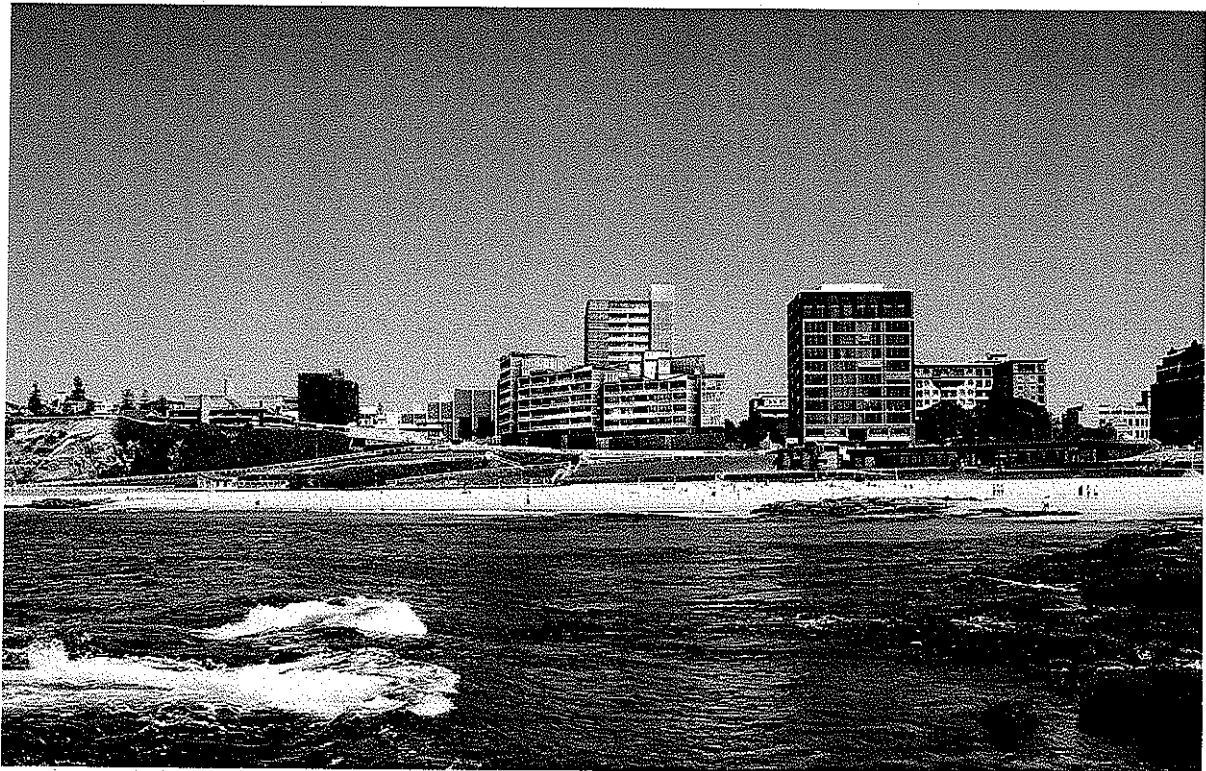




NSW GOVERNMENT  
**Department of Planning**

**MAJOR PROJECT ASSESSMENT**  
**MP 07\_0133**  
**Stage 1A & 1B redevelopment of**  
**The Former Royal Newcastle Hospital site**  
**Proposed by Mirvac Pty Ltd**



Director-General's Environmental Assessment  
Report  
Section 75I of the  
Environmental Planning and Assessment Act 1979

July 2008

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July 2008

# 1 EXECUTIVE SUMMARY

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This is a report on a project application to construct a mixed use residential, retail and tourist development on the north eastern part of the Royal Newcastle Hospital site at East Newcastle pursuant to Part 3A of the *Environmental Planning and Assessment Act, 1979* ("the Act"). The site is located in the local government area of Newcastle. The proponent is Mirvac Pty Ltd (the Proponent).

The proposal comprises:

- 146 residential apartments, 89 hotel suites and 1430m<sup>2</sup> of retail floor space in 3 buildings including:
  - 1 x part 5/6/8 storey building overlooking Shortland Esplanade and Newcastle Beach and incorporating residential and retail uses (**Building 1**);
  - 1 x 8 storey residential and retail building and new extension to King Street (**Building 2**);
  - 1 x 16 storey building with studio apartments, a hotel, conference facility and retail uses (**Building 3**);
  - Public domain improvements incorporating a publicly accessible plaza and through site links, one from Pacific Street and one from King Street and both connecting to Shortland Esplanade and Fletcher Park / Newcastle Beach; and
  - 2 levels of basement car parking for 366 cars.

The estimated project cost of the development is \$89.7 million. The proposal will create 250 full time equivalent construction jobs and 100 full time equivalent operational jobs.

## Permissibility

The site is located in the Newcastle local government area and is zoned 'B4 Mixed Use' under NCC LEP 2008. Development of the site for the purposes of higher density residential, commercial and retail development is permissible subject to the Minister's approval.

## Concept Plan (MP05\_0062)

On 3 January 2007, the Minister approved a Concept Plan for the mixed use redevelopment of the former RNH site. The proposal is consistent with the Concept Plan with regard to GFA and FSR. The proposal departs from the Concept Plan with regard to building height and envelopes. It is considered that these departures are relatively minor and constitute a net improvement to the quality of the development.

## Public exhibition

The proposal was exhibited for a 30 day period from 4 February 2008 to 4 March 2008. A total of 8 submissions were received from Agencies and the public. Five submissions were from public authorities being Newcastle City Council, the NSW Heritage Council, Department of Lands, the Mine Subsidence Board and the Hunter Regional Development Committee of the RTA. Three submissions were received from the public. Key issues varied including:

- Departures from the approved Concept Plan;
- Excessive building height;
- Impacts on heritage values;
- Local traffic impacts;
- Amenity issues; and
- Section 94 developer contributions.

## Preferred Project Report

On 9 May 2008, the Proponent submitted a Preferred Project Report (PPR) in response to Departmental comments and issues raised in the Public Exhibition. The PPR is the subject of this assessment. It included a number of amendments to the design to address amenity issues along with written justification for other issues raised that did not warrant design amendments.

Changes to the design in the PPR include:

- Various measures to address wind impacts on exposed apartments and in the public domain;
- Amendments to the King Street loop road to increase the area of the pedestrian plaza;

- A new pedestrian crossing threshold at the entrance to the King Street extension loop road;
- Widening of the southern stair to Church Street; and
- Extension of the Shortland Esplanade "green wall" to wrap around the northern façade of Building 1.

On 5 June 2008, the Proponent submitted an amendment to the PPR in the form of drawings and a letter in response to further comments from the Department. These written comments and minor changes to the documentation have been incorporated in the assessment.

### **Design Integrity Panel**

On 10 August 2007, the Director General appointed the RNH and Peninsula Apartments Design Integrity Panel (DIP) to review the design process at both sites. The Panel provided review comments on preliminary concepts and again on the EA for the proposal. The DIP provided broad support for the proposal while raising issues regarding:

- Relationships between the proposal and future stages of the RNH site redevelopment;
- Building height;
- Solar access; and
- Quality and quantity of communal open space.

The Proponent considered the comments made by the DIP and addressed these in the PPR submitted on 8 May 2008. It is considered that the PPR adequately addresses the issues raised by the DIP. No further submission was made to the DIP.

### **Public Benefits**

On balance, the proposal is considered to provide the following public benefits:

- The development will make a notable contribution to the Newcastle cityscape and will assist in the revitalizing of the former hospital land.
- The proposed development establishes a higher density living environment in close proximity to commercial, recreation and public transport facilities.
- The activation of the significant coastal site will contribute to the vitality and economic viability of Newcastle East.
- The development will provide additional employment both during and consequent to the construction phase.
- New publically accessible east-west and north-south through site links will provide improved connections between the CBD and the City foreshore and will open up this prominent coastal site for public use.
- Extension of King Street and Pacific Street will reinstate the original grid street pattern and increase legibility and connectivity in the locality.
- Provision of a new hotel will significantly assist the tourism role of Newcastle.
- The proposal includes significant improvements to the public domain that will contribute to the revitalization of the Newcastle East coastal precinct.
- Section 94A Contributions to be utilised directly in public benefits will amount to not less than 2% of the total project cost.

### **Conclusion**

The Department has assessed the merits of the project and is satisfied that the impacts of the proposed development have been addressed via the Preferred Project Report, Statement of Commitments and the Department's recommended conditions of consent, and can be suitably mitigated and/or managed to ensure a satisfactory level of environmental performance. On these grounds, the Department is satisfied that the site is suitable for the proposed development and that the project will provide environmental, social and economic benefits to the region.

The Department recommends that the project be approved, subject to conditions.

## 2 BACKGROUND

### 2.1 THE SITE

#### Site context and location

The Royal Newcastle Hospital (RNH) site is located in the inner city suburb of Newcastle East, on the eastern fringe of the Newcastle CBD (Figure 1). In January 2007, the Minister approved a Concept Plan for development of the RNH site for mixed commercial and residential uses. The land that is the subject of this Project Application (Stages 1A & 1B of the approved Concept) occurs in the eastern and central components of the RNH site (Figure 1). It is adjacent to King Street and overlooks Newcastle Beach.

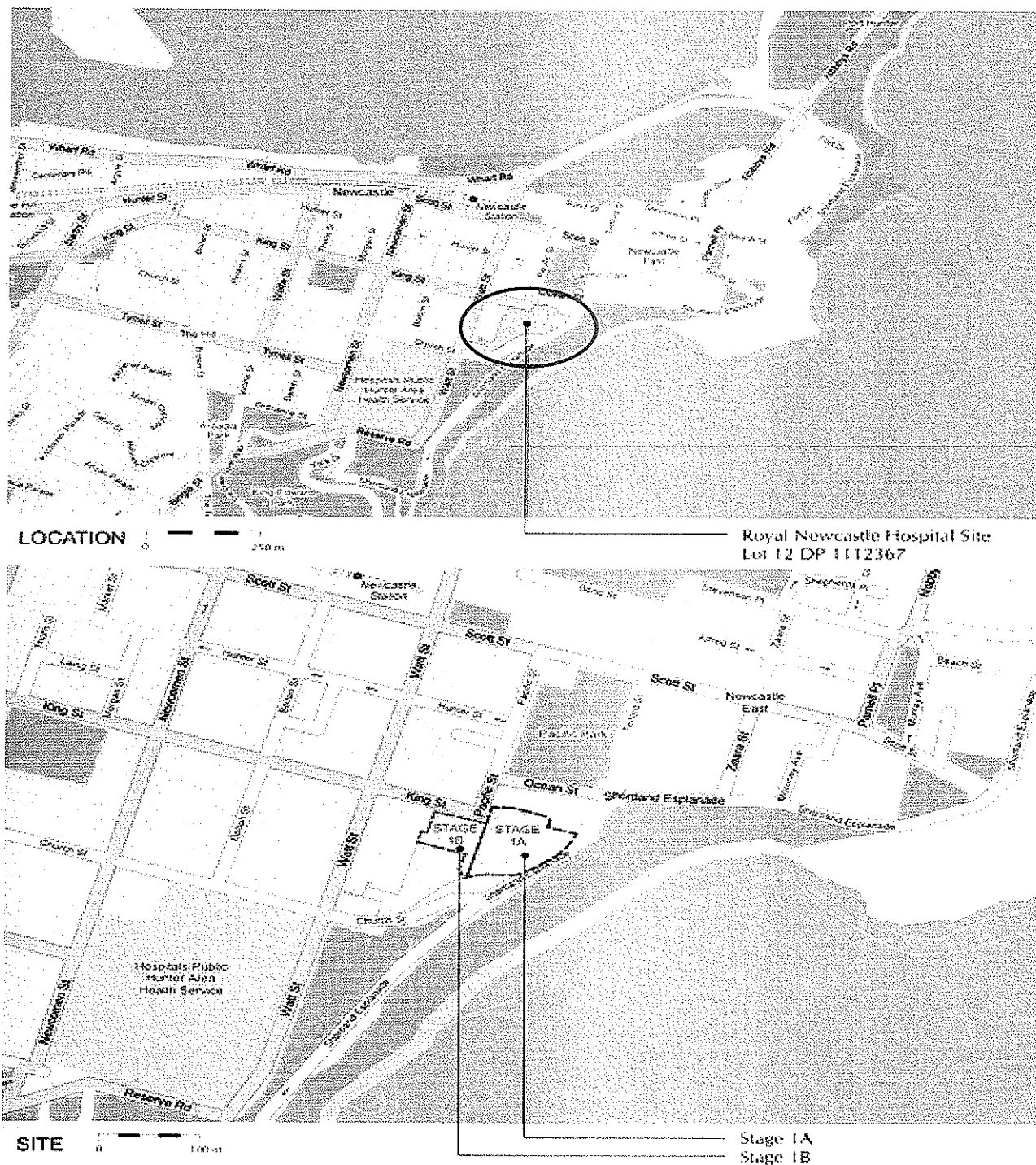


Figure 1. Site and Stage 1A/1B locations

### Existing Site Features

Previous development on the overall RNH site comprises the former hospital buildings including the Nickson Wing (used as a hospital ward) and the McCaffrey Wing (used for outpatients and accident and emergency purposes); the David Maddison building (an educational/medical establishment); a large decked car park structure, and a stratum of the adjoining United Services Club car park. At the time of this report, only the David Maddison Building remains on the site. All other buildings on the site have been demolished as part of an approval granted by the Minister on 25 January 2007. The site is void of any natural vegetation.

The site to which this project application relates has a total area of 8,475sqm and is owned by Mirvac Newcastle Pty Ltd.

- *Site area (stages 1A & 1B):* 8,475 m<sup>2</sup>
- *Site shape:* Sites 1A & 1B are irregular shaped blocks.
- *Street frontages:* Site 1A has a primary street frontage to Shortland Esplanade. Site 1B has a primary Street frontage to King and Pacific Streets
- *Adjacent open space:* South and East – Fletcher Park and Newcastle Beach.
- *Adjacent development:* North – high density residential (York Apartments and North Wing)  
West – David Maddison Building (education and medical establishment)  
South – Peninsular Apartments (a 43 unit residential apartment building approved by the Minister on 26.05.08); and future stages of the RNH development site
- *Natural features:* The site generally falls from the south-west to the north-east by approximately 9 metres. There is currently no vegetation on the site.
- *Built features:* The site is currently devoid of buildings. All former hospital buildings have been demolished under the earlier demolition approval.
- *Current use:* The site is a closed development site with no current uses.

