

Planning Proposal

Amendment to Bega Valley LEP 2013 Maximum Height of Buildings Map for land at Lot 121 DP 1250503 at 119 Main Street, Merimbula

BVLEP 2013 Amendment No. XX

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Introduction

The planning proposal explains the intended effect of, and justification for the proposed amendment to Bega Valley *Local Environmental Plan 2013 (BVLEP 2013)* to increase the maximum height of building standard for land at 119 Main Street, Merimbula (being lot 121 DP1250503) from 16 metres to 26 metres. The amendment is intended to facilitate the development of a hotel on the subject land, which is the subject of a concept development application that accompanies this planning proposal.

The subject land is depicted in **Part 4 – Figure 1**.

The subject land currently contains Club Sapphire. The Club premises has up to 3 levels but ranges across the site from 1 to 3 storeys. The facilities include:

- Two modern, covered synthetic bowling greens
- Restaurant and café (with capacity to support the hotel)
- Major bar and gaming areas.
- Large auditorium and smaller break out rooms currently used for a wide variety of community activities and with capacity to accommodate the hotel conference requirements
- On-site parking for 247 cars and 2 buses.

The proposal has been prepared in accordance with Section 3.33 of the Environmental Planning and Assessment Act 1979 and the Local Environmental Plan Making Guideline, December 2001.

The planning proposal is accompanied by the following studies and reports:

- An investigation into sewer and water service requirements
“Infrastructure Analysis report” Indesco . August 2022
- A traffic impact analysis Traffic Impact Assessment, TTM engineering, Sept. 2022
- A concept Development Application which details the proposal, including detailed plans
- Visual Analysis, Garret Barry Planning Services and Quattro Architecture, October 2022

Part 1: Objectives or Intended Outcomes

Objectives

To amend the Bega Valley Local Environmental Plan 2013 to enable the development of a seven (7) storey hotel on land at 119 Main Street, Merimbula (Lot 121 DP1250503).

Intended Outcomes

- To facilitate the development of a viable 4 or higher star hotel in Merimbula.
- To facilitate such development on land that is best located to achieve a higher building with minimal impacts on the visual amenity of Merimbula.
- To contribute to the provision of higher quality tourism accommodation in the region.
- To contribute to the tourism requirements of Merimbula which is recognised as the urban tourism focus of the Shire.

Part 2: Explanation of Provisions

The objective of the Planning Proposal will be achieved by a site-specific amendment of the Bega Valley LEP 2013 to increase the maximum height of buildings standard for a part of the subject land from 16m to 26m through an amendment to the Maximum Height of Buildings Map HOB_020B.

The map amendment is described in **Part 4 – Figures 2 and 3**.

Part 3: Justification for Proposal Rezoning

Section A - Need for the Planning Proposal

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

Yes. The Bega Valley Commercial Land Strategy, April 2020 encourages site specific planning proposals on larger lots within the Bega and Merimbula town centres to increase the maximum height of buildings.

In addition, the proposed development that will be facilitated by this planning proposal has been identified for some time as a specific tourist accommodation need in the Bega Valley Shire, including in the Destination Southern NSW Regional Destination Management Plan and the Sapphire Coast Tourism Vision and Platform for Growth 2019. Discussion in relation to these strategies is included in Section B of the Planning Proposal.

There are a number of strategic studies and reports that support the Planning Proposal, including the South East and Tablelands Regional Plan, the Bega Valley Local Strategic Planning Statement, the Bega Valley Economic Development Strategy and the Bega Valley Commercial Land Strategy 2040. Discussion on how the planning proposal is consistent with these regional and local strategies is included in Section B of the Planning Proposal.

The following reports have been prepared to support the Planning Proposal and are included in the DA package:

- Visual Assessment;
- Socio-economic Statement;
- Traffic Impact Assessment;
- Services investigation

The outcomes of the above reports are summarised in Section C of the Planning Proposal.

Importantly, the Planning Proposal is necessary to facilitate a viable mixed use (commercial, recreation and tourist) development on the subject land, which is located within the Merimbula urban centre. As demonstrated in the Socio-Economic Statement, a four plus star hotel development in Merimbula is unlikely to be achieved without an increase in height and the subject land is the most likely site in Merimbula to accommodate such a development.

2. Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The best means of facilitating development with a high degree of certainty is to ensure that the development meets the relevant development standards. Therefore, for proposed development that does not comply with an existing development standard, to increase the level of certainty for investment, it is appropriate to seek an amendment to the development standard.

To amend the development standard, a rigorous strategic planning process must be undertaken in which the community have an opportunity to participate. The strategic process (Planning Proposal) can be accompanied by the development details (Concept Development Application) to give the Council and the community certainty about what the proposed change to the development standard will mean in built form. Alternatively, a development application that complies with the amended standard can be submitted to Council once the LEP amendment process is completed. The submission of a Concept Development Application with this planning proposal is considered the best approach to ensure all aspects of the proposal are fully examined and presented to the community.

However, there are other means of achieving the intended outcome. It is possible to submit a development application without seeking an amendment to the BVLEP 2013, by requesting and justifying a variation to the development standard. This approach would be appropriate if the variation to the development standard was relatively minor. It is not considered an appropriate approach in this instance as the change to the development standard could not be described as relatively minor.

It is also relevant to note that it is physically possible to develop the site for a hotel within the current 16m maximum building height standard. Such a building would take up a much larger footprint than the proposed development and this would arguably have a greater visual impact - particularly with regard to bulk. The subject land is identified as a gateway site to the Merimbula town centre and given the large size of the land, a taller building with a smaller footprint is considered appropriate and would have a better visual presentation than a lower, larger footprint development. Economic advice indicates also that a low hotel with limited views will not likely prove viable for the 4 plus star market. There is ample accommodation in Merimbula below 4 star and for a hotel of this nature to succeed it needs to be 4 star or better.

A hotel building complying with the current 16 metre height limitation would require extensive demolition and replacement of much of the existing Club which is likely to render such option uneconomic. The SEIA also establishes that without the special character and views the extra height gives the proposal, all four hotel management chains consulted to date consider the project will not achieve 4 plus star rating and economically would not succeed in the region for some decades.

An alternative amendment to the BVLEP 2013 could be to seek to include the subject site in Schedule 1 of the LEP. This approach is generally used for identifying additional land uses permitted on a particular site, rather than for identifying particular sites with specific development standards. This is not considered an appropriate approach given the building height standard is already site specific through the Maximum Height of Buildings Map.

Given the above, the best approach to achieving the intended outcome in this instance is to amend the maximum building height standard by way of an amendment to the Maximum Height of Buildings Map.

There are two options for how an amendment to the Maximum Height of Buildings Map may affect the subject site, as follows:

- The amendment could apply to the whole of the subject land; or
- The amendment could apply to a specific part of the subject land.

It is proposed to limit the area of height increase to just the hotel footprint and a minor buffer area. The 16 metre control is considered adequate for the residue of the site and allows for likely requirements of the Club for the foreseeable future.

Section B - Relationship to Strategic Planning Framework

3. Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plans or strategies)?

South East and Tablelands Regional Plan

The South East and Tablelands Regional Plan is applicable to the subject land and it identifies Merimbula as a Local Centre with a Regional Airport suitable for commercial and retail activity and development supporting tourism.

The following table outlines the consistency of the planning proposal with relevant goals, directions and actions of the Regional Plan.

