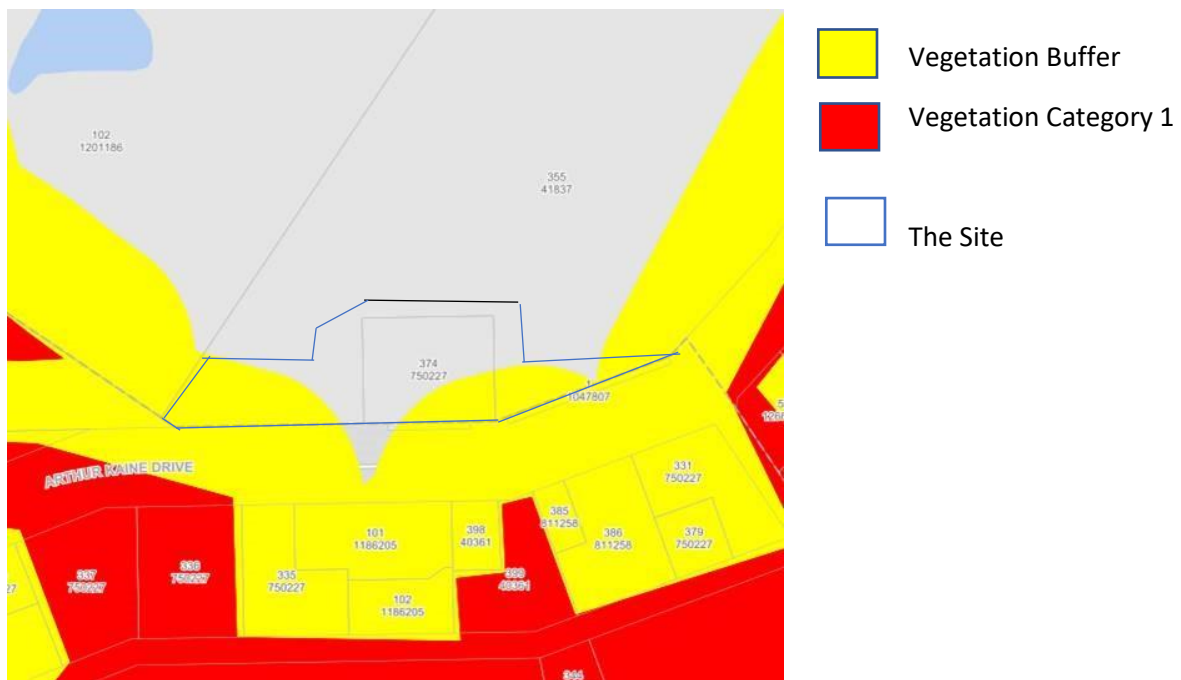


Figure 5: Bushfire Prone Land (Non-EPI) Map

The Planning Proposal is consistent with Direction 4.3 Planning for Bushfire Protection

7.1.5 Direction 5.3 Development Near Regulated Airports and Defence Airfields

The objectives of this direction are to:

- (a) ensure the effective and safe operation of regulated airports and defence airfields;
- (b) ensure that their operation is not compromised by development that constitutes an obstruction, hazard or potential hazard to aircraft flying in the vicinity; and
- (c) ensure development, if situated on noise sensitive land, incorporates appropriate mitigation measures so that the development is not adversely affected by aircraft noise.

This Planning Proposal is seeking an amendment to Schedule 1 of the BVLEP to enable the use and development of the site for tourist and visitor accommodation, subject to Council approval. It is not seeking to rezone the land. Although this Planning Proposal is not seeking approval of a development application the Direction does not prohibit any development within the OLS area. The Direction requires the Bega Valley Shire Council to consult with the lessee/operator of Merimbula Airport and to take into consideration the operational air space and any advice from the lessee/operator of the airport.

The Planning Proposal is consistent with Direction 5.3 Development Near Regulated Airports and Defence Airfields.