### Surrounding development

North of the site are a series of former hospital buildings that have been adapted for residential uses. These include the former North Wing building, Wheeler House and the "Nurses Club" (currently operating as a Youth Hostel). York Apartments, a new high rise apartment building, occurs adjacent to the north eastern edge of the site and fronts onto Shortland Esplanade.



Figure 2. Development north of site on King Street (looking north east towards the North Wing Apartments with the York Apartments in the background).

The David Maddison Building extends for the entire length of the western boundary of the Stage 1A / 1B site. It is a 7 storey reinforced concrete framed structure clad in metal. (Demolition of this building was approved by the Minister on 25 January 2007 as part of the demolition approval for the Royal Hospital site). The heritage listed United Services Club (see Figure 3) dating from the mid-1880s occurs west of the Stage 1A / 1B site on Watt Street and is separated from the site by the David Maddison Building. South of the subject site, and still within the Hospital site, are an existing carpark (proposed for redevelopment in the overall site masterplan) and the existing multi-storey Wirra Flats building (recently approved for refurbishment as the Peninsular Apartments). Fletcher Park occurs on the southern side of Church Street and the imposing Police Station building occurs adjacent to the site on the south western corner of Church and Watt Streets.



Figure 3 – Heritage Listed United Services Club on Watt Street to the west of the site



Figure 4 – Shortland Esplanade site boundary looking north. York Apartments is visible on the north eastern site boundary.



Figure 5 – Rear of David Maddison Building on western site boundary

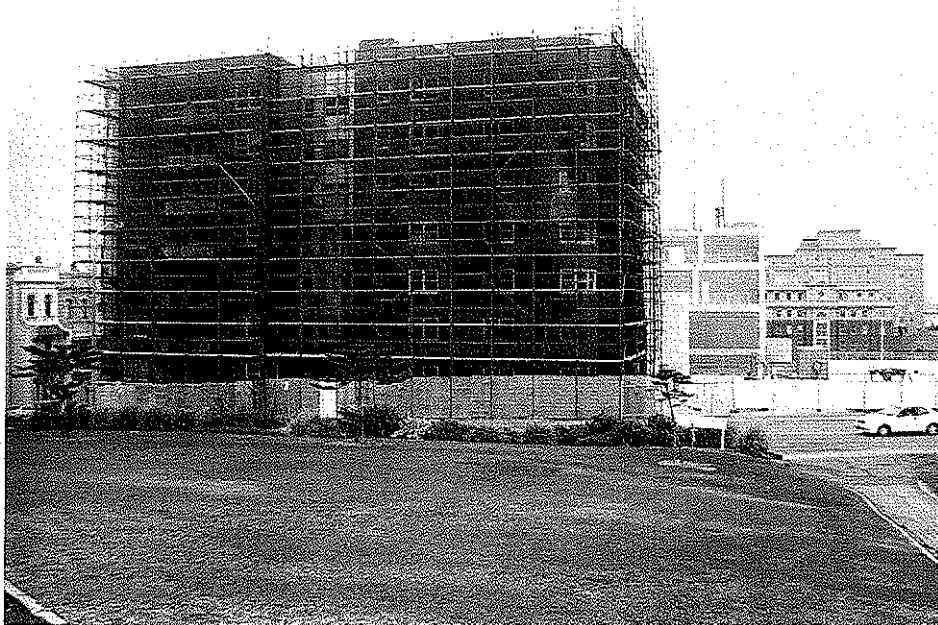


Figure 6 – Wirra Flats (site of approved Peninsula Apartments) on southern site boundary

## 2.2 SITE HISTORY

- On 8 November 2005, the Minister formed an opinion that the Royal Newcastle Hospital site is a Major Project pursuant to clause 13, Schedule 1 of the MP SEPP applied.
- On 3 January 2007, the Minister approved a Concept Plan for the mixed use redevelopment of the former RNH site (MP 05\_0062).
- On 25 January 2007, the Minister approved an application for the two lot Torrens title subdivision of the site (MP 06\_0263).
- On 25 January 2007, the Minister approved an application for the staged demolition at the RNH site (MP06\_262).

## 2.3 SITE CHRONOLOGY

- On 10 August 2007, the Director-General approved the appointment of a Design Integrity Panel to review the design process for the former Royal Newcastle Hospital Site. The 3 panel members are Prof. Peter Webber, Brian Zulaikha (Tonkin Zulaikha Greer Architects) and Margaret Petrykowski (Department of Planning).
- On 20 September 2007, the Design Integrity Panel attended a site inspection and presentation by the proponent.
- On 24 September 2007, the Proponent submitted a request to issue DGRs for the RNH Stage 1A & 1B redevelopment of the site (MP07\_0133).
- On 22 October 2007, the Department issued DGRs for the proposal.
- On 9 January 2008, an Environmental Assessment (EA) for the re-development of the north-eastern corner of the RNH site (i.e. Stage 1A & 1B) was received. Additional information was received on 29 January 2008.
- The EA was placed on public exhibition for a 30 day period from 4 February 2008 to 4 March 2008. A total of eight submissions were received from Agencies and the public.
- The Design Integrity Panel provided its comments on the EA in a written submission dated February 2008.
- On 8 April 2008, the Department wrote to the Proponent providing comments on the EA and requesting additional information consequent to its Public Exhibition.
- On 9 May 2008, the Proponent submitted a Preferred Project Report (PPR) in response to the Department's comments and issues raised in public submissions. The PPR is the subject of this assessment report.
- On 5 June 2008, the Proponent submitted additional information in the form of drawings and a letter in response to further comments from the Department. These written comments and minor changes to the documentation have been incorporated in the assessment.

### 3 PROPOSED DEVELOPMENT

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#### 3.1 THE PROPOSED DEVELOPMENT

This application seeks **Project Approval** for 146 residential apartments, 89 hotel suites and 1430m<sup>2</sup> of retail floor space across 3 buildings including:

- 1 x part 5, part 6 and part 8 storey building overlooking Shortland Esplanade and Newcastle Beach and incorporating residential and retail uses (Building 1);
- 1 x 8 storey residential and retail building overlooking a new plaza and new extension to King Street (Building 2);
- 1 x 16 storey building incorporating studio apartments, a hotel and conference facility and retail uses (Building 3);
- Public domain improvements incorporating a publicly accessible plaza and two through site links, one from Pacific Street and one from King Street and both connecting to Shortland Esplanade and Fletcher Park / Newcastle Beach; and
- 2 levels of basement carparking (366 spaces).

##### Building 1

- 49 residential units (36 / 3 bed and 13 / 2 bed)
- Approximately 520m<sup>2</sup> ground floor retail space

##### Building 2

- 24 residential units (9 / 3 bed, 5 / 2 bed and 10 / 1 bed)
- Approximately 160 m2 ground floor retail space

##### Building 3

- An 89 suite hotel with approximately 750 m2 of associated conference and restaurant / retail floor space (on levels ground to L.3 and part L.4)
- A permanent residential component containing 73 apartments (33 / 3 bed, 28 / 2 bed, 6 / 1 bed and 6 studio units on part L.4 and levels L.5 to L.16)

##### Public Domain

- 3529m<sup>2</sup> of publically accessible open space in the form of a plaza and two cross site links connecting to a widened walkway on Shortland Esplanade and then to the beach. (2559m<sup>2</sup> of this space is dedicated for pedestrian use while the remaining 970 m2 is taken up by the extension of King Street for vehicle access)
- 1497m<sup>2</sup> of communal open space for the use of residents and hotel patrons

##### Stratum/Strata Subdivision

The development is proposed to be subdivided into 9 stratum lots under the *Strata Schemes Freehold Development Act, 1973*. Subsequent Strata Subdivision will occur for the residential components of Buildings 1, 2 and 3. The hotel component of Building 3 will not be Strata subdivided. The publically accessible areas are to be included in a single Stratum lot in the ownership of the hotel. Maintenance of these areas will be shared by the whole development. The swimming pool, gym and conference facilities in the hotel complex will be within the hotel stratum lot but will be available for the use of all residents of the development as well as hotel patrons. Access to these facilities will be controlled via a Strata Management Plan.

#### 3.2 DEVELOPMENT DATA – STATUTORY CONTROLS

The Newcastle City Centre LEP 2008 (NCC LEP 2008) is the primary environmental planning instrument pertaining to the Newcastle Hospital site. The site is zoned B4 Mixed Use under the LEP. The approved Concept Plan for the RNH site (MP05\_0062) also facilitates its development for Mixed Uses. The Concept Plan establishes building envelopes, maximum heights and floor space controls. Controls in the Concept Plan are site specific and they differ from the NCC LEP controls. The following compliance table summarises the performance of the proposal against key numerical controls contained in the LEP and the Concept Plan.

Table 1: Compliance Table

	Proposed	RNH Concept Plan	Compliance	Newcastle City Centre LEP 2008	Compliance
Site area	8 883m <sup>2</sup> (Stage 1A&1B only)	N/A	N/A	N/A	N/A
Height (Storeys/ RL)					
Building 1	<ul style="list-style-type: none"> <li>5 storeys (RL30.1)</li> <li>6 storeys (RL34.2)</li> <li>8 storeys (RL40.6)</li> </ul>	<ul style="list-style-type: none"> <li>5 storeys (RL30.1)</li> <li>6 storeys (RL33.1)</li> <li>8 storeys (RL42.6)</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> <li>No<sup>1</sup></li> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>35m</li> <li>35m</li> <li>35m</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> <li>Yes</li> <li>Yes</li> </ul>
Building 2	8 storeys (RL40.5)	8 storeys (RL37.1)	No <sup>2</sup>	35m	Yes
Building 3	16 storeys (RL63.9) (48.8m)	16 storeys (RL63.9)	Yes	35m	No <sup>3</sup>
GFA	25 222.1m <sup>2</sup>	41 916m <sup>2</sup>	Yes	N/A	N/A
FSR	2.84:1 (Stage 1A & 1B only)	3.07:1 (overall site)	Yes	4.1 (overall site)	Yes
Setbacks					
Shortland Esplanade / Church Street	3.5m from line of kerb	2.5-10m (variable)	N <sup>4</sup>	N/A	N/A
King Street	<ul style="list-style-type: none"> <li>0m (GF – L.8)</li> <li>5m (L.9 – L.16)</li> </ul>	<ul style="list-style-type: none"> <li>0m (GF – L.8)</li> <li>5m (L.9 – L.16)</li> </ul>	Yes	N/A	N/A
Car Parking	366 spaces	In accordance with Newcastle DCP 2005 (347 spaces)	Yes	N/A	N/A
Building separation	Stage 1A / 1 B buildings comply	In accordance with SEPP65	Yes	24m @ 45m above GL	Yes

\*Total GFA calculated in accordance with the definition in the NCC LEP, 2008

1. Minor non-compliance in central portion of building 1 considered acceptable (see Section 5).
2. Height non-compliance results from discrepancy in Concept height calculations. Resultant non-compliance is 0.4m. Considered acceptable because provides greater access to local views and does not impact on solar access (see Section 5)
3. Height non-compliance is an urban design response to emphasise the tower element that occurs with no increase in GFA. Considered acceptable on that basis (see Section 5).
4. Consistent setback to Shortland Esplanade would create broad pedestrian walkway and would not be inconsistent with urban design objectives for the street (see Section 5)

### 3.3 PROJECT AMENDMENTS / PPR

Following exhibition and subsequent meetings with the Department, a PPR was submitted on 8 May 2008 including the following additional information:

- Revised floor space calculations for each building;

- A revised Public Domain Plan which widened stairs, alterations to King Street extension; and additional information on materials, finishes, and planting details
- An updated Heritage Impact Statement;
- A revised architectural drawing set; and
- One additional coloured perspective drawing.

The PPR also incorporates the following changes:

- Extension of the "green wall" on the Shortland Esplanade street frontage to the wall adjacent to the northern stair leading from Shortland Esplanade to the plaza area;
- Redesign of the King Street extension to provide for a widened pedestrian area at the top of the northern stair;
- Widening of the stair leading from Church Street to the Plaza at the south western end of Building 1 and provision of a canopy over the entrance to the retail area in Building 1 at the top of the stair;
- New wind barriers to the southern edge of the pool area and to the northern side of Building 1.

Consequent to further discussions between the Department and the Proponent, a second package of drawings and written information was provided 5 June 2008 incorporating:

- Amendment to the layout of the basement carpark and plant area resulting in a decrease in site excavation and no change in numbers of parking spaces; and
- Drawn details to illustrate the method of construction of the "green wall" to Shortland Esplanade.

