26th July 2023

Director of Planning
Department of Planning, Bermuda Government
Dame Lois Browne-Evans Building, 5th Floor.
58 Court Street
Hamilton HM 12

Attn: Paul McDonald

Our ref: 0242/2303

Dear Sir,

RE: REQUEST FOR SPECIAL DEVELOPMENT ORDER
FAIRMONT SOUTHAMPTON HOTEL
REVISED PROPOSAL FOR TOURISM/RESIDENTIAL DEVELOPMENT

I refer to your letter dated 10th May 2023, the various meetings between the applicant’s representatives and the Department of Planning together with the responses to the original proposal received from the general public during the public consultation period.

Westend Properties Ltd. (WPL) has given consideration of the utmost seriousness to your letter, the discussions with the department and to the views expressed by the general public. This has caused WPL to have a rethink about various aspects of the project. The outcome of this process has been to revise the proposal in materially significant ways. We are now pleased to provide the following documents illustrating the revised scheme and providing the necessary supporting information:

i. Fairmont Southampton Residential and Golf Master Plan – 24th July 2023 prepared by EDSA.
ii. Environmental Impact Statement – 24th July 2023 prepared by Bermuda Environmental Consulting Ltd.
iii. EIS Non-technical Summary – Bermuda Environmental Consulting Ltd.
iv. EIS Annexes – Bermuda Environmental Consulting Ltd.
v. Justification of the need for the proposed development – Westend Properties Ltd.

Responses to the Original Proposal

To recap, the original proposals consisted of 261 tourism and residential units providing a variety of accommodation in the following locations:
a) 68 tourism units at Turtle Hill in two- and three-storey buildings;
b) 46 tourism units described as Golf Villas in four-storey buildings;
c) 120 residential units at Hilltop Villas in six-storey buildings;
d) 27 South Road Townhomes in three-storey buildings.

Department of Planning

The department’s formal response to the original submission was contained in your letter dated 10th May. This letter raised 6 points under separate sub-headings which the department considered required further attention. In reply to the numbered issues raised in your letter we provide the following:

1. The environmental impact statement (EIS) has been revised to incorporate those items referred to in your letter.
2. The department’s change in stance on this matter at such an advanced stage in this process is disappointing to say the least. Nevertheless, the assessments undertaken in the revised EIS now reflect your requested changes in this regard.
3. A separate document providing justification of the need for the development is provided. With regard to your comments on residential zoning, the Review and Strategy 2018 document and the Plan that followed were prepared five years ago and were based on information collected earlier in the decade. The seismic events of the last few years have rendered them outdated. These are static tools operating in a dynamic world and the problems facing the hospitality industry in Bermuda with its aging infrastructure demand different approaches. This is why planning legislation provides an avenue via a special development order to approve projects that do not fit comfortably with current zonings but are in the national interest. The proposed tourism and residential development is essential to support the Fairmont Southampton resort which is a vital component of the Bermuda economy, provides employment opportunities for Bermudians and boosts airlift to the island.
4. The Landscape and Visual section of the EIS has been completely revised.
5. The EIS has been revised accordingly.
6. Your comments with respect to inconsistent and/or inadequate information are noted. Where necessary information has been corrected or clarified. Your comments with regard to mitigation measures are also noted and efforts have been made to expand this aspect of the EIS and include “enhancements” in the revised proposals. As far as unit counts are concerned, the numbers you refer to in connection with the tourism component of the original development were neither inaccurate nor inconsistent. They are different aspects of the same development. The original scheme proposed 114 tourism units. These tourism units contained 311 bedrooms of which 195 represented new hotel keys.
Comments from Members of the Public

The public consultation period resulted in the submission of a considerable number of letters of objection and an online petition against the proposals. At a certain level this is not surprising as the proposed development is outside the bounds of what is normally permissible through the planning process. This is the nature of proposals seeking permission through an SDO. Few previous SDO developments, though, have been subject to the level of public scrutiny as the Fairmont Southampton proposals. Nevertheless, the strength of feeling of the authors of the letters is acknowledged and has informed the review and revision of the proposed development.

The feedback received during the public consultation period raised concerns about the proposed development around a number of issues. Broadly, the more deeply felt of these covered the extent of development across the site in non-development zones and the need for and mix of tourism and residential development proposed. Especially deep concern was expressed about the visual impact of higher rise buildings in the centre of the golf course. All these concerns have been addressed in various ways in the revised proposals.

Concerns were also raised about the un-Bermudian character of the proposed buildings and the lack of detail relating to roads and infrastructure. These issues, though, are directly related to the fact that at this stage only in-principle permission is being sought through the SDO process. An unfortunate consequence of preparing renderings for visual analysis of the project is that it was assumed by the general public that this was an actual representation of the eventual architecture. No buildings have been designed yet nor will they be until permission has been granted. Similarly, limited detail on infrastructure is available at this premature stage although various studies are on-going in this area including, for instance, into the best solutions with regard to renewable energy options. Also, as requested by Planning, a meeting with Belco has been held, which has confirmed their ability to support the project with their existing transmission network but with upgrades to the substation required.

The applicant is sensitive to the need for the development to blend with its setting and exemplify the best of Bermudian architectural character as well as observe relevant guidelines for sustainable development. It is fully anticipated that, should the SDO be approved, conditions will be attached to the permission which will direct that the ensuing development will meet the community’s aspirations in these areas.

