



Gateway determination report – PP-2026-1382

Tourism Accommodation – Wollongong LGA

August 26

Published by NSW Department of Planning, Housing and Infrastructure

dpie.nsw.gov.au

Title: Gateway determination report – PP-2026-1382

Subtitle: Tourism Accommodation – Wollongong LGA

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Acknowledgment of Country

The Department of Planning, Housing and Infrastructure acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

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Table 1 Reports and plans supporting the proposal

Relevant reports and plans

Wollongong Tourism Accommodation Review and Strategy 2025

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	Wollongong
PPA	Wollongong City Council
NAME	Tourism Accommodation
NUMBER	PP-2026-1382
LEP TO BE AMENDED	Wollongong LEP 2009
ADDRESS	Various
RECEIVED	7/07/2026
FILE NO.	IRF26/4831
POLITICAL DONATIONS	There are no donations or gifts to disclose, and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2 Objectives of planning proposal

The planning proposal contains objectives and intended outcomes that adequately explain the intent of the proposal.

The objective of the planning proposal is to incentivise the retention of existing tourism accommodation and the development of new tourism accommodation.

The proposal aims to:

- Reduce the loss of existing hotel and motel developments which are being replaced by residential apartment buildings
- Reduce the complexity of development assessment pathway for some existing hotel and motel developments
- Encourage the development on new hotel and motel accommodation, which will enable the City to host larger sporting and cultural events.

1.3 Explanation of provisions

The planning proposal seeks to amend the Wollongong LEP 2009 as follows:

- Permit 'hotel or motel accommodation' with consent in the R1 and R2 zones
- Introduce a clause which provides height and floor space ratio bonuses for hotel accommodation

- Address the permissibility of certain existing Tourism Accommodation facilities by rezoning the land to SP3 Tourist; or allowing Tourism Accommodation as an additional permitted use
- Rezone certain existing SP3 Tourist zoned land to an alternative zone where tourism uses are unlikely or inappropriate
- Update planning controls for certain escarpment lookouts to better reflect land tenure and existing uses

The proposal will update controls for the following lands:

Table 3 Current and proposed controls

Subject land	Current controls	Proposed controls
All R1 & R2 zoned land	N/A	Permit 'hotel or motel accommodation' with consent
Tumbling Waters – Stanwell Tops	C2 Environmental Conservation	Rezone to SP3 Tourism 12m height limit.
Tops Conference Centre – Stanwell Tops	C2 Environmental Conservation C3 Environmental Management	Permit hotel or motel accommodation on C3 land with 116 room limit to reflect existing accommodation facility as an APU NB. No change to zoning
Govinda Retreat – Otford	C2 Environmental Conservation C3 Environmental Management	Permit hotel or motel accommodation on C3 land with 20 room limit to reflect existing accommodation facility as an APU NB. No change to zoning
Lot 2 DP 1150670 Carters Lane, Fairy Meadow	SP3 Tourist	R3 Medium Density Residential
47-51 Princes Highway, West Wollongong	SP3 Tourist	E1 Local Centre C3 Environmental Management
53-59 Princes Highway, West Wollongong	SP3 Tourist	C3 Environmental Management
1-3 Princes Highway, Figtree	SP3 Tourist	E1 Local Centre
5-7 Princes Highway, Figtree	SP3 Tourist	R3 Medium Density Residential
9 Princes Highway, Figtree (Council owned oval)	SP3 Tourist	RE1 Public Recreation
Woodrow Place, Figtree	SP3 Tourist	E3 Productivity Support

Subject land	Current controls	Proposed controls
Hopetoun Park and Cliffhanger Café – Bulli Pass	SP3 Tourist C2 Environmental Conservation	Reconfigure zone boundaries
Sublime Point/Lady Fuller Park – Bulli Tops	SP3 Tourist C1 National Parks and Nature Reserves	Reconfigure zone boundaries

The new local clause proposed will provide incentives for the provision of hotel or motel accommodation developments, that demonstrate design excellence in accordance with clause 7.18 of the LEP. This will apply to all other zones that permit hotel and motel accommodation except the E2 and MU1 zones in the Wollongong City Centre which already have a 30% incentive under the LEP.

Table 4 Proposed HOB and FSR incentives by zones

Column 1	Column 2	Column 3
Zone	Height of Building bonus	Floor space ratio bonus
R1 General Residential	8m (2 stories)	0.5:1
R2 Low Density Residential	4m (1 storey)	0.5:1
R3 Medium Density	8m (2 stories)	0.5:1
E1 Local Centre	8m (2 stories)	0.5:1
E2 Commercial Centre – (excluding Wollongong City Centre – subject to separate Planning Proposal)	Up to 30% of mapped HOB	Nil < 50 rooms 0.5:1 for 50 - 100 rooms 1:1 for 101-200 rooms 1.5:1 for >200 rooms
E3 Productivity Support	Up to 30% of mapped HOB	0.5:1
MU1 Mixed Use (excluding Wollongong City Centre – subject to separate Planning Proposal)	Up to 30% of mapped HOB	0.5:1
SP3 Tourist	12m (3 stories)	1:1
RE1 Public Recreation	8m (2 stories)	0.5:1
RE2 Private Recreation	4m (1 storey)	Nil
C2 Environmental Conservation (where permitted as an additional use)	4m (1 storey)	Nil
C3 Environmental Management (where permitted as an additional use)	4m (1 storey)	Nil

Detailed information on the changes can be found in Part 2 of the Planning Proposal (Attachment A) – pages 3 to 20.

