

Regulatory, Planning and Assessment.GMansfield/MBisson
Reference: SD2020/0005.02
Phone: 02 4974 2000

1 July 2021

Michelle Niles
Key Sites Assessments
Department of Planning, Industry and Environment
GPO Box 39
SYDNEY NSW 2001

Reply by email: <https://www.planningportal.nsw.gov.au/major-projects>

Dear Ms Niles

**45 HONEYSUCKLE DRIVE NEWCASTLE - MIXED USE DEVELOPMENT
(SSD-9827-MOD-2)**

I refer to the Department's electronic notification of 17 June 2021 advising Horizon Newcastle Pty Ltd has submitted a Response to Submissions ('RtS') in support of the Section 4.55 (1A) application seeking consent to further modify the development consent for the above development and requesting City of Newcastle ('CN') to provide advice.

The submitted RtS have been reviewed and the following supplementary advice is provided for your consideration:

1. Section 4.55(1A) application

The updated Section 4.55(1A) application dated 10 June 2021 includes comments responding to the matters raised in CN's previous letter. The adequacy of the response in terms of the requirements of Section 4.55 (1A) is a matter for consideration by the consent authority, which in this case is the Minister for Planning and Public Spaces, or delegate.

2. Newcastle Local Environmental Plan 2012

The updated Section 4.55(1A) application also includes comments responding to the matters raised in CN's previous letter regarding the objectives of the Newcastle Local Environmental Plan (NLEP) 2012. The adequacy of the response in terms of the aims and objectives of NLEP 2012 is a matter for consideration by the consent authority. The following comments are provided to assist the Department's consideration.

3. Strategic parking plan

Parking Plan 2021 – On the Street (Parking Plan)

The Parking Plan 2021 builds upon previous strategies such as the Newcastle Transport Strategy 2016 and strongly advocates to support a modal shift to active and public transport and states: *'Apply a hierarchy of uses, prioritising space for walking, riding, public transport, service vehicles over private cars, in our activity centres.'*

Objective 1 of the Parking Plan is to *'Implement parking controls to support CN's strategic objectives for mode shift to sustainable transport and best use of public space'*.

CN is committed to the implementation of this objective with preliminary reporting received from the consultants engaged to review the parking rates in the Newcastle Development Control Plan (NDCP) 2012. While the recommendations are still being developed some key points can be gained from the preliminary reporting.

A review of journey to work 2016 census data identified that of residents living within City Centre, 69% still commute by car, only slightly less than the 72% who reside outside the City Centre and commute into the city by car. This suggests higher car ownership (as proposed under Mod 2) is likely to be counter-productive to strategic objectives for City Centre for trip containment whereby residents live and work locally facilitating active and public transport travel options.

The parking rate review is likely to recommend that parking rates be constrained to support alignment with CN's long term strategic objectives. On this basis, there is no strategic justification to increase parking supply, as proposed, above current NDCP rates. Satisfying current market demand in itself does not constitute a valid planning reason to compromise long term strategic objectives for the City Centre. Any argument based upon previous approvals is also not addressing the cumulative impact that systemic oversupply of parking will create.

Overspill on-street parking is more effectively managed in a coordinated manner by implementing appropriate on-street parking restrictions to achieve the best overall utilisation of on-street parking spaces.

The application seeks the co-use of commercial spaces for visitor parking. As per the Parking Plan, private resident vehicle parking is considered a lower priority than commercial parking where it provides a servicing function for the commercial operations of a development. While co-use in principle may provide for an overall more efficient utilisation of the same parking spaces over a given 24-hour period the operation of such would need to be managed to ensure that commercial operations are prioritised in the first instance. The nature of commercial uses within the Honeysuckle Precinct are such that commercial uses should be able to extend beyond regular 'business hours' of 9am to 5pm without imposing restriction on their parking. If the Department is supportive of the co-use of commercial spaces, it is recommended that a condition of consent is imposed which provides that the spaces for commercial use are available from 7.00am – 7.00pm and requiring the installation of appropriate signage on-site.

4. Car parking

Residential parking

SSD-9827-Mod-2 seeks a further 41 parking spaces in the number of residential parking over what is currently approved, such being in total 75 spaces in excess of the parking rates of NDCP 2012 based on the revised apartment mix. The applicant has attempted to justify this increase utilising market demand and the nature of car ownership within existing unit developments, submitting a Parking Demand Assessment prepared by SLR Consulting Australia Pty Ltd ('SLR').

The SLR assessment has sourced 2016 census data generated using the Australian Bureau of Statistics (ABS) to determine the existing vehicle ownership characteristics for residential households in the surrounding locale. It has been claimed that these results suggest a reasonably high proportion of current vehicle

ownership across the area. SLR argue the NDCP parking rates for dwellings do not accommodate or respond to forecast levels of resident vehicle ownership detailed by the ABS data and therefore is likely to result in an increase in on-street parking. Buyer sale survey information has also been sourced for both 21 and 35 Honeysuckle Drive which reflects a vehicle ownership averaging at 1.89 vehicles per dwelling.

