

# **Submission – Strategic Tourism and Recreation Planning Study Options Paper**

## **Blue Mountains Economic Enterprise**

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## Introduction

Blue Mountains Economic Enterprise's (BMEE) mission is 'to stimulate economic development in the Blue Mountains through advocacy, investment and job creation, consistent with our competitive advantages.'

BMEE's vision is an expression of how the mission will unfold and is stated as:

BMEE will be the recognised economic development organisation for the Blue Mountains, delivering significant and measureable contributions to the economy through:

- Encouraging and supporting appropriate investment
- Opening the city for business
- Creating a sustainable and diversified business community

To achieve this ambitious vision, the Board has identified four key strategic pillars which are the focus of the organisation's activities. The pillars are:

- Health and wellbeing (including aged care and disabilities)
- Creative industries
- Education
- World-Heritage Industry Development (including tourism and food)

BMEE is funded by Blue Mountains City Council and is operated by an independent Board.

The Board of BMEE has acknowledged the delicate balance that exists between stimulating strong economic growth and development and maintaining one of the region's key competitive advantages; its World-Heritage environment.

While the BMEE Board aims to position the Blue Mountains as a city 'open for business', the strategy must maintain the inherent competitiveness of the region. The key economic driver of tourism relies on the maintenance of the World-Heritage listed wilderness and environment-based tourism products.

Tourism is the second greatest employer in the Blue Mountains, contributing to 12.9% of local jobs (2127 jobs). The total value of Tourism related output for the Blue Mountains is estimated at \$420m contributing 10.7% to the estimated total Output in April 2014. *Source: BMEE Tourism Industry Profile: 2012-13 ABS, Tourism Satellite Account, REMPLAN April 2014, AP Sheere Consulting.*

Blue Mountains City Council's Community Strategic Plan (SBM 2025) lists 'Sustainable Economy' as Key Direction 5. SBM 2036 identifies the need to "Strengthen economic development including tourism in the Lower and Central Mountains and to strengthen and expand Blue Mountains' tourism beyond a nature-based industry".

SBM 2025 also identifies the following as one of the key emerging issues: "The China market is the major growth prospect for international inbound tourism. Currently, international visitors from the UK (21.8%), Germany (10.8%) and USA (9.1%) comprise the main proportion of travellers to the City."

In 2012, 1030 residents were surveyed and asked; *“When thinking about making the Blue Mountains a better place, what do you see as the top priority action areas relative to Sustainable Economy over the next 5-10 years?”* The second top answer was “tourism”.

### **Blue Mountains City Council’s Strategic Tourism and Recreation Planning Study Options Paper**

BMEE has reviewed Blue Mountains City Council’s (BMCC) Strategic Tourism and Recreation Planning Study Options Paper (Options Paper) and the Planning Study prepared by the Stafford Group. BMEE has also consulted with tourism stakeholders within the Blue Mountains including but not limited to, The Escarpment Group, Scenic World, The Carrington Hotel, The Mountain Heritage and Blue Mountains Accommodation and Tourism Association (BMATA).

BMEE facilitated a meeting between key tourism stakeholders and senior Blue Mountains City Council planning staff. At this meeting it was identified that the sites identified in the Options Paper do not constitute an exhaustive list. It was confirmed that this consultation was the first step in efforts to encourage new and innovative tourism and recreation development and to identify perceived constraints in the existing planning controls.

BMEE provides the following site specific recommendations and general recommendations:

#### **Site Specific Recommendations:**

##### **Site 8c**

BMEE supports the recommendation for site 8c to be rezoned SP3. BMEE also recommends BMCC consider extending the types of business permissible within the SP3 zoning in order to remove the necessity for Scenic World to have to rely on existing use rights. Currently, the attraction would need to be defined as an ‘Eco-Tourist Facility’. The definition of ‘Amusement Centre’ would be a more logical definition.

