

## **Submission to Proposed Amendment No. 2 – Noosa Plan 2020**

### **Tourism Noosa**

---

#### **1. Introduction**

The purpose of this submission is to provide balanced feedback on the proposed amendments to the Noosa Plan 2020, specifically focusing on their potential impacts on tourism.

As representatives of Noosa’s tourism industry, we aim to ensure that the amendments support sustainable development while preserving the region's vital tourism industry.

Tourism Noosa support the Council's position in striving to create more affordable and diverse housing choices for the community. However, it is crucial to carefully consider the potential impacts on the tourism sector, which is a cornerstone of Noosa's economy.

The proposed changes, which include rezoning of various tourist accommodation areas to residential and local business zones, have significant implications for the tourism sector. This submission seeks to highlight both the positive aspects and potential concerns, along with constructive recommendations for improvement.

---

## 2. Background

Tourism plays a pivotal role in Noosa's economy<sup>1</sup>, contributing significantly to local employment<sup>2</sup> and business revenues. The Noosa Plan 2020 is being amended to address new challenges and evolving community needs.

These amendments implement recommendations from recent planning studies, the Noosa Housing Strategy, and community feedback in relation to these.

**Overview of the Amendments:** The proposed amendments to the Noosa Plan 2020 are extensive and cover a wide range of areas. To fully understand all changes, a thorough review of the complete amendment documentation was necessary.

This submission will focus on the key changes relevant to the tourism industry sector:

- **Rezoning Tourist Accommodation Areas:** Certain areas currently designated for tourist accommodation are proposed to be rezoned for residential and local business use. This aims to provide more diverse and affordable housing options while still supporting the tourism industry.
- **Maintaining Key Tourism Areas:** Some well-established resort sites with no further development potential will be reinforced for visitor accommodation to support tourism.
- **Balancing Tourism and Residential Needs:** Measures are being implemented to balance the needs of permanent residents and the tourism sector, ensuring that both can coexist harmoniously.
- **Enhancing Business and Entertainment Activities:** The amendments include changes to the Business Activities Code and Entertainment Activities Code, allowing for extended hours of operation and improved provisions for live and recorded music.

These changes aim to create vibrant mixed-use areas that enhance local business opportunities and the visitor experience.

---

---

<sup>1</sup> \$1.3B in overnight visitor expenditure YE March 2024. Source: *Tourism Research Australia, National and International Visitor Survey*

<sup>2</sup> Noosa's tourism sector represents 13% of all local employment (1 in 7.5 jobs). Source: *NIEIR 2023*

### 3. Positive Aspects of the Amendments

While the proposed amendments to the Noosa Plan 2020 present certain challenges, several positive aspects could benefit the community and the tourism sector:

1. **Balanced Development:** The amendments aim to balance the needs of both visitors and permanent residents. By designating specific areas for residential and business use, the plan seeks to create a harmonious coexistence between different community segments.
2. **Enhanced Community Integration:** Reducing the concentration of visitor accommodations in certain residential zones can lead to better integration of permanent residents and visitors. This can enhance the sense of community and ensure that residential areas retain their character and charm.
3. **Improved Infrastructure:** The proposed changes could lead to improvements in local infrastructure and services. By planning for increased residential density in a controlled manner, the Council can ensure that necessary upgrades to roads, public amenities, and other infrastructure are made, benefiting both residents and visitors.
4. **Vibrant Mixed-Use Areas:** The amendments include provisions for enhancing business and entertainment activities. Extending hours of operation for food and drink outlets and improving provisions for live and recorded music can create vibrant, attractive areas that appeal to both locals and visitors.

This can boost local business opportunities and enhance the visitor experience.

We support the proposed changes to the Business Activities Code and Entertainment Activities Code. We believe that extending hours of operation for food and drink outlets within the Noosa Junction Hospitality Precinct to midnight, seven days a week, will create a more vibrant nightlife and dining scene.

This can be further strengthened by looking at successful models such as Ocean Street in Maroochydore and the Valley in Brisbane, where extended trading hours and entertainment provisions have significantly enhanced the local night-time economy and tourism appeal.

5. **Support for Affordable Housing:** We support the Council's efforts to address the need for more affordable and diverse housing options. However, this should not come at the expense of rezoning areas currently designated as visitor accommodation.

It is essential to find a balanced approach that does not compromise Noosa's current and future tourism viability.

