

20 March 2019

Secretary  
Department of Planning and Environment  
GPO Box 39  
SYDNEY NSW 2001



PLANNING DEVELOPMENT PROPERTY

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Dear Madam,

**RE: REQUEST FOR SECRETARY'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS FOR THE DEVELOPMENT OF A SERVICED APARTMENTS PROJECT LOCATED AT 42 HONEYSUCKLE DRIVE, NEWCASTLE**

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## 1 Introduction

### 1.1 Purpose

KDC Pty Ltd (KDC) has been commissioned to prepare an Environmental Impact Statement (EIS) and associated State Significant Development (SSD) application documentation in support of a serviced apartments development located at 42 Honeysuckle Drive, Newcastle NSW 2300, hereafter referred to as the site (see Figure 1).

Under Schedule 2 Clause 2 of the *State Environmental Planning Policy (State and Regional Development) 2011*, development within the Honeysuckle area with a capital investment value of more than \$10 million is identified as SSD. As the proposed development will have a capital investment value well in excess of \$10 million it is defined as SSD.

The purpose of this submission is to request the Secretary's Environmental Assessment Requirements (SEARs) for the preparation of an EIS for the proposed development. To support the request for the SEARs this submission provides an overview of the proposed development, sets out the statutory context, and identifies the key issues which the EIS will need to address.

### 1.2 Background

The site was released to the market by the Hunter and Central Coast Development Corporation (HCCDC) as part of an ongoing campaign to promote future development as part of the Honeysuckle Redevelopment Project in Newcastle, NSW. Doma Group has entered into a contract for the purchase of the land, after being selected as the preferred candidate for the development of the site by HDC.

The site is located between the Hunter Water Corporation's headquarters, and Cottage Creek open space on the southern side of Honeysuckle Drive.

SSD8440 was approved on 22 June 2019 by the Department of Planning and Environmental for a '*Part 9, part 10 storey Mixed Use Development comprising ground floor retail premises; a hotel including 148 rooms and 7 serviced apartments; 52 residential apartments; and 234 car spaces including 25 public car spaces*' on the site. A subsequent modification was lodged SSD8440 MOD 1 on 18 October 2018 for amendments to the approved hotel and service apartments floor plans as well as minor changes to landscaping; this modification is currently under assessment.

## 2 Project Description

### 2.1 Site Description and Surrounding Development

The site is known as 42 Honeysuckle Drive, situated within the Local Government Area (LGA) of Newcastle. The site comprises one title, being legally described as Lot 22 DP 1072217. The site is a regular polygon configuration with a frontage to Honeysuckle Drive of approximately 50 metres and a gross site area of approximately 3,700 square metres.

The character of the immediate locality is mixed, and includes residential and commercial buildings. It is noted that the site has been identified within the HDC's Cottage Creek precinct. The Cottage Creek precinct is identified by HDC as the commercial hub of Honeysuckle.

**Figure 1 – HDC Precinct Areas (Source: HDC Call for Proposals November 2016)**



The west of the site adjoins a drainage channel extending to the Hunter River (see Figure 2). The north of the site beyond Honeysuckle Drive provides public open space forming the Honeysuckle foreshore and includes a shared pedestrian and cycleway adjoining the Hunter River foreshore. To the immediate east of the site is a commercial development which is three storeys in height. South of the site is the Newcastle Light Rail.

Figure 2 - Location Plan (Source: Dept Planning SIX Maps)