##### **Site 11**

BMEE recommends further consideration be given to the zoning of Wentworth Falls Lake. Although the current RE1 zoning appears to offer flexibility, BMEE is concerned by the statement included in the Options Paper *“There has been a high level of interest from commercial kayaking operators, there is concern that commercialisation of an informal activity would detract from the nature of the area...”* Upon discussion with BMCC planning staff, it appears that this is a subjective statement that is not based on data, consultation or research. BMEE recommends that future zoning for this area allows for consideration of commercial kayaking (non-powered craft) as a permissible activity.

#### **General Recommendations:**

BMEE’s industry liaison has indicated strong support for much deeper and broader consultation between BMCC and the tourism industry to explore the possibility of applying consistent and suitable zoning to established and desirable tourism precincts to remove the current impediment created by spot zoning. For example, the area between Echo Point and Katoomba Golf Course presents as a logical ‘tourism precinct’ with significant tourism activity already occurring within the zone. Further and detailed consultation is requested to ascertain what zoning would be the most

suitable to the development and adoption of a holistic approach of this kind. This approach would provide greater confidence to potential new and existing investors and residents within the area.

BMEE recommends broadening the scope of the consultation to consider sites other than those listed in the Options Paper. As acknowledged by BMCC senior planning staff, the list of recommended sites within the Stafford Report were suggestions only and the Options Paper is not an exhaustive list. The widening of the highway, significant time lapse since the completion of the Stafford Report and the changing nature of the tourism industry demands a renewed look at potential sites. In addition, there are key sites that are not listed for consideration that are existing tourist sites. Examples include but are not limited to, Lilianfels and Echoes.

There is strong concern within the tourism industry regarding the strong reliance on 'existing use rights'. A common recommendation emerged through BMEE's consultation that BMCC should use its planning instrument to legitimise tourism development. Whilst an operation may be allowed under existing use rights, without an underpinning zoning of tourism use, operators can be subject to having to address disproportionate resident objections at considerable cost and time.

It is the view of BMEE that an opportunity exists now to conduct thorough and meaningful consultation by taking an holistic approach to tourism land use planning. The Blue Mountains has an opportunity to position itself as a leading tourism destination in the context of the proposed Western Sydney Airport, the growth within Western Sydney itself, and strengthening international tourism markets. A consistent and holistic planning framework is a key element to the tourism industry's ability to leverage and capitalise on those opportunities. BMCC has a once in a generation opportunity to work collaboratively with the tourism industry to create an environment in which investment can occur in a sustainable manner.

The tourism industry is under increasing pressure to provide a desirable visitor experience in a highly competitive market. BMEE urges BMCC to take a visionary approach to zoning in relation to Tourism and Recreation Zoning. The Final Blue Mountains Strategic Tourism and Recreation Planning Study (2011) comprehensively outlines the difficulties in attracting new tourism markets to the Blue Mountains. The restrictive zoning framework is identified as a major impediment to industry growth.

*"Growth in tourism related employment and associated economic benefits will continue to be limited until medium to larger scale tourism resorts, eco lodges and new visitor experiences are able to be accommodated within the LGA and on sites zones for this purpose."* Final Blue Mountains Strategic Tourism and Recreation Planning Study (2011).

The report offers a raft of recommendations, strongly endorsed by the tourism industry which will allow environmentally sensitive, marketable tourism products to be introduced. BMEE commends BMCC for taking the first step in addressing and adopting some of these recommendations.

*"In updating Council planning instruments and processes provision needs to be made to allow (and encourage) sustainable, environmentally friendly and economically viable tourism development to better meet market demand."*

Final Blue Mountains Strategic Tourism and Recreation Planning Study (2011).

Blue Mountains City Council's Community Strategic Plan (*SBM 2025*) states Objective 5.3 "*The City of Blue Mountains is a model for sustainable local business and tourism.*" A conducive planning framework is critical if the Blue Mountains is to position itself as a leader in sustainable tourism. The recommendations outlined in the Final Blue Mountains Strategic Tourism and Recreation Planning Study (2011) provide a blueprint which would allow the tourism industry to achieve this high-level goal for the city and BMEE urges BMCC to continue to work with the industry to facilitate such an opportunity.