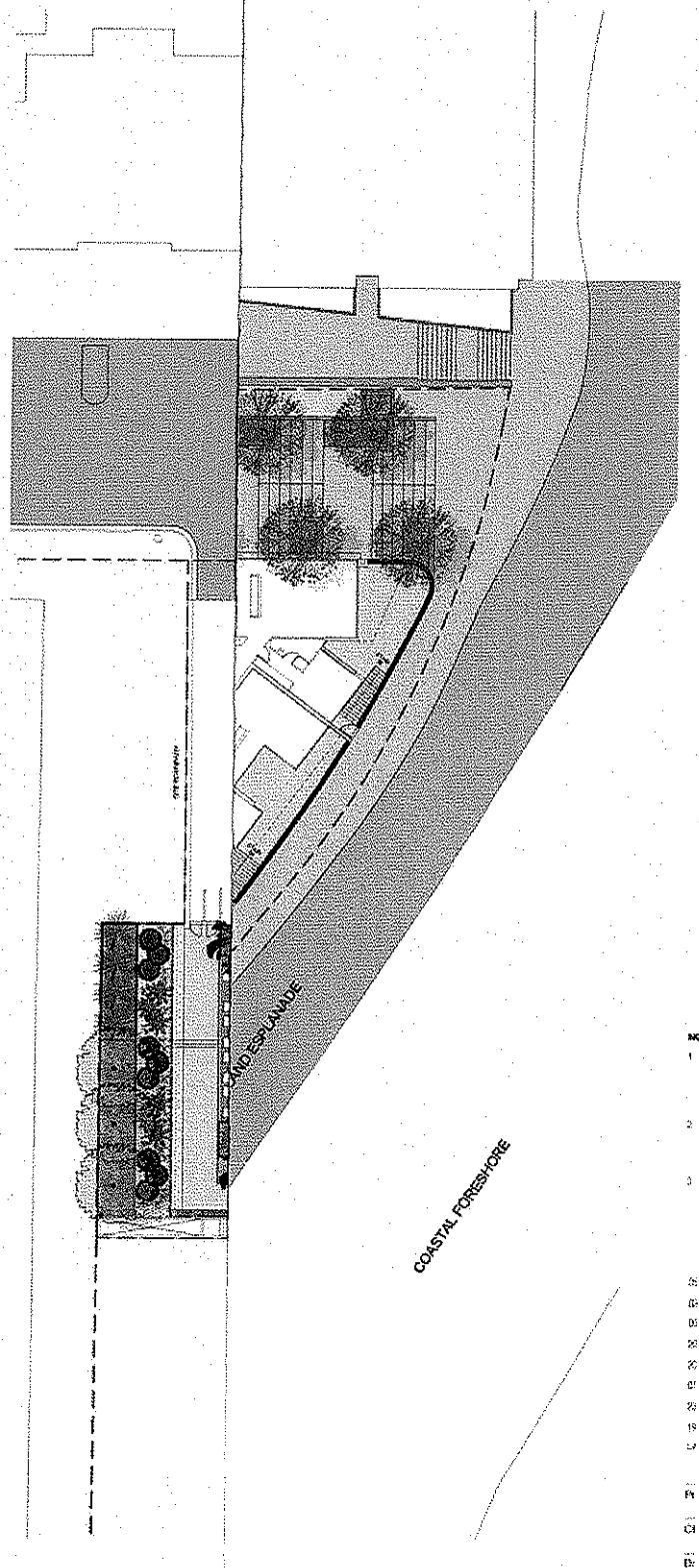
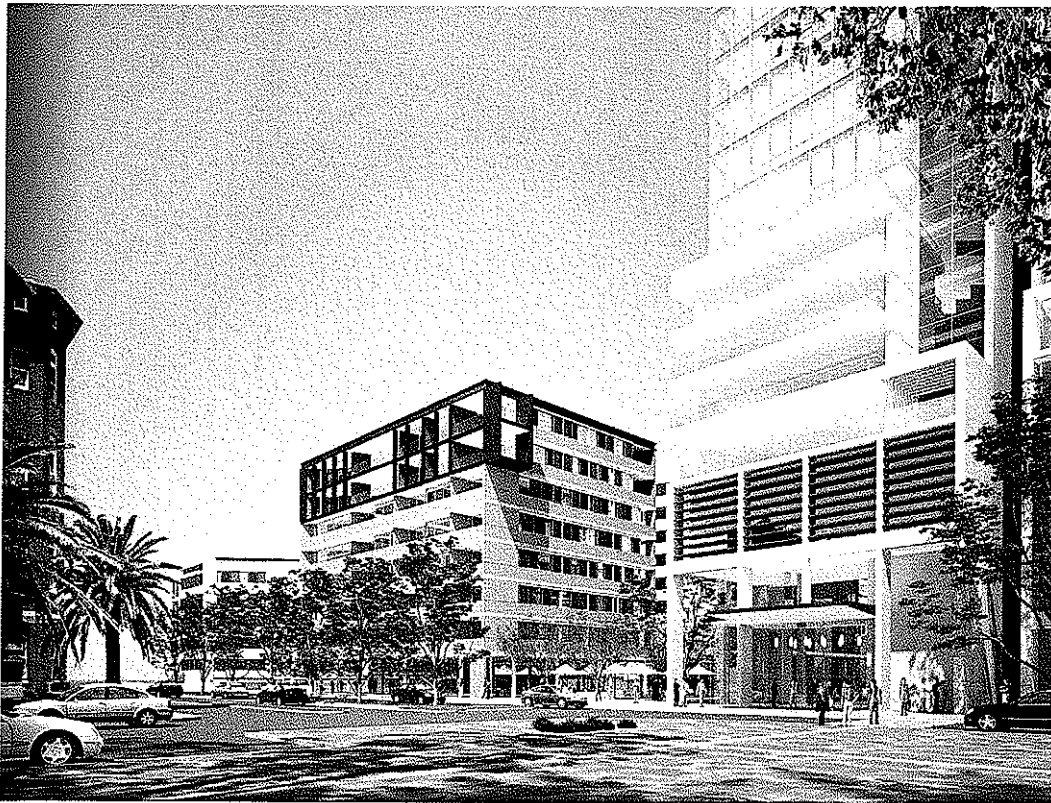
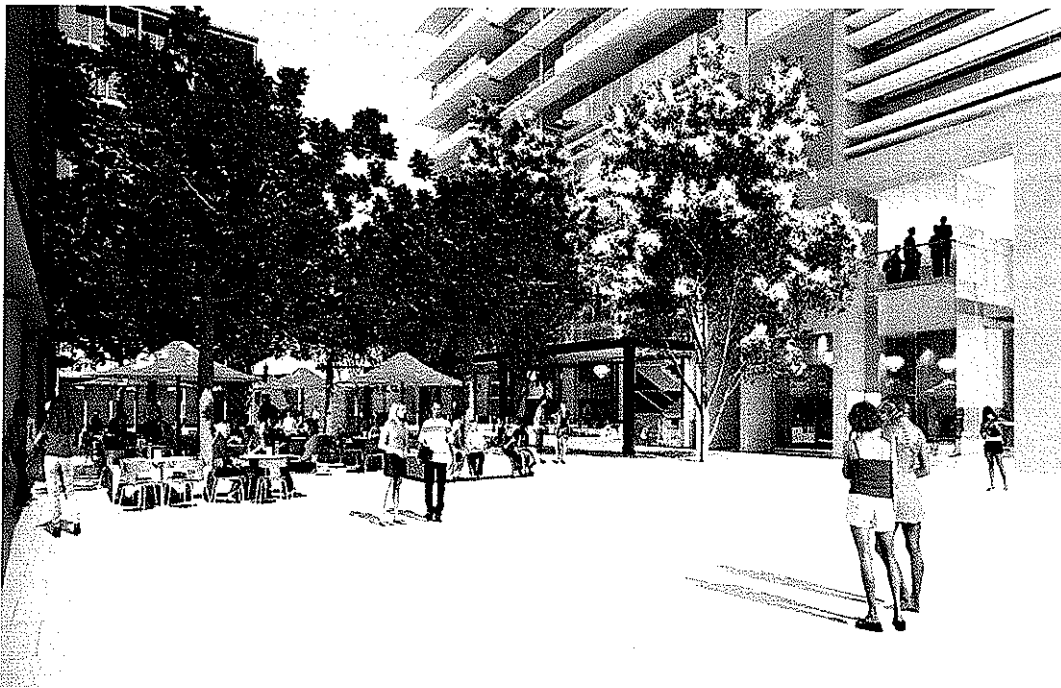


Figure 7: Ground Level Plan



*Figure 8: Perspective view of the proposal(looking south east) from King Street. Buildings 2 & 3 in foreground.*



*Figure 9: Perspective view of the proposal (looking south) showing the pedestrian plaza to the east of Building 3*

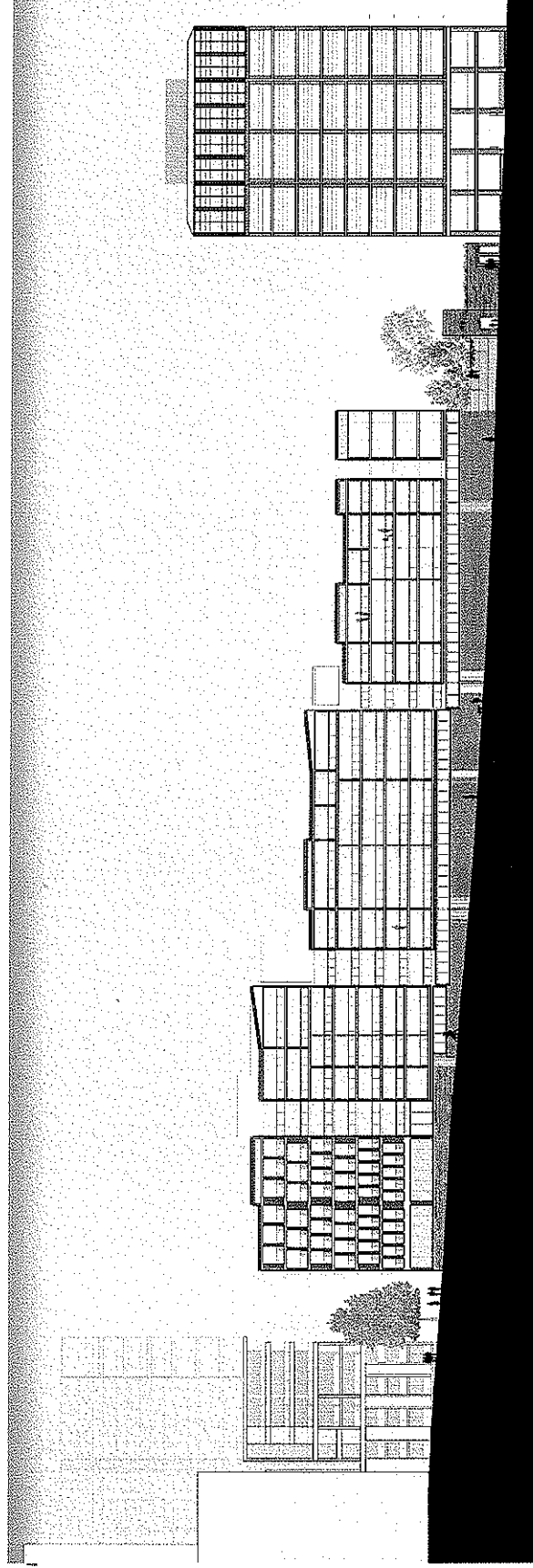
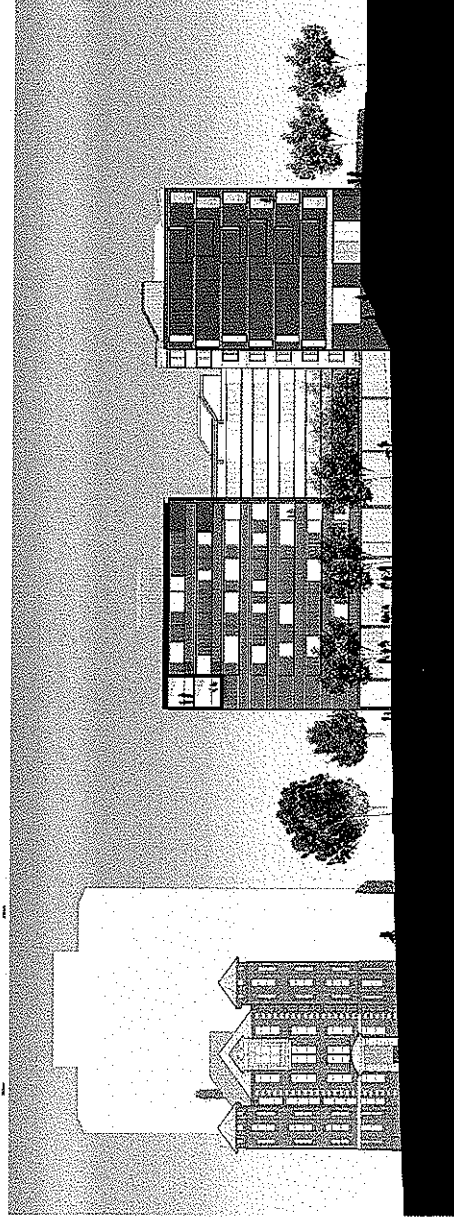


Figure 11: Proposed Pacific Street and Shortland Esplanade Elevations

## 4 STATUTORY CONTEXT

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### 4.1 MAJOR PROJECT DECLARATION

The proposal is subject to assessment under Part 3A of the Environmental Planning and Assessment Act 1979 ("the Act") and the approval of the Minister for Planning is required to carry out the project. On 8 November 2005, the Minister formed the opinion that the project was a Major Project to which Part 3A of the Act applies as it incorporated a Capital Investment Value (CIV) of more than \$50 million and, in the opinion of the Minister, achieved State or regional planning objectives pursuant to it Clause 13, Schedule 1 of the State Environmental Planning Policy (Major Projects) 2005 (MP SEPP).

On 3 January 2007, the Concept Plan for the RNH site (MP 05\_0062) was approved subject to modifications stipulating that the Minister will remain the consent authority under Part 3A of the Act for all development with a Capital Investment Value over \$5 million. As the Capital Investment Value of the subject proposal is \$89.7 million, the proposal is a Major Project to which part 3A of the Act applies.

### PERMISSIBILITY

The site is located in the Newcastle local government area and is zoned 'B4 Mixed Use' under NCC LEP 2008. Development of the site for the purposes of higher density residential, commercial and retail development is permissible subject to the Minister's approval.

### DIRECTOR GENERAL'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS (DGRS)

The DGRs issued on 22 October 2007 (refer to **Appendix A**) required the following issues to be addressed:

- Relevant EPIs and guidelines
- Design, Visual Impacts and Design Quality Principles
- Environmental and Residential Amenity
- Heritage
- Traffic Impacts
- Landscape/Public Domain Plan
- Safety/Public Domain/Pedestrians
- Staging
- Social impacts
- Ecologically Sustainable Development (ESD)
- Potential Contamination
- Provision of Public Services and Infrastructure
- Utilities

The Department is satisfied that the DGRs have been adequately addressed by the Proponent's EA and PPR.

### OBJECTS OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

The objects of any statute provide an overarching framework that informs the purpose and intent of the legislation and gives guidance to its operation. The Minister's consideration and determination of a project application under Part 3A must be informed by the relevant provisions of the Act and its objects.

The Objects of the Act in section 5 are as follows:

(a) to encourage:

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,
- (ii) the promotion and co-ordination of the orderly and economic use and development of land,
- (iii) the protection, provision and co-ordination of communication and utility services,
- (iv) the provision of land for public purposes,

- (v) the provision and co-ordination of community services and facilities, and
  - (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and
  - (vii) ecologically sustainable development, and
  - (viii) the provision and maintenance of affordable housing, and
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.