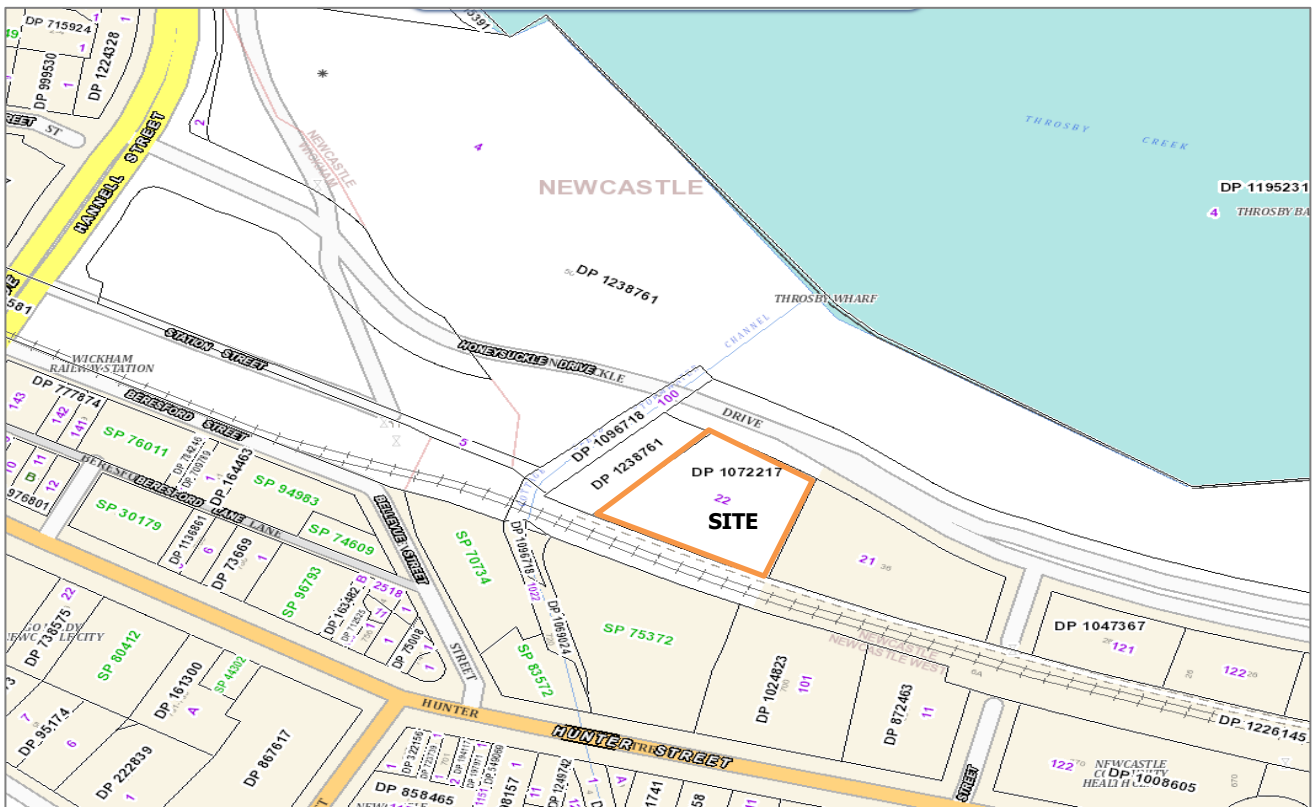


Figure 3 - Aerial view of the site and immediate locality (Source: Dept. Planning SIX Maps)



## 2.2 Description of Proposed Development

The proposed SSD application will seek consent for minor layout alterations to the ground floor and a change of use from residential apartment to tourist and visitor accommodation (serviced apartments) on Level 05 to Level 08. Specifically, the proposal includes the following:

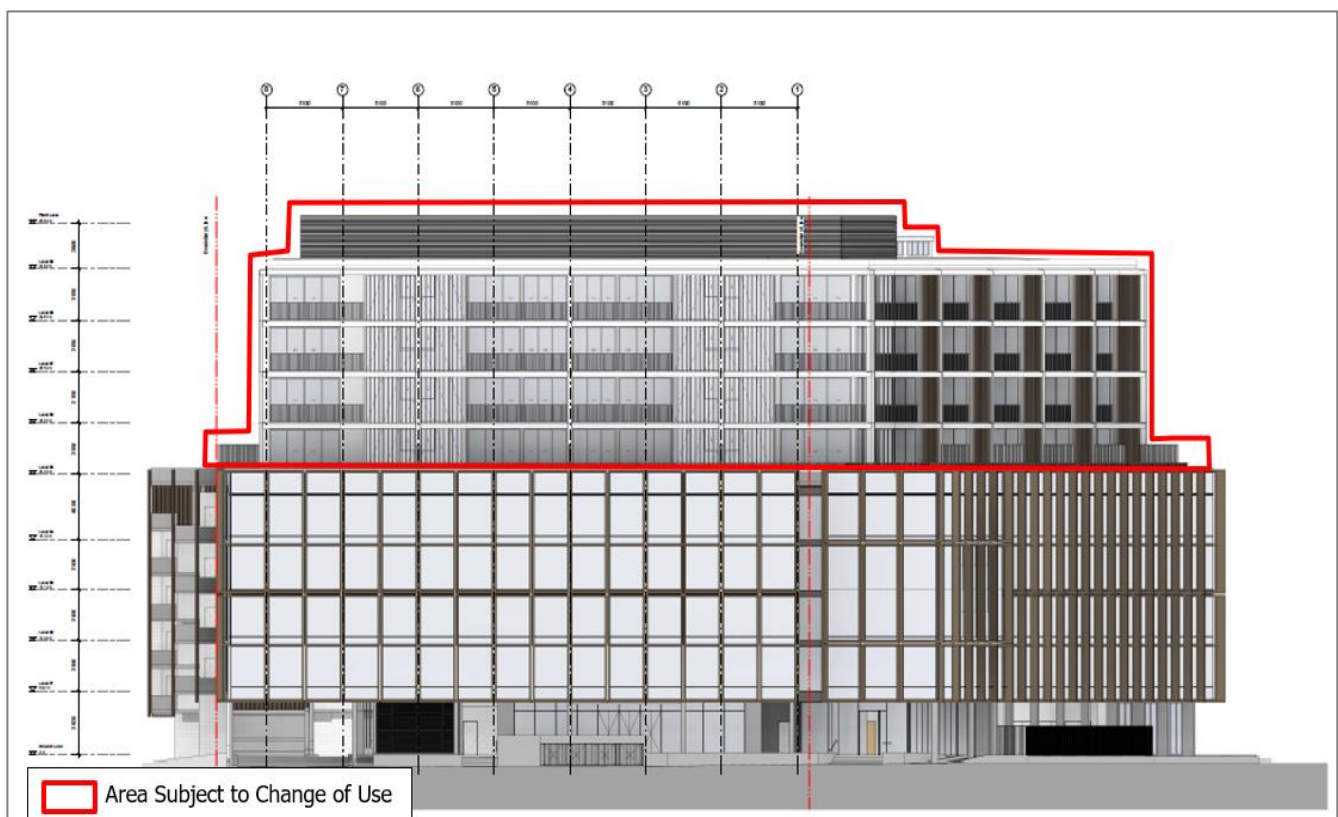
- Change of use of Level 05 to Level 08 from residential apartments to tourist and visitor accommodation (serviced apartments);
- Minor increase in GFA of upper floors as a result of change of use;
- Conversion and reconfiguration of residential lobby to a serviced apartment lobby on the ground floor;
- Reconfiguration of the ground floor hotel waste room and bicycle store;
- Reconfiguration of the south-west fire stairs to accommodate the services and improve functionality; and
- Additional plant and services on the roof top.

