

MODIFICATION REQUEST: Wollongong Private Hospital 360-364 Crown Street and 9-11 Urunga Parade, Wollongong (MP70_0070 MOD 2)

- modification of condition B25 to permit commencement of early works prior to obtaining an 'approval in principle' from the NSW Department of Health; and
- modification to commitments provided in Statement of Commitment B5 - Water and Energy Efficiency Program.

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

September 2013

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NSW Government Department of Planning & Infrastructure

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1. BACKGROUND

On 18 April 2011, the Planning Assessment Commission, as delegate for the Minister for Planning and Infrastructure, approved project application MP07_0070 for the construction of a new private hospital facility, to be known as Wollongong Private Hospital, at 360-364 Crown Street and 9-11 Urunga Parade, Wollongong, known legally as:

- Lot 7 in DP 661166 and Lot 1 in DP 565056 (360-364 Crown Street);
- Lot 53, Section 1 in DP 5507 (9 Urunga Parade); and
- Lot A in DP 381246 (11 Urunga Parade).

The approval consisted of:

- demolition of existing buildings and ancillary structures;
- construction of an eight storey private hospital;
- three basement levels of parking for 321 vehicles;
- new signalised intersection at Crown Street and Staff Street;
- 154 medical, surgical and maternity inpatient beds, operating theatre suite, general practice, diagnostic, clinical and allied health tenancies, specialist medical consulting suites;
- university teaching centre; and
- ancillary retail tenancy floor space.

The project location is shown in Figure 1.



Figure 1: Project Location

The existing buildings and structures on the development site have been demolished and removed, though no construction works associated with the private hospital development have commenced.

The department is also currently considering a second modification application for the hospital (MOD 1) that seeks to modify the approved built form, internal layout,

access arrangements, and minor amendments to the instrument of approval. This application can be determined prior to, and independently of, MOD 1.

2. PROPOSED MODIFICATION

2.1 Modification Description

The proposed modification application seeks approval to amend condition B25 and statement of commitment B5 of the instrument of approval for MP07_0070 as follows:

B25 NSW Department of Health – Private Hospital Licence

The requirements of the NSW Department of Health are to be complied with. An 'approval in principle' to operate the private hospital facility is to be obtained from the NSW Department of Health and a copy is to be provided to the Department of Planning and Certifying Authority prior to the issue of a Construction Certificate for the above ground works.

B5. Water and Energy Efficiency Program

The Proponent shall prepare and implement a Water and Energy Efficiency Program for the project, to the satisfaction of the Director-General. The program must:

- a) be approved by the Director-General prior to the issue of any Construction Certificate a Construction Certificate for the above ground works;
- b) compare the proposed energy and water use ratio of the project to other existing hospital facilities and set benchmarks for best practice; (DELETED) provide an effective energy and water use design to achieve levels better than the minimum requirements of BCA section J;
- c) investigate energy and water efficiency measures available ,including the installation of solar panels and cogeneration; (DELETED)
- d) describe the measures that would be implemented onsite, quantify the savings made and demonstrating the use of best available technology;
- e) demonstrate the building will achieve a minimum 5 star rating under the Green Building Council of Australia – Healthcare rating tool; and (DELETED)
- f) include a program to monitor and report on the effectiveness of the measures implemented and a protocol for periodic review of the plan to ensure the project would continue to operate at best practice over time.

3. STATUTORY CONTEXT

3.1 Modification of the Minister's Approval

In accordance with clause 3 of Schedule 6A of the EP&A Act, section 75W of the Act as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A, continues to apply to transitional Part 3A projects.

Section 75W(2) of the *Environmental Planning and Assessment Act 1979* (the EP&A Act) provides that a proponent may request the Minister to modify the Minister's approval of a project. The Minister's approval of a modification is not required if the approval of the project as modified would be consistent with the original approval. As the proposal involves amendments to the instrument of approval, the modification will require the Minister's approval.

3.2 Environmental Assessment Requirements

Section 75W(3) of the EP&A Act provides the Director-General with scope to issue Environmental Assessment Requirements (DGRs) that must be substantially complied with before the matter will be considered by the Minister. Environmental Assessment Requirements were not issued for this modification as the proponent has addressed the key issues in the modification request.

3.3 Delegated Authority

The Minister has delegated his functions to determine Part 3A modification applications to the department where:

- the relevant local council has not made an objection, and
- a political disclosure statement has been made, but only in respect of a previous related application, and
- there are less than 10 submissions in the nature of objections.

No submissions were received from the public or council. A political disclosure statement was made, but only in respect of a previous related application (MP07_0070). The political disclosure statement lodged with the subject modification application discloses that no donations have been made by any persons associated with this modification application.

In this regard and in accordance with the instrument of delegation