Goal / Direction / Action	Relevance and Consistency
Goal 1: A connected and prosperous economy	
Direction 1: Leverage access to the global gateway of Canberra Airport	Relevant.
Action 1.3: Plan for compatible and complementary economic development opportunities around the	Council developed a Merimbula Airport Master Plan in 2013. The Master Plan is currently under review. The adopted Master

region's airports, including in Moruya and Merimbula.	<p>Plan focuses on the airport site and opportunities for additional aviation and non-aviation related development on the site. Importantly, the Master Plan does not envisage tourist accommodation development within the potential commercial precinct at the airport. The proposed development therefore does not conflict with potential future land use development at the Merimbula Airport site.</p> <p>The Socio-Economic Report accompanying this planning proposal outlines how the proposed development is compatible and complementary to the Merimbula Airport. This Report is summarised in Section C below.</p> <p>The Planning Proposal would facilitate development that will have a maximum height below the obstacle surface limitation for the Merimbula Airport as discussed in Item 4 (p19) below.</p>
Direction 2: Enhance tourism and export opportunities through the Port of Eden	Not relevant.
Direction 3: Develop the Snowy Mountains into Australia's premier year-round alpine destination	Not relevant.
Direction 4: Leverage growth opportunities from Western Sydney	Not relevant.
Direction 5: Promote agricultural innovation, sustainability and value-add opportunities	Not relevant.
Direction 6: Position the region as a hub of renewable energy excellence	Not relevant.
Direction 7: Grow the South Coast's aquaculture industry	Not relevant.
Direction 8: Protect important agricultural land	Not relevant.
Direction 9: Grow tourism in the region	Relevant.

Action 9.3: Align local strategies with the relevant Destination Management Plan.	As outlined in this planning proposal and in supporting documents, the Planning Proposal is consistent with the Destination Southern NSW Destination Management Plan by seeking to ensure an important gap in tourist accommodation in the Bega Valley Shire can be appropriately met and provide an important economic boost to the town and region.
Direction 10: Strengthen the economic self-determination of Aboriginal communities	Not relevant.
Direction 11: Enhance strategic transport links to support economic growth	Not relevant.
Direction 12: Promote business activities in urban centres	Relevant.
<p>Action 12.2: Encourage mixed use developments that cater for commercial, retail, residential and tourism uses through local planning controls.</p> <p>Action 12.3: Reinforce the role and function of centres as the primary places for commerce, retail, social activity and regional services through local strategies and local environmental plans.</p>	Merimbula is identified as a Local Centre in the Regional Plan. The subject land is located within the Merimbula Town Centre and is therefore an appropriate location for a mixed use commercial, recreation and tourism development, reinforcing the role and function of Merimbula as a local centre. As outlined in this planning proposal and in supporting documents, the proposed development will support economic development in Merimbula and the wider region through attracting additional tourists to the region, providing additional construction and operational employment and supporting the viability of existing retail, commercial and tourism activities.
Direction 13: Manage the ongoing use of mineral resources	Not relevant.
Goal 2: A diverse environment interconnected by biodiversity corridors	
Direction 14: Protect important environmental assets	Not relevant.
Direction 15: Enhance biodiversity connections	Not relevant.

Direction 16: Protect the coast and increase resilience to natural hazards	Relevant
Action 16.1: Locate development, including new urban release areas, away from areas of known high bushfire risk, flooding hazards or high coastal erosion/inundation; contaminated land; and designated waterways to reduce the community's exposure to natural hazards.	<p>The subject land is within the coastal zone and is mapped as within the coastal environment area. A small portion of the site is located in the coastal use area. The proposed development is located on an existing developed site and will not add significantly to any physical impacts from the site on the coast.</p> <p>A small part of the subject land is bushfire prone. Preliminary assessment has identified that the closest vegetation is over 100 metres to the north of lot 121 and nearly 200 metres from that part of the land the subject of this planning proposal. The land is surrounded by managed urban land and future development will be able to comply with all bush fire planning requirements.</p> <p>The subject land is not flood prone or subject to coastal erosion or inundation. The subject land is not contaminated.</p>
Direction 17: Mitigate and adapt to climate change	Not relevant.
Direction 18: Secure water resources	Not relevant.
Goal 3: Healthy and connected communities	
Direction 19: Strengthen cross-border connectivity	Not relevant.
Direction 20: Enhance access to goods and services by improving transport connections	Not relevant.
Direction 21: Increase access to health and education services	Not relevant.
Direction 22: Build socially inclusive, safe and healthy communities	Not relevant.
Direction 23: Protect the region's heritage	Not relevant.
Goal 4: Environmentally sustainable housing choices	

Direction 24: Deliver greater housing supply and choice	Not relevant.
Direction 25: Focus housing growth in locations that maximise infrastructure and services	Not relevant.
Direction 26: Coordinate infrastructure and water supply in a cross-border setting	Not relevant.
Direction 27: Deliver more opportunities for affordable housing	Not relevant.
Direction 28: Manage rural lifestyles	Not relevant.

4. Is the planning proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or GSC, or another endorsed local strategy or strategic plan?

Bega Valley Local Strategic Planning Statement, 2040

The Bega Valley Local Strategic Planning Statement 2040 (BVLSPS) contains a number of planning priorities relevant to the planning proposal, including:

- Planning Priority 7 – Tourism
- Planning Priority 10 – Character
- Planning Priority 12 – Town Centres

The BVLSPS also includes a desired future character statement for Merimbula.

Planning Priority 7 – Tourism relates more to tourism infrastructure and experiences than tourist accommodation, however it does express the challenge for tourism of “*encouraging luxury and eco accommodation developments to match the expectations of visitor markets*”. The planning proposal will facilitate the best opportunity of overcoming this challenge for the town of Merimbula.

Planning Priority 10 – Character contains the following future directions:

- *Apply desired future character statements for towns and villages to ensure new development is consistent with the features that have been identified to be retained or enhanced and is in line with community expectations.*
- *Maintain a compact settlement pattern with clearly defined town and village entry points and prevent ribbon development that joins settlements.*

- *Maintain scenic vistas by discouraging development on prominent ridgelines and ensuring development along main arterial roads is designed in sympathy with its rural or coastal setting.*
- *Protect cultural heritage and built heritage items and preserve the value of heritage buildings and places by ensuring that new development near heritage-listed items respects these values.*
- *Apply the urban design priorities from the Urban Design Guide for Regional NSW when reviewing or developing plans and planning policies for urban areas to help inform and maintain character in towns and places.*

A desired future character statement for Merimbula is outlined in the BVLSPS and is addressed below. The planning proposal facilitates the maintenance of a compact Merimbula as the subject land is wholly within the existing town centre. The proposed increase in height has been assessed having regard to the visual impact of the proposed development and the impact is considered reasonable (see further discussion in Section C). The planning proposal will have no impact on cultural or built heritage and urban design matters can be addressed through the design of the development that the planning proposal will facilitate.

Planning Priority 12 – Town Centres contains the following principles for commercial centre development:

- 1. Manage hierarchy and encourage blended use*
- 2. Consolidate commercial activities*
- 3. Maintain fine grain and encourage business diversity*
- 4. Enhance the public realm*
- 5. Address connectivity within centres and improve accessibility*
- 6. Maintain zoning, bulk and scale controls generally but introduce flexibility*
- 7. Focus on unique assets*
- 8. Introduce design guidance and sustainability*
- 9. Streamline approvals processes*
- 10. Embrace technology*

The planning proposal facilitates a development that addresses the above development principles, where relevant, as follows:

- Merimbula is an appropriate town centre in the overall hierarchy for a four plus star hotel development.
- The proposal relates to an existing development to which the addition of a hotel is logical and feasible.
- The proposal facilitates the introduction of a new tourism accommodation option in the region, one which will have flow on business opportunities and economic benefits.
- The subject land has significant frontages of public realm that can be enhanced as part of the development facilitated by the planning proposal.
- The planning proposal will not impact on connectivity through Merimbula and will generate an increase in walking in the town centre as a transport mode for visitors.
- The planning proposal seeks a building height outside of the current standards for part of a specific site, limiting the potential cumulative impacts in relation to bulk and scale.
- The subject site is unique in its capacity to facilitate a development of the kind proposed.

The **desired future character** for Merimbula is articulated in the BVLSPS 2040, as follows:

“VISION 2040: MERIMBULA

The coastal atmosphere of Merimbula as a vibrant seaside destination has been enhanced by orienting commercial development towards the lake, prioritising pedestrians and improving public open space.”

Comment: The Planning Proposal will facilitate a hotel development that will add to the vibrancy of the Merimbula Town Centre through providing accommodation for additional tourists and supporting additional conference and function activities. The development facilitated by the planning proposal will also enhance the Main Street streetscape along the frontage of the site. The desired future character statement is based around the key elements of the place to *protect, enhance and change*, as outlined below.