#### 4. Key Concerns and Impacts

Despite the positive aspects, the proposed amendments to the Noosa Plan 2020 present several potential impacts and areas of concern for the tourism industry:

##### 1. Economic Impacts on Tourism:

- **Loss of Accommodation Options:** Rezoning certain visitor accommodation areas to residential use may reduce the number of available lodging options for visitors, visiting friends and relatives, and those needing short-term accommodation for reasons other than holidays. This could lead to a decline in tourism revenue and negatively impact businesses that rely on visitor spending both directly and indirectly.
- **Impact on Local Businesses:** The reduction in visitor accommodation could affect local businesses, including restaurants, shops, entertainment venues, tours, and attractions which depend on a steady flow of visitors.
- **Downzoning and Economic Impacts:** The rezoning of areas traditionally used for visitor accommodation to residential and local business use can be seen as a downzoning of these sites, reducing their potential for new tourism-related developments.

This could limit future growth of the tourism sector and the competitiveness of Noosa as a premium holiday destination reducing the number of higher-yielding overnight visitors and subsequently impacting many local businesses reliant on this visitor expenditure.

- **Investment and Development Constraints:** Investors and developers might be discouraged from upgrading existing tourism infrastructure or investing in new tourism infrastructure, if the zoning changes limit the types of permissible developments and/or create constraints that render good projects unviable.

This could lead to slower economic growth, fewer new (or upgraded) attractions or facilities for overnight visitors and declining appeal as one of Australia's premium holiday destinations.

Opportunities within the hinterland have to date been constrained and limited, particularly in relation to eco cabins and small boutique operations particularly aligned with the Noosa Trail Network. As coastal visitor accommodation opportunities have been reduced, Tourism Noosa feels that greater consideration for small-scale development be allowed for uses that align with the Noosa Plan's strategic vision.

## 2. Practicality and Feasibility Issues:

**Limited Likelihood of Effective Implementation:** The proposed changes have not been thoroughly investigated in terms of the actual likelihood of successful implementation. Many of the properties being rezoned may not see the proposed changes occur due to market dynamics and logistical challenges.

The market itself dictates the feasibility of these changes, and without thorough investigation, the aim to achieve improved housing may simply not materialize.

The proposed rezoning could face significant barriers, making it an impractical solution to the housing issue. The focus on residential use over tourist use within prime real estate (eg: waterfront) locations is unlikely to alleviate the growing lack of housing affordability options.

## 3. Impact on the Visitor Experience:

**Quality of Stay:** Changes in zoning and the potential reduction in visitor accommodations could affect the overall visitor experience. Ensuring a variety of lodging options and maintaining vibrant business and entertainment areas are crucial to preserving Noosa's reputation as one of Australia's premier tourism destinations.

## 4. Preserve Key Properties with Tourism Potential:

We have concerns regarding the rezoning of 2 Katharina Street and 48 Noosa Drive (part), Noosa Heads. These sites are currently used as a hostel and zoned for tourism accommodation.

Their location near Noosa Junction, Hastings Street, and Main Beach makes them invaluable for future redevelopment as key tourism properties. The historical use and strategic location of these sites offer incredible potential for enhancing Noosa's tourism infrastructure.

Rezoning these areas to provide smaller dwellings and worker accommodation for permanent residents would significantly undermine their potential and negatively impact the broader tourism sector. We urge the Council to recognise the long-term benefits of maintaining these sites for tourism and to reconsider the proposed rezoning.

## 5. Rezoning Noosa Lakes Resort:

We have concerns about the rezoning of 3 Hilton Terrace, Tewantin – Noosa Lakes Resort, from visitor accommodation to Medium Density Residential. Noosa Lakes Resort plays a critical role in the matrix of accommodation options available for visitors.

The proposed change to permanent residential occupation would remove this essential offering, to the detriment of both the resort operator and the existing visitors who utilise the property. This transition would not only disrupt the current tourism infrastructure but also negatively impact the economic viability of the resort and reduce the variety of lodging options that are essential for attracting a diverse range of visitors to Noosa.

It is vital to maintain Noosa Lakes Resort as part of Noosa's visitor accommodation framework to ensure continued support for the local tourism economy, the businesses, and locally employed residents of Noosa that rely on it.

## 5. Recommendations

Considering the concerns and potential impacts outlined above, Tourism Noosa proposes the following recommendations to ensure that the amendments to the Noosa Plan 2020 support both housing diversity and the sustainability of Noosa's essential tourism sector:

### 1. Maintain Key Tourism Zones:

- 1.1. Preservation of Lodging Options:** Preserve the current visitor accommodation zoning for critical areas to ensure that Noosa continues to offer a variety of lodging options to suit a diverse range of visitors. This preservation is vital for sustaining the visitor economy and supporting local businesses that rely heavily on visitor spending.
- 1.2. Economic Stability:** By maintaining these zones, we can protect the economic stability of the tourism sector, ensuring that local businesses and employment dependent on tourism remain robust.
- 1.3. Visitor Experience:** Ensuring a range of accommodation options enhances the visitor experience, catering to diverse preferences and budgets, which can lead to higher visitor satisfaction and repeat visitation.