Figure 4 illustrates the areas subject to a change of use and highlights the proposed plant extension.

As illustrated in the appended architectural plans, the proposal has been designed to provide a high level of activation to the Honeysuckle Drive frontage through the provision of commercial/retail uses.

The design and architectural treatment of the building has had due regard to the site's prominent location within the Honeysuckle precinct and its proximity to the Hunter River foreshore. The façade treatment proposed provides high amenity for future users of the building and proposes a high quality visual presentation. The indicative materials and finishes are both robust and durable. They are also sensitive to and reflective of the character of the surrounding area.

**Figure 4 – Building Use Mix (Source: Bates Smart)**



## 2.3 Preliminary Development Particulars

A summary of the development particulars is provided in Table 1.

**Table 1 Development Particulars**

Development Particulars	Proposal
Site Area	3,700m <sup>2</sup>
Gross Floor Area	11,180m <sup>2</sup> – Total 887m <sup>2</sup> – Commercial 10,293m <sup>2</sup> – Tourist and Visitor Accommodation
FSR	3:1
Building Height	Ground floor – Commercial Levels 1 – 4 – Hotel Levels 5 – 8 – Serviced Apartments Level 9 – Plant
Vehicle Parking Provision	240 spaces
Land Uses	148 – Hotel rooms 59 – Serviced Apartments

## 2.4 Land Uses

A Commercial / retail use is located at ground floor level fronting onto Honeysuckle Drive, it is noted minor changes to the retail tenancy is proposed under this SSD. The proposed tourist and visitor accommodation (serviced apartments) component of the development is to be located above the approved tourist and visitor accommodation (hotel) component.

## 2.5 Parking and Access

The proposal will provide approximately 240 parking spaces (above ground multi-level parking). Vehicle access is proposed to be from Honeysuckle Drive via a two-way access ramp. No changes to the existing car parking or vehicle access are proposed under this SSD.

# 3 Planning Context

The following discussion provides an initial review of the proposed development against relevant planning requirements. No Commonwealth environmental legislation is triggered by the proposed development. Therefore, this assessment identifies State and local planning requirements.

The relevant statutory controls applicable to the site and proposed development include:

- State Environmental Planning Policy (State and Regional Development) 2011;
- State Environmental Planning Policy No 55 – Remediation of Land;
- State Environmental Planning Policy (Coastal Management) 2018;
- Draft State Environmental Planning Policy (Remediation of Land)

- Draft Statement of Environmental Planning Policy (Environment);
- Newcastle Local Environmental Plan 2012;
- Newcastle Development Control Plan 2012;
- NSW State Priorities;
- Hunter Regional Plan 2036;
- Greater Newcastle Metropolitan Plan 2036; and
- Newcastle Urban Renewal Strategy 2014.