PROTECT

- *Key elements within the streetscape including sculpture and mature trees, view corridors to the lake and ocean and access to Merimbula Lake are retained.*
- *Public views of Merimbula Lake, Back Lake and the ocean from Merimbula Drive on the approach into town are protected. The natural forested backdrop has been protected to retain the coastal bushland setting.*

- *The history of Merimbula has been promoted by protecting the setting and landmark features such as Courunga (Munn's Tower House), Mitchie's Jetty, Merimbula Wharf and Merimbula Lake.*

Comment: The development facilitated by the planning proposal will have no impact on existing sculptural elements or mature trees, access to Merimbula Lake or the identified landmark features of the town.

In relation to views, the Merimbula Precinct Map identifies a number of significant views from Merimbula Drive to the west of town towards Merimbula Lake and the ocean, and from the corner of Market and Beach Street towards Merimbula Lake. The subject land is not located in the direction of any of these significant views. The development facilitated by the Planning Proposal will, however, be prominent from other viewpoints and this matter is further addressed in the accompanying visual assessment of the development application.

ENHANCE

- *Attractive buildings distinguish new development.*
- *Buildings are higher in some places than those that currently exist in the town. Taller buildings are appropriately located and set within attractive streetscapes so that their visual appearance fits in with the coastal town character and lake front setting.*
- *Larger development is well articulated and proportioned with the overall height, bulk and scale in keeping with a medium-rise coastal setting.*
- *The town centre is a prominent mixed use area containing offices, shop-top housing, tourist accommodation and leisure/entertainment uses.*
- *Development on all approaches to the town contributes to the sense of arrival.*
- *Laneways and arcades provide connectivity and opportunities for boutique shopping, alfresco dining, seating and landscaping within a compact and clearly defined town centre that is easy to navigate where night time activation and temporary uses are encouraged.*
- *Streetscape elements such as awnings and signage are well-articulated and proportioned.*
- *New connections within the open space network around Merimbula Lake have been created and pedestrian connectivity to Mirador and Tura Beach has been improved.*
- *Merimbula's town centre has transformed through the consolidation of the town centre, redevelopment of old buildings, traffic rerouting, prioritising of pedestrian movements, incorporation of drop-off zones, streetscape upgrades and*

landscaping, retention of the high-street retail shopping experience and integration of a broader range of complimentary land uses into the town centre.

Comment: The development facilitated by the Planning Proposal will address these elements of the desired future character for Merimbula through high quality building design, appropriate location on a large site at an important approach into the town centre, improvements to the Main Street footpath, provision of a new drop off zone at the club/hotel entrance and improved on-site landscaping.

CHANGE

- *Market Street and the lake foreshore is the physical and perceptual heart of the commercial centre.*
- *Market Street (between Merimbula Drive and Beach Street) is a highly pedestrian area, with a focus on boutique shopping, al fresco dining and children's play areas.*
- *Beach Street has been redeveloped with new cafes and restaurants overlooking Merimbula Lake. The Beach Street car parking area has become a lakefront park featuring public sculpture, grassed areas, landscaping and seating.*
- *The density and diversity of housing close to the town centre has increased and contributes to the vitality of the town.*

Comment: The development facilitated by the Planning Proposal does not impact on any of these elements of the desired future character for Merimbula. It will not prejudice the desire for Market Street and the lake shore to be the physical and perceptual heart of the commercial centre. It will not threaten the pedestrian focus of Market Street, prevent the desired Beach Street redevelopment or impact on the ability to increase housing density close to the town. It will in fact support these objectives through providing accommodation for more tourists and facilitating more conferences and other events.

Bega Valley Shire Community Strategic Plan 2042

The Planning Proposal is consistent with the Bega Valley Shire Community Strategic Plan 2042 (BVCSP). The planning proposal supports a major hotel development on the site of an existing community facility (Merimbula Imlay Bowling Club, known as Club Sapphire), consistent with the following outcomes, goals and strategies of the BVCSP.

Outcome / Goal / Strategy	Comment
B. Our Economy	
Strategy B.2: Collaborate with relevant parties and industry to promote and support opportunities to diversify and grow our economy and provide local jobs.	The planning proposal facilitates the diversification of tourism accommodation and experiences and will provide additional local jobs and support local hospitality businesses.

<p>Strategy B.5: Collaborate with relevant parties to develop and enhance the economic opportunities provided by the development of the Port of Eden, Merimbula Airport, East West freight corridor, and tourism services and facilities.</p>	<p>The planning proposal facilitates a development that will enhance the economic opportunities provided specifically by improvements at the Merimbula Airport. Four plus star tourist accommodation and airport development have a particularly symbiotic relationship and there will be significant flow on of economic benefits to the Merimbula town centre and beyond, including for all tourist operators in the region.</p>
<p>Our Environment</p>	
<p>Strategy C.2: Ensure land use planning and resource use supports sustainable growth whilst protecting the quality of the natural environment and our rural landscapes.</p> <p>Strategy C.4: Adopt sustainable design principles in the planning of our urban areas and infrastructure provision, and encourage sustainable buildings and lifestyles.</p>	<p>The planning proposal facilitates a development in a location that will have no detrimental impacts on the natural environment or rural landscapes.</p> <p>The planning proposal is accompanied by a concept development application for a hotel that demonstrates sustainable infrastructure provision for the proposed development. A subsequent detailed development application for construction of the hotel will demonstrate sustainability measures in the building.</p>

Bega Valley Commercial Land Strategy 2040

The Commercial Land Strategy 2040 has recently been adopted by Council. It identifies Merimbula/Tura Beach as a Major Centre. The Strategy describes Merimbula/Tura Beach in the following way:

“The combined commercial precinct of Merimbula/Tura Beach is a major centre that reinforces the primacy of Bega through offering high level retail and trade facilities that serve the immediate catchment and beyond.

Land capacity for additional commercial development exists at Merimbula and Tura Beach that can be used to develop commercial activities that provide goods and services to cater to local day-to-day shopping as well as limited weekly comparison goods.

Two areas adjoining the existing Tura Beach commercial area are suitable for bulky goods retail development due to proximity to existing commercial development, the

availability of infrastructure and visual exposure. The development of bulky goods retail should be subject to design considerations.

Merimbula town centre benefits from good connectivity between retail, hospitality and larger box store developments. A range of building heights enables diverse forms whilst ensuring new development respects the landform and position relative to the waterfront.

Commercial goods and services are provided in a mix of hospitality, retail, office, leisure and entertainment spaces catering to both residents and visitors.

High quality upper floor accommodation is encouraged to take advantage of views and lifestyle opportunities.

Connectivity by pathways, laneways and arcades between commercial precincts should be retained with active street frontages to streets and private thoroughfares.

Height of buildings limits play an important role in stimulating redevelopment and urban renewal while maintaining desired character and limiting unwanted impacts. Larger sites can more easily integrate higher levels without impacting upon neighbouring sites.”

The Strategy includes a character statement for Merimbula that includes the following elements:

- *Support the continued growth and development of Merimbula as a major centre.*
- *Pedestrian access is prioritised within Market Street and Beach Street and further opportunities to maximise connectivity with the open space network around Merimbula Lake are created.*
- *Protect key elements within the streetscape including view corridors and access to Merimbula Lake where larger development is well articulated and proportioned and the overall height, bulk and scale is in keeping with a medium-rise coastal setting.*
- *Enhance the existing coastal atmosphere of Merimbula as a vibrant seaside destination with a mixture of commercial and residential land uses where streetscape elements such as awnings and signage are well articulated and proportioned and the redevelopment of older building stock is encouraged.*
- *Promote the continued enhancement of existing laneways and arcades providing opportunities for boutique shopping, alfresco dining, seating and landscaping within a compact and clearly defined town centre that is easy to navigate where night time activation and temporary uses are encouraged.*

The Strategy makes a number of recommendations for potential changes to the Bega Valley LEP 2013. With respect to changes to maximum building height in the Merimbula Town Centre, it states (p. 37):

“To encourage new development in Bega and Merimbula town centres, Council will consider site specific proposals, with a land area greater than 2000m², to increase the maximum height of buildings in Merimbula by way of a combined Planning Proposal and Development Application that allows the community to evaluate the details of each proposal.”

