

13 September 2018

Ms Carolyn McNally Secretary NSW Department of Planning and Environment GPO Box 39, Sydney NSW 2001

Dear Ms McNally

Re: Construction of a new hotel and residential tower and alterations to existing building (MP08_0098 MOD 13)

I welcome the opportunity to comment and offer my support for the proposal to include a significant addition to Sydney's hotel stock and complementary amenities as part of the new development at The Star (MOD 13).

As the Chief Executive Officer of BESydney, the specialist bidding services organisation responsible for attracting global business events to Sydney, I feel I am well placed to recognise the potential that this proposal would offer our clients and visiting delegates.

During 2017/18, international business events previously secured by BESydney attracted delegates who stayed 241,000 delegate days in Sydney and NSW. Looking ahead, BESydney has 77 events already confirmed for 2019-2026, attracting delegates that will stay a more than 514,000 delegate days.

According to the latest International Congress and Convention Association (ICCA) rankings, Sydney ranked first in Australia, 7th in Asia Pacific, and 26th globally. Association business events have grown more than 30% over the past decade.

With hotel occupancy in Sydney now consistently reported at 80% and above, room capacity for our international event attendees remains a challenge for our global bidding experts, and we welcome industry investment that enables much needed incremental capacity.

BESydney has long advocated for additional hotel stock to help Sydney maintain its place in the top rankings of the world's truly global event host cities.

I believe that the proposal to incorporate a 220-room Ritz-Carlton hotel as part of The Star's development, just seven minutes' walk to the state-owned ICC Sydney facilities and a 15 minute drive to Sydney Airport, is a fabulous addition to the precinct's accommodation offering for the rapidly growing number of business events patrons my organisation attracts to our city. It is also a welcome return of the globally renowned Ritz-Carlton quality brand back to Sydney after a 10-year hiatus, and a wonderful six-star addition to The Star's existing two five-star properties.

In particular, I believe this waterfront option will be especially attractive to our corporate Asian business, which in financial year 2017/18 accounted for almost 50 per cent of the

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economic impact BESydney secured for NSW. BESydney research¹ has found business event visitors spend up to 6.5 times more than a leisure tourist.

Sydney enjoyed 17 per cent year on year growth from Asian markets last year with 60 per cent originating from China. We can only see this growth continuing, with international leisure tourism from China forecast to more than double in the next decade.

BESydney enjoys a strong partnership with The Star, and the precinct's accommodation, restaurants and entertainment offering are an important asset to the city's global brand for tourism and business attraction for this vital growth market.

Sydney is globally renowned for its quality facilities, stunning natural beauty and friendly Aussie welcome. This proposal by The Star will only add to our world-class offering, further enhancing and broadening our international selling proposition to business events clients. I would expect that the resulting increases in precinct visitation will provide significant economic benefit to Sydney and the State.

Business Events Sydney supports the proposed improvement for Sydney with the NSW Department of Planning and Environment. If you would like to discuss our submission further, please contact Carolin Lenehan, Deputy General Manager, Corporate Affairs and Communication at <u>CLenehan@BESydney.com.au</u> or 02 9332 5229.

Yours sincerely

Lyn Lewis-Smith Chief Executive Officer

¹ **Asian incentive events in New South Wales: expenditure and retail impact*, Business Events Sydney and University of Technology Sydney, June 2014.

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