### 2. Identify Key Areas in the Hinterland for Investment:

- 2.1. Encouraging Regional Dispersal of Visitors:** Investing in the hinterland will help distribute peak period traffic more evenly across the region, reducing pressure on coastal areas and promoting a more sustainable tourism model. This approach will enhance the visitor experience by offering more diverse attractions and accommodation, thereby increasing the overall appeal of the Noosa region.
- 2.2. Creation of Local Jobs:** Developing tourism infrastructure in the hinterland will generate new employment opportunities, particularly in areas where affordable housing is more viable. This initiative will support local economies and contribute to community well-being by providing residents with accessible job options within their vicinity.
- 2.3. Supporting Affordable Housing:** By focusing on regions where affordable housing is more feasible, we can ensure that the workforce required for new tourism developments has access to suitable living conditions. This strategy not only addresses housing affordability but also helps in retaining a stable workforce for the tourism and hospitality sector.
- 2.4. Sustainable Growth and Development:** Targeted investment in the hinterland aligns with sustainable development principles. It promotes the balanced use of resources, preserves the natural environment, and fosters long-term economic resilience.

### 3. Alternative Strategies for Housing:

**3.1 Exploration of Other Areas:** Explore other areas within the Noosa region for developing affordable and diverse housing options. This approach prevents the need to rezone existing visitor accommodation areas, thereby preserving their use exclusively for tourism purposes.

**3.2 Balanced Development:** This strategy supports balanced development, ensuring that housing needs are met without compromising the availability of visitor accommodations.

**3.3 Community Support:** By identifying and utilising areas more suited for residential development, we can garner community support and minimise resistance from stakeholders invested in tourism zones.

### 4. Enhanced Community Engagement:

**4.1 Inclusive Planning Process:** Engage more deeply with tourism operators, local businesses, and residents most likely to be impacted to gather comprehensive feedback on the proposed amendments. This engagement ensures that the planning process considers the needs and perspectives of all key stakeholders, particularly primary stakeholders.

**4.2 Building Consensus:** Enhanced community engagement helps build consensus and mitigates conflicts, leading to a more widely accepted and successful implementation of the planning amendments.

**4.3 Informed Decision-Making:** By incorporating diverse viewpoints, the Council can make more informed decisions that reflect the community's aspirations and address potential concerns effectively.

### 5. Thorough Impact Studies:

**5.1 Comprehensive Assessments:** Conduct comprehensive impact studies to assess the potential economic, social, and environmental effects of the proposed zoning changes. This thorough examination will help in understanding the full implications of the amendments.

**5.2 Data-Driven Decisions:** Impact studies provide valuable data that can guide decision-making, ensuring that the amendments are beneficial and sustainable in the long term.

**5.3 Mitigating Negative Effects:** By identifying potential negative impacts early, the Council can develop strategies to mitigate these effects, ensuring that the changes lead to positive outcomes for the entire community.

In summary, by maintaining key tourism zones, investing in the hinterland, exploring alternative housing strategies, enhancing community engagement, and conducting thorough impact studies, we can ensure that the amendments to the Noosa Plan 2020 support sustainable growth, housing diversity, and the long-term viability of Noosa's tourism sector.

## 6. Conclusion

In conclusion, the proposed amendments to rezone certain areas from visitor accommodation to residential and local business zones present several significant concerns and potential negative impacts.

The tourism sector is a vital part of Noosa's economy<sup>3</sup>, providing local employment (1 in 7 jobs), and significantly supporting local businesses. The proposed reduction in visitor accommodations and potential conflicts between permanent residents and overnight visitors could undermine Noosa's appeal and long-held reputation for being one of Australia's premier tourism destinations.

Tourism Noosa supports the Council's efforts to create more affordable and diverse housing options. However, this should not come at the expense of Noosa's tourism infrastructure.

By maintaining key tourism zones, exploring alternative strategies for housing, engaging with stakeholders, and conducting thorough impact studies, the Council can ensure a balanced approach that supports the future prosperity of both the tourism sector and the broader community.

Thank you for considering this submission. We trust that the concerns and recommendations outlined will be carefully weighed as you finalise decisions regarding the future development and zoning of Noosa.

---

## Contact Information

For further correspondence, please contact:

Tourism Noosa  
Sharon Raguse  
CEO  
sharon@tourismnoosa.com.au  
M: 0435 059 331

---

<sup>3</sup> Noosa's tourism sector is the second largest employer (13% of all local employment) Source: NIEIR 2023