Comment: The Planning Proposal facilitates a hotel development that will fit well with the above description of Merimbula. The development will contribute to a range of building heights. The site is in a relatively low part of the town centre and is away from the waterfront. The site is the largest individual lot in Merimbula and can accommodate the extra height sought without significant impact on adjoining properties. The hotel will provide high quality visitor accommodation that takes advantages of views.

The Planning Proposal and supporting documents provide justification for a site-specific change to the maximum building height development standard, demonstrating that this can be achieved in a manner consistent with the desired future character for Merimbula. The Planning Proposal responds to the above character statement by:

- Supporting the development of a major hotel that will reinforce the role of Merimbula as a major centre with facilities that support tourism. The development will also provide a significant immediate and ongoing boost to the local economy through employment opportunities and support for existing retail and commercial activities, as outlined in the accompanying Socio-economic Report. The Planning Proposal is therefore consistent with the strategy in relation to these matters.
- Facilitating streetscape improvements to Main Street, including improved entry to the Club and improved building facades. These changes will significantly improve the visual presentation of the site from Main Street and will improve pedestrian amenity and accessibility to both Club and hotel. The upper levels of the building are setback from the site frontage, minimising their perceived bulk when viewed from the street. As the subject land is an important gateway site, the scale and height of the proposed development is considered appropriate.

In relation to building height, while the proposed hotel does not meet the definition of medium-rise development in the Strategy (4 to 5 storeys), the definition provided relates directly to the current range of building height standards in the Bega Valley LEP, not to any desired future character where additional height could be considered, such as in Merimbula. As context, medium-rise buildings across NSW are commonly considered to be between 3 and 7 storeys high, depending upon the context, so the 4 to 5 storeys in the Commercial

Land Strategy is relatively limited. Justification for a site-specific increase in building height is provided in this planning proposal and in the supporting documents. In summary, the proposal is considered worthy of support notwithstanding the inconsistency for the following reasons:

- The provision of a high-end hotel facility in the Shire is a major economic goal of Council given the social and economic benefits it could deliver.
- The proposed hotel development will bring significant social and economic benefits to Merimbula and the wider region, as demonstrated in the accompanying socio-economic report.
- A four plus star hotel would not likely succeed in Merimbula within the next 20 years without some increase in height controls given the amenity requirements of such a facility (such as views and iconic features).
- There are major construction and operational advantages to locating the hotel development on the Club Sapphire site.
- Development of a taller building with a smaller footprint on the subject land would be visually preferable to a lower, bulkier building with a larger footprint.

As noted above, the Strategy invites site-specific proposals in Bega and Merimbula where an increase in height is sought provided the site is over 2000m² in area and the justification for the increased height is to be argued by the proponent for Council and the community to judge on its merits. The subject land has an area of 2.08 ha. Club Sapphire submits this draft Planning Proposal is in accordance with the requirement of the Strategy.

Merimbula CBD Landscape Master Plan, 2015

The Merimbula CBD Landscape Master Plan 2015 identifies the corner of Main Street and Sapphire Coast Drive as a Gateway site where *“gateway treatment including sculpture and signage, complemented by tree planting and feature garden bed planting”* is appropriate.

Comment: While the CBD Landscape Master Plan relates primarily to public land, it is important that the development of private land at the gateway sites complements the design guidelines in the Master Plan. As part of the proposed development, existing landscaping areas at the corner of Main Street and Sapphire Coast Drive will be maintained and improved.

Merimbula Airport Master Plan, 2033

The Merimbula Airport Master Plan 2033 includes an Obstacle Surface Limitations Map that identifies the subject land as having a height limitation of 46m Australian Height Datum (AHD).

Comment: The Planning Proposal is seeking a Maximum Building Height of 26m above existing ground level. This results in a maximum building height of up to 44.35m AHD, allowing a freeboard of 1.65 metres below the obstacle surface limitation. The proposal therefore will not compromise the Obstacle Limitation Surface.

5. Is the planning proposal consistent with any other applicable State and regional studies or strategies?

The planning proposal is consistent with the following regional strategies:

Destination Southern NSW Destination Management Plan, 2018-2020

Enabler Project 3 in the Destination Southern NSW Destination Management Plan 2018-2020 relates to the availability, capacity and type of tourist accommodation in the Southern Region of NSW, including on the south coast. The Plan outlines the following reason why this issue is a key enabler for the region:

“Many of the towns and destinations across the DSNSW Region support a combination of either lack of accommodation capacity, or changing visitation patterns / market expectations resulting in current accommodation stock not meeting market needs.”

The Plan also outlines the economic and social benefits of this enabler project as follows:

- *“Addressing any current gaps in accommodation supply or style will immediately assist with enabling additional visitation to the region, and encouraging longer stays or higher yield opportunities by meeting visitor preferences. This project will also assist the region to ensure it is on the ‘front foot’ in being able to secure further investment for forecast growth and meet the needs of visitors and market sectors into the future.*
- *Economic benefits will be generated through any construction expenditure that occurs, as well as new job creation including as direct employment within new accommodation and with suppliers and associated self-drives.”*

Comment: As outlined in this planning proposal and in supporting documents, the Planning Proposal seeks to ensure an important gap in tourist accommodation in the Bega Valley Shire can be appropriately met and provide an important economic boost to the town and region.

Sapphire Coast Tourism Vision and Platform for Growth, 2019

The Sapphire Coast Tourism Vision and Platform for Growth 2019 identifies “no suitable hotel accommodation to suit regional conferencing” and “low standard of current accommodation” as key weaknesses of the region in growing tourism.

Comment: The hotel development facilitated by the Planning Proposal aims to resolve this exact weakness by providing a high-end hotel development with conference facilities, in association with the existing Merimbula Imlay Bowling Club.

It is also noted in the document that “*low rise development*” is a key strength of the region.

Comment: While the development facilitated by the Planning Proposal is not “low rise”, in order to achieve the desired high-end accommodation, a taller building is required (refer to supporting Socio Economic Impact Assessment). The overall character of the region as low rise will not change as a result of one taller building, particularly given it is unlikely other similar developments will be financially viable on other sites. Therefore, it is not considered that the Planning Proposal will detrimentally impact on this key tourism strength of the region.

Coastal Design Guidelines 2003

The Coastal Design Guidelines 2003 contain desired future character statements and design principles for coastal cities, towns, villages and hamlets. Merimbula is considered to fit the definition of a coastal town. The desired future character of a coastal town is as follows:

Coastal towns accommodate growth predominantly within their boundaries without compromising ecosystem functions and biodiversity values. Town centres are reinforced, strengthening the main street so that social, cultural and employment benefits are provided for the community and vibrant centres are created. Infill development enhances the town centre whilst reducing the need for urban expansion and environmental impacts of large residential subdivisions on the outskirts of the town.

Where new development is accommodated outside the town boundaries it reinforces the town and adheres to the principles for new settlements. Development does not occur outside town boundaries where it will lead to ribbon settlements and the loss of ecosystem function and the town's identity.

Comment: The planning proposal relates to land within the existing town centre boundary and facilitates a development that will reinforce and strengthen the role of the town centre as tourism hub.

The following table addresses the design principles for coastal towns.

Principle	Comment
1. Relationship to the environment	The planning proposal seeks to facilitate a development that will have no adverse environmental or coastal impacts. A Visual Analysis has been prepared demonstrating that the proposed development will sit below the distant hills and will not have

	<p>significant impacts on views of the coast. The proposed development is on an existing developed site and with recent stormwater improvements will have no impacts on water quality. The development will cause no further disturbance of the soil that could impact on any Aboriginal artefacts.</p>
2. Visual sensitivity	<p>A Visual Analysis has been prepared to demonstrate that the proposed development facilitated by the planning proposal will have acceptable impacts in relation to views to and from the coast.</p>
3. Edges to the water and natural areas	<p>The planning proposal facilitates development that will have no impact on access to the coastal foreshore or waterways.</p>
4. Streets	<p>Not relevant to the planning proposal.</p>
5. Buildings	<p>While the proposed development facilitated by the planning proposal is not “small” or “low scale”, as outlined in Section 4 above, the proposal is consistent with local strategies that seek to facilitate higher developments on appropriate sites in the Merimbula town centre.</p>
6. Height	<p>While the proposed height exceeds the recommended number of storeys for a coastal town/village, as outlined in Section 4 above, the proposal is consistent with local strategies that seek to facilitate higher developments on appropriate sites in the Merimbula town centre.</p> <p>It is considered that the proposed development will be consistent with the desired future character for Merimbula as outlined in the Bega Valley Local Strategic Planning Statement 2040 and the Bega Valley Commercial Land Strategy 2040.</p> <p>Overshadowing from the development will primarily impact that part of Main Street immediately to the south of the proposed hotel and not affect residential development. No public open space areas will be affected by overshadowing.</p>

Draft Coastal Design Guidelines 2022

The Draft Coastal Design Guidelines 2022 contain outcomes to be addressed for planning proposals in the coastal zone. The following table assesses the planning proposal against those outcomes.


