

Questions for Community Groups and Community response

Answers compiled by:

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Q. Cr Greg Fahey – Brian Raison, you said, if this was approved, it would be detrimental to the financial viability of the resort. What material do you have to back this up?

- The Resort itself will no longer be a beachside Resort. The accommodation in the Resort will suffer due to tourists preferring to stay "beachside" in privately owned villas.
- Attached is a Western Australian Government Taskforce Report that supports and expands on our concerns. The report, endorsed by Cabinet in January 2006, is the product of a taskforce established by the Minister for Planning and Infrastructure. He was concerned about *"the potential impacts of mixing tourism and permanent residential uses in a single development in respect to land use conflict, impact on the tourism experience, the residential amenity provided in such developments, and the loss of suitable and available land for future tourism development."*

Here are a couple of quotes from the report:

➤ *"A sustainable tourism industry requires investors to be able to achieve reasonable operational returns, facilitating funding of marketing, maintenance and improvement of facilities. This is not achieved where development is real estate driven and not based on growth in tourism demand."*

"A rezoning or scheme amendment to provide for a tourism development with a residential component on a high-value tourism site will result in a loss of ability to accommodate future tourism demand and will have a detrimental impact on tourism growth."

- The report clearly indicates that if a residential component of a resort is greater than 20 to 25 percent of the total, the tourism experience will degrade. The planned 660 dwellings proposed is **more than double** the 324 rooms available presently at the Hyatt. The Hyatt may possibly survive as a local three-star resort and attract some local support as a result of lower prices, but we have no doubt that its status as an international five-star resort and convention centre will disappear. Council must decide if they want to retain and enhance their world class tourist resort or replace it with a high density high rise suburb. They can't have both!

Q. Cr Greg Fahey – Can someone clarify – there is already a current approval for the site on the eastern side for 300 room hotel and 105 villas?

- There is an existing approval for a 300 room hotel on the Eastern side of David Low Way. We would like to emphasise that a 300 room hotel is not equivalent to 300 dwellings for planning purposes.

Q. Cr Tom Hulett – this resort has had 25 years of no profit. I would like a response on the idea of leaving it as it is. You stated that this proposal will effectively stop the use of the Hyatt Coolum as a tourist facility. Can you give some verification of this? Are you saying this will result in future tourists using this area? You need to deliver on this – it is a bold statement requiring support.

- Councillor Hulett's question is similar to Councillor Fahey therefore see above. However, before Lend Lease purchased Coeur de Lion, due diligence would have indicated that the property was either a good investment or not. The premise that Lend Lease now finds that the Hyatt is not profitable, therefore the only way to save it is to redevelop it, is spurious to say the least. Perhaps Lend Lease should have adopted 'Caveat Emptor - let the buyer beware.' Everybody else in the Maroochy Shire has to abide by this rule in business.

Q. Mayor Joe Natoli – if you, as residents, are not supportive of this, what would you see as an appropriate context and outcome if you understood Lend Lease's position, and what is a much more suitable development?

- To remain a World Class Tourist Facility.
- Building height to be 2 storeys.
- The golf course on the eastern side of David Low Way should remain. Neither the original approval, the Consent Order by the P&E Court, nor the current Maroochy Plan 2000 provide for the existing golf holes on the beachside to be anything but recreational green space
- All beachside accommodation to be available for holiday letting.
- *Are councillors and council decision makers so naive as to believe that a land developer buys a hotel with surrounding property, then discovers it is not profitable, and so recommends redevelopment to make it profitable? **In buying the land, Lend Lease must have assumed they could change the law, develop the land to obtain the maximum return and then move on.** The community does not need to understand Lend Lease's position; neither does Council.*

Q. John Knaggs – Lend Lease, in their application, indicates that the financial viability of the resort is a critical issue and sees this development as a means of enhancing a population to support the resort. Council has been told that, if nothing is done, the resort will close and this will affect the Coolool economy. Council is between a rock and a hard place in one sense. My next question is similar to Cr Hulett's – if we have said that the viability of the resort is only going to be improved by a re-development of the Hyatt Coolool, what do you suggest to Council is the more moderated balanced outcome?

CEO John Knaggs question has been covered in both Councillor Hulett's & Mayor Natoli's questions.

- There are thousands of Holiday Apartments on the Sunshine Coast earning excellent returns .
- The CEO's statement reinforces the concerns and suspicions of the residents who fear that Council will allow a developer to continue developing the Resort until it is reduced to a very small component purely to maximise profit.
- This question contains implied acceptance of the Lend Lease argument that redevelopment is necessary to save the Hyatt. Council must obtain an independent assessment to examine the veracity of the Lend Lease argument.

Q. Cr Zrinka Johnston – what is your take on the Lend Lease and hotel argument that they are now open to residents and expect that Master Plan improvements will attract more and more local use of the resort to balance out the unevenness in revenue flows? They are saying they do not get enough community use. One of the alternatives is that the community becomes the user. What is your take on that?

- To date there has never been any genuine advertising campaign aimed at the local community. If Lend Lease are keen to attract more local use of the resort to "balance out unevenness in revenue flows," an intensive marketing campaign promoting their services should be implemented.