### 3.1 State Environmental Planning Policy (State and Regional Development) 2011

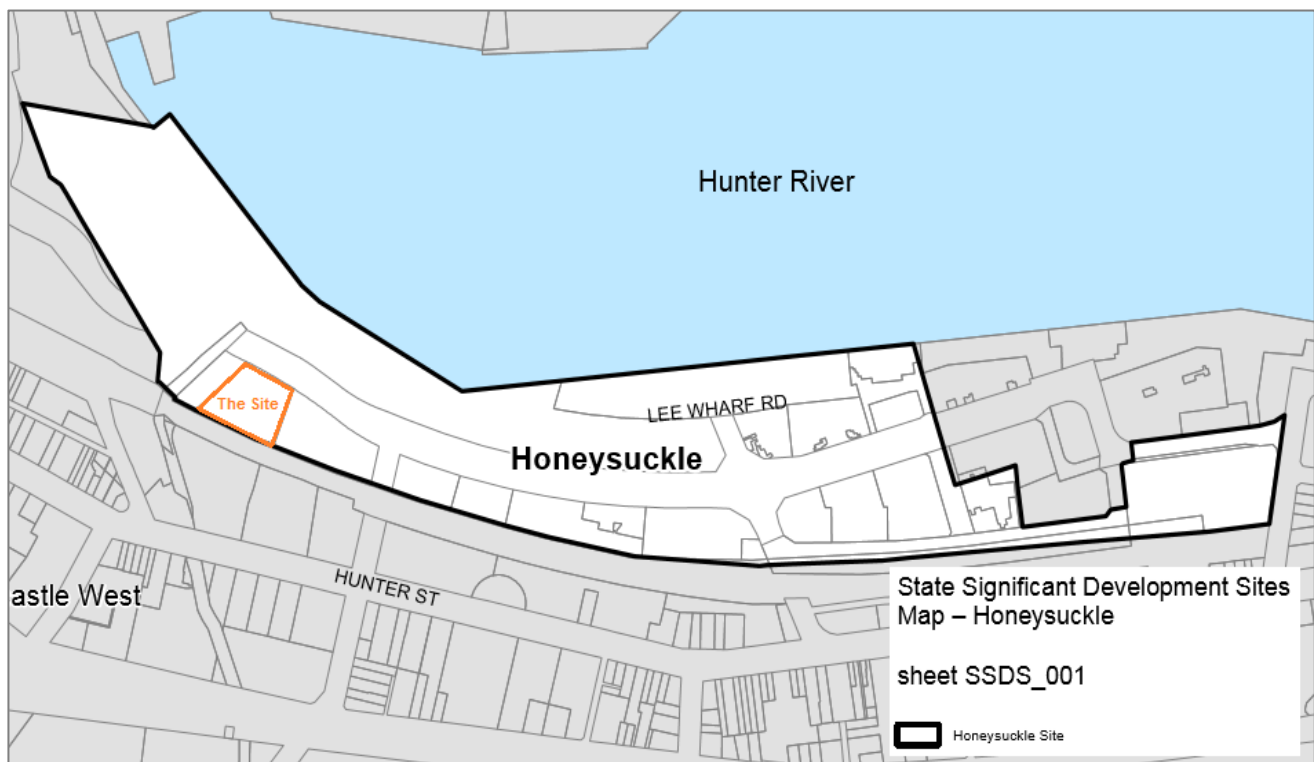
State Environmental Planning Policy (State and Regional Development) 2011 identifies development that is State significant, whether by development type or by nominated site.

Clause 8 Declaration of State significant development: section 89C

- (1) Development is declared to be State significant development for the purposes of the Act if:*
- (a) the development on the land concerned is, by the operation of an environmental planning instrument, not permissible without development consent under Part 4 of the Act, and*
  - (b) the development is specified in Schedule 1 or 2.*

The site is declared to be State significant development site for the purposes of the Act, as it is identified within the Honeysuckle site within Schedule 2 of this SEPP (refer to Figure 5). Development within the Honeysuckle site with a CIV in excess of \$10 million is declared to be SSD. The proposal exceeds \$10 million and is therefore SSD.

**Figure 5 – State Significant Site Map, SEPP (State and Regional Development) 2011 (SSDS\_001)**



### 3.2 State Environmental Planning Policy No 55 – Remediation of Land

This policy introduces State-wide planning controls for the remediation of contaminated land. It states that land must not be developed if it is unsuitable for a proposed use because it is contaminated. No ground works are proposed as part of this SSD. SEPP 55 has previously been considered and the site deemed appropriate for a visitor and tourist accommodation use.

### 3.3 State Environmental Planning Policy (Coastal Wetland) 2018

The aim of the State Environmental Planning Policy (Coastal Management) 2018 is to promote an integrated and coordinated approach to land use planning in the coast zone in a manner consistent with the objects of the Coastal Management Act 2016. The site has been identified as being within a 'Coastal Environmental Area,' consideration will be given to Clause 13 of the SEPP Coastal Management in the EIS.