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved.

1.4 Site description and surrounding area

The proposal applies to multiple lands across the Wollongong LGA.

The proposal describes and maps affected properties.

1.5 Mapping

The planning proposal includes mapping showing the proposed changes to the Wollongong LEP 2009 maps, which are suitable for community consultation.

2 Need for the planning proposal

The planning proposal implements recommendations in the Tourism Accommodation Strategy (**Attachment D**), which was adopted by Council on 24 February 2025. The Strategy was an action in Council's Economic Development Strategy.

The Tourism Accommodation Strategy highlighted the importance of Tourism Accommodation offerings to the local economy and identified a need to incentivise the retention of existing hotels, some of which were being converted into residential accommodation, and encourage the development of new Tourism Accommodation options.

The review found that there were zoning anomalies, with some existing tourism operations being located on environmental or residential zoned land where they were prohibited; as well as examples of land zoned SP3 Tourist which were not being used for – and not considered suitable for – tourism.

This proposal will apply zones and controls to better reflect existing uses, characteristics and values of the subject properties.

The strategy made multiple recommendations which are being implemented through this planning proposal.

A planning proposal is the appropriate mechanism to update zones and controls as proposed.

3 Strategic assessment

3.1 Illawarra Shoalhaven Region Plan

The planning proposal supports the following objectives of the Illawarra Shoalhaven Regional Plan (ISRP):

- Objective 1: Strengthen Metro Wollongong as a connected, innovative and progressive City
- Objective 5: Create a diverse visitor economy
- Objective 24: Support major events, public art and cultural activities.

3.2 Draft Illawarra Shoalhaven Plan

The planning proposal supports the following Priorities and Responses in the draft Illawarra Shoalhaven Plan:

- Priority – Prosperous
 - Support a vibrant centres network
- Priority – Liveable
 - Connect and grow ...events infrastructure

3.3 Review of the NSW Visitor Economy Strategy 2030

In October 2024 the NSW State Government released the Review of the NSW Visitor Economy Strategy 2030 which highlighted, among other things, the need for an additional 40,000 hotel rooms across the state to support tourism and the visitor economy.

This proposal will support additional hotel accommodation, consistent with the intent of this strategy.

3.4 Local

The proposal states that it is consistent with Council's local strategic plans.

Local Strategic Planning Statement

The proposal is consistent with the following LSPS Planning Priority:

- Priority 12 – Grow the visitor economy of the Wollongong LGA

Our Wollongong Our Future

The proposal is consistent with OWOF:

- Goal 3 – Promote and support tourism opportunities through planning controls and infrastructure

Tourism Accommodation Strategy

As noted above, the proposal implements actions and recommendations from the Tourism Accommodation Strategy.

3.5 Local planning panel (LPP) recommendation

The Wollongong Local Planning Panel considered a report on the Tourism Accommodation Strategy and proposed planning proposal. The Panel found that the Strategy had merit and was generally supportive of the proposal.

3.6 Section 9.1 Ministerial Directions

This proposal was lodged prior to July 2026, so the former Ministerial Directions apply. The planning proposal is generally consistent with relevant section 9.1 Directions.

Directions of particular significance are discussed below:

1.4 Site Specific Provisions – Inconsistency justified

This direction aims to discourage over restrictive site specific planning controls. It states that a particular development should either:

- be permitted by allowing the use in the land use zone;
- rezoning the land to a zone where the use is already permitted; or
- allowing the land use without imposing additional development standards or requirements

This proposal is inconsistent with this Direction as it applies specific controls to permit Tourism Accommodation as an Additional Permitted Use on two properties, at Stanwell Tops and Otford. It also imposes additional requirements by setting a maximum room limit.

This approach was taken to reflect the existing Tourism Accommodation facilities on these lands, while retaining an appropriate environmental zone and removing the risk of intensifying the development on environmentally sensitive lands and/or lands affected by hazards such as bushfire.

A proposal may be inconsistent with this direction if the inconsistency is of minor significance.

It is recommended that the Secretary agree that any inconsistency with this direction is justified according to the terms of the direction, as it is of minor significance.

3.1 Conservation Zones – Inconsistency justified

This direction aims to protect and conserve environmentally sensitive areas. It states that a planning proposal must not reduce conservation standards that apply to environmental land.

This proposal applies to properties which have an environmental zoning. The proposal does, technically, reduce conservation standards by permitting additional uses on environmental zoned land; and reconfiguring zone boundaries.

However, the proposal does not permit additional development on these lands and, instead, reflects the existing uses on these lands. The proposal will also apply an environmental zoning to certain lands to reflect the values and characteristics of these properties.

While technically inconsistent, it is considered that the proposal meets the intent of the direction to conserve environmentally sensitive areas.