Of particular relevance to the assessment of the subject application is consideration of the Objects under section 5(a). In particular, the Objects stipulated under section 5(a) (i), (ii), (iv) and (vii), are significant factors informing the determination of the application. The project does not raise significant issues with regards to (iii), (v), (vi) and (viii).

With respect to ESD, the Act adopts the definition in the *Protection of the Environment Administration Act 1991* including the precautionary principle, the principle of inter-generational equity, the principle of conservation of biological diversity and ecological integrity, and the principle of improved valuation, pricing and incentive mechanisms.

The Department has considered the Objects of the Act, including the encouragement of ESD in the assessment of the project application.

### ECOLOGICALLY SUSTAINABLE DEVELOPMENT PRINCIPLES

There are five accepted ESD principles:

- (a) decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations (the integration principle);
- (b) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation (the precautionary principle);
- (c) the principle of inter-generational equity - that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations (the inter-generational principle);
- (d) the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making (the biodiversity principle); and
- (e) improved valuation, pricing and incentive mechanisms should be promoted (the valuation principle).

The Department has considered the proposed development in relation to the ESD principles and has made the following conclusions:

- **Integration Principle** - the social and economic benefits of the proposal are well documented. The environmental impacts of the development are appropriately mitigated as discussed in this report. The Department's assessment has duly considered all issues raised by the community and public authorities. The proposal as recommended for approval will not compromise benefits or opportunities to others.
- **Precautionary Principle** - the EA is supported by technical and environmental reports which conclude that the proposal's impacts can be successfully mitigated. No irreversible or serious environmental impacts have been identified. The recommended conditions require additional information to ensure the proposal's extent and nature is fully documented and opportunities are provided for proposed mitigation and management measures to incorporate best practices.
- **Climate Change**  
The proposed development is not inconsistent with the principles contained in the Floodplain Development Manual, will not detrimentally increase potential flood affectation on other developments or property, will not result in an increased risk to human life, and is unlikely to result in additional economic and social cost. The lowest point of the developed site will be the basement carpark at 7.75AHD. The lowest habitable and / or pedestrian area is proposed at 14.10AHD. It is unlikely that this site or the proposed development will be impacted by changes in sea level resulting from climate change.

- **Inter-Generational Principle** – the site's redevelopment incorporating environmentally sustainable design principles and implementation of environmental and management practices to be employed during construction of the new development will ensure that the environment is protected for future generations.
- **Biodiversity Principle** – There is no natural vegetation on the site and the site does therefore not contain any threatened or vulnerable species, populations, communities or significant habitats. A condition requires at least 20% locally native species be utilised in site planting further satisfying the biodiversity principle.
- **Valuation Principle** – the proposal seeks to promote new residential development in existing urban areas by maximising reliance on existing infrastructure, and enabling residents to live near work, leisure and other opportunities.

The proponent is committed to ESD principles and has reinforced this through the Statement of Commitments and the Environmental Assessment which explores key ESD opportunities, including mechanical, electrical and hydraulic systems as well as architectural designs to ensure high environmental performance is delivered.

#### SECTION 75I(2) OF THE ACT & CLAUSE 8B OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2000

The DG's report to the Minister for the proposed project satisfied the relevant criteria under Section 75I of the Act as follows:

Section 75I(2) criteria	Response
Copy of the proponent's environmental assessment and any preferred project report;	The Proponent's EA, Preferred Project Report (original PPR) and revised PPR are located on the assessment file.
Any advice provided by public authorities on the project;	All advice provided by public authorities on the project for the Minister's consideration is set out in this report.
Copy of any report of a panel constituted under Section 75G in respect of the project;	No statutory independent hearing and assessment panel was consulted in respect of this project.
Copy of or reference to the provisions of any State Environmental Planning Policy that substantially govern the carrying out of the project;	Each relevant SEPP that substantially governs the carrying out of the project is identified in Section 4.7, including an assessment of the impact of the SEPP on the development proposal in this report
Except in the case of a critical infrastructure project – a copy of or reference to the provisions of any environmental planning instrument that would (but for this Part) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project under this Division,	An assessment of the development relative to the prevailing environmental planning instrument is provided in this report
Any environmental assessment undertaken by the Director General or other matter the Director General considers appropriate;	The environmental assessment of the project application is this report in its entirety.
A statement relating to compliance with the environmental assessment requirements under this Division with respect to the project.	The environmental assessment of the project application is this report in its entirety.

The DG's report to the Minister for the proposed project satisfied the relevant criteria under Clause 8B of the EP&A Regulation as follows:

Clause 8B criteria	Response
An assessment of the environmental impact of the project	An assessment of the environmental impact of the proposal is discussed in this report.
Any aspect of the public interest that the Director-General considers relevant to the project	The public interest is discussed in this report.
The suitability of the site for the project	The site is identified in the Newcastle LEP to be redeveloped for medium to high density residential uses with some ancillary mixed use permitted.
Copies of submissions received by the Director-General in connection with public consultation under section 75H or a summary of the issues raised in those submissions.	A summary of the issues raised in the submissions is provided in this report.

## ENVIRONMENTAL PLANNING INSTRUMENTS (EPis)

### Application of EPis to Part 3A projects

To satisfy the requirements of section 75(2)(d) and (e) of the Act, this report includes references to the provisions of the environmental planning instruments that govern the carrying out of the project and have been taken into consideration in the environmental assessment of the project.

The primary controls guiding the assessment of the proposal are:

- State Environmental Planning Policy No. 65 (SEPP 65) – Design Quality of Residential Flat Buildings
- State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004
- State Environmental Planning Policy (Infrastructure) 2007
- Newcastle City Centre Local Environmental Plan 2008 (NCC LEP 2008)
- Newcastle Development Control Plan 2005 (NDCP 2005)

Other controls to be considered in the assessment of the proposal are:

- NSW Coastal Policy 1997 and NSW Coastal Design Guidelines
- State Environmental Planning Policy No. 55 – Remediation of Land

The provisions, including development standards of local environmental plans, and development control plans are not required to be strictly applied in the assessment and determination of major projects under Section 75R(1) Part 3A of the Act. Notwithstanding, these standards and provisions are relevant considerations for this application as the DGRs and Section 75(2)(e) of the Environmental Planning and Assessment Act, 1979 require the proponent to address such standards and provisions and the Department to duly consider them. Accordingly the objectives of a number of EPis and the development standards therein and other plans and policies that govern the carrying out of the project are appropriate for consideration in this assessment. Assessment under these follows.

## COMPLIANCE WITH PRIMARY CONTROLS

### State Environmental Planning Policy No. 65 (SEPP 65) – Design Quality of Residential Flat Buildings

SEPP 65 aims to improve the design quality of residential flat development in NSW as it is of significance to providing economic, social, cultural and environmental factors benefits.

SEPP 65 contains 10 design quality principles which guide the consideration of a proposed residential flat building to ensure that it achieves an appropriate level of design quality. A Design Verification Statement has been provided by Mirvac Design and Tzannes Associates in collaboration, stating that the subject development has been designed having respect to the design quality principles.

The scheme in the PPR has been appraised against the SEPP 65 guideline, the Residential Flat Design Code (RFDC), in a SEPP 65 Design Report provided by Mirvac Design and Tzannes Associates in collaboration. The report indicates that the proposal is consistent with the majority of "Rule of Thumb" guidelines included in the Residential Flat Design Code. A number of inconsistencies are reported and these are described and commented upon in detail in Section 5 of this report.

**Table 2 - SEPP65 Non-Compliances**

SEPP 65 'RULE OF THUMB'	TARGET	ACHIEVED	COMMENT
Sunlight access to Living Rooms and Private Open Space	Min. 70% of apartments should receive 3hrs sun between 9am + 3pm June 21	58%	Notwithstanding that the proposal does not achieve the solar access target, mitigating measures have been taken in the design of the development. Most south facing apartments are through apartments so that some northern aspect is achieved. Most south aspect apartments enjoy ocean views and have large windows to maximise light penetration.
South aspect (SW-SE) apartments	Max 10% of single aspect apartments should have south aspect	15%	South aspect apartments enjoy ocean views. Solar access is maximised within the constraints of the southerly aspect and energy efficiency is addressed in window and glazing specifications.
Deep Soil Zone	Min 25% of open space areas on site should have minimum 1.3m soil depth.	16%	All deep soil areas are provided on slab. The 9% non-compliance with the guideline is offset by provision of urban public spaces which are consistent with the character of the development and would contribute positively to an active public domain.
Depth of single aspect apartments	All single aspect apartments to be max 8m in depth	53%	The objective of the guideline is to provide maximum natural ventilation and natural light to single aspect apartments. Impacts in non-compliant apartments are offset by glazing, operable window systems, mechanical exhaust systems and pressurised common corridors.
Rear wall of kitchen	Max 8m from window to rear wall of kitchen	92%	The objective of the guideline is to maximise natural ventilation and light penetration to kitchen areas as key areas of activity within an apartment. Impacts in non-compliant apartments are offset by glazing, operable window systems, mechanical exhaust systems and pressurised common corridors.
Balcony depth	Min 2m	90%	90% achievement of guideline requirement is considered acceptable.

As outlined in Table 2, the proponent has included a number of measures in the proposal to maximise light penetration and natural ventilation while protecting from wind and retaining access to highly desirable local views. Within the constraints posed by the site, it is considered that these measures adequately offset the impacts of southerly aspect and overshadowing.

Ocean and other district views have been a significant determinant in site planning for the RNH site and this has resulted in a substantial number of apartments with south and south easterly aspect. Protection from unfavourable south east winds has been equally important with the result that street level pedestrian and retail areas have been concentrated within a zone protected by the proposed building groups. Overshadowing by existing buildings to the north and by the proposed buildings is an inevitable result of this necessary response to local wind conditions.

With the proposed mitigating measures in place, the resultant development will provide a high quality living environment that responds to the constraints of the site while taking best advantage of its opportunities. In this regard, it is considered that the proposal is generally consistent with the Principles in SEPP65 and its 'Rules of Thumb' guidelines.

#### **State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004**

SEPP - BASIX aims to establish a scheme to encourage sustainable residential development across New South Wales. The current targets of BASIX for Residential Flat Buildings commenced on 1 July 2006.

A BASIX certificate (No: 173454M) was submitted for the proposal in the PPR demonstrating that the building meets the targets for:

- Water: 40 (target 40),
- Energy: 21 (target 20), and
- Thermal comfort: Pass (Target pass)

provided amendments and treatments proposed in the BASIX certificate are adopted.

Accordingly, a condition of approval is recommended which requires demonstration that these measures have been incorporated into the building works prior to issue of a Construction Certificate for the above ground works.

#### **State Environmental Planning Policy (Infrastructure) 2007.**

SEPP 11 applied to the Project Application at the time of its lodgement. The SEPP was repealed by SEPP (Infrastructure) 2007 when it became operational on 1<sup>st</sup> January 2008. The SEPP (Infrastructure) does not, however, apply to the Application as it is subject to its Savings Provision (Cl.11 (1)(b)).

Notwithstanding that neither SEPP 11 or SEPP (Infrastructure) apply to this Project Application, the DGR's have been endorsed by the Roads and Traffic Authority (in RTA's letter to the Department of 15 October 2007).

In its submission to the public exhibition of the Concept Application (3 October 2006) Hunter Regional Development Committee raised a number of specific traffic and parking issues to be addressed in consequent Project Applications pertaining to the site. The proponent has addressed these issues and contended some in a written response accompanying the current PPR. The matters that the proponent has contended, the proponent's response and the Department's assessment are outlined below.

#### **State Environmental Planning Policy No. 55 Remediation of Land**

SEPP 55 requires a consent authority to consider whether the land is contaminated, and if so, whether the land will be remediated before the land is used for the intended purpose.

A Remedial Action Plan prepared by HLA ENSR-Envirosciences Pty Ltd (30 November 2007) has been provided with the application. The Plan documents the scope and methodology proposed for remediation and validation of areas where significant impact by contamination has been identified. Implementation of the Remedial Action Plan will be included as a Condition of Consent of the Application.

#### **Newcastle City Centre Local Environmental Plan 2008 (NCC LEP 2008)**

The site is located in the Newcastle local government area and is zoned 'B4 Mixed Use' under the NCC LEP 2008 (gazetted on 1 February 2008). This zone allows for mixed-use development for a range of uses including high-density residential; commercial and retail development; cultural and entertainment facilities; tourism, leisure and recreation functions; social, education and health services; and small scale light industries and service industries. One of the zone objectives is "to encourage a diverse and compatible range of activities including (amongst other things) higher density residential development"

The proposal generally complies with the LEP objectives and controls apart from the height control. Issues regarding height are discussed in detail in **Section 5** of this report.

### **Newcastle Development Control Plan 2005 (NDCP 2005)**

The NDCP 2005 sets out the vision for the future development of the subject site as part of the overall Royal Newcastle Hospital Site.

The issues relevant to NDCP 2005 controls including height, setbacks and heritage are discussed in detail in **Section 5** of this report.

### **COMPLIANCE WITH OTHER CONTROLS**

#### **NSW Coastal Policy 1997 and NSW Coastal Design Guidelines**

The concept plan was assessed against the Coastal Policy and Coastal Guidelines and found to be consistent with the objectives of both. The Stage 1A / 1B MPA remains consistent in that it is a sustainable response to a coastal site which protects coastal values and improves access to the coast.

## 5 ASSESSMENT OF ENVIRONMENTAL IMPACTS

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In addition to the EPIs and planning policies addressed above, the key issues considered in the Department's assessment of the EA and PPR include:

- Consistency with the RNH site Concept Plan
- Consistency with the Director General's Requirements
- Built Form & Urban Design
- Public Domain
- Views of the Design Integrity Panel
- Heritage
- Traffic & Parking issues

### 5.1 THE ROYAL NEWCASTLE HOSPITAL CONCEPT PLAN

On 3 January 2007, the Minister approved MP 05\_0062 Concept Plan for the mixed use redevelopment of the former RNH site. The consent for the Concept Plan approved, with accompanying modifications, the following:

- A mix of uses including high density residential units, a hotel development and ancillary retail, cafes, restaurant and commercial office suites
- Maximum Floor Space Ratio (FSR)
- Building envelopes including upper level setbacks, building footprints and heights, expressed in storeys and indicative RLs (m AHD)
- Vehicle access
- Staging
- Public facilities and public domain works being:
  - New street tree planting along King and Watt Streets and Shortland Esplanade
  - Publicly accessible through site links from Pacific Street to Shortland Esplanade and from King Street to Shortland Esplanade
  - A widened footpath along the northern side of Shortland Esplanade

The proposal represents a departure from the approved Concept Plan in a number of areas. Each of these is listed below along with indications of where they are discussed in detail in this report.

