

# Concept Plan Modification Preliminary Environmental Assessment

## Newcastle Hospital Redevelopment

Submitted to  
Department of Planning  
On Behalf of Mirvac

April 2010 ■ 10116

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1 April 2010

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1 April 2010

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## 1.0 Introduction

The Royal Newcastle Hospital Concept Plan (MP 05\_0062) was approved by the then Minister for Planning on 3 January 2007. The approval provides for the redevelopment of the former Newcastle Hospital site for predominantly residential uses and also permits associated retail, commercial and tourist floor space. The approval also nominates floor space ratios, building envelopes (foot prints and heights), public domain improvements, vehicle access points and site design principles.

Mirvac wishes to deliver a superior urban design scheme on the site and has recently refined the design concept for Stages 1C and 2 to achieve improved urban design, public domain and amenity outcomes.

This preliminary environmental assessment report (PEAR) is accordingly submitted to the Department of Planning (hereafter referred to as 'the Department') to assist the Director General in determining the level and scope of the environmental assessment required to accompany a proposal to modify the approved Royal Newcastle Hospital Concept Plan.

Given the proposal does not introduce any new elements which require consideration of new key issues that were not assessed / considered by the Department at the time of determination of the Concept Plan, the is requested to confirm whether the Director General's Requirements prepared in 2006 remain valid to the scope of the current proposal.

This PEAR has been prepared on behalf of the applicant, Mirvac Projects Pty Ltd (Mircvac), by JBA Urban Planning Consultants Pty Ltd, and is based on information provided by Mirvac.

This preliminary assessment includes the following information relevant to the proposal:

- a background to the approved Concept Plan;
- a description of the proposed Concept Plan amendments and scope of modifications;
- site description;
- existing planning provisions applying to the site; and
- identification of the environmental issues associated with the project.

## 1.1 Established Approvals Framework

### 1.1.1 Concept Plan Approval

The (then) Minister for Planning approved the Royal Newcastle Concept Plan on 3 January 2007 for:

*"Predominantly residential and non-residential uses including a mix of ancillary retail, cafes, restaurant and commercial office suites; maximum Floor Space Ratio; 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, and a widened footpath along the northern side of Shortland Esplanade; as submitted by the Proponent on 14 August 2006" (sic).*

The terms of the Concept Plan approval also include (amongst other things):

- A staging strategy;
- A maximum site wide floor space ratio of 3.07:1;
- A maximum gross floor area (GFA) of 53,971m<sup>2</sup>, comprising:
  - 41,916m<sup>2</sup> maximum GFA in Stage 1;
  - 12,055m<sup>2</sup> maximum GFA on the "David Maddison site";
- Building envelopes and building heights as shown on the approved "Supporting Control Drawings – Concept Plan building heights diagram showing indicative RLs (m AHD) and storeys of all buildings dated 8<sup>th</sup> December 2006" (see Figure 1);
- Car parking to be provided in accordance with Newcastle Development Control Plan 2005; and
- The requirement for a design competition to be held prior to the lodgement of future project applications for the two buildings approved over 10 storeys, or the whole site if preferred.

### 1.1.2 Stage 1 Project Application

Since the Concept Plan was approved, multiple Project Application approvals have been issued for demolition, subdivision and the construction of Stage 1A and 1B of the development. A series of associated section 75W modifications to the Project Applications have also been approved in relation to dwelling yield and mix and car parking provision.

Of these, the most significant is the Project Application approval MP 07\_0133 issued on 9 July 2008 for construction of:

- a part 5, part 6 and part 8 storey building overlooking Shortland Esplanade and Newcastle Beach and incorporating residential and retail uses (Building 1);
- an 8 storey residential and retail building overlooking a new plaza and new extension to King Street (Building 2);
- A 17 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
- 2 levels of basement car parking and;
- Stratum and strata subdivision

The development comprises 167 apartments plus an 88 room hotel and a retail precinct at the ground plane which is currently being constructed over 3 buildings. The strata plans for Buildings 1 and 2 have been registered by the Department of Lands and construction completion and settlements are due to commence in the second quarter of 2010. Building 3, which includes the 88 room hotel, is due for completion in the last quarter of 2010.