Outcome	Comment
A.1 Protect coastal ecosystems	The planning proposal will not lead to development that will have any impact on coastal ecosystems.
A.2 Protect coastal wetlands and littoral rainforests	The planning proposal will not lead to development that will have any impact on coastal wetlands or littoral rainforests.
A.3 Protect marine parks and aquatic reserves	The planning proposal will not lead to development that will have any impact on marine parks and aquatic reserves.
B.1 Respond to coastal processes	The planning proposal will not lead to development that will have any impact on coastal processes.
B.2 Respond to and protect elements which make the place special	The planning proposal seeks to facilitate a development of 7 storeys on a large lot located in the Merimbula town centre. A Visual Analysis has been prepared demonstrating that the proposed development will sit below the distant hills and will not dominate coastal elements, including foreshores, public spaces and other areas of natural beauty. While the proposed height exceeds the recommended number of storeys for a coastal town/village, as outlined in Section 4 above, the proposal is consistent with local strategies that seek to facilitate higher developments on appropriate sites in the Merimbula town centre.
B.3 Urban development complements coastal scenic values	The planning proposal does not result in ribbon development or coastal sprawl. The planning proposal promotes town centre density and diversity. A Visual Analysis has been prepared to demonstrate that the proposed development will not have a significant impact on scenic values or views to significant landmarks.


C.1 Protect and promote Aboriginal culture and heritage	The planning proposal relates to that part of the site that is already fully developed and any new development will be within the existing building footprint. Therefore there will be no further disturbance of the soil that could impact on any Aboriginal artefacts.
C.2 Provide universal public access to significant coastal assets	The planning proposal will not lead to development that will have any impact on public access to coastal assets.
C.3 Protect public amenity	The planning proposal will not lead to development that will have any overshadowing impacts on foreshore open space.
D.1 Support industries that depend on the coast	The planning proposal facilitates a development that will support coastal tourism and will have no negative impacts on any other coastal industries.
D.2 Facilitate green infrastructure	This outcome relates to new coastal settlements and is not relevant to the planning proposal.
E.1 Ensure public safety and prevent risks to human life	The planning proposal will not lead to development that is likely to cause increased risk of coastal hazards.
E.2 Account for natural hazard risks	The planning proposal will not lead to development that is likely to cause increased risk of coastal hazards.
E.3 Account for climate change	The planning proposal relates to land that is unlikely to be affected by future coastal inundation or sea level rise.
E.4 Provide sustainable defences to coastal hazards	The planning proposal will not lead to development that is likely to cause increased risk of coastal hazards.
E.5 Protect essential infrastructure	This outcome relates to the provision of essential infrastructure and is not relevant to the planning proposal.
E.6 Manage legacy issues through land use change and avoid creating new legacy issues	The planning proposal will not lead to legacy issues that will likely require coastal management interventions.

6. Is the Planning Proposal consistent with applicable state environmental planning policies?

An assessment of relevant SEPPs against the planning proposal is provided in the table below.

SEPP	Relevance	Consistency and implications
State Environmental Planning Policy (Biodiversity and Conservation) 2021	Chapter 2 – Vegetation in non-rural areas	This Policy applies to B4 zoned land. The site contains some landscaping including some mature palm trees. There is no native vegetation on the site and none to be removed as part of this application. Some existing palm trees may be impacted by any extension of the parking area. These trees can be relocated on site.
	Chapter 4 – Koala Habitat Protection 2021	This Policy applies as the land is larger than 1ha in size. The subject land does not have an approved koala management plan and is cleared of native vegetation. The subject land is not core koala habitat and no further assessment under this SEPP is required.
State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004	Not relevant.	
State Environmental Planning Policy (Exempt and Complying Development Codes) 2008	Not relevant.	
State Environmental Planning Policy (Housing) 2021	Not relevant.	
State Environmental Planning Policy (Industry and Employment) 2021	Chapter 3 – Advertising and Signage	DA provisions can ensure consistency.
State Environmental Planning Policy No 65—Design Quality of Residential Apartment Development	Not relevant.	
State Environmental Planning Policy (Planning Systems) 2021	Not relevant.	
State Environmental Planning Policy (Precincts—Regional) 2021	Not relevant.	
State Environmental Planning Policy (Primary Production) 2021	Not relevant.	
State Environmental Planning Policy (Resilience and Hazards) 2021	Chapter 2 – Coastal Management	The subject land is within the coastal zone and is mapped as within the coastal environment area, as shown below.

		 <p>Comment: The proposed development is located on an existing developed site and will not add significantly to any physical impacts from the site on the coast.</p> <p>A major upgrade of stormwater from the site to Merimbula Creek has recently been completed which sees all stormwater from the potential hotel being discharged to a modern detention and stormwater treatment system before entering Merimbula Creek. The system has been designed to fully cope with a completely impervious site.</p> <p>The visual analysis prepared for the proposed hotel development demonstrates that it will have minimal overall visual impact in the location.</p> <p>Based on the above, it is considered that the development can be designed, sited and managed to avoid adverse impacts on the coastal environment area.</p> <p>A small portion of the site is located in the coastal use area, as shown below.</p>
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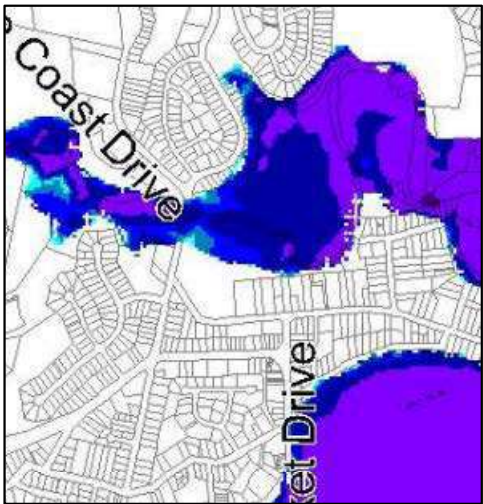
		 <p>Comment: The coastal use area slightly encroaches into the area proposed for the additional building height, however the proposed development is located outside of the mapped coastal use area. Given the location of the proposed development on the periphery of the coastal use area, and as it is a site specific proposal, it is considered that the planning proposal will have no impact on foreshore access and no significant overshadowing of public places. A single tower building will not cause wind funnelling or any other significant change to wind behaviour. As demonstrated in Figure 14 of the accompanying Visual Analysis, the additional height sought by the planning proposal will result in a development that sits below the distant hills and will not be visually intrusive from coast and coastal headland vantage points. As the site is already fully developed, the proposal will have no impact on Aboriginal cultural heritage. Having regard to the surrounding coastal and built environment, the planning proposal will facilitate a development with a bulk and scale that, while larger than existing development in Merimbula, is consistent with the desired future character for the place and has minimal impacts overall. Based on the above, and given the proposed development will be wholly located outside of the coastal use area, it is considered that the development can be designed, sited and managed to avoid adverse impacts on the coastal use area.</p>
	Chapter 4 – Remediation of Land	<p>The site has no recorded contamination. The development site is not in an investigation area. There is no information to suggest that the</p>

		development site has been used for any of the purposes listed in Table 1 of the Contaminated Land Planning Guidelines. The site has been assessed as being suitable for the intended use.
State Environmental Planning Policy (Resources and Energy) 2021	Not relevant.	
State Environmental Planning Policy (Transport and Infrastructure) 2021	Not relevant.	

7. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

An assessment of relevant s. 117 Directions against the Planning Proposal is provided in the table below.

Ministerial Direction	Aim of the Direction	Consistency and Implications
1.1 Implementation of Regional Plans	To ensure planning proposals are consistent with the relevant regional plan.	The subject land is located within the area covered by the South East and Tablelands Regional Plan. As discussed in Section B above, the planning proposal and proposed hotel development is consistent with the Regional Plan.
1.4 Site Specific Provisions	To discourage unnecessarily restrictive site specific planning controls.	<p>The planning proposal does not relate to a change to land use permissibility, as the proposed development is already permissible in the zone. The planning proposal seeks an amendment to a development standard already contained within the Bega Valley LEP 2013.</p> <p>The planning proposal does not contain drawings that show details of the proposed development. However, the planning proposal is accompanied by a concept development application where the detailed development matters are addressed.</p> <p>It is noted that Councils Commercial Centres Strategy encourages combined planning proposals and development applications for developments that exceed current height standards.</p>

Ministerial Direction	Aim of the Direction	Consistency and Implications
3.2 Heritage Conservation	To conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.	<p>There are no heritage items in the vicinity of the subject land that would be impacted by the planning proposal. The site is not located in a heritage conservation area.</p> <p>A basic search of the Aboriginal Heritage Information Management System (AHIMS) found no record of an Aboriginal site or place within 50m of the site, however a site has been recorded within 200m of the subject land. An Aboriginal Heritage Due Diligence Assessment has been conducted as part of the concept development application that accompanies this planning proposal.</p>
4.1 Flooding	To ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and ensure that the provisions of an LEP that apply to flood prone land are commensurate with flood behaviour and includes consideration of the potential flood impacts both on and off the subject land	<p>The Merimbula and Back Lake Flood Study demonstrates that the subject land is not flood prone as shown in the image below.</p> 

Ministerial Direction	Aim of the Direction	Consistency and Implications
4.2 Coastal Management	To protect and manage coastal areas of NSW.	<p>The subject land is within the coastal zone and is mapped as within the coastal environment area. A small portion of the site is located in the coastal use area. The planning proposal is not inconsistent with the direction as it does not seek to change existing LEP provisions relating to coastal management and does not seek to rezone land or amend the coastal zone maps.</p> <p>Notwithstanding that the planning proposal does not seek to change existing LEP provisions relating to coastal management, an assessment against the Coastal Design Guidelines 2003 and the draft Coastal Design Guidelines 2022 is provided in Section 5 above.</p>
4.3 Planning for Bushfire Protection	To protect life, property and the environment from the effects of bushfire and to promote the sound management of bushfire prone land.	<p>The subject land is mapped as bushfire prone. However, there is an adequate asset protection zone from the nearest vegetation to the north of over 140 metres of developed urban land and all other frontages are urban with no hazard for considerable distance. The hotel can be constructed to the required fire requirements of the BCA.</p> <p>While the proposed development is a Special Fire Protection Purpose, this use is already permitted with consent on the land. As the planning proposal relates only to the height of buildings map, there are no additional fire protection measures required.</p>
4.4 Remediation of Contaminated Land	To reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.	<p>The subject land is not within an investigation area within the meaning of the Contaminated Land Management Act 1997. There is no evidence of any use of the land for a purpose referred to in Table 1 to the contaminated land planning guidelines. The proposed use is not for residential, educational, recreational or childcare purposes, or for the purposes of a hospital.</p>

Ministerial Direction	Aim of the Direction	Consistency and Implications
4.5 Acid Sulfate Soils	To avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.	Lot 123 to the north is mapped on the Bega Valley LEP 2013 Acid Sulfate Soils Map. However, the subject land, lot 121, is well removed and will not generate any risk of disturbance of acid sulphate soils. Little if any of natural surface will be further disturbed.
5.1 Integrating Land Use and Transport	To ensure that development improves access to housing, jobs and services, reduce dependence on cars and travel demand, supports public transport and efficient freight movements.	The location of the proposed development, within the Merimbula Town Centre, fully supports the objectives of integrating land use and transport. In particular, the location facilitates increased walking and cycling by visitors and local employees.
5.3 Development near Regulated Airports and Defence Airfields	To ensure the effective and safe operation of airports.	The subject land is located near Merimbula Airport. The proposed change to the height of buildings standard will not exceed the relevant height restriction.
7.1 Employment Zones	To encourage employment growth in suitable locations, protect employment land in business and industrial zones and support the viability of identified centres.	The subject land is zoned B4 Mixed Use and is within an identified centre. The Planning Proposal and the proposed hotel development supports employment growth and will contribute to the viability of the Merimbula town centre. The subject land is suitable for the proposed development as it will not displace any existing commercial development or reduce the potential floor space for commercial development.
9.3 Oyster Aquaculture	To ensure that 'Priority Oyster Aquaculture Areas' and oyster aquaculture outside such an area are adequately considered when preparing a planning proposal, and protect 'Priority Oyster Aquaculture Areas' and oyster aquaculture outside such an area from land uses that may result in adverse impacts on water quality and consequently, on the health of oysters and oyster consumers	Merimbula Lake contains priority oyster aquaculture areas. However, the subject land does not drain towards Merimbula Lake. Rather the land drains towards Merimbula Creek and Back Lake which does not contain priority oyster aquaculture areas or any existing oyster leases.

Section C - Environmental, Social and Economic Impact

8. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

There are no significant environmental values on the subject land. The planning proposal relates to a part of the subject land that is fully developed and contains no vegetation. There will be no direct or indirect adverse impacts on critical habitat or threatened species, populations or ecological communities, or their habitats.

9. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

Visual Impact

A draft Visual Analysis of the proposed hotel development accompanies this planning proposal as part of the development application. It includes inset photographs from the iconic public vantage points that overlook the proposal.

In addition there is a set of plan sheets in the development application package presenting the proposal inset to current photographs from all significant vantage points around Merimbula.

The DA package also includes a full computer simulation of a fly over of the building to gain appreciation of the hotel tower in the current surroundings.

That analysis draws the following conclusions:

- Overall visual impacts are minor. A visitor to the town would not be impacted by the height, bulk or scale until in close proximity and even then, the impact is possibly less compared to that of a lower, more bulky building in compliance with the existing 16 metre control.
- The vast bulk of existing residences with some view of the hotel site would have very minor impacts on their amenity - often no greater or even less than can be eventually anticipated under the current height controls.
- A few residences in lower sections of Berrambool and to the immediate west of the development do experience some impacts of bulk and scale and in a few cases a moderate impact on an existing, limited, coastal view. But in most of these cases, containing the building to 16 metres and increasing the bulk will have similar or more significant impacts.

- At pedestrian level in Main Street and near the intersection on Sapphire Coast Drive, the height, bulk and scale does generate a change from a feeling of low rise to one of medium rise development. There are bulk advantages in the tower version as the appearance is less squat and the visual impact more varied. Conversely, there is some height impact of the additional 2-3 floors over that of a 16 metre high building.
- Those people for whom a lower style of development is critical for their vision of Merimbula, may be impacted. But most visitors would probably not really notice the difference in the two options (higher or bulkier) and many people would probably find the slim, higher structure more architecturally appealing than the more bulky, rectangular appearance of a hotel compressed into the 16 metre height.

This Planning Proposal seeks that the height increase to 26 metres apply only to the footprint of the proposed hotel plus a small buffer area to ensure any minor adjustments to the footprint that may arise in the construction DA can be accommodated without the need for further amendments to the Height of Buildings Map.

Given the above, it is considered that the proposed increase in height can be justified on visual impact grounds.

Bushfire

The subject land is mapped as bushfire prone. However, there is an adequate asset protection zone from the nearest vegetation to the north of over 140 metres of developed urban land and all other frontages are urban with no hazard for considerable distance. The hotel can be constructed to the required fire requirements of the BCA.

Watercourses and Riparian Land

The site is two allotments away from Merimbula Creek. The site already has a new stormwater management system with proper detention and treatment facilities designed to cope for the hotel. As such the hotel proposal will not have further impact on the Merimbula Creek. The subject land is not flood prone.