### 3.4 Draft State Environmental Planning Policy (Remediation of Lands)

The Draft Statement of Environmental Planning Policy (Remediation of Lands) (Draft Remediation of Lands SEPP) intends to supersede SEPP 55 which has been the framework for contaminated lands for 20-years. The new draft SEPP will retain elements of SEPP 55, and add new provisions to establish a modern approach to the management of contaminated land. No ground works are proposed as part of this SSD. SEPP 55 has previously been considered and the site deemed appropriate for a visitor and tourist accommodation use.

### 3.5 Draft State Environmental Planning Policy (Environment)

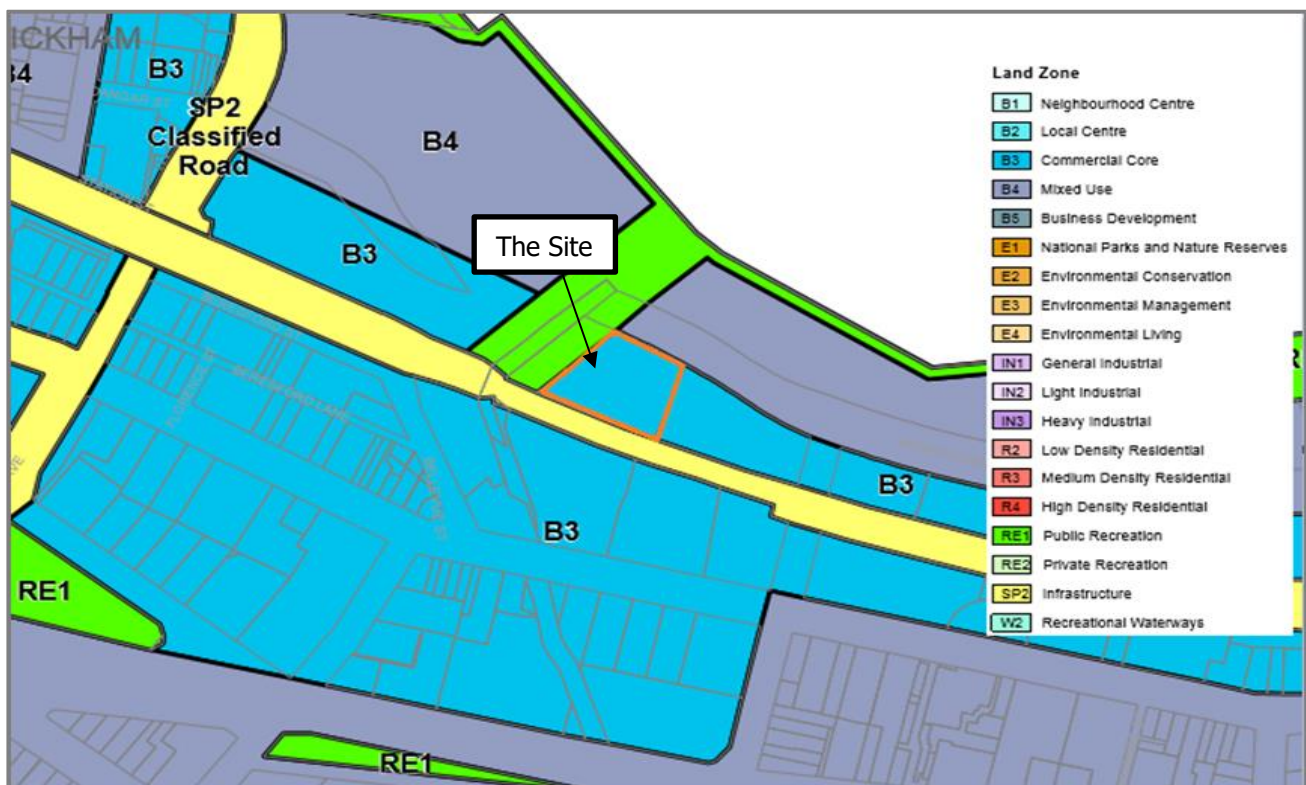
The Draft State Environmental Planning Policy (Environment) (Draft SEPP Environment) aims to consolidate environmental SEPPs to simplify the planning rules for a number of water catchments, waterways, urban bushland, and Willandra Lakes World Heritage Property. The site is not mapped on the Draft SEPP Environment mapping as being within urban bushland, waterways, Sydney Harbour, critical habitat, seagrass or rocky foreshores area, canal estate development land or Willandra Lakes World Heritage Property. Coastal wetland management will continue to be protected and assessed against the SEPP Coastal Management, consideration will be given to Clause 13 of the SEPP Coastal Management in the EIS.