Notably, the above Stage 1 Project Application (as modified) approved the construction of buildings and additional height in a slightly different configuration to the Concept Plan and approved "Supporting Control Drawings – Concept Plan building heights diagram showing indicative RLs (m AHD) and storeys of all buildings dated 8<sup>th</sup> December 2006". The Department of Planning assessment concluded that the departures from the approved Concept Plan *"are relatively*

*minor and constitute a net improvement to the quality of the development"* (DG's Assessment Report, December 2006 pg 3).

### 1.1.3 Stage 2 and Future Directions

Upon completion of the Stage 1 construction, Mirvac will commence detailed design and planning on Stage 2. Having considered the approved Concept Plan scheme and explored alternative options, Mirvac wishes to achieve best practice and an improved urban design outcome for the whole site by amending the location of buildings and GFA distribution to enhance and enlarge public domain.

The proposed modifications are described in Section 2.2 and are generally consistent with the intent of the approved Concept Plan:

- there are no proposed changes to the zoning or use;
- there is a reduction in the overall GFA of the site; and
- the original concept plan public domain objective is enhanced by increased area and a retail precinct concept to complement the Stage 1 retail concept under construction.

In discussions held in November 2009 and March 2010, Department of Planning officers were presented with Mirvac's revised design concept. The Department of Planning indicated to Mirvac that submission of a section 75W modification to the approved Concept Plan was considered an appropriate application path based on the scope of amendments.