Heritage and Aboriginal Archaeological Assessment

The site does not contain a heritage item and no items are located in the immediate vicinity of the site. No Aboriginal sites or places have been recorded within 50m of the site, however a site has been recorded within 200m of the site. An Aboriginal Heritage Due Diligence Assessment has been undertaken as part of the concept development application that accompanies this planning proposal. The site has been extensively disturbed as part of existing and past developments. The hotel development will require deeper footings but this will follow demolition of structures totally covering what, if any, natural country

remains beneath. As such the risk of Aboriginal heritage items being disturbed is very low. Adequate conditions can be imposed on the excavations to protect any items that may be discovered.

Potential Land Contamination

The concept would require demolition of the south east corner of the existing Club. No site contamination is known to exist. Conditions can be imposed on any demolition and reconstruction to ensure dust and any potential for contamination from such works is managed.

Acid Sulfate Soils

Lot 123 to the north is mapped on the Bega Valley LEP 2013 Acid Sulfate Soils Map. However, the subject land, lot 121, is well removed and will not generate any risk of disturbance of acid sulphate soils. Little if any of natural surface will be further disturbed. The drainage from the lot has recently been the subject of a major improvement with water treatment that will ensure no scour or other disturbance before entering the stream.

Stormwater

The land predominantly drains to Merimbula Creek. A major upgrade of stormwater from the site to Merimbula Creek has recently been completed which sees all stormwater from the potential hotel being discharged to a modern detention and stormwater treatment system before entering Merimbula Creek. The system has been designed to fully cope with a completely impervious site.

10. Has the planning proposal adequately addressed any social and economic effects?

A Socio-economic Report has been prepared for the proposed hotel development and to support this planning proposal and concept development application. The report establishes that it is unlikely a 4 plus star hotel would succeed in Merimbula without additional height and that the Club Sapphire Site has particular attributes and synergies that give it a major advantage. These attributes include:

- Existing restaurants and conference facilities to pool with the hotel;
- Established site with no debt and low costs for provision of a hotel site;
- A strong well established Club to support the hotel establishment phase;
- The hotel would become an income source for the Club and add to its strategies to lessen reliance on gaming; and

- The Club's not for profit status would ensure the profits stay in the local community and add to community facilities.

The report establishes there are major economic benefits of provision of a four plus star hotel in the Shire and the additional benefits of this site.

The report makes the following overall conclusions:

- (a) The social and economic benefits of the proposal for a 7 storey, 4 plus star hotel at Club Sapphire Site are significant.
- (b) The adverse impacts of allowing a further 3 storeys at the Club Sapphire site over current height controls is almost imperceptible from the visual perspective and there are ample grounds why Council need not fear a precedent. It is unlikely other forms of development such as commercial or permanent residential will be viable at the cost of extra height in the 20 year strategy life.
- (c) The community needs the economic benefits of the facility. The negative social impacts are minor, it is likely the project will not succeed in the Shire elsewhere in the 20 year horizon and will not even proceed at Club Sapphire without an amendment to the height controls to allow a 7 storey structure. Even then the Club may have to accept an establishment period with lower returns.

These conclusions are based on the following economic and social analysis:

- A total employment benefit of 185 full-time equivalent jobs during construction which is estimated to be 2 years. Of the 185, up to 136 could be local jobs and the remainder beyond the Shire.
- The estimated average ongoing direct and indirect full-time equivalent jobs of the hotel, once established and operating, should range from 65 to 78, including 30-35 people directly employed by the hotel, subject to seasonal conditions.
- Economic modelling of the development shows that the combination of all direct, industrial and consumption effects would result in total estimated rise in Output of \$41.40m in Bega Valley Shire economy (representing a multiplier of 2.07) and \$54.66m to Australia's output.
- Improved prospects for viable expansion of the Merimbula Airport.
- Strengthening and accelerated growth of the tourism and conferencing sector of the Shire economy.
- The income to the Club, which is a not for profit, would reduce reliance on gambling revenue.

- Increased visitation to the site will see a number of significant benefits for the commercial neighbourhood around the hotel. Guests will add to shopper volume for everything from clothing to restaurants.
- Some near residents may secure employment in the hotel or as part of the flow on employment.

Given the above, it is considered that the proposed increase in height can be justified on social and economic grounds.

Section D - State and Commonwealth Interests

11. Is there adequate public infrastructure for the Planning Proposal?

Access

A full Traffic Impact Statement would need to accompany the construction DA. The site has 3 access points:

- A two-way access off Bowlers Drive to the northeast. This entrance has been designed to cater with the existing and likely loading of the hotel.
- A two-way access onto Main Street in the south east. The traffic assessment would need to test the adequacy of this access but there is potential for additional traffic measures and the concept anticipates a revamped entrance and improved patron parking and pedestrian/parking interfaces, on site.
- A single lane between Club Sapphire and Woolworths that exits onto Main Street. This is predominantly a service lane for the Club.

While some traffic improvements may be required there is the capacity to address these matters as detailed in the Statement of Environmental Effects and preliminary Traffic Impact Analysis included in the concept development application. The existing development already has a credit of car parking and additional parking, if necessary, can be accommodated in the rear of the site with remodeling of the redundant bowling greens.

Water and Sewer

The Report and engineering investigations by Indesco Engineering that form part of this package, evaluate the water and sewer impacts of not only this proposal but likely other development in the vicinity on Club and other lands

With regard to water the hotel would require special tanks and pumps to meet fire protection measures but otherwise the existing council water supply is adequate with a new main accessing the rear of Lot 121 as well as options to access the main Street main.

The existing sewer in Main Street has limitations. Depending on when this project proceeds as compared to other projects in the sewer catchment, the report by Indesco identifies a limitation will eventually be reached and recommends a solution requiring some regrading of sections of the sewer main. It is clear Council needs a sewer strategy to address the several additional developments likely in this sewer catchment in the next 20 years and some equitable way of sharing the costs of the eventual need for mains regrading.

Stormwater

A major upgrade of stormwater from the site to Merimbula Creek has recently been completed which sees all stormwater from the potential hotel being discharged to a modern detention and stormwater treatment system before entering Merimbula Creek. The system has been designed to fully cope with a completely impervious site. The Club property forms the entire catchment of this area and the development site is already completely impervious and not generating any drainage issues.

Electricity

Preliminary consultations with an electrical engineer have identified capacity to upgrade the Club's existing kiosk and power infrastructure.

Communications

NBN optic fibre is in the street and can be accessed by the proposal.

12. What are the views of state and federal public authorities and government agencies consulted in order to inform the Gateway determination?

It is anticipated that consultation with relevant State and Commonwealth public authorities will be undertaken by Council as part of their consideration of the Planning Proposal, following the issue of a gateway determination.

Several round of consultation have been had with Council, including presentation of the draft concept to Council's Development Assessment Panel (DAP), receipt of detailed feedback from the DAP and addition of such feedback into this proposal and the accompanying concept development application.