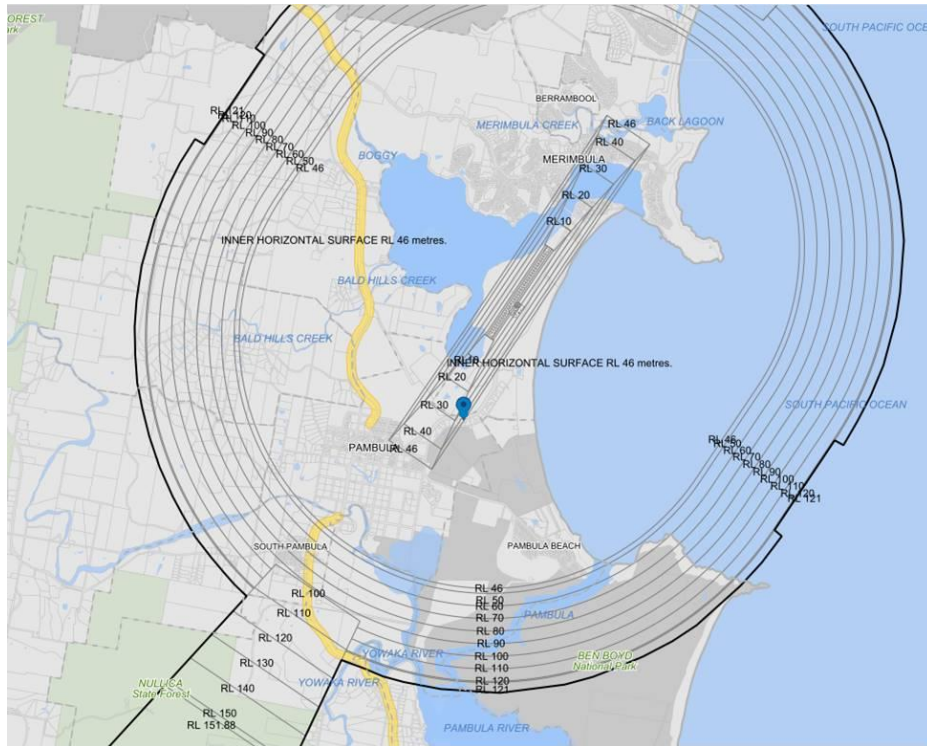


Figure 6: Obstacle Limitations Surface (OLS) Map for Merimbula Airport

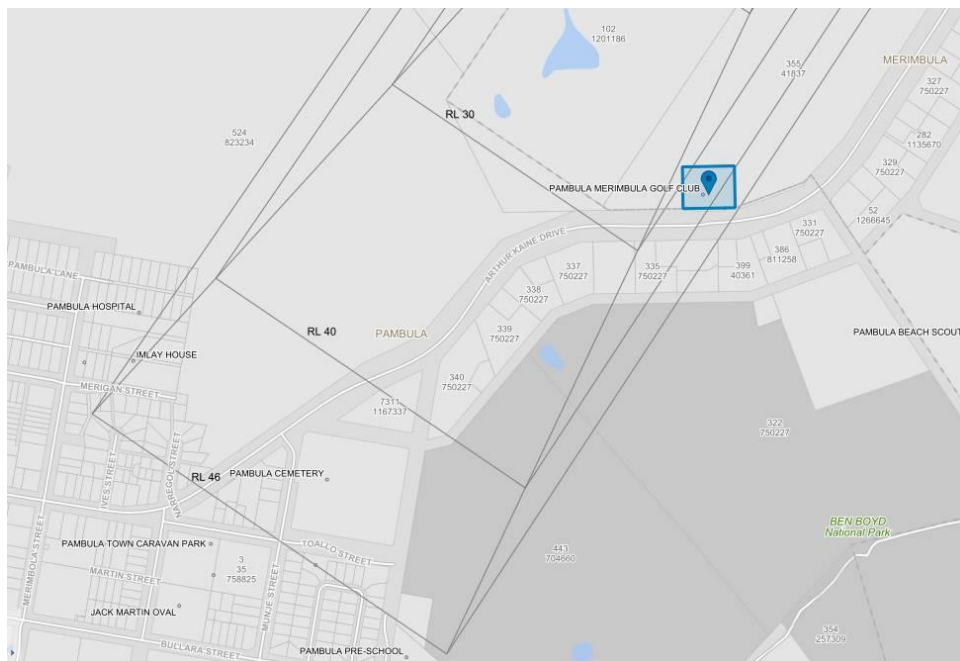


Figure 7: More detailed map showing the location of the site in relation to the Obstacle Limitations Surface (OLS) Map for Merimbula Airport

In summary the Planning Proposal is consistent with the relevant Ministerial Directions s.9.1 Directions.

8. ENVIRONMENTAL, SOCIAL, CULTURAL AND ECONOMIC CONSIDERATIONS

8.1 Environmental considerations

The site is already altered as a result of the construction of the Pambula Merimbula Golf Clubhouse, the open lot car parks and the golf course itself and urban