

Submission Objecting to the Berrima Hotel Project

The proposed project is objected to on the following four grounds:

1. Absence of Any Heritage Experience and Education

The project provides no facility or resident or visitor offering that provides insight and a heritage experience for the history of the Gaol, including, but not limited to:

- the Gaol's origins dating from the 1830s through several phases as a Gaol until it was permanently closed in 2020
- commercial uses such as for rabbit processing in the 1910s
- the Gaol's use as an internment camp for German prisoners from 1915 to 1919
- general historical facts of interest such as the names and history of the prisoners hung, and the crosses engraved on the internal western wall for those prisoners
- colourful prisoners of more recent history who were prisoners – Richard Buttrose, Rex Jackson, Edie Obeid, Roger Rogerson etc.
- recollections of staff who worked at the Gaol

Given the rich heritage and history of the Gaol precinct, this must be included in any commercial repurposing of the Gaol, noting that the variety of spaces within the Gaol and existing external buildings provides ample opportunity for this to be incorporated in the redevelopment.

2. Unacceptable Heritage and Development Risk Arising from Inappropriately Optimistic Quantity Surveyors Estimated Development Cost (EDC)

Extract from Executive Summary – Page 1

Project Description	Adaptive Reuse of the Former Berrima Gaol (Hotel Development)
Project Location	2-4 Argyle Street, Berrima, NSW 2577
Date of Assessment	22nd September, 2025
Name of Quantity Surveyor	Tony Sassine
Signature of Quantity Surveyor	

Item	Cost (excl GST)
Demolition and Remediation	\$528,481
Construction (Item A)	\$49,538,076
Mitigation of Impact Items	N/A
Consultant Fees	\$2,503,328
Authority Fees (LSL)	\$123,845
Plant & Equipment (Item B)	Included in 'Construction' above
Fixtures, Fittings & Equipment	Included in 'Construction' above
Contingency	\$2,476,904
Escalation	\$3,245,331
TOTAL EDC (excl GST) for SSD/SSI	\$58,415,964

Analysis of Estimated Development Cost (EDC)

	\$	% of Preceding Sub-Total
EDC ex Escalation and Contingency	52,693,060	
Escalation	3,245,331	6.2%
Sub-total	55,938,391	
Contingency	2,476,904	4.4%
TOTAL EDC (excl GST) for SSD/SSI	58,415,295	

Comments and Unacceptable Heritage and Development Risk

(i) Escalation

- The escalation allowed for at 6.2% of the EDC ex Escalation and Contingency is inadequate given the timeframe between the preparation of the QS Report and the estimated commencement of construction of in 2026 or 2027 relative to actual and forecast construction cost inflation in excess of 5% per annum.
- Extract from WT Australia's Australian Construction Market Conditions Report, June 2025:

WT's view on cost escalation by city				
	2024	2025	2026	2027
Sydney	4.8%	5.3%	5.5%	5.5%
Melbourne	5.0%	5.0%	5.0%	5.3%
Brisbane	5.5%	6.5%	5.8%	7.0%
Adelaide	4.5%	4.5%	6.0%	5.0%
Perth	4.0%	4.3%	5.5%	4.8%
Hobart	4.8%	3.5%	4.5%	5.5%
Canberra	6.0%	5.0%	4.3%	4.5%
Darwin	3.0%	4.8%	4.8%	6.0%
Weighted average	4.8%	5.1%	5.4%	5.5%

(ii) Contingency

- Given the potential for there to be many cost over-runs, or new costs to be incurred, during construction in such an unusual site, for example:
 - convict era heritage building construction, and
 - major underground works for provision of parking and services on a site sloping to the Wingecarribee River with an identified flooding risk etc.)

the contingency allowed for at 4.42% is materially inadequate relative to typical contingency ranges at this stage of a construction project of:

<5% Low risk projects

5% to 10% Medium risk projects

10% to 20% High risk projects

(iii) Heritage and Development Risk

- Given the combination of “1.” and “2.” above, there is a very high risk of a level of cost escalation that causes the developer to either:
 - withdraw from the project post construction commencing, leaving the Berrima and broader NSW community with a partially completed lame duck development that

delivers neither the developer's proposal, nor retains the existing heritage Berrima Gaol precinct, and causes the Gaol to crumble away over time, or

- seek modifications that the NSW Government feels compelled to approve and which takes the project further away from heritage protection through adaptive reuse, to the detriment of the Berrima and broader NSW community.
- In addition to this lack of due commercial caution, there is nothing in the documentation made available that identifies this risk, nor how it will be mitigated. This is a significant shortcoming given the potential for, and potential impacts of, likely unforeseen practical and financial hurdles emerging as the redevelopment proceeds. This needs to be included in the documentation considered by all parties prior to the redevelopment being approved in order to safeguard the Gaol as a state significant asset.