### 3.6 Newcastle LEP 2012

#### 3.6.1 Permissibility

Newcastle LEP 2012 is the principal planning instrument applicable to the site. The zoning of the site under LEP 2012 is B3 Commercial Core Zone, as illustrated in Figure 5

Figure 6 – Land Zoning Map Extract LEP 2012 (Map LZN\_004G)



The objectives of the B3 zone and the land use table are as follows:

## **Zone B3 Commercial Core**

### *1 Objectives of zone*

- *To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.*
- *To encourage appropriate employment opportunities in accessible locations.*
- *To maximise public transport patronage and encourage walking and cycling.*
- *To provide for commercial floor space within a mixed use development.*
- *To strengthen the role of the Newcastle City Centre as the regional business, retail and cultural centre of the Hunter region.*
- *To provide for the retention and creation of view corridors.*

### *2 Permitted without consent*

*Environmental protection works; Home occupations*

### *3 Permitted with consent*

*Car parks; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Environmental facilities; Flood mitigation works; Function centres; Hotel or motel accommodation; Information and education facilities; Medical centres; Mortuaries; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Roads; Sex services premises; Shop top housing; Signage; Tourist and visitor accommodation; Transport depots*

### *4 Prohibited*

*Any development not specified in item 2 or 3*

The proposed development is characterised as tourist and visitor accommodation, specifically serviced apartments. It is noted that tourist and visitor accommodation is identified as permitted with consent.

The proposal is considered to be consistent with objectives of the B3 Commercial Core Zone as it will facilitate the tourist and visitor accommodation in accessible location so to maximise public transport patronage and encourage walking and cycling within the area. The provision for additional tourist and visitor accommodation will also aim to strengthen the role of the Newcastle City Centre as the regional business, retail and culture centre of the Hunter region.

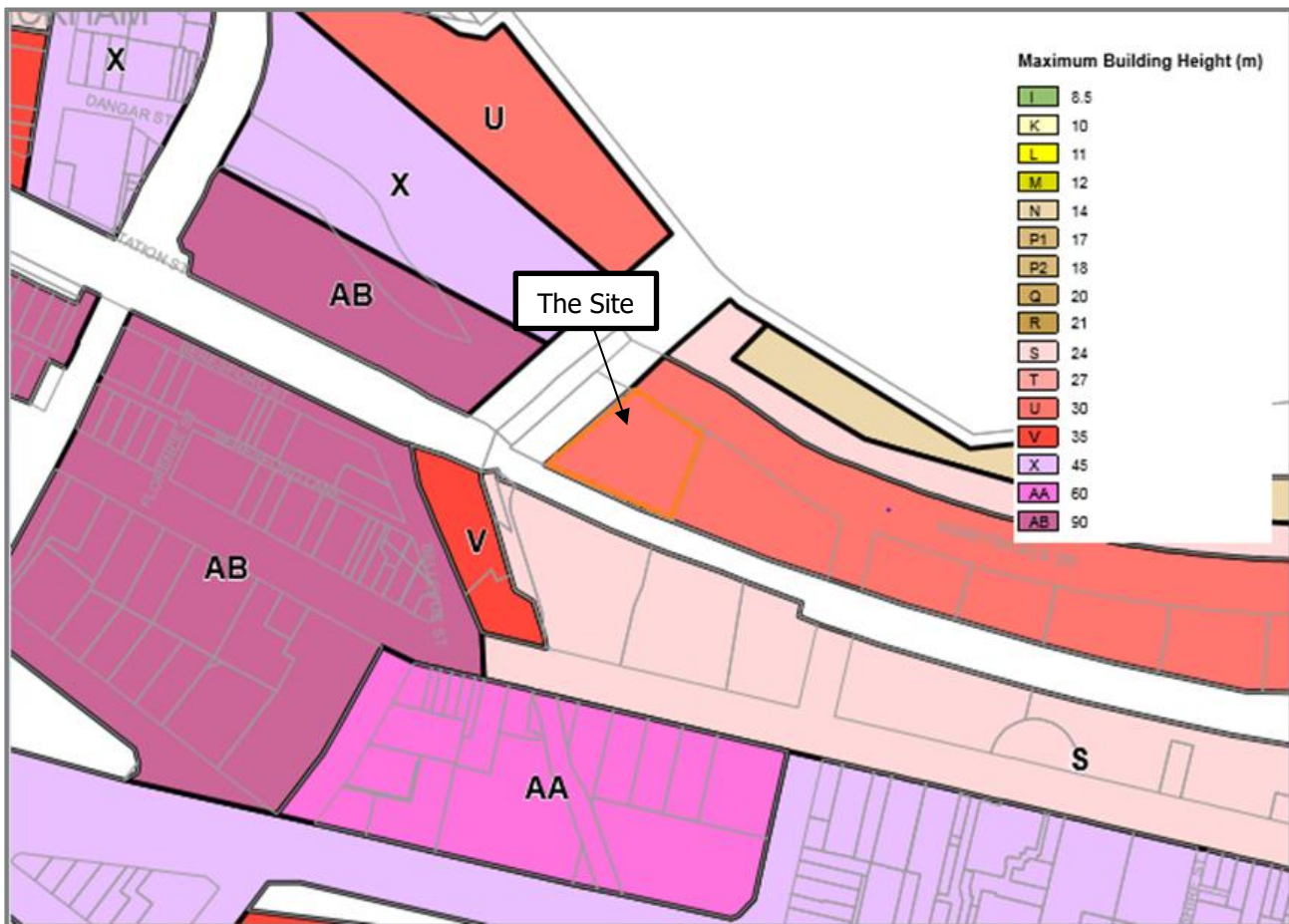
## 3.6.2 Principle Development Standards