- Building envelopes, separation and setbacks have been altered slightly with a net positive impact
- Building heights have increased marginally with no negative impact
- Design Competition was not held for this stage. A Design Integrity Panel was consulted to provide ongoing comment on the proposal to assist in achieving design excellence

#### Design Principles

A series of Site Design Principles are set out in a stand alone report that forms part of the approved PPR for the Concept Plan. In brief, the Design Principles cover the following areas:

- Built Form
  - FSR, height, street wall height / upper storey setbacks, building setbacks and building separation
- Building Character
  - Building articulation and façade treatment
  - Active frontages and pedestrian amenity
  - Vehicular access and car parking
- Heritage and archaeology
- Roofs and skyline elements
- Materials and colours
- Public domain
  - Through site links
  - Public plaza

- Shortland Esplanade
- Water sensitive urban design
- Landscape treatment
- Public art and site interpretation.

The majority of these design elements are discussed elsewhere in the report and have been demonstrated to be generally consistent with the approved Concept Plan and with the design principles. Some further discussion of elements that are not covered elsewhere follows.

### **Street wall heights**

The proposal is beyond the prescribed street wall heights for Shortland Esplanade (16m) and King Street (25m). It is considered, however, that the proposal is consistent with the objectives of this element to provide a human scale, to encourage built form consistent with prevailing building forms in City East and to provide appropriate proportion and scale in new streets.

### **Roofs and skyline elements**

The proposal provides a variety of well resolved roof forms that would contribute positively to the skyline of Newcastle and would thus be consistent with the objectives of this element.

### **Materials and colours**

The proposal includes a series of coloured elevations and perspectives along with a colour and materials board. The materials, finishes and colours proposed are consistent with the design principles. They include sandstone, granite, masonry and glazing at the lower levels to provide a solid building base consistent with local architectural character at street level. Upper building levels are generally of lighter construction and materials using steel and glazing as dominant finishes and resulting in a contemporary skyline that is appropriate for the coastal environment.

### **Water sensitive urban design**

The Statement of Commitments in the PPR indicates that the proposal will incorporate stormwater management consistent with the Newcastle DCP including maximising opportunities for rainwater re-use and measures for removal of site generated pollutants. On-site retention tanks are proposed with sand filters and reduced outfall rates. Roof water is to be directed to rainwater harvesting tanks for re-use in landscape irrigation and carwashing and water efficient fixtures and to be installed throughout the development. With these measures in place, the proposal will be consistent with the objectives and design principles of this element.

The overall outcome of the discussion is that the departures from the Concept Plan are consistent with its objectives and their net result would be an improvement in design quality and amenity.

## **5.2 BUILT FORM & URBAN DESIGN**

Key issues for this proposal relate to the design merits of the proposed buildings and public spaces in relation to the existing and likely future character of the locality and the comfort of residents and visitors. Specific considerations raised in the submissions and in responses from the Design Integrity Panel fall into the areas of:

- Density
- Building height
- Building envelopes, setbacks and separation
- Solar access
- Wind protection
- Active frontage at street level
- Public domain

### **Density (FSR)**

The Concept Plan permits a maximum site wide FSR of 3.07:1 and a total Gross Floor Area (GFA) of 53,971m<sup>2</sup> across the site. The table below indicates that the Stage 1A / 1B EA proposes an FSR of 2.84:1 and a total GFA of 25,222m<sup>2</sup>, leaving a maximum GFA of 28,749m<sup>2</sup> to be attained on the remainder of the site. This would translate to a FSR capacity of 3.44:1 in the remaining stages of the development covered in the Concept Plan. The Design Integrity Panel expressed

concerns regarding the compliance with the density controls in future stages but these concerns would appear to be unfounded given that the site wide control will remain a constraint on future stages. Accordingly, a condition is recommended in the consent restricting the total FSR and total GFA across the entire RNH site to be 3.07:1 and 53,971m<sup>2</sup> respectively.

	Site Area (m <sup>2</sup> )	GFA (m <sup>2</sup> )	FSR	Remaining GFA (m <sup>2</sup> )
<b>Stage 1A&amp;1B (subject application)</b>	8,883m <sup>2</sup>	25,222m <sup>2</sup>	2.84:1	0 m <sup>2</sup>
<b>Remaining Stages</b>	8,362m <sup>2</sup>	28,749m <sup>2</sup>	3.44:1	49,375.5m <sup>2</sup>
<b>TOTAL (as approved by Concept Plan)</b>	17,245m <sup>2</sup>	53,971m <sup>2</sup>	3.07:1 (site wide)	N/A

### Building Height

#### Concept Plan controls

The Concept Plan stipulates various maximum heights including 1, 5, 6 and 8 storeys in Stage 1A and 8, 9 and 16 storeys in Stage 1B with accompanying RL's to the underside of upper most ceilings.

The EA proposes varying heights as follows:

Building No.	Storeys		Height (metres)		RL (underside upper most ceiling)	
	EA	Concept Plan	EA	Concept Plan	EA	Concept Plan
1	5 6 8	5 6 8	18.2m 20.8m 25m	N/A	RL30.1 RL34.2 RL40.6	RL30.1 RL33.1 RL42.6
2	8	8	25.5m	N/A	RL40.5	RL37.1
3	16	16	48.8m	N/A	RL63.9	RL63.9

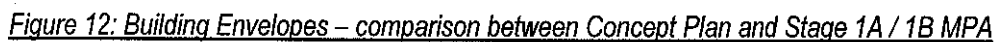
Heights in the Concept Plan have been set to provide a central landmark building group surrounded by lower buildings that respond appropriately to the neighbourhood built context and maintain an appropriate relationship with the coastline and Newcastle Beach. The additional height allowed in the Concept Plan is an urban design response to this key landmark site. No additional GFA is provided.

### Assessment

Building heights in the proposal are consistent with the Concept Plan with regard to storeys and inconsistent in two instances with regard to maximum RL's. Building 1 exhibits a 1 metre non-compliance in its central (6 storey) section which is offset by a finished RL 2m below the height control in the southern (8 storey) component. This minor non-compliance is considered to be acceptable. With regard to Building 2, the proponent maintains that the height non-compliance has arisen for 2 reasons:

- The opportunities identified in the view analysis of the site where views over the North Wing Apartments would be achieved from the top two floor levels at or above RL 34.6
- An apparent discrepancy in the control document calculation of height limits which results in a revised upper ceiling control RL of RL40.1 and a non-compliance of 0.4m

The 2 minor departures from the Concept Plan with regard to height are considered acceptable given that they would improve access to views and would not result in significant overshadowing of the public domain, including notably Newcastle Beach.



## **Building envelopes, setbacks and building separation**

### **Building envelopes**

Figure 12 provides a comparison between the approved Concept Plan building envelopes (shown dotted) and the building footprints proposed in this MPA (shaded grey). Essentially, the EA departs from the Concept Control Plan as follows:

- Marginal alteration of the alignment of Building 1 with respect to Shortland Esplanade and extension of the southern end of the building footprint;
- Deletion of the southern portion of the Building 3 footprint and slight realignment to the north to create a straight through site link between Pacific and Church Streets and to provide an opportunity for architectural expression of the façade of the future building in the axial view from Pacific Street;
- Replacement of the 8 storey north-south orientated envelope with the stand alone Building 2, aligned along the proposed King Street extension.

The proponent maintains that the changes result in the following improvements to the site plan:

- More legible through site connections along the King Street and Pacific Street alignments;
- More useable public spaces and better connectivity with the local neighbourhood through focussing of street activity at the intersection of Pacific and King Streets; and
- Improved solar access to the plaza and to residential apartments.

The Design Integrity Panel has supported the changes to the building footprints conditional on provision of assurance that future stages maintain appropriate building separation. The DIP's reservations with regard to building separation concern the 18 storey permissible building in Stage 2 of the approved Concept Plan. The proponent maintains that development of the adjacent building will be subject to a design competition with a brief that stipulates design controls including building separation and setbacks.

The departures from the approved building envelope control drawing in this PA are considered acceptable on the basis that they constitute a refinement of the Concept Plan with demonstrable benefits for the new built environment and public domain. Approval of this PA will be subject to a Condition that requires a Design Competition for Stage 2 of the Concept and stipulates specific controls to be adhered to. With this condition in place, the proposed Building Envelope departure from the Concept Plan is considered acceptable.

### **Shortland Esplanade setbacks**

The Concept Plan prescribes a variable setback from 2.5m to 10m to the Shortland Esplanade boundary of the site. The objective of this setback is to improve pedestrian amenity and sightlines around the curve of the street alignment. Built form along Shortland Esplanade is intended to follow the curved alignment of the street. The PPR proposes a consistent 3.5m setback from the line of kerb in Shortland Esplanade with land within the setback being developed as a public pedestrian pathway flanked by a landscaped wall. The façade of Building 1 is articulated behind the podium wall in three sections to follow the Shortland Esplanade alignment. It is considered that the proposed setback and building alignment is an appropriate treatment that will achieve the objectives of the Concept Plan with regard to the Shortland Esplanade boundary.

### **King Street setbacks**

The Concept Plan stipulates a zero setback to the King Street boundary for an 8 storey podium and a 5m setback for higher levels (levels 9 to 16). The EA proposes Building 3 as a 16 storey tower with an 8 storey podium. Its King Street façade is designed to read as three vertical elements. The eastern most element projects forward of the other two sections of the building to create an expressed architectural element on the corner of Pacific and King Streets. The eastern component has a zero setback to King Street, consistent with the Concept Plan setback prescription. The upper 8 storeys of the eastern portion of the building are at a 2.8m setback to balconies and a 5m setback to the building wall. This outcome is considered acceptable given the design intent of this portion of the building to create a local focal point and express the King / Pacific Street corner. The remainder of the building is set back 3m from the boundary at levels 1 to 8 and 5m (3m to balconies) for levels 9 and above.

Since the concept plan does not stipulate whether balconies may occur within setbacks and the building as designed would have a good relationship with the heritage streetscape and future context of the site, the proposed setback is considered acceptable.

## Building Height

### Concept Plan controls

The Concept Plan stipulates various maximum heights including 1, 5, 6 and 8 storeys in Stage 1A and 8, 9 and 16 storeys in Stage 1B with accompanying RL's to the underside of upper most ceilings.

The EA proposes varying heights as follows:

Building No.	Storeys		Height (metres)		RL (underside upper most ceiling)	
	EA	Concept Plan	EA	Concept Plan	EA	Concept Plan
1	5	5	18.2m	N/A	RL30.1	RL30.1
	6	6	20.8m		RL34.2	RL33.1
	8	8	25m		RL40.6	RL42.6
2	8	8	25.5m	N/A	RL40.5	RL37.1
3	16	16	48.8m	N/A	RL63.9	RL63.9

Heights in the Concept Plan have been set to provide a central landmark building group surrounded by lower buildings that respond appropriately to the neighbourhood built context and maintain an appropriate relationship with the coastline and Newcastle Beach. The additional height allowed in the Concept Plan is an urban design response to this key landmark site. No additional GFA is provided.

## Assessment

Building heights in the proposal are consistent with the Concept Plan with regard to storeys and inconsistent in two instances with regard to maximum RL's. Building 1 exhibits a 1 metre non-compliance in its central (6 storey) section which is offset by a finished RL 2m below the height control in the southern (8 storey) component. This minor non-compliance is considered to be acceptable. With regard to Building 2, the proponent maintains that the height non-compliance has arisen for 2 reasons:

- The opportunities identified in the view analysis of the site where views over the North Wing Apartments would be achieved from the top two floor levels at or above RL 34.6
- An apparent discrepancy in the control document calculation of height limits which results in a revised upper ceiling control RL of RL40.1 and a non-compliance of 0.4m

The 2 minor departures from the Concept Plan with regard to height are considered acceptable given that they would improve access to views and would not result in significant overshadowing of the public domain, including notably Newcastle Beach.

## Solar Access

The PPR falls short of the Residential Flat Design Code's guidelines for solar access to residential apartments and open space. Solar access provisions are discussed in detail in the SEPP 65 assessment in this report. It is concluded that the shortfall with regard to the RFDC guideline is acceptable when considered in the context of:

- the particular constraints posed by the site;
- the mitigating measures in the proposal (all south facing apartments are provided with a series of devices to maximise solar access); and
- the fact that residents and visitors to the completed development will enjoy substantial amenity with regard to access to open space.

### Wind Protection

The site is exposed to strong south east winds which constitute a significant constraint to its development. The EA indicates that the development has been planned with due regard to this constraint with key components of the new public domain being positioned in the wind shadow provided by the Building 1 building mass along the length of the south eastern site boundary.

At the request of the Department, the proponent has conducted a wind tunnel test to identify specific areas of high wind penetration within the proposed development. The test was carried out on a built model of the development and involved exposure to prevailing local wind conditions at varying wind strengths. The test identified positions within the public and private domain and indicated levels of comfort with regard to wind exposure from sitting, standing and walking to uncomfortable. Consequent to this testing, a number of mitigating measures such as wind break walls and operable balcony screens were included in the PPR to mitigate the identified wind impacts.

With these measures in place, it is considered that the proposal adequately addresses the issue of wind impact.

### Active Frontage at Street Level

Activation of street frontages is a key element in the RNH Concept Plan, integral to its key urban design principle to create a vibrant and sheltered public plaza. The Architectural Design Statement in the EA proposal provides the following Project Objectives for Active Frontages and Pedestrian Amenity:

- To create vibrant streets and public places.
- To create new opportunities for leisure, entertainment and services in the form of shops, restaurants and cafes.
- To maximise passive surveillance of public spaces
- To provide weather protection and shelter for pedestrians.

Against these objectives, the design response has been to concentrate active street frontages to the areas where pedestrian amenity can be maximised so as to ensure the viability of retail uses. Wind exposure has been treated as a major constraint to the location of active street front uses.

The PPR concentrates retail, residential and tourist uses to the ground floor levels of Buildings 2 and 3, addressing King Street and the Pedestrian Plaza.