Part 4: Mapping

Figure 1 a Subject Land in context of Merimbula



Figure 1 b Subject land in the Precinct (edged red. Hatched red area is proposed Hotel footprint)



Figure 2: Current BVLEP 2013 Maximum Height of Buildings Map

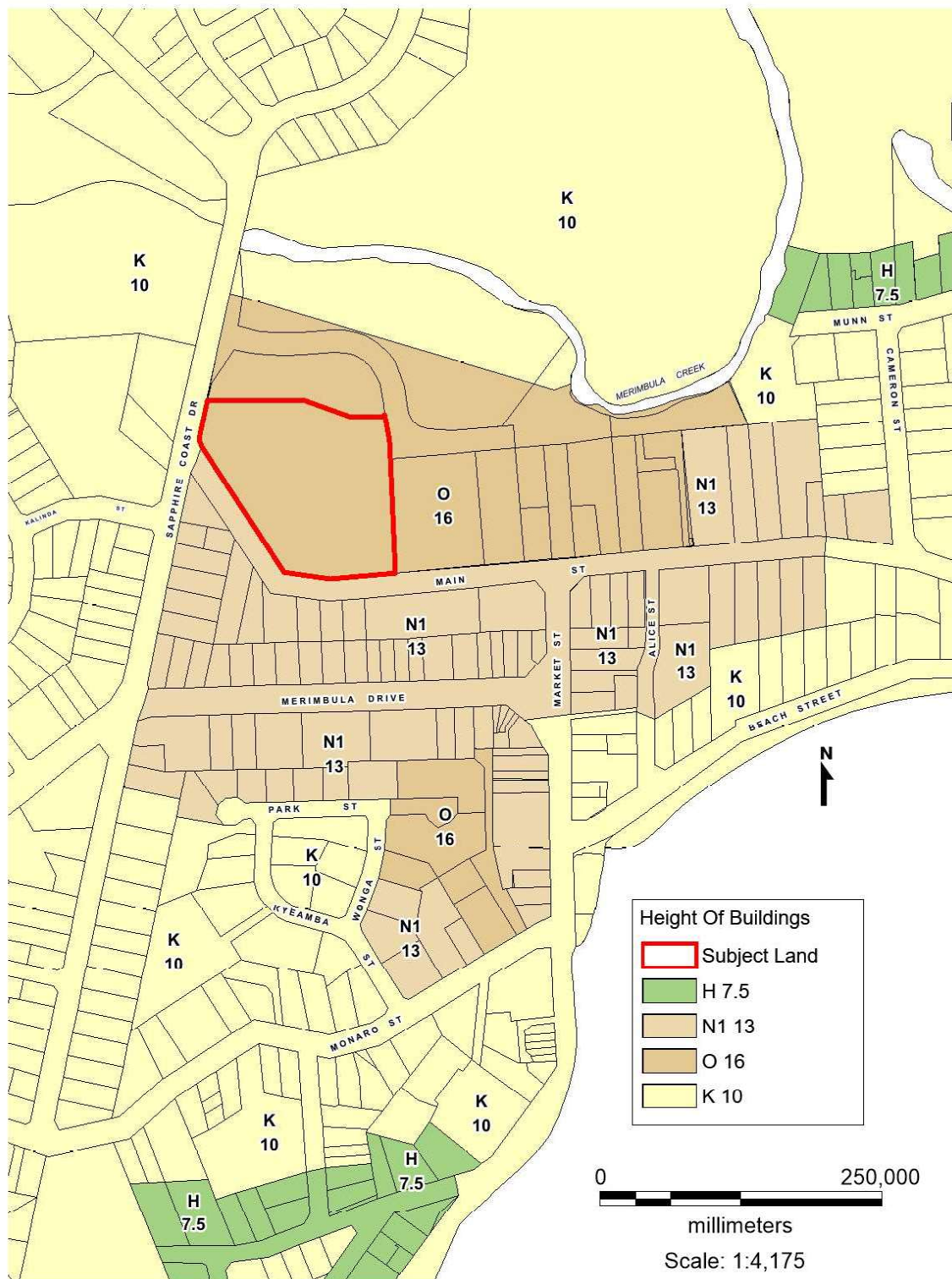
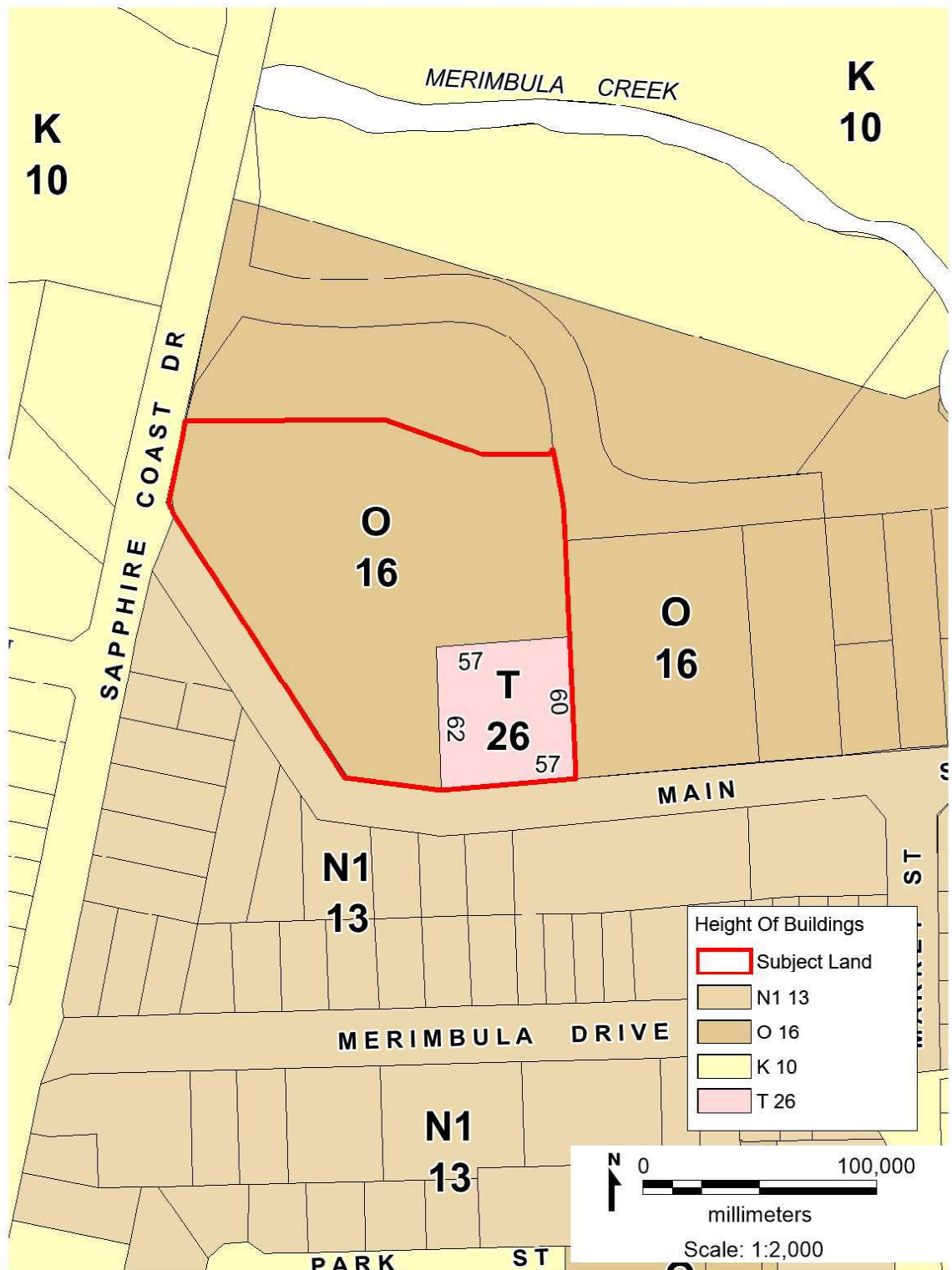


Figure 3: Proposed change to BVLEP 2013 Maximum Height of Buildings Map



Part 5: Community Consultation

This is a draft Planning Proposal and should it proceed to a final, then Council will determine a consultation strategy.

Given the importance of this proposal and some proposed change to height of building standards, it is important the Planning Proposal be adequately consulted in the community, with State and Commonwealth agencies and other affected groups. A month exhibition period is envisaged with a full display of the Planning Proposal at Club Sapphire.

Part 6: Project Timeline

Estimated Timeline

Key Stages of Consultation and Approval	Estimated Timeframe
STAGE 1 – Consideration by Council	March 2023
STAGE 2 – Council Decision	April 2023
STAGE 3 –Gateway Determination	May 2023
STAGE 4 – Pre exhibition	June 2023
STAGE 5 – Commencement and completion of public exhibition period	June -July 2023
STAGE 6 – Consideration of submissions	August 2023
STAGE 6 – Post exhibition review and additional studies	September – October 2023
STAGE 7 – Submission to the Department for finalisation (where applicable)	End 2023
STAGE 8 – Gazettal of LEP amendment	early 2024

Attachments

1. Socio-Economic Report
2. Visual Analysis
3. Full Concept Development Application package