## Building RL's and Extra Plant Room Requirements

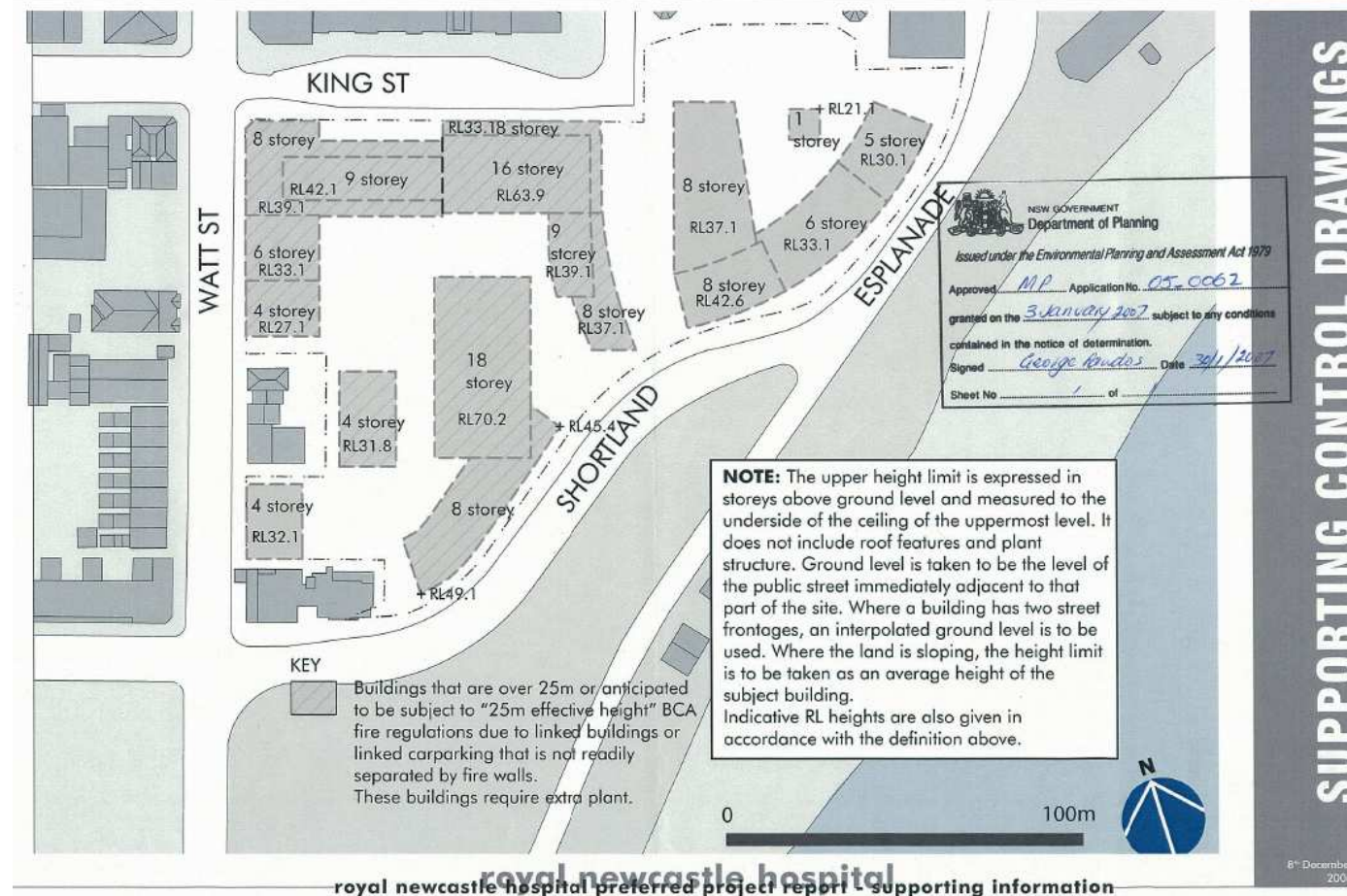


Figure 1 - Concept Plan building heights diagram showing indicative RLs (m AHD)



## 2.0 The Project

### 2.1 The Site

The Royal Newcastle Hospital site is located in the inner city suburb of Newcastle East on the eastern edge of the Newcastle CBD, overlooking Newcastle Beach (refer to **Figure 2**).



**Figure 2 – Royal Newcastle Hospital Location**

The site is located within the street block bounded by Shortland Esplanade to the east and south, Watt Street to the west and King Street to the north. It includes the existing Royal Newcastle Hospital buildings, the adjoining David Maddison Building and the adjoining United Services Club car park.

The site provides an interface between Newcastle Beach and the Newcastle CBD. The site is also an important transitional link between Fletcher Park in the south and Pacific Park in the north.

The site is extremely well located in terms of a broad range of retail, recreational, commercial, community, educational services and facilities. It is within 400 metres (or a 5 minute walk) of the Newcastle Railway Station and is a 10 minute walk to Newcastle's Civic and Cultural precinct. Newcastle CBD provides a wide range of shopping facilities servicing the needs of the regional population.

Together with its specialty stores, business services, personal services and entertainment/tourism venues, the CBD also houses major retail chains. One of the main opportunities for the site is its close proximity to:

- the central commercial and business precinct of Newcastle;
- recreational areas such as the beaches, swimming pools, walking tracks, and parkland;
- educational establishments including schools and universities;
- tourism facilities such as hotels and youth hostels; and
- the established residential areas of The Hill, Cooks Hill and Bar Beach.

The 'gateway' site is well located for activation of the beachside area and the CBD after business hours.

The surrounding built environment comprises a blend of contemporary and historic architecture and ranges from small scale residential buildings, retail and commercial offices to large multi-storey hotels, residential and public buildings. Building heights in the area immediately adjacent to the site generally range from 4-8 storeys, with building heights of 8 to 12 storeys occurring along Shortland Esplanade.

## 2.2 Scope of the Proposal

Mirvac proposes to modify the approved Royal Newcastle Hospital Concept Plan by redistributing GFA across the Stage 1C and Stage 2 area, resulting in:

- The retention of the approved base GFA of 53,971m<sup>2</sup> (across the site and in accordance with Condition 2a of the approved Concept Plan);
- A reduction in building height along King Street and Watt Street from a maximum 9 storeys to a maximum 3-4 storeys to respect the low scale character of Watt Street and the heritage listed United Services Club located on Watt Street adjacent to the Site;
- Relocation and reconfiguration of the 18 storey building (as approved in Stage 1C of the Concept Plan) to 20 storeys. The footprint of the building is proposed to be relocated from its approved location partially on the southern boundary line to a location setback to the north-west and in the centre of the site, so that it straddles the Stage 1C and Stage 2 boundary and presents as a "staggered" building envelope considerably narrower in form and bulk than the approved envelope;
- The relocation of the central building increases the setback to Building 3 in Stage 1, which is currently under construction, and allows for SEPP 65 compliance which could not be achieved under the approved Concept Plan;
- Relocation and reconfiguration of the 8 storey building fronting Shortland Esplanade (as approved in Stage 1C of the Concept Plan) incorporating a 1-2 storey increase in height to 9-10 storeys, and redistribution of height on that building's western facade to comply with Condition 2a of the approved Concept Plan which states that *"the preferred location of [height] reduction is the 8 storey building to the east of the Wirraway Flats site"*;
- Deletion of the 4 storey building in Stage 2 adjacent to the USC and Wirraway sites providing increased setbacks to these neighbouring sites; and
- The ability to provide diversity of residential product including apartments and attached low scale dwellings.