Many residents raised concerns about the impact of additional traffic on the local area. The results of the traffic impact assessment, which was undertaken by professional engineers following standard practice and procedures in the preparation of these studies, indicate that these concerns are unfounded and that the road network is quite capable of absorbing the traffic generated by the proposed development. Nevertheless, as a result
of the changes to the proposed development the traffic impact assessment has been revisited and its findings incorporated into the EIS in accordance with your advice. In addition, WPL has also explored other options for road improvements in the area.

Criticism of the original submission was also levelled by you and various members of the public at the impact statements which were included in the package. Particular criticism has been directed at the environmental impact assessment, most especially for using the 2009 SDO development as its baseline even though this had been agreed with the Department of Planning. As referred to above, in reply to your letter, this has now been changed. In doing so, the existence of the 2009 SDO development cannot be ignored. This existing permission sets a significant precedent for development across the application site whether or not its existence is reflected in the zoning of the property. In this regard, your acknowledgement that the 2009 SDO is a material consideration is noted.

The traffic impact and economic impact assessments also received negative comments. The traffic impact assessment is referred to above. The economic impact assessment attracted criticism for the assumptions on which the assessment was based. But this is how models of the future are constructed as nobody can know what will actually happen. The results, provided by an internationally renowned consultancy firm, represent the best estimate of the economic outcome of the project that can be provided at this time.

All impact assessments have been revised and updated in light of the revisions to the scheme. These assessments are consolidated in the revised EIS.

**Revised Proposals**

**Development**

The new proposals are based on a total build of 250 units. This is a small reduction from the original scheme but meets the project’s objectives in terms of volume of development to support the resort. The mix of the units has also been re-balanced in favour of tourism units. Whereas in the original scheme 56% of units were residential, in the revised scheme nearly two-thirds are proposed to be tourism units. The proposed reconfiguration of the development, providing 159 tourism units and 91 residential units, is as follows:

a) Turtle Hill – 110 tourism units providing two-, three- and four-bedroom accommodation in two and three-storey buildings;

b) Hilltop Villas – 57 two-, three- and four-bedroom residential units in two and three-storey buildings. These villas are in two locations on the golf course; one in the north mostly on land zoned Residential 2 and the other more centrally located partly on land zoned Residential 2.
c) Golf Units – 49 two and three-bedroom tourism units in four-storey buildings similar to those proposed in the original proposal;
d) South Road – 18 three and four-bedroom residential units in six three-storey buildings south of a re-aligned South Road.
e) GSL Villas – 16 three-bedroom residential units in four-storey buildings on land zoned Tourism north of the existing hotel.

The central feature of this rearrangement is that the higher rise development in the golf course has been eliminated and the number of units in this part of the site has been significantly reduced, being less than half the number of units in the original proposal. The scale and massing of these buildings are also diminished with the centrally located residences being only two-storey.

The tourism units provide a total of 441 bedrooms of which 276 will be hotel keys. This represents an increase of over 40% in the number of proposed hotel rooms as compared with the original scheme.

The golf course is retained as an 18-hole par 3 course although there have been modifications to the layout.

Community Gains

Alongside these development proposals the applicant has now included a series of community benefits to enhance the project. These are:

A. The realignment of South Road to eliminate the S-bend which is an accident spot;
B. Three areas on the Fairmont Southampton property to be designated as Protected Conservation Areas under S25A of the Development and Planning Act 1974. These are:
   1. The coastal hillsides and rocky promontory around the Beach Club south of South Road (4.9 acres),
   2. An area of woodland to the north of Turtle Hill (1.4 acres),
   3. The wooded slopes zoned Tourism on the western side of the hotel access road from Middle Road;
C. The installation of 3-way traffic lights at the hotel access road junction with Lighthouse Road and Middle Road;
D. Railway Trail improvements including a ramp for cyclists and security lighting;
E. Preservation of and provision of natural seating and interpretation signage at the Historic Protection Areas on Turtle Hill together with the installation of Bluebird nesting boxes.
Phasing

The applicant’s top priority is the completion of the hotel renovations, the construction of the Beach Club and upgrades to other associated facilities. A functioning hotel with a range of resort amenities is as essential to the success of the proposed tourism and residential development as those units are to the support of the hotel. It is now anticipated that the hotel renovation works will commence later this year with an expected hotel opening in Q2 2025.

Phase 1 of the development for which approval is sought under the SDO is proposed to be the Turtle Hill and Golf Villas tourism units. The construction period for these units is anticipated to be 2025 – 2030. As indicated in our letter dated 5th April 2023 accompanying the original submission, none of these units would be occupied before the opening of the hotel and a condition on the planning permission to prevent this would be acceptable to the applicant.

Later phases of the project would see the Hillside and GSL Villas constructed as Phase 2 during 2033 – 2036 and the South Road development undertaken as Phase 3 in 2039 – 2040.

None of the tourism/residential units would be constructed until there is evidence of sufficient demand for the product as confirmed by achieving a minimum pre-sale hurdle.

Conclusion

We believe that the revised package of proposals represents a much-improved project that has responded positively in many ways to the criticisms that the original proposals received. We also believe that the proposals will revitalize the Fairmont Southampton resort and transform it into a world class facility that can boost Bermuda’s reputation as a desirable tourist destination. We look forward to receiving the endorsement of this project from the Department of Planning and the Development Applications Board and ultimately the approval of the SDO from the Minister.

Should any further information in connection with this matter be required, please do not hesitate to contact the undersigned.

Yours sincerely,
ADWICK PLANNING

Peter Adwick

Encls.