The Shortland Esplanade frontage includes residential uses for most of its length with a single restaurant addressing the southern steps at the southern end of Building 1. Given the exposed nature of the Shortland Esplanade façade to south east winds, with associated potential difficulties in maintaining viable retail outlets along this frontage, it is considered that provision of this single retail outlet as part of otherwise residential uses along Shortland Esplanade is sufficient to maintain an active and safe street edge. Activity on Shortland Esplanade is further encouraged via improvements to pedestrian amenity including widening of the pedestrian footpath, tree planting and provision of a planted "green wall".

The proposal described above is considered to be an appropriate site specific response to the requirement for activated street frontages in the Concept Plan.

### Public domain

The EA includes a high quality and well resolved public domain consistent with the following Urban Design Principles in the approved Concept Plan:

- **Connect the city and the beach and the public places**

Through site links via extensions to King and Pacific Streets would substantially improve these connections

- **Create a vibrant and sheltered public plaza**

The plaza has been purposefully located at the development's activity hub and to maximise protection from the elements

- **Create a sense of place**

The reinstatement of the original street grid, new connections to the coast and development of a people focussed contemporary living and recreational environment all contribute to establishment of a sense of place.

- **Improve the pedestrian amenity of Shortland Esplanade**

A broad tree planted walkway flanked by a "green wall" and overlooked by apartments will significantly improved amenity in Shortland Esplanade.

- **Respect our neighbours and create good streets**

The PPA provides good connections to the neighbourhood via through site links and open address which maximises permeability into the active publicly accessible spaces within the development.

- **Improve sunlight access to Newcastle Beach**

The proposed building configuration and height achieve this principle.

- **Reconnect with the horizon**

Through site links, arrangement of buildings and gradation in building height all work to open up view corridors to the coast and the horizon.

Wind protection and solar access have been raised as issues for the public domain by the Design Integrity Panel. Assessments elsewhere in this report indicate measures to maximise solar access and mitigate unfavourable wind conditions. With these in place, the proposal is considered to address these issues in an acceptable manner.

## **DESIGN INTEGRITY PANEL**

On 10 August 2007, the Director General appointed the RNH and Peninsula Apartments Design Integrity Panel (DIP) to review the design process at both sites. Following a site visit and presentation of the preliminary ideas for the Stage 1A and 1B redevelopment of the RNH site on 20 September 2007, the DIP provided the following comments and recommendations on 31 October 2007:

- Broad support for the departures from the approved concept plan including relocation of the public square and reconfiguration / re-alignment of building footprints
- Unable to fully endorse the proposal due to deficiencies in presentation material and lack of information with regard to site wide planning

On 9 January 2008, an Environmental Assessment (EA) for the re-development of the north-eastern corner of the RNH site (i.e. Stage 1A & 1B) was received. Additional information was received on 29 January 2008.

In February 2008, the DIP provided a written review on the EA. The main issues raised in the review are summarised below:

### **Context**

- The relationship between the proposed buildings and the future potential development on the contiguous site to the west and south of the Stage 1A / 1B site.
- Proximity of proposed buildings to the 18 storey building in the future stage immediately to the south.
- Residential Flat Design Code standard of minimum 24m separation for buildings over 25m in height should be achieved on this site.

**Comment:** This issue will be addressed via a design competition for the remained stage to the south – this is considered acceptable.

### **Built Form**

- Minor variation in height of Building 1 in relation to the Concept Plan is considered acceptable. No comment was provided regarding the variation in height of Building 2.

### **Density**

- Noted that density complies with planning controls but observed that it may be necessary to reduce densities on subject site or in future stages to address concerns raised under Context.

### **Landscape**

- The landscape scheme was supported in principle. Additional information was requested with regard to the viability of the Shortland Esplanade 'green wall'.

**Comment:** The proponent subsequently provided additional details to indicate the construction and irrigation of the proposed green wall. Evidence was also provided of testing of plant species in the local conditions. It is considered that sufficient evidence has been provided to ensure the viability of the wall.

### Amenity

- Sunlight access to living rooms is below the RFDC standard. This is considered to be acceptably offset by the generally high level of amenity.

### Social dimensions

- Communal open spaces will be overshadowed.
- Communal open space appears to be well below the RFDC recommendation of 25-30%.

**Comment:** Overshadowing of the communal open space area is inevitable in this development given that tall buildings (both existing and within envelopes approved in the Concept Plan) occur on all sides of the centrally located open space. The overshadowing impacts and the quantity of communal open space are considered to be satisfactorily offset by proximity to high quality public recreational facilities including the coastline and the Newcastle CBD.

### Aesthetics

Development considered to be of high aesthetic quality.

The Proponent considered the comments made by the DIP and addressed these in the PPR submitted on 8 May 2008. No further submission was made to the DIP.

In general, the PPR is considered to address all issues raised by the DIP.

## 5.3 HERITAGE

The site is located within the Newcastle City Centre Heritage Conservation Area under the Newcastle City Centre LEP, 2008. The site is not a Heritage Item and is not listed in State or National heritage registers.

The key elements to the consideration of impact on heritage were the impacts on:

- the integrity of the Newcastle City Heritage Conservation Area
- key views and vistas along the coast and from the coast and sea back towards the Newcastle skyline
- conservation of the heritage significance of the site and identification and conservation of its potential archaeological values

The Heritage Office provided comments on the heritage impacts of the Stage 1A and 1B proposal in a letter to the Department of 29 February 2008. The Heritage Office raised the following concerns:

- inadequacy of the Heritage Impact Statement and lack of consistency with Heritage Council Guidelines
- impact of the development on the significance of the site and the Newcastle Conservation Area
- impact on potential archaeological significance of the site and need for a management strategy for archaeological significance
- need for an Interpretive Plan to accompany the previously submitted Interpretive Strategy for the site.

### Preferred Project Report

The PPR included a revised Heritage Impact Statement prepared by Planning Workshop Australia. The revised Heritage Impact Statement (HIS) was reviewed by the Major Developments Assessment Unit Heritage Planner and was found to contain inconsistencies with Heritage Council Guidelines. Notwithstanding the inadequacy of the HIS it is considered that provision of a second revised HIS would not provide any demonstrable benefit to the quality of the development. It is recommended that a Condition of Consent be placed on the PA requiring submission of a Heritage Interpretation Plan to facilitate implementation of the Heritage Interpretive Strategy submitted with the EA. Other standard conditions relevant to conservation of heritage and archaeological values are also to be applied to the consent.

## 5.4 TRAFFIC & PARKING

The proposal is considered to address traffic and parking issues adequately and would have and acceptable impact on the local road network. A Transport Report has been provided by Colston Budd Hunt & Kafes Pty Ltd. With regard to traffic, transport and parking issues, the report concludes that the proposal is consistent with the approved Concept Plan and with best practices for provision of increased population in proximity to public transport. It is also concluded that

parking provision is consistent with relevant controls, access and internal circulation arrangements are consistent with relevant Australian Standards and the local road network will be able to cater for additional traffic generated by the development.

The Newcastle DCP 2005 requires a minimum of 1 car space per 60m<sup>2</sup> of gross commercial floor area, 1 space per 60m<sup>2</sup> net retail floor area and 1 car space per dwelling. The revised PPR provides a total of 366 car spaces over two basement levels, generally consistent with the DCP requirement for a total of 346 spaces.

The PPR includes a raised foot crossing to Pacific Street as a single response to a series of traffic related comments made by The Hunter Regional Development Committee. The Committee's comments and the proponent's responses are assessed in detail in this report.

## 5.5 STRATA / STRATUM SUBDIVISION

Draft plans of strata and stratum subdivision were submitted with the Preferred Project Report. The draft plans include:

- Easements for public access vested in Newcastle City Council
- Various utility lots in the basement for services and storage
- Associated common property including the ground level plaza and shared facilities such as communal open space.

Visitor car spaces will form part of the common lot. A condition is recommended prior to release of the Strata Subdivision Certificate to state that shared facilities will be retained for the use of residents and not be operated as a commercial operation. A condition is also recommended regarding further approvals to be obtained from Council in particular regarding fitouts, signage and hours of operation in relation to the café and restaurants.

## 5.6 SECTION 94 DEVELOPER CONTRIBUTIONS.

Two issues arise with regard to S.94 Contributions for this project:

- the percentage levy to be applied; and
- inclusions for Contributions in Kind that may offset the monetary contribution levied on the development.

Each of these issues is discussed below.

### Applicable levy

The RNH Concept Plan Approval (MP05\_062) requires that contributions to meet the demand for additional public facilities and services generated by development of the site are to be in accordance with the relevant S.94 Contributions Plan in place at the time of determination of future project application(s).

The relevant plan with respect to this EA is the Newcastle City Council S.94A Development Contributions Plan 2006, specifically Part B – Newcastle City Centre (commenced 1 February 2008). Part B of the Plan applies to all new development with an estimated cost of more than \$250,000 on land within the Newcastle City Centre. Under Part B of the Plan, the S.94A contributions levy applying to the Newcastle City Centre is 3% of the estimated cost of development (Part B, Section A, Cl.5). The amended percentage levy is quoted in Cl.25K (1b) of the EPA Regulation.

### Proponent's position

The proponent relies on the S.94A Development Contributions Plan 2006 as the basis for determining a percentage levy applicable to the MP and quotes a contribution rate of 1% (based on the maximum percentage levy in S.25K of the EPA Regulation) as the applicable rate. Based on a CIV of \$89,700,000, this would equate to a total contribution of \$897,000 before application of any offset amounts. The proponent is also seeking offsets for a number of works in and around the site.

### Department's position

Given the Condition of Consent of the Concept Plan that contribution levies are to be consistent with the Contributions Plan in place at the time of determination of any consequent project applications, it is reasonable to apply the Part B amendment to NCC S94 to this Project. Application of Part B of the Plan will result in a 3% levy on the development, contrary to the proponent's position, and resulting in a monetary contribution, prior to application of any offsets, of \$2,691,000.

### Contributions in kind

The Statement of Commitments in the PPR lists the following works to be offset against any otherwise payable monetary S.94 contributions:

- New street tree planting along King and Watt Streets and Shortland Esplanade;
- Publically accessible through site link from Pacific Street to Shortland Esplanade and from King Street to Shortland Esplanade;
- A widened footpath along Shortland Esplanade; and
- Appropriately located pedestrian crossings from the site across Shortland Esplanade to the foreshore.

### Proponent's position

The proponent lists all of the above described works as offsets applicable to this PA.

### Department's position

The S.94A Development Contributions Plan 2006 allows Council, at its discretion, to accept the provision of a material public benefit or works-in-kind to land or works directly associated with the special city projects in part of full satisfaction of a section 94A levy under Part B of this Plan. Accordingly, the above works (except the tree planting on Watt Street and Shortland Esplanade as they don't relate to this application) are appropriate to be accepted as works-in-kind in part satisfaction of the S94A levy. The nature of these works are paving, landscaping, access, interpretation signage, public art, urban furniture and directly relate to special city projects as listed in Appendix B of the S.94A Development Contributions Plan 2006.

Therefore, a Condition of Consent is recommended providing that the above works be offset against the 3% monetary amount of the Section 94A contribution that applies to the proposal. Given the amendment in the Section 94A Contributions Plan from 1% to 3%, it is considered reasonable to cap the offsets to maintain a monetary contribution of at least 2%.

The extent of works to be included in the calculation of monetary offsets is coloured red on the map at Figure 13. This map is to be included in the Condition of Consent. For purposes of calculation of monetary offsets, the works will include:

- Extension of the pedestrian pavement to Shortland Esplanade / Church Street for the extent of its frontage to the site;
- The east-west pedestrian link
  - The stair case from Shortland Esplanade to the publically accessible pedestrian plaza;
  - The remainder of the east-west pedestrian link extending in a line running along the frontages of Buildings 2 and 3 to the eastern edge of the main vehicular entry to the site;
- The north-south pedestrian link
  - The stair case from Church Street to the publically accessible pedestrian plaza;
  - Works in a section of the pedestrian plaza extending to King Street in a band the width of the Church Street stair case;
  - The pedestrian crossing of the King Street extension.

For each of these areas, works suitable for monetary offset are to be restricted to:

- Pavement, steps, materials, embellishment (not including sub-structure)
- Street furniture and planting;
- Any other public domain improvement works (art work, interpretation signage, benches etc. – materials only); and
- Lighting.

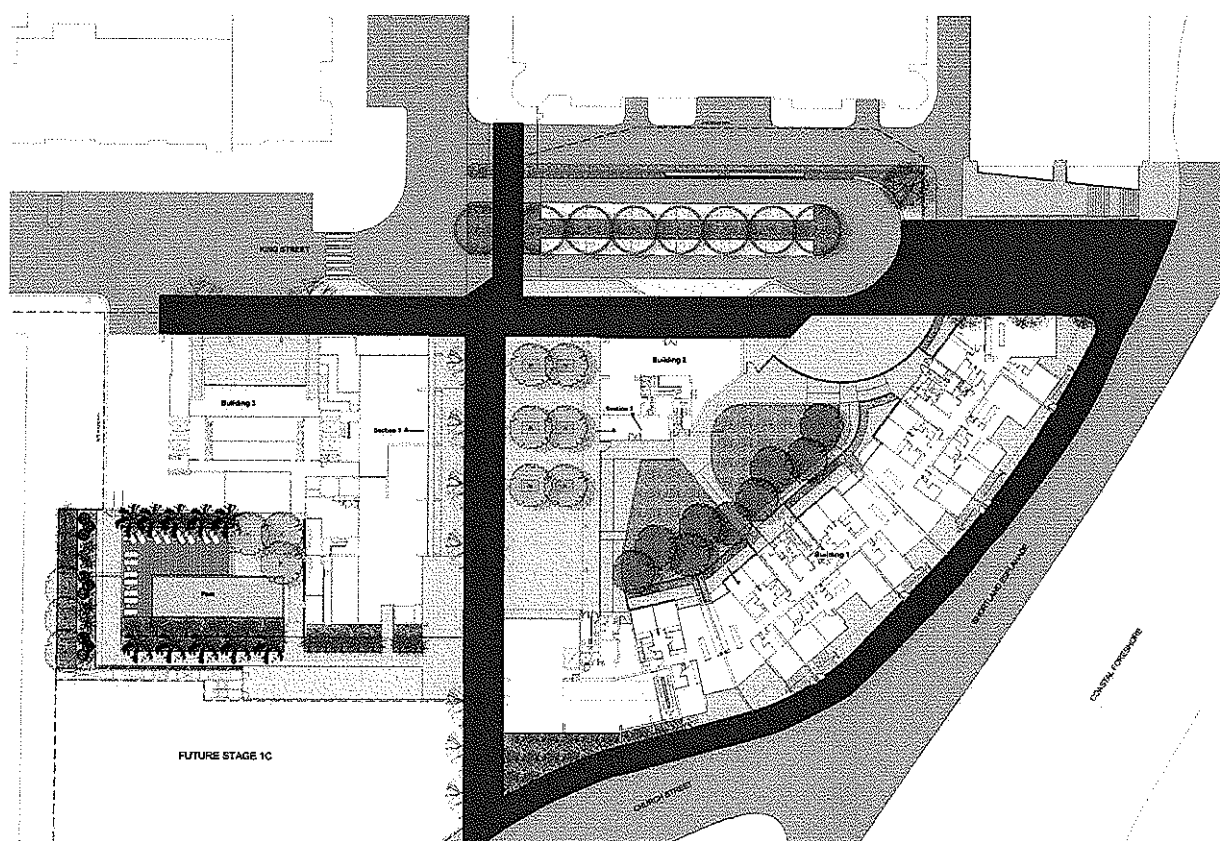


Figure 13: Red shading indicates extent of works eligible for Section 94A monetary offsets for this MP.