In addition to the above, Mirvac also proposes to:

- request that the design competition requirements (Concept Plan Modification 8) be amended to require Mirvac to demonstrate design excellence rather than a design competition process (refer to Section 3.2.2 of this PEAR); and
- reconcile the Concept Plan conditions of approval to ensure consistency between the approved and modified Concept Plan (as proposed) including anomalies and inconsistencies in the approved documentation and plans (eg: height RL).

The modifications provide Mirvac with the opportunity to:

- increase the quantum of public domain by over 700m<sup>2</sup> within Stage 1C and Stage 2 to over 1,500m<sup>2</sup> from the approved 795m<sup>2</sup> equating to an increase of 90%;
- enhance the public domain by introducing retail and expanding the retail concept established in Stage 1 to provide active uses and surveillance through retail activity including cafes, restaurants, delis and services to support the residents of the Royal Newcastle Hospital site as well as hotel visitor and beach-goers alike;
- retain greater flexibility in staging so that apartments can be constructed to meet market demand and limit the potential of apartment over supply in the Newcastle market;
- increase diversity design so that the centrally located tower and the building on Shortland Street can be design independently;
- provide a more sympathetic height and built form transition from the site to Watt Street and King Street;
- increase sunlight penetration into the public domain within the site and decrease the quantum of overshadowing anticipated over Newcastle Beach as a direct result of the narrower building form and increased setbacks of the central building;
- increase the amount of natural light to the public domain and retail precinct as a direct result of improvements to the extent of overshadowing;
- enhance building separations between existing buildings in Stage 1, adjoining neighbouring sites and the proposed buildings in Stage 2 to enhance privacy, sunlight, share access to views and improve ventilation.

The proposed scheme is illustrated in **Figure 3** and **Appendix A**. A comparison of the approved Concept Plan and Mirvac's proposed Concept Plan Modification is also attached at **Appendix A**.