As stated, market demand and the nature of car ownership do not in itself justify a significant departure from the parking rates of the NDCP. Nor does this approach align with CN's planning objectives and policies for a Green City with the promotion of alternate modes of transport to the private motor vehicle. Furthermore, compliance with NDCP parking rates should in the long term reduce car ownership and therefore the need to provide additional on-site parking.

Parking comparisons have been made with the adjoining developments on 35 and 21 Honeysuckle Drive. While it is acknowledged that an oversupply of parking was approved by the Department for these developments each application was assessed on its own merit having regard to the circumstances of the case prevailing at that time. Prior to the submission of the s4.55(1A) application CN adopted a new Parking Plan which strongly advocates support for a modal shift to active and public transport over private cars.

As indicated above, CN is presently reviewing parking rates for the City Centre and considering the introduction of maximum parking rates for residential development to address this oversupply aspect and the possible removal of minimum rates to better align with CN's planning vision for the city.

The 41-space increase has been estimated to generate an additional 6.15 vph in the peak periods and is considered by SLR to be a negligible increase with minimal impact on the performance of the local road network. The cumulative impact of developments providing additional parking over and above the rates of the NDCP in the City Centre will adversely impact on the performance of the local road network resulting in poor levels of service at key intersections.

Residential visitor and commercial parking

It is confirmed that CN has been prepared to reduce the visitor parking for developments in the City Centre based on the availability of on-street time restricted parking. On this basis the reduction in visitor parking from 23 to 10 spaces would be supported. The residential visitor parking spaces should be located in close proximity to lifts and be easily accessible to facilitate utilisation of these bays.

5. Ground Floor Amendment / Waste management

CN's Waste & Commercial Collection Manager has confirmed that the amended Waste Management Report (Report No SO127 Rev G) prepared by Elephants Foot, dated 15 June 2021 addresses the waste management concerns raised in CN's previous submission.

6. Clarification of Apartment Mix

CN's previous comments have satisfactorily been addressed.

7. Submissions made

CN's previous comments have satisfactorily been addressed.

8. Section 7.12 Local Infrastructure Contribution

It is noted that the applicant has submitted an updated cost summary report which confirms that the total development cost of the amended development is \$58,891,880. However, when the Goods and Services Tax of \$5,889,188.00 is included the Total Development Cost increases to \$64,781,068. Based on this total development cost and a 3% levy under Section 7.12 Newcastle Local Infrastructure Contributions Plan 2019 (update Dec 2020) the required monetary contribution is \$1,943,432.04. The current contribution required by condition B8 has not been paid to CN. Therefore, if an approval is granted to the modification application it is recommended the text of condition B8 is replaced by that of the revised B8 condition (refer to attachment).

It is also noted that the updated Section 4.55 (1A) request is now seeking the deletion of condition of B9 as it is contrary to the Minister's Direction' gazetted on 22 June 2020, regarding the timing of the payment of local infrastructure contributions. Such deletion is supported subject to the imposition of the attached revised B8 condition.

If you have any questions in relation to the various matters raised in this letter, please contact Geof Mansfield Principal Planner (Development) on 4974 2767 or by email on gmansfield@ncc.nsw.gov.au.

Yours faithfully



Michelle Bisson
MANAGER REGULATORY, PLANNING AND ASSESSMENT

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ATTACHMENT- REVISED CONDITION B8

B8 - A total monetary contribution of \$1,943,432.04 is to be paid to the City of Newcastle ('CN'), pursuant to Section 7.12 of the *Environmental Planning and Assessment Act 1979*, such contribution to be payable prior to the issue of the first occupation certificate in respect of the proposed development. Certifiers are required to obtain a document from Council confirming the payment of infrastructure contributions prior to the issuing of an occupation certificate. An Occupation Certificate shall not be issued unless CN has confirmed in writing all contributions have been paid.

Deferred contributions prior to the issue of the first occupation certificate applies from publication in the Gazette (8 July 2020) until the COVID-19 prescribed period ends. The payment deferral arrangements cease to apply if a construction certificate has not been issued for the development by 25 September 2022.

Note:

- a) This condition is imposed in accordance with the provisions of CN's Section 7.12 Newcastle Local Infrastructure Contributions Plan 2019 (Updated Dec 2020).
- b) The Section 7.12 Newcastle Local Infrastructure Contributions Plan 2019 permits deferred or periodic payment of levies in certain circumstances. A formal modification of this condition will be required to enter into a deferred or periodic payment arrangement.
- c) An occupation certificate will not be issued for developments with any outstanding contributions.
- d) The amount of contribution payable under this condition has been calculated on the basis of the current rate as at the date of consent and is based on the most recent quarterly Consumer Price Index (CPI) release made available by the Australian Bureau of Statistics (ABS). The CPI index rate is expected to rise at regular intervals and therefore the actual contribution payable is indexed and recalculated at the CPI rate applicable on the day of payment.

CPI quarterly figures are released by the ABS on a date after the indexation quarter and, as a guide, these approximate dates are as follows:

Indexation quarters	Approx. release date
September	Late October
December	Late January
March	Late April
June	Late July

Any party intending to act on this consent should contact CN's Customer Enquiry Centre on 4974 2000 or mail@ncc.nsw.gov.au for determination of the indexed amount of contribution on the date of payment.