## 5.7 THE PUBLIC INTEREST

On balance, the proposal is considered to provide the following public benefits:

- The development will make a notable contribution to the Newcastle cityscape and will assist in the revitalizing of the former hospital land.
- The proposed development establishes a higher density living environment in close proximity to commercial, recreation and public transport facilities.
- The activation of the significant coastal site will contribute to the vitality and economic viability of Newcastle East.
- The development will provide additional employment both during and consequent to the construction phase.
- New publically accessible east-west and north-south through site links will provide improved connections between the CBD and the City foreshore and will open up this prominent coastal site for public use.
- Extension of King Street and Pacific Street will reinstate the original grid street pattern and increase legibility and connectivity in the locality.
- Provision of a new hotel will significantly assist the tourism role of Newcastle.
- The proposal includes significant improvements to the public domain that will contribute to the revitalization of the Newcastle East coastal precinct.
- Section 94A Contributions to be utilised directly in public benefits will amount to not less than 1% of the total project cost.

## 6 CONSULTATION AND ISSUES RAISED

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### 6.1 PUBLIC EXHIBITION DETAILS

The major project application was exhibited for a 30 day period from 4 February 2008 to 4 March 2008 and was published in the public notices section of the Newcastle Herald on 4 February 2008. The EA was made available to the public via the Department's website and in the Department's Information Centre, the Department's Hunter Regional Office and at Newcastle City Council.

### 6.2 SUBMISSIONS RECEIVED ON THE ENVIRONMENTAL ASSESSMENT

Approximately 90 letters were sent to public and private agencies and individuals inviting submissions. The Department received a total of 8 submissions comprising 6 submissions from government agencies, and 2 from the public.

### 6.3 SUBMISSIONS FROM GOVERNMENT AGENCIES

The following submissions were received from government agencies.

#### Newcastle City Council

Council responded in a letter dated 6 March 2008 and requested the Minister to consider:

- Provision and maintenance of public access through the site;
- Impact of the proposed development on existing public infrastructure and asset works within the adjacent streets; and
- Traffic management and safety matters during the construction phase.

Accordingly, Council requested that 16 Conditions of Consent be imposed on the development. In brief, the conditions include:

1. *provision of a S.88B instrument under the Conveyancing Act to set out the terms of easements, rights of carriageway and rights of public access;*
2. *provision of various traffic design features including secure bicycle parking and certain design provisions for the basement car park entrance off King Street;*
3. *separate Council approval required for work within public roads*
4. *street tree planting and paving to Council approval to be provided in King Street and Shortland Esplanade;*
5. *safe sight distances to vehicular entries to be documented in the Construction Certificate Application;*
6. *submission of a Construction Traffic Management Plan to Council prior to commencement of works;*
7. *provisions for traffic and pedestrian safety and movement during the construction phase;*
8. *developer to be responsible for all adjustments to and / or relocation of public utilities;*
9. *developer to make good to any damage to public roads or associated structures;*
10. *developer to be responsible for regulatory street signage;*
11. *Certified WAE plans for works in the public road to be lodged with Council on completion of the works;*
12. *Construction details for internal trafficable areas to be provided to Council in Construction Certificate Application;*
13. *Geotechnical certification of internal trafficable areas to be provided in Construction Certificate Application;*
14. *External ramps and pathways to be designed to AS1428 – Design for Access and Mobility. Full details to be included in Construction Certificate Application;*
15. *Provision of site hoardings or fencing to be detailed in Construction Certificate Application;*
16. *building operations on Council property to be prohibited without prior consent.*

**Comment:** A number of these conditions are included as recommended Conditions of Consent, where reasonable.

#### Department of Lands

The Department of Lands provided a submission by letter dated 3 March 2008. The submission raised the issue of Section 94A Development Contributions arising from the Project Application and the need for improvements to Crown Public Reserves in the immediate vicinity of the RNH site.

**Comment:** The issue of Section 94A contributions is discussed in detail in this report. The Newcastle City Council Section 94A Contributions Plan 2006 with amendments enacted in February 2008 requires a S94A contribution of 3% of

the cost of development, which represents cash contributions or works in kind of approximately \$2,691,000 for the Royal Newcastle Hospital Stage 1A & 1B redevelopment project. The amended S94A Contribution Plan 2006 identifies public domain improvements within the reserves adjacent to the Newcastle Hospital site. It is appropriate for contributions to be consistent with the Contributions Plan (including some public benefit offsets) as envisaged and required in the Concept Approval. It is considered that no further action is required with respect to this issue.

#### Heritage Office

The Heritage Office provided a submission via a letter of 29 February 2008 raising the following issues:

- Inadequacy of the Heritage Impact Statement;
- Impacts on the significance of the site and the Newcastle Conservation Area;
- Need for a management strategy for archaeological significance;
- Need for an Interpretive Plan.

**Comment:** A revised Archaeological Management Strategy and Interpretive Plan should be submitted for approval prior to commencement of the works.

#### Hunter Regional Development Committee of the RTA

In its submission to the public exhibition of the Concept Application (3 October 2006) Hunter Regional Development Committee raised a number of specific traffic and parking issues to be addressed in consequent Project Applications pertaining to the site. The proponent has addressed these issues and contended some in a written response accompanying the current PPR. The matters that the proponent has contended, the proponent's response and the Department's assessment are outlined below.

Issue raised by HRDC	Proponent's response	Comments
Traffic analysis should be revised to take into account the entire redevelopment of the site, the overall masterplan and 10 year growth projections.	This is a staged development and further analysis is not required with the current project application.	The Traffic Impacts Study provided addresses the DGR's relating to Traffic Impacts (Clause 5) and is consequently consistent with RTA requirements.
The traffic analysis should also identify development thresholds for intersection upgrades in relation to development staging.	Traffic reports in future Project Applications will identify if upgrades are required.	The EA includes assessment of traffic impacts on individual intersections resulting from projected traffic numbers generated by the proposal. It is agreed that future impacts should be assessed as components of future Project Applications.
Traffic control signals should be provided at the Watt Street / King Street intersection prior to Stage 1A/1B. Traffic control signals should be provided at the Church Street / Watt Street intersection at a later stage – to be determined by the development thresholds.	The Traffic Report submitted with the Environmental Assessment confirms that this is not required. Later applications will be supported by traffic reports which will assess the need for traffic signals at that stage.	The findings of the Proponent's traffic assessment in this regard are supported. The recommended traffic signalisation at Watt / King Street and Watt / Church Street intersections are most appropriate to be addressed in future project application(s), therefore not applicable to the subject proposal.
Adequate turning space and turning templates should be provided for buses / coaches, eg at the cul-de-sac turning area.	The loop road is not to be a dedicated road and is not designed for buses / coaches. It has been designed in this way specifically to minimise impact on the public domain and the pedestrian friendly nature of this space. Buses will arrive via Pacific Street and stand in lay-by areas outside the Hotel in	For the reasons put forward by the proponent, it is agreed that buses should be excluded from the loop road. This would preclude the need for bus turning areas and provide for a more pedestrian amenable space in the King Street through site link.

	front of Building 3.	
Clear separation of pedestrian, service vehicles and other vehicles should be provided on site. A separate access should be provided for service vehicles and the car parking areas.	The car park entry has been deliberately located as far away as possible from the public square to separate pedestrians and vehicles. The traffic engineer (CBHK) has reviewed the design of the shared driveway for resident parking and service vehicles (ie loading dock) and considers it to be satisfactory and compliant with relevant Australian Standards. Furthermore, to provide separate entries for service vehicles and other vehicles would provide a further impediment to pedestrian flow along the southern King Street frontage, as well as detracting from the urban design quality of this section of King Street.	In light of the reported compliance with relevant Australian Standards, the proponent's position with regard to vehicle access to the site is supported. Accordingly a condition is recommended.
Raised foot crossing to be provided in Pacific Street.	Now provided, see drawings at Appendix A	Noted.

#### Mine Subsidence Board

The Mine Subsidence Board advised by letter dated 6 February 2008 raised no objection to the proposal subject to the following conditions:

- *Certification by a qualified structural engineer upon completion that the development has been designed and constructed in accordance with the Geotechnical Report 39694A (Douglas Partners), all relevant standards and the Building Code of Australia.*
- *A copy of the final plan (A3 or A4 size) will need to be provided to the Mine Subsidence Board prior to construction commencing.*

**Comment:** If the application is approved, it is recommended that these conditions be included.

#### 6.4 PUBLIC SUBMISSIONS

There were 3 public submissions to the EA.

The Hunter Regional Committee of the National Trust provided a submission by letter dated 20 March 2008 and raised objections as follows:

- Inadequate and incomplete Statement of Heritage Impact fails to consider the impact on adjoining heritage listed items
- Likely disturbance of potential archaeological deposits
- Requirement for a design competition was not observed compromising the potential to achieve excellence in design outcomes
- Some height, setback and FSR parameters are outside the Minister's concept approval and grossly exceed the maximum permissible standards in the Minister for Planning approved Newcastle City Centre LEP 2008
- Public plaza is inadequate in size and location
- Extension of King Street has been designed in favour of motor vehicles and the occupants of the North Wing and York Apartments
- Minimum activation of Shortland Esplanade
- Extension of King Street and north-south access to Church Street is inadequate and departs from original intent.

**Comment:** These issues were considered during the assessment of the proposal and subsequent amendments to the proposal through the PPR. In summary, the final scheme has been amended or addresses the above concerns as follows:

- A condition of consent requires submission of an Interpretive Plan. A conditions relating to below ground archaeological remains is also recommended.
- The requirement for a design competition was addressed via the commission of two respected architectural firms to work in collaboration on the scheme. This approach was supported by the Design Integrity Panel as an acceptable alternative to a design competition.
- Departures from the Concept Plan and the Newcastle City Centre LEP have been considered by the DIP and the Department have been found to be acceptable.
- Other design issues raised in the submission have been assessed in the body of the report. The public plaza location and size has been supported by the DIP. The King Street extension has been altered in the PPA to maximise its publically accessible area. The DIP supports the treatment of Shortland Esplanade and the proponent has submitted additional information to ensure the viability of the Shortland Esplanade "green wall". The King Street and Pacific Street extensions are both supported by the DIP in their current form.
- One public submission expressed concern that only one café overlooks the ocean.

**Comment:** The issue of provision of active retail uses to the coastal site boundary has been addressed in the assessment process. It has been concluded that the proposed distribution of active uses in the development is an appropriate response to site and local conditions.

- A letter from the United Services Club Limited dated 20 February 2008 acknowledged receipt of the Department's Notice of Major Project Application and provided no further comment.

## 7 CONCLUSION

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The Department has assessed the EA and PPR and considered the submissions in response to the proposal. The key issues raised in submissions related to bulk & scale including height, amenity and heritage. The Department has considered these issues and a number of conditions are recommended to ensure the satisfactory resolution of these issues and minimal impacts as a result of the proposal.

The proposed development constitutes a well considered urban renewal of a key coastal site. It will allow for 146 residential units, a 89 suite hotel and approximately 1430m<sup>2</sup> of retail and tourist orientated floor space with a publically available pedestrian plaza and two levels of basement parking. The project application is generally consistent with the approved Concept Plan, has complied with the environmental assessment requirements, and generally complied with the existing environmental planning instruments.

On these grounds, the Department considers that the site is suitable for the proposed development and that the project is in the public interest. Consequently, the Department recommends that the project be approved, subject to the conditions of approval.

## RECOMMENDATION

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For project application:

It is recommended that the Minister:


- (A) consider the analysis and recommendations of this Report; and
- (B) approve the carrying out of the project, under Section 75J *Environmental Planning and Assessment Act, 1979*; subject to modifications of the project and conditions and sign the Determination of the Major Project (tag A).