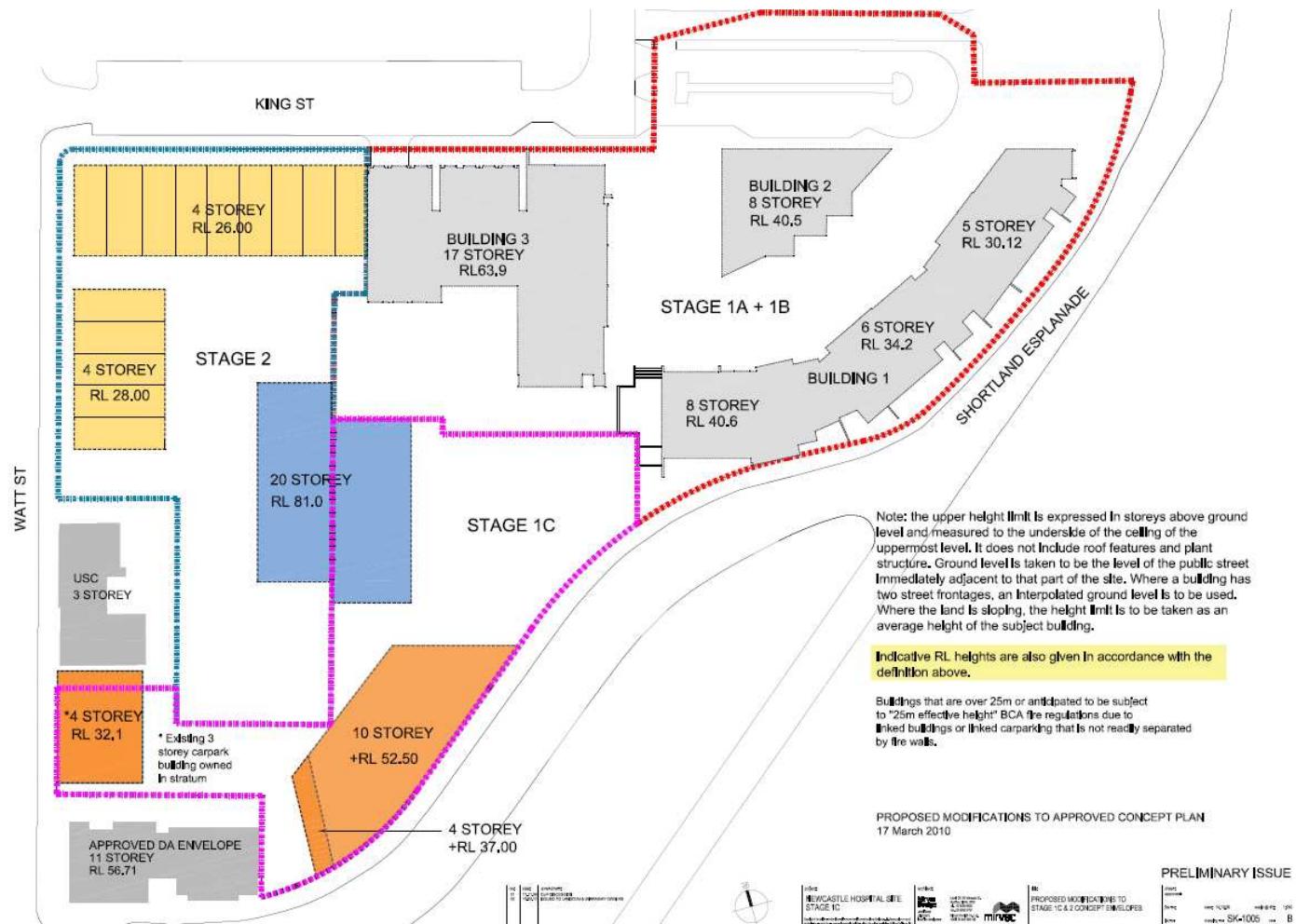


Figure 3 – Mirvac Proposed Concept Plan Modification

## 2.3 Relevant Planning Instruments and Controls

### Existing Zoning Provisions

Newcastle City Centre Local Environmental Plan 2008 (NCCLEP 2008) zones the site B4 Mixed Uses. Key relevant provisions of NCCLEP 2008 are set out in Table 1 below.

**Table 1** – Key existing zoning provisions

Provision	Control
Floor Space Ratio	4:1 (max)
Height	35m
Heritage	USC building listed as a heritage item Conservation area

### Other Planning Instruments and Codes

Other planning instruments and codes that apply to the Royal Newcastle Hospital site and were considered in the design of the Concept Plan modifications:

- Statement Environmental Planning Policy (Major Development) 2005 (Major Development);
- State Environmental Planning Policy No. 55 – Contaminated Land (SEPP 55);
- State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development (SEPP 65) and associated Residential Design Flat Code;
- State Environmental Planning Policy No. 71 – Coastal Protection (SEPP 71);
- Statement Environmental Planning Policy (Infrastructure) 2005 (Infrastructure SEPP);
- State Environmental Planning Policy – Building Sustainability Index (SEPP BASIX);
- Hunter Regional Environmental Plan 1989 (HREP 1989);
- Newcastle City Centre Local Environmental Plan 2008 (NCCLEP 2008) (post dates the original Concept Plan approval);
- Newcastle Development Control Plan 2005 (NDCP 2005);
- Newcastle Development Control Plan 62 – Royal Newcastle Hospital (NDCP 62) (adopted as Element 6.7 in the consolidated NDCP 2005)
- The NSW Coastal Design Guidelines;
- Newcastle Urban Strategy;
- Newcastle Coastline Management Plan;
- Building Better Cities Housing Design Manual;
- Social Impact Assessment Policy for Development Applications;
- Lower Hunter Regional Strategy; and
- Environmental Assessment Requirements for the Concept Plan issued by the Director-General.