### *Height of Buildings*

In accordance with this clause and adopted Height of Buildings Map, building on the subject site are not to exceed the maximum height of 30 metres as illustrated in Figure 7.

The proposed development has an approximate height to the plant of RL 36.5m AHD. A Clause 4.6 Variation Statement will be required to support the EIS to justify the proposed height exceedance.

Figure 7 – Building Heights Map Extract from LEP 2012 (HOB\_004G)



*Floor Space Ratio*

The Newcastle LEP establishes two (2) FSR controls for the site including:

- A maximum FSR of 4:1 applies to the site. However, the application of LEP clause 7.10 (below) reduces the maximum FSR to 3:1 as the site is within Area A.

*7.10 Floor space ratio for certain development in Area A*

The maximum floor space ratio for a building other than a commercial building on land with a site area of 1,500 square metres or more is as follows:

- where the Floor Space Ratio Map identifies a maximum floor space ratio of 6:1 (or greater)—5:1,
- where the Floor Space Ratio Map identifies a maximum floor space ratio of 5:1—4:1,
- where the Floor Space Ratio Map identifies a maximum floor space ratio of 4:1—3:1.

Commercial building means “a building used wholly for either or both of the following purposes:

- commercial premises,
- tourist and visitor accommodation that is not subdivided under a strata scheme.”

As the site is within Area A and the proposal is not a commercial building, this clause alters the permissible FSR for the site to 3:1.

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### 3.7 Newcastle Development Control Plan 2012

The provisions of the DCP will be considered as a guide when preparing the EIS. It is noted that the following section of the DCP would be applicable to the proposed development and will be addressed within the EIS.

- Section 3.09 Tourist and Visitor Accommodation
- Section 3.10 Commercial Uses
- Section 4.01 Flood Management
- Section 4.03 Mine Subsidence
- Section 4.04 Safety and Security
- Section 4.05 Social Impact
- Section 5.01 Soil Management
- Section 5.02 Land Contamination
- Section 5.04 Aboriginal Heritage
- Section 5.05 Heritage Items
- Section 5.06 Archaeological Management
- Section 5.07 Heritage Conservation
- Section 6.01 Newcastle City Centre
- Section 7.01 Building Design Criteria
- Section 7.02 Landscape, Open Space and Visual Amenity
- Section 7.03 Traffic, Parking and Access
- Section 7.04 Movement Networks
- Section 7.05 Energy Efficiency
- Section 7.06 Stormwater
- Section 7.07 Water Efficiency
- Section 7.08 Waste Management

It is noted that in addressing some of the above sections of the Newcastle DCP that technical manuals may also need to be addressed as part of the assessment.

### 3.8 NSW State Priorities

NSW State Priorities were announced by the Premier for NSW on 14 September 2015 and replaces the State's previous 10-year plan NSW 2021. NSW State Priorities outlines key reforms for the State, including personal priorities for the Premier. The proposal supports the objectives of NSW State Priorities through the development of new tourist and visitor accommodation in close proximity to public transport and services within the locality, whilst also providing temporary and on-going employment opportunities.

### 3.9 Hunter Regional Plan 2036

The Hunter Regional Plan 2036 sets priorities and provides a direction for regional planning decisions. It focuses on new housing and jobs and targets growth in strategic centres and renewal corridors close to transport to deliver social and economic benefits. It is noted that the population growth is expected to increase to 862,250 by 2036 and increase employment in the area by 61,500, with 32,961 jobs within the Newcastle City Centre.

The proposal supports the direction of the Hunter Regional Plan by providing opportunities for the growth of the area through tourism as well as providing temporary and on-going employment opportunities.