Prepared by:




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Endorsed by:




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7/7/08  
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Jason Perica  
Executive Director  
Strategic Sites and Urban Renewal



9/7/08  
Peter

## **7.2.1 DIRECTOR GENERAL'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS**

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# Director-General's Requirements

Section 75F of the *Environmental Planning and Assessment Act 1979*

Application number	07_0133
Project	<p>Stage 1A &amp; 1B development at the north-eastern corner of the former Royal Newcastle Hospital (RNH) site being the construction of a mixed use development, consisting of:</p> <ul style="list-style-type: none"> <li>The construction of 5 buildings (ranging from 5-16 storeys) comprising residential, restaurants/cafes and hotel development and associated basement carparking; and</li> <li>Public domain works including a public plaza, pedestrian links to Shortland Esplanade and associated landscaping.</li> </ul>
Location	Part of Lot 12 in DP 1112367 between King St and Shortland Esplanade, Newcastle.
Proponent	Mirvac Projects Pty Ltd
Date issued	22/10/2007
Expiry date	2 years from date of issue
General requirements	<p>The Environmental Assessment (EA) must include:</p> <ol style="list-style-type: none"> <li>1. An executive summary;</li> <li>2. An outline of the scope of the project including: <ul style="list-style-type: none"> <li>any development options;</li> <li>justification for the project taking into consideration any environmental impacts of the project, the suitability of the site and whether the project is in the public interest; and</li> <li>outline of the staged implementation of the project if applicable;</li> </ul> </li> <li>3. A site analysis including constraints mapping;</li> <li>4. Consideration of planning provisions in any relevant environmental planning instruments (EPIs) and guidelines (as outlined below) and identification of any non-compliances with such provisions;</li> <li>5. Consideration of impacts, if any, on matters of national environmental significance under the <i>Commonwealth Environment Protection and Biodiversity Conservation Act 1999</i>;</li> <li>6. An assessment of the key issues specified below and a table outlining how these key issues have been addressed;</li> <li>7. An assessment of the potential impacts of the project and a draft Statement of Commitments, outlining environmental management, mitigation and monitoring measures to be implemented to minimise any potential impacts of the project;</li> <li>8. The plans and documents outlined in Attachment 1;</li> <li>9. A signed statement from the author of the Environmental Assessment certifying that the information contained in the report is neither false nor misleading; and</li> <li>10. A Quantity Surveyor's Certificate of Cost to verify the capital investment value of the project.</li> </ol>
Key Issues	<p><b>PART A - Key Issues</b></p> <p>The EA must address the following key issues:</p> <p><b>1.0 Relevant EPI's and Guidelines to be Addressed</b></p> <p>1.1 Demonstrate consistency with permissibility and planning provisions contained in all relevant plans and policies applying to the site and outline the nature, extent and justification of any non-compliance. EPIs to be addressed include:</p> <ul style="list-style-type: none"> <li>SEPP No. 65 – Design Quality of Residential Flat Development &amp; Residential Flat Design Code;</li> <li>SEPP (Building Sustainability Index: BASIX) 2004;</li> <li>SEPP No. 11 – Traffic Generating Developments;</li> <li>SEPP No. 55 – Remediation of Land;</li> <li>Newcastle Local Environmental Plan 2003 &amp; Draft Newcastle City Centre Local</li> </ul>

Environmental Plan 2006; and

- Newcastle Development Control Plan 2005, Draft Newcastle City Centre Development Control Plan 2006 and any other relevant local planning policies;

1.2 Demonstrate consistency with the approved concept plan, as modified on 3 January 2007. Provide justification for any inconsistencies, including discussion of options (if relevant).

## **2.0 Design, Visual Impacts and Design Quality Principles**

2.1 Address the issues and recommendations put forward by the RNH Design Integrity Panel.

2.2 Address height, bulk and scale of the proposed development within the context of the locality.

2.3 Address the design quality with specific consideration of the façade, massing, setbacks, and proportions to openings, building articulation, and amenity (internal & external to site).

2.4 Address the visual impact of the proposed development when viewed from the street, city centre, the water and adjacent foreshore areas including along significant view corridors.

## **3.0 Environmental and Residential Amenity**

The project must achieve a high level of environmental and residential amenity. In particular the EA is to address the following issues:

3.1 **Solar access:** To public and private open spaces, internal living areas and on adjoining properties and foreshore areas.

3.2 **Wind effects:** Demonstrate the design achieves appropriate wind speeds for all publicly accessible spaces. A Wind Tunnel Test shall be undertaken to test the design, and determine mitigation measures to be implemented.

3.3 **Noise:** Acceptable levels of acoustic privacy in dwellings and impacts on the locality.

3.4 **Visual Privacy:** Ensure the design reduces opportunity for overlooking between units with the development and into adjoining properties.

## **4.0 Heritage**

The EA should address the following:

4.1 A Statement of Heritage Impact is required addressing impacts on identified heritage items adjacent to, and on the site;

4.2 Outline the strategy to interpret the built and cultural heritage of the RNH site.

## **5.0 Traffic Impacts (Construction and Operational)**

Prepare a traffic impact study in accordance with the RTA's *Guide to Traffic Generating Developments* which addresses the following matters:

5.1 Any changes to traffic generation, street parking, road network and road capacity resulting from the project and any required road / intersection / signage alterations or upgrades;

5.2 Access to and within the site including emergency access;

5.3 Proposed loading dock(s) and car parking arrangements;

5.4 Service vehicle movement, clearance, separation and delivery times;

5.5 Measures to promote public transport usage; and

5.6 Pedestrian and bicycle linkages.

## **6.0 Landscape/Public Domain Plan**

The Landscape Plan will illustrate

6.1 The treatment of all communal/public open space areas, footpaths & driveways;

6.2 The details of any street furniture, signage, lighting, public art installations and surface treatments (i.e. pavers, lawn etc); and

6.3 Any planting design identifying plant species, mature height, spread and number of plants.

## **7.0 Safety/Public Domain/Pedestrians**

The environmental assessment is to demonstrate how the proposed building design and treatment of the public domain and open spaces will:

7.1 Maximise surveillance, safety and security within the public domain and the basement car park and consistency with 'Safer by Design' principles;

7.2 Ensure access for people with disabilities; and

7.3 Minimise potential for vehicle and pedestrian conflicts.

	<p><b>8.0 Staging</b> The EA must include details regarding</p> <p>8.1 The proposed staging of the development including the Construction Schedule, relating to the remainder of the RNH site; and</p> <p>8.2 How construction and occupation of the subject site will be affected by the staging of the remaining portion of the site by way of access and construction related impacts.</p> <p><b>9.0 Social Impacts</b> The environmental assessment is to address the social and economic context of the development in terms of infrastructure requirements, staging and monitoring of infrastructure works, and community services and facilities.</p> <p><b>10.0 Ecologically Sustainable Development (ESD)</b> The environmental assessment shall detail how the development will incorporate ESD principles in the design, construction and ongoing operation phases, including water and energy usage, and waste minimisation and recycling strategies.</p> <p><b>11.0 Potential On Site Contamination</b> The EA must provide an assessment in accordance with SEPP 55, to determine type and extent of contamination on the site and provide a management and/or a Remedial Action Plan to ensure the user safety during both the construction and subsequent operation, if required.</p> <p><b>12.0 Provision of Public Services and Infrastructure</b> Address provision of public services and infrastructure having regard to the Council's <i>Section 94 Contribution Plan</i> and details of any Voluntary Planning Agreement proposed.</p> <p><b>13.0 Utilities</b> In consultation with relevant agencies, address the existing capacity and requirements of the development for water, electricity, waste disposal, telecommunications and gas. Identify staging, if any, of infrastructure works.</p>
Consultation	<p><b>Agencies or other authorities:</b> An appropriate and justified level of consultation shall be undertaken with the following parties (where relevant) during the preparation of the EA:</p> <ul style="list-style-type: none"> <li>• Newcastle City Council;</li> <li>• NSW Roads and Traffic Authority;</li> <li>• NSW Heritage Council;</li> <li>• Mine Subsidence Board; and</li> <li>• Department of Environment &amp; Climate Change.</li> </ul> <p><b>RNH Design Integrity Panel</b> The proposal will be presented to the RNH Design Integrity Panel for comment at the following stages of the development of this site (at minimum):</p> <ul style="list-style-type: none"> <li>• On lodgement of EA</li> <li>• Prior to DG report finalisation</li> <li>• CC submission</li> </ul> <p><b>Public:</b> Document all community consultation undertaken to date or discuss the proposed strategy for undertaking community consultation. This should include any contingencies for addressing any issues arising from the community consultation and an effective communications strategy. The consultation process and the issues raised are to be described in the EA.</p>
Deemed refusal period	60 days

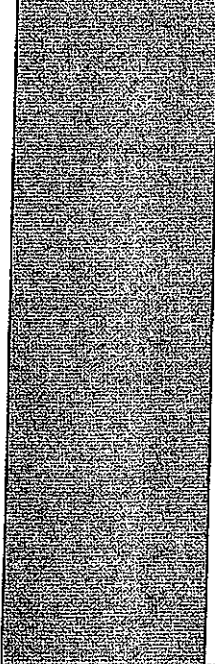
## Attachment 1: Plans and Documents to accompany the Application

### Plans and Documents of the development

The following plans, architectural drawings and diagrams of your proposal as well as the relevant documents will be required to be submitted for your application:

1. The **existing site survey plan** is to be drawn to 1:500 scale (or other appropriate scale) and show:
  - the location of the land, the measurements of the boundaries of the land, the size of the land and north point;
  - the existing levels of the land in relation to buildings and roads;
  - location and height of existing structures on the site; and
  - location and height of adjacent buildings and private open space.
  - all levels to be to Australian Height Datum.
2. A **Site Analysis Plan** must be provided which identifies existing natural elements of the site (including all hazards and constraints), existing vegetation, property dimensions, footpath crossing levels and alignments, existing pedestrian and vehicular access points and other facilities, slope and topography, utility services, boundaries, orientation, view corridors and all structures on neighbouring properties where relevant to the application (including windows, driveways, private open space etc).
3. A **locality/context plan** drawn to 1:500 scale (or other appropriate scale) should be submitted indicating:
  - significant local features such as parks, community facilities and open space and heritage items;
  - the location and uses of existing buildings, shopping and employment areas;
  - traffic and road patterns, pedestrian routes and public transport nodes
  - The existing site plan and locality plan should be supported by a written explanation of the local and site constraints and opportunities revealed through the above documentation.
4. The **Environmental Assessment** in accordance with the Director-General's Environmental Assessment Requirements as outlined in The Key Issues.
5. The **Architectural drawings** (where relevant) are to be drawn to scale and illustrate the following:
  - the location of any existing building envelopes or structures on the land in relation to the boundaries of the land and any development on adjoining land;
  - detailed floor plans of the proposed buildings;
  - sections and elevations including detailed sections of the proposed building;
  - the location and size of vertical and horizontal circulation of lifts, stairs and corridors;
  - fenestrations, balconies and other features;
  - communal facilities and servicing points;
  - accessibility requirements of the Building Code of Australia and the Disability Discrimination Act;
  - the height of the proposed development in relation to the land;
  - any changes that will be made to the level of the land by excavation, filling or otherwise;
  - the level of the lowest floor, the level of any unbuilt area and the level of the ground;
  - parking arrangements, where vehicles will enter and leave the site, and how vehicles will move about the site;
  - pedestrian access to and within the site.
6. The **shadow diagrams** showing solar access to the site and adjacent properties at summer solstice (Dec 21), winter solstice (June 21) and the equinox (March 21 and September 21) at 9.00 am, 12.00 midday and 3.00 pm.

	<p>7. An external materials and finishes board is to be provided providing details of the external building materials and colours proposed.</p> <p>8. The Other plans including (where relevant):</p> <ul style="list-style-type: none"> <li>• <b>Stormwater Concept Plan</b> - address drainage/flooding issues associated with the development/site, including on-site detention of stormwater (if any), drainage infrastructure and incorporation of Water Sensitive Urban Design measures. Illustrate the concept for stormwater management from the site to the Council drainage system and include a detailed site survey. Where an on-site detention system is required or being provided, the type and location must be shown and must be integrated with the proposed landscape design. Site discharge calculations should be provided and must include details of all major overland flow paths;</li> <li>• <b>Erosion and Sediment Control Plan</b> – plan or drawing that shows the nature and location of all erosion and sedimentation control measures to be utilised on the site;</li> <li>• <b>Geotechnical Report</b> – prepared by a recognised professional which assesses the risk of Geotechnical failure on the site and identifies design solutions and works to be carried out to ensure the stability of the land and structures and safety of persons. The report should be in accordance to guidelines outlined in the submission from the Mine Subsidence Board (see attached);</li> <li>• <b>View Analysis</b> - Visual aids such as a photomontage must be used to demonstrate visual impacts of the proposed building envelopes in particular having regard to the siting, bulk and scale relationships from the beach and surrounding streets/key areas;</li> <li>• <b>Coloured elevations</b> - of the proposed buildings drawn to the same scale as the architectural drawings. The elevations are to indicate height and key datum lines, building length and articulation, materials and finishes, the composition of the façade and roof design, existing buildings on the site, building entries (pedestrian, vehicular and service), and profile of buildings on adjacent properties;</li> <li>• <b>BASIX</b> - compliance details and relevant certificates;</li> <li>• <b>SEPP 65</b> – Verification Statement is to be provided confirming compliance;</li> <li>• <b>Acoustic Assessment</b> - An acoustic assessment, including mitigation measures, is required to demonstrate that the proposed apartments are designed to achieve an appropriate level of acoustic privacy. The acoustic assessment should demonstrate that the proposal and associated uses would not have an unacceptable noise impacts on the amenity of the locality.</li> <li>• <b>Waste Management Plan</b> – a plan which addresses demolition and construction wastes that may be generated including likely quantities, proposed disposal destinations and best practices for safe handling and disposal in accordance with WorkCover's Occupational Health and Safety requirements must be provided;</li> <li>• <b>Construction Management Plan</b> – a plan which outlines traffic and pedestrian management during construction as well mitigation measures for noise, privacy and access to occupants and users of the existing buildings surrounding the site.</li> </ul>
Documents to be submitted	<ul style="list-style-type: none"> <li>• 12 hard copies of the EA;</li> <li>• 12 sets of architectural and landscape plans to scale, including one (1) set at A3 size (to scale); and</li> <li>• 1 copy of the EA and plans on CD-ROM (PDF format), (see specifications for electronic documents below).</li> <li>• If the EA is bulky and lengthy in volume, you will be required to package up each EA ready for distribution by the Department to key agencies,</li> </ul>
Electronic Documents	Electronic documents presented to the NSW Department of Planning for publication via the Internet must satisfy the following criteria:

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- Adobe Acrobat PDF files and Microsoft Word documents must be no bigger than 1.5 Mb. Large files of more than 1.5 Mb will need to be broken down and supplied as different files;
  - All file names will need to follow the following file naming convention: 'projectno\_projectname\_documentname\_documentpart.xxx' (please ensure no capital letter, no spaces, and no special characters such as hyphens, apostrophes or ampisands). Numbers and underscores are fine. This is so that the Department can publish them rapidly on our server.
  - Avoid sending documents that are broken down in more than 10 files;
  - Image files should not be bigger than 2Mb.
  - Graphic images will need to be provided as [.gif] files;
  - Photographic images should be provided as [.jpg] files;
  - Large maps will need to be presented as individual files and will need to be calibrated to be no more than 2Mb each;
  - Images inserted into the document will need to be calibrated to produce files smaller than 1.5Mb. Large images will need to be presented as individual files and will need to be calibrated to be no more than 2Mb each.

Alternatively, these electronic documents may be placed on your own web site with a link to the Department of Planning's website.

## **7.2.2 ARCHITECTURAL PLANS**

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