## 3.0 Preliminary Environmental Assessment

It is requested that the Director General issue the requirements for an environmental assessment to accompany a proposal to modify the approved Royal Newcastle Hospital Concept Plan for the proposed development.

The requirements will identify the key issues to be addressed, the level of assessment required in relation to these issues and any other requirements in accordance with the environmental assessment guidelines.

The information below has been prepared to assist the Director-General in identifying the general requirements and key environmental issues associated with the project.

### 3.1 Compliance with Statutory Plans

Consistent with the approved Concept Plan, Mirvac's scheme proposes a mix of uses dispersed over the site to create an integrated mixed uses development.

The proposed modifications are generally consistent with the underlying B4 Mixed Uses Zone, and maximum FSR and height requirements. The heritage values of the site are not expected to be compromised by the modification (addressed further in Section 3.5).

The Environmental Assessment Report (EAR) for the Concept Plan modification will be benchmarked against the relevant provisions of the existing Concept Plan Approval and underlying zoning provisions to demonstrate compliance, and where relevant, justify any departures.

### 3.2 Environmental Impacts

The key environmental considerations associated with the proposed development are as follows:

- Urban Structure and Built Form Design
  - Streetscape and public domain
  - Built form
  - Visual impact
  - Overshadowing
  - Reflectivity
- Design Excellence
- Transport and Access
- Water Management (including water quality)
- European Heritage
- Environmental sustainability
- Development Staging and Delivery
- Construction Impacts and Management

#### 3.2.1 Urban Structure and Built Form Design

The distribution of built form has already been subject to several reviews by the Design Integrity Panel and other key stakeholders. The Concept Plan Modification EAR will outline the rationale behind the revised scheme (land use mix, footprint and scale and design) and will demonstrate the proposal's consistency with the approved Concept Plan (as modified and where relevant).

The proposed GFA, building height, setbacks, building separation, landscape design, solar access, orientation and SEPP 65 design quality principles will all be addressed in the EAR.

Particular focus will be given to the relationship of public spaces and their adjoining built form, and demonstrate how these public spaces are envisaged to be used. In doing so, the EAR will also:

- identify links, connections and access conditions between the site and its surrounds and how the proposed connections will function;
- demonstrate how the public domain will be safe and accessible during all times of day/night and for the mobility impaired;
- detail the relationship between built form and Shortland Esplanade particularly to demonstrate the foreshore promenade will be enhanced;

The Concept Plan Modification will also address the potential visual, overshadowing and amenity impacts as follows:

- view impacts – a view analysis, including photo montages and perspectives, will be submitted with the application to assess the impacts of the revised scheme when viewed from the public domain and key vantage points such as Newcastle Beach;
- shadowing diagrams – preliminary shadow analysis indicates there will be no net adverse shadow impact on Newcastle Beach as a result of the proposed amendments to the building height, although the shape and amount of shadow at different times of the day varies between the proposed Modification and the Approved Concept. It is likely that there will an overall improvement to the sunlight penetrating Newcastle Beach than under the Approved Concept. In any case, the EAR will be supported by a shadowing analysis that addresses these impacts;
- reflectivity assessment (if relevant and required) to demonstrate that the relocation of buildings and proposed materials will not generate any harmful glare for pedestrian or vehicular traffic along Shortland Esplanade and Newcastle Beach.

### 3.2.2 Design Excellence

During the planning process for Stage 1, the design of the then proposed Stage 1 buildings was subject to several reviews by Mirvac, the Department of Planning, the Design Integrity Panel and other stakeholders and successfully resulted in achieving Design Excellence in Stage 1.

Mirvac will outline its proposed Design Excellence Strategy in detail in the EAR but propose the Design Excellence process for Stage 2 based on the successful process undertaken in Stage 1. This may include a Peer Review by the Design Integrity panel in lieu of the competition process to achieve quality built form and best practice design for the public domain.

### 3.2.3 Transport and Access

A Transport Assessment will be prepared by a suitably qualified consultant and will address the following issues:

- existing and future traffic generation and circulation, and car parking provision;
- provision of public transport; and
- pedestrian and cycle access within and to the site.

The Assessment will also address compliance with relevant RTA and Council requirements, standards, controls, and guidelines.