### 3.10 Greater Newcastle Metropolitan Plan 2036

The Greater Newcastle Metropolitan Plan 2036 sets out strategies and actions that will drive sustainable growth in the Hunter Valley Region LGA's, including Newcastle LGA. There were approximately 254 jobs in Greater Newcastle area in 2011, this is project to increase to 303,000 by 2036. One of the fastest growing sectors in the Hunter Region from 2001 to 2011 is accommodate and food services (+8,159 jobs or 43% growth). It is noted that the growth in accommodation and food services since 2011 creates further opportunity to create new jobs in this sector.

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The proposal supports the direction of the Greater Newcastle Metropolitan Plan 2036 by providing opportunities for the growth of the area through tourism as well as providing temporary and on-going employment opportunities.

### 3.11 Newcastle Urban Renewal Strategy 2014

The Newcastle Urban Renewal Strategy 2014 sets out the vision for the renewal of Newcastle City Centre. The Strategy seeks to strengthen the role of Newcastle City Centre, ensure it is a destination for businesses, residents and visitors and to encourage suitable employment opportunities. The Strategy aims to secure growth in the Honeysuckle precinct through the redevelopment of large consolidated lots, increased and improved public domain and the expansion of the City Centre.

The proposal supports the aims of the Strategy through the redevelopment of the Honeysuckle present for mixed use purposes. Further the development of the site will enhance one of the critical linkages between Hunter Street and the harbour area.

## 4 Overview of likely environmental and planning issues

This assessment and documentation have been prepared to assist in the preparation of the Secretary's Environmental Assessment Requirements to guide the preparation of the EIS for the proposed development. The primary environmental considerations associated with the development of the site are provided below.

### 4.1 Urban Design and Built Form

The EIS will address height, density, bulk and scale of the proposed development within the context of the locality and will demonstrate how the proposal integrates within the surrounding context and desired future character of Honeysuckle. The EIS will address the relationship between existing built form and future built form including how the form, layout and siting of each element achieves optimal design and amenity outcomes.

The EIS will explain the design principles of the proposed development and how it addresses the surrounding locality. An external finishes and colours schedule will also be provided as part of the Architectural Package.

### 4.2 Traffic and Access

A traffic report will accompany the EIS and will assess the generated traffic of the proposed development. It is noted that the site has excellent access to public transport and active transport routes to the Newcastle CBD providing an opportunity to maximise the use of sustainable modes of transport including public transport, walking and cycling. No changes to the approved carpark and access to the site are proposed.

### 4.3 Social and Economic

The proposal provides visitor and tourist accommodation in close proximity to public transport nodes and the culture heart of Newcastle. The proposal will provide a variety of serviced apartments sizes, types and layouts that will positively contribute to provide an appropriate social mix and options for the locality.

The inclusion of commercial/retail at ground floor fronting Honeysuckle Drive will provide additional employment opportunities in close proximity to dwellings and major public transport nodes and routes, positively contributing to the development of the Honeysuckle Area. It will also maximise street activation.

The proposal will provide a positive social impact to the redevelopment of the area and the surrounding locality.

It will provide short term construction employment opportunities and on-going employment opportunities contributing to the long-term viability of local businesses and stimulate the local economy.

### 4.4 Sustainability

The proposed building will be designed to achieve high levels of sustainability. ESD Statement will be provided with the EIS to indicate the building provides acceptable amounts of sustainable methods of construction and operation.

The proposed development is required to achieve compliance with the relevant provisions of the Building Code of Australia. A Building Code of Australia compliance report will form part of the EIS.

The site is able to be serviced with power, water, sewer and telecommunications to accommodate the proposed development. Relevant information on the proposed site services will be provided in the EIS.

#### 4.5 Waste Management

The proposed development will generate a wide variety of waste. Waste management proposals for the demolition, construction and ongoing use of the building will be documented within the EIS.

#### 4.6 Community and Stakeholder Engagement

The EIS will document consultation undertaken during the preparation of the EIS and development application.

## 5 Conclusion

This submission provides information to assist in the preparation of SEARs for a tourist and visitor accommodation development at 42 Honeysuckle Drive, Newcastle. The issues discussed in the preceding pages represent the key environmental considerations associated with the proposal and are considered adequate to inform the declaration that the proposal is SSD and for the SEARs to be issued.

SEARs for the preparation of an EIS for the proposed development are formally sought.

### 5.1 Contacts for KDC

KDC will be responsible for the co-ordination and management of the EIS project team. Contact details for KDC are listed in Table 2.

**Table 2 Contact Particulars**

<b>Company Name</b>	<b>KDC Pty Ltd</b>
Primary Contact	<i>Samuel Newman</i>
Address	<i>2B, 125 Bull Street, Newcastle West NSW 2302</i>
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Mobile	0422 223 928
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Yours sincerely



Samuel Newman  
**Senior Planner**  
**KDC Pty Ltd**

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Appendix A – Architectural Plans

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