A proposal may be inconsistent with this direction if it is of minor significance.

It is recommended that the Secretary agree that any inconsistency with this direction is justified according to the terms of the direction, as it is of minor significance.

3.3 Sydney Drinking Water Catchment – Consistent

This Direction aims to protect water quality in the Sydney Drinking Water Catchment.

This proposal applies to land within the Sydney Drinking Water Catchment, so the Direction applies. However, the proposal does not intensify development in the Catchment and will not have a detrimental impact on water quality.

This proposal is considered to be consistent with the objectives and terms of this Direction.

4.1 Flooding – Consistent

This Direction requires planning proposals affecting flood prone land to be consistent with the NSW Flood Prone Land Policy and other NSW Government policies and guidelines relating to flooding. Planning proposals must not permit development in floodway areas or permit a significant increase in dwelling density.

Some of the lands subject to this proposal are mapped as flood prone land. However, as the proposal does not intensify development on these lands, and rezones some flood affected land to a more appropriate environmental zoning, it is considered consistent with the objectives and terms of this Direction.

4.3 Planning for Bushfire Protection – Consultation required to determine consistency

This Direction aims to protect life, property and the environment from bushfire hazards by discouraging incompatible land uses and encouraging sound management.

This proposal applies to all R1 and R2 zoned land, as well as specific properties that are mapped as bushfire prone land. Therefore, under the terms of this Direction, the relevant planning authority must consult with the Commissioner of NSW Rural Fire Service following the receipt of a Gateway determination.

The proposal does not increase development on bushfire prone land.

The terms of the direction do not allow a proposal to be inconsistent based on minor significance or consistency with aims/objectives of the direction. Therefore, Council will be required to consult with NSW RFS to satisfy the terms of this direction.

It is recommended that the Secretary agree that this proposal will be consistent with this direction following consultation with the NSW RFS.

3.7 State environmental planning policies (SEPPs)

The planning proposal is not inconsistent with the objectives of relevant SEPPs.

4 Site-specific assessment

4.1 Environmental

This proposal will not adversely affect critical habitats or threatened species, populations or ecological communities/habitats. The proposal does not intensify development in environmentally sensitive areas. Insofar as it applies to environmental land, the proposal introduces provisions to reflect existing tourist development. In most cases, zones and planning controls are changing from one urban zone to another urban zone.

Some of the subject lands are zoned for environmental conservation and/or are affected by values/constraints such as bushfire and biodiversity. The proposal also applies to land zoned C1 National Parks. It is therefore recommended that the proposal be referred to the Development Coordination Authority and the National Parks and Wildlife Service for comment.

4.2 Social and economic

The planning proposal is anticipated to have positive social and economic impacts by encouraging Tourism Accommodation, thereby supporting the local economy and employment.

It also recognised that there are many older motels located in residential areas, where Tourism Accommodation is currently prohibited. This presents challenges for applications to upgrade or expand these operations. Other LEP's, such as Newcastle already allow Tourism Accommodation in residential zones.

The proposal will apply zones and development controls that accurately reflect the uses, characteristics, and constraints/values of each property.

5 Consultation

5.1 Community

Council proposes a community consultation period of 28 days.

The exhibition period proposed is considered appropriate.

5.2 Agencies

It is recommended the following agencies be consulted on the planning proposal and given 30 working days to comment:

- Development Coordination Authority – biodiversity, heritage, water
- NSW National Parks and Wildlife Service
- NSW Rural Fire Service

6 Timeframe

Council proposes a 12 month time frame to complete the LEP.

This completion timeframe is considered appropriate.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as a local plan-making authority.

As the planning proposal is consistent with relevant strategic planning, and will support the tourism economy, the Department recommends that Council be authorised to be the local plan-making authority for this proposal.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- It will apply zones and controls that reflect the existing use, characteristics and values of land
- It is consistent with relevant state and local strategic planning
- It supports the provision and retention of Tourism Accommodation in the LGA.
- It will not have a negative environmental impact.
- It is likely to have a positive economic impact and generate employment opportunities

9 Recommendation

It is recommended the delegate of the Secretary:

- Agree that any inconsistencies with section 9.1 Directions *1.4 Site Specific Provisions and 3.1 Conservation Zones* are minor or justified;
- Note that the consistency with section 9.1 Directions *4.3 Planning for Bushfire Protection* is unresolved. The proposal will be consistent with this direction following consultation with the NSW RFS; and

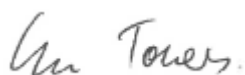
It is recommended the delegate of the Minister determine that the planning proposal should proceed subject to conditions.

The following conditions are recommended to be included on the Gateway determination:

1. Prior to community consultation, consultation is required with:
 - Development Coordination Authority – biodiversity, heritage, water
 - NSW National Parks and Wildlife Service
 - NSW Rural Fire Service
2. The planning proposal should be made available for community consultation for a minimum of 20 working days.

Given the nature of the planning proposal, it is recommended that the Gateway authorise council to be the local plan-making authority.

The timeframe for the LEP to be completed is on or before 12 months from Gateway determination.



7/8/26

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10/8/2026

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