### 3.2.4 Water Management

The proposed works have the potential to affect water quality by way of stormwater run-off and increased sedimentation, particularly given the reduced building form and increase in public domain areas. The Concept Plan Modification will address these issues, including:

- Approved and existing stormwater drainage regimes;
- Any additional potential for water pollutants to be generated;



- Measures that may need to be taken to collect, store and treat stormwater;
- Materials storage areas;
- Management methods to ensure that sediment is not transported from the site;
- Monitoring proposals; and
- Preparation of erosion and sediment control plans.

The Concept Plan Modification EAR will commit to the preparation of detailed Water Management strategies concurrently with subsequent Project Applications for individual buildings the site.

### 3.2.5 European Heritage

As the site is located within a conservation area and proposes buildings adjacent to the heritage listed USC Building, the Concept Plan EAR will outline compliance with the Heritage Impact Statement previously prepared for the approved Concept Plan. The application will provide details of the proposed interface between the existing and proposed buildings, and in particular the relationship of the scheme to the USC Building.

### 3.2.6 Environmental Sustainability

Mirvac is committed to achieving sustainability standards. The Stage 1A and 1B Project Application approval (as modified) commits Mirvac to compliance with BASIX. The Concept Plan Modification will adopt the same approach. The EAR will also demonstrate that the revised scheme satisfies ecologically sustainable development principles and achieves accepted standards of ecologically sustainability (through traffic, water management, etc).

The Concept Plan Modification EAR will commit to the preparation of detailed ESD strategies and targets concurrently with subsequent Project Applications for individual buildings within the site.

### 3.2.7 Development and Infrastructure Staging and Delivery

The Concept Plan Modification EAR will outline the proposed staging and demonstrate that the revised scheme will result in an orderly development that does not affect the current and proposed uses across the site.

The existing Concept Plan approval requires the payment of Section 94 Contributions in accordance with Newcastle City Council's existing Section 94 Contributions Plan. The EAR will consider social and community needs and outline Mirvac's intentions with respect to infrastructure funding and provision.

### 3.2.8 Construction Impacts and Management

In order to ensure that the site is developed in an orderly manner with minimal impact on surrounding residential properties, the Concept Plan Modification will consider potential construction impacts and incorporate principles to address:

- construction hours;
- erosion and sediment control measures; and
- site management including the public and pedestrian safety, access points for construction, construction vehicles and storage of materials.

The Concept Plan Modification EAR will commit to the preparation of detailed Construction Management strategies and measures concurrently with subsequent Project Applications for the site.



## 4.0 Conclusion

Mirvac's proposal is responding to detailed design reviews to achieve best practice ground plane and public domain master planning. The proposed scheme refines the approved Concept Plan to redistribute GFA across Stage 2 and relocate building footprints to achieve:

- An increase in public domain from 795m<sup>2</sup> to over 1,500m<sup>2</sup>, representing an increase of 90%;
- Improved activity within the public domain through the continuation of the retail precinct established in Stage 1 and improving liveability for on-site residents and visitors to the hotel and beach-goers alike;
- Improved access to sunlight and ventilation within the public domain through greater building separation between the existing Stage 1 buildings and proposed Stage 2 buildings, and the provision of a narrower building footprint for the centrally located building;
- Greater building separation between the centrally located building and Building 3 in Stage 1 (under construction) to achieve SEPP 65 compliance, which is not achievable under the approved Concept Plan;
- Increased building separation and setbacks to adjoining buildings including Wirraway and the United Services Club;
- A reduction in height and scale of the buildings along Watt and King Streets from 9 storeys to 3 - 4 storeys respecting the low scale heritage character of the area and providing diversity of residential accommodation within the site; and
- Increased utility of the public domain and improved residential accommodation generally in accordance with the impacts on the local environment as approved under the approved Concept Plan.

The information contained in this PEAR is to assist the Director General in determining the level and scope of any requirements for an environmental assessment to accompany the lodgement of a Concept Plan Modification under section 75W of the *Environmental Planning and Assessment Act, 1979*.

Having regard to the above and in accordance with provisions in Part 3A of the *Environmental Planning and Assessment Act, 1979*, it is requested that the Director General issue the environmental assessment requirements for the application, or provide written confirmation that the Director General's Requirements prepared in 2006 remain valid to the scope of the current proposal.