infrastructure services already exist on the site. The site is not included in the Biodiversity Values Map or the High Environmental Values Map as shown in Figure 8.

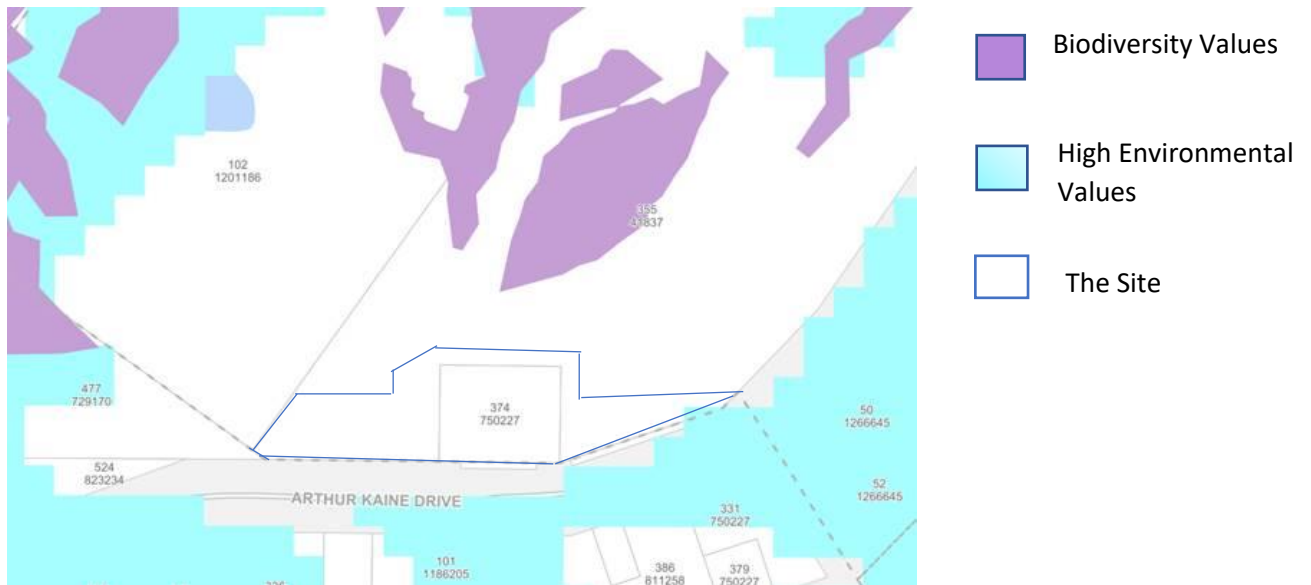


Figure 8: Biodiversity Values and High Environmental Values areas

8.2 Social and Cultural considerations

The site is not identified to be of heritage significance or of Aboriginal or European archaeological importance. However the golf club and golf course serve both social and recreational functions and these will continue to operate on the site with potential for a new club house facility more appropriate to the needs of its members and visitors.

8.3 Economic considerations

By allowing the Planning Proposal the opportunity arises where a tourist and visitor accommodation development application can be lodged with Council. Such a development will be of significant value to the Sapphire Coast trade and construction industries during construction and ongoing maintenance of the development. In addition, a development of this type will employ staff to operate the tourist and visitor accommodation facility and will generate an economic multiplier benefit across other tourist related businesses in the area with more tourists and visitors staying overnight and longer on the site.

As importantly, the Planning Proposal provides the opportunity for five star temporary or short-term accommodation on a commercial basis filling a gap in the current commercial tourist accommodation offer in Merimbula which is mainly budget priced 3 to 3.5 star quality.

9. STATE AND COMMONWEALTH INTERESTS

9.1 Is there adequate public infrastructure for the planning proposal?

Yes.

The site enjoys a generous frontage and direct access to Arthur Kaine Drive with dedicated entry and exit lanes and a right turn only lane into the site when travelling west. The site also has access to all essential infrastructure services and any further improvements or augmentation of these services will be investigated as part of a future development application. The site is therefore able to be serviced by public infrastructure.

9.2 What are the views of State and Commonwealth public authorities?

The site is currently Crown Land leased to the club. Discussions with the Department of Planning, Industry and Environment (Crown Lands) has indicated it has no objection, in principle, to this Planning Proposal being lodged.

10 MAPPING

The Planning Proposal also includes amendments to the Additional Permitted Uses Map CL1_020A by applying 'Additional Permitted Uses' to Lot 374 DP 750227, Lots 1 and 2 DP1047807 and part of Lot 355 DP41837, Arthur Kaine Drive, Merimbula. No other amendments to the current planning provisions are being sought at this stage.

11 CONSULTATION

Consultation with the relevant statutory authorities will be required due to the nature of the Planning Proposal including:

- NSW Department of Planning, Industry and Environment (Crown Lands)
- Rural Fire Service
- Airport Protection and Airport Safety Branch, Commonwealth Department of Infrastructure Transport, Regional Development and Communication
- Civil Aviation Safety Authority
- Lessee/Operator of Merimbula Airport

12 PROJECT TIMELINE

The project timeline will assist with tracking the progress of the planning proposal through the various stages of consultation and approval. It is estimated that the amendments to the BVLEP 2013 will be completed by July 2023.

Council requests delegation to be the Local Plan-Making Authority (LPMA) in relation to this proposal. Delegation would be exercised by Council's General Manager or Director of Planning and Environmental Services. The planning proposal is a "Standard" Planning Proposal, and the approximate project timeline is outlined in Table 2.

Table 2: Estimated timelines for the Planning Proposal

Key stages of consultation and approval	Estimated timeframe
STAGE 1: Pre-lodgement	Complete
STAGE 2: Planning Proposal – Submit to Department	June 2022
STAGE 3: Receive Gateway Determination	July 2022
STAGE 4: Post-Gateway (action conditions of Gateway Determination)	August-September 2022
STAGE 5: Commencement of public exhibition period	September 2022

STAGE 5: Consideration of submissions received	February 2023
STAGE 5: Council Report	March 2023
STAGE 6: Finalisation	July 2023

13 CONCLUSION

This Planning Proposal has been prepared by the Pambula Merimbula Golf Club Ltd and seeks to amend the Bega Valley Local Environmental Plan 2013 Schedule 1 Additional permitted uses and the Associated Permitted Uses Map by inserting the following:

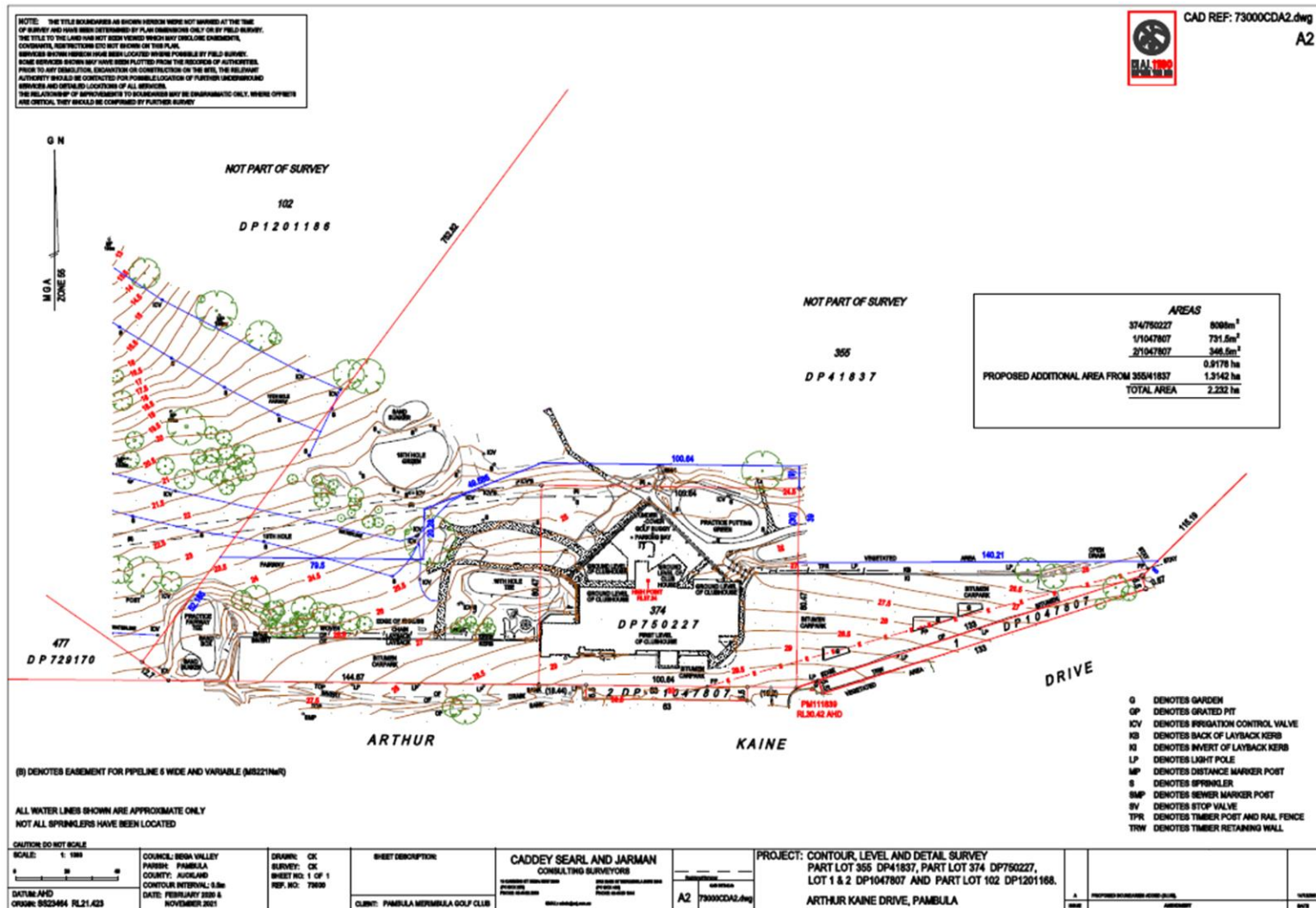
19 Use of certain land at Arthur Kaine Drive, Merimbula

- (1) This clause applies to land at 173 Arthur Kaine Drive, Merimbula, being Lot 374 DP 750227, Lots 1 and 2 DP1047807 and part of Lot 355 DP41837 identified as "19" on the Additional Permitted Uses Map.*
- (2) Development for the purpose of tourist and visitor accommodation is permitted with development consent.*

This Planning Proposal report has been prepared in accordance with Section 3.33 of the EP&A Act. The report concludes that the Planning Proposal:

- Satisfies the assessment criteria detailed in the *A guide to preparing planning proposals* in relation to the site-specific merit assessment;
- Is consistent with the regional and subregional planning strategies as well as local planning strategies;
- Is consistent with the objectives of the RE1 Zone as tourist and visitor accommodation is compatible with the primary use of the site namely a 27-hole golf course;
- Is consistent with the relevant SEPPs;
- Is consistent with Ministerial Direction s.9.1 Directions and, in particular, will:
 - provide opportunities for a high quality well designed tourist and visitor accommodation development on the site therefore adding to the short term accommodation offer in Merimbula
 - generate jobs for the local labour force
 - support the trades and construction industry in the area
 - create flow-on economic benefits for other tourist related businesses in the area
 - contribute to the patronage of the Pambula Merimbula Golf Course by providing the opportunity for Play and Stay accommodation within the golf course precinct
 - provide the opportunity for a smaller golf clubhouse which better meets the needs of its members and visitors

APPENDIX 1: SITE SURVEY



APPENDIX 2: PHOTOGRAPHS OF THE SITE



1. View of clubhouse from Arthur Kaine Drive



2. North east elevation of clubhouse



3. North-west elevation of clubhouse



4. Southern elevation and adjacent car park



5. View from practice putting green of the clubhouse



6. Undercover golf buggy storage area



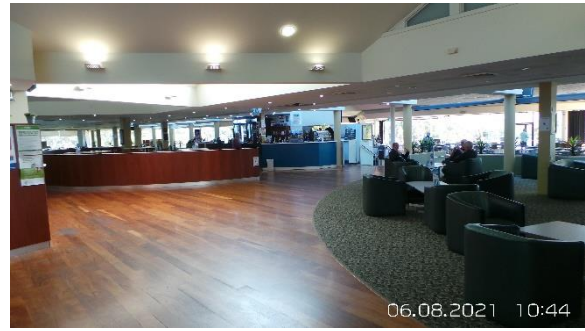
7. Pro shop located at north east corner of clubhouse



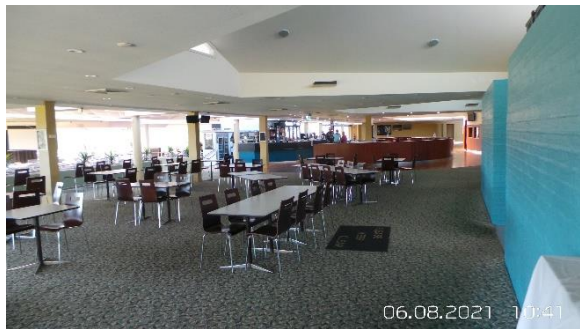
8. Main entry to clubhouse and carpark to the east of the clubhouse



9. Foyer and reception area of clubhouse



10. Main bar, café and seating areas



11. Dining area on upper level with bar in background



12. Lower dining area and event space



13. Lower level dining area with outlook to golf course



14. Lower level dining area with views of golf course to the north



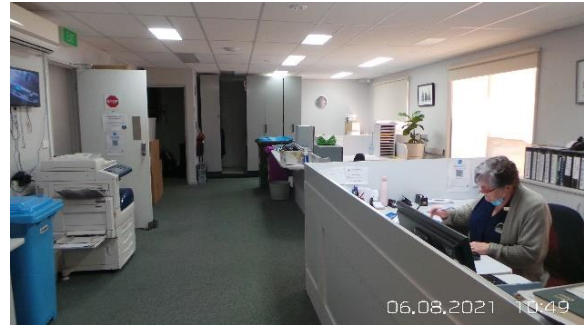
15. Serving area with main kitchen behind



16. Games room



17. Trophy room



18. Office and meeting room space



19. The 28th (formerly the Garden Room)

APPENDIX 3: PHOTOGRAPHS OF LAND OPPOSITE ZONED B5 BUSINESS DEVELOPMENT



1. Wheeler's restaurant and oyster shed



2. Fairway Motel



3. New office complex, storage rental facilities and car wash



4. Machinery hire business