3. Deficient Visual Impact Assessment (VIA) That Cannot Be Relied Upon

- The VIA is deficient as the 5 Viewpoints outlined on page 41 of the VIA:

Ref	Name	Source document	Reason
1.	Viewpoint 1: Entrance Gate (Argyle Street)	CMP 2025	Impact of the proposed intervention in the heritage fabric on the streetscape
2.	Viewpoint 2: The Governor's Residence and Entrance Gate (Argyle Street)	CMP 2025	Impact of the proposed intervention in the heritage fabric on the streetscape
3.	Viewpoint 3: Gaol Wall and western annexe (Wilshire Street)	CMP 2025	Impact of the proposed intervention in the heritage fabric on the streetscape
4.	Viewpoint 4: Wingecarribee Street	BDCP 2021	Impact of the proposed carpark
5.	Viewpoint 5: Wilshire Street	BDCP 2021	Impact of the proposed carpark

Table 4. Key viewpoints

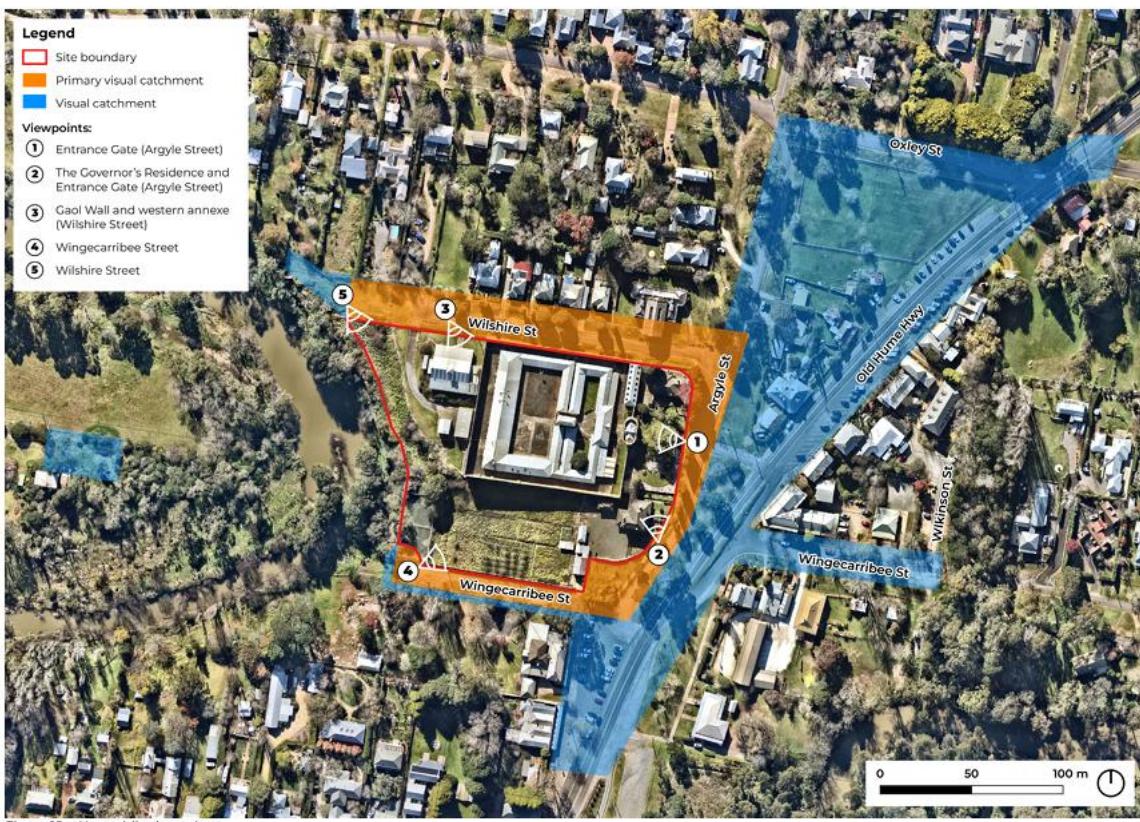


Figure 18. Key public viewpoints
Source: Nearmap and Ethos Urban

do not adequately address one of the four identified primary visual catchments “west: Wingecarribee River” as none of the 5 Viewpoints are from the western side of the Wingecarribee River, a vantage point for both residents and visitors accessing the reserve and river walk on that side of the River.

- Without this assessment the VIA does not have the data required to reach a properly informed Conclusion, the VIA therefore should not have reached a Conclusion, and the Conclusion reached in the VIA cannot be relied upon.

4. Inappropriate Scale of Accommodation Outside Western Wall

- It is acknowledged that for the repurposing of Berrima Gaol necessitates some development outside of the Gaol walls in order for the development to be economically viable, including the demolition of the Industries Building which the writer considers to be of little heritage value or visual appeal relative to the Gaol wall and other buildings in the Gaol precinct.
- However the scale of the accommodation, particular as a new build with new materials, is excessive and inappropriate relative to the western Gaol wall, and the overall Gaol precinct and neighbouring commercial and resident properties. Alternatives of a more appropriate scale, be it accommodation and/or function spaces, should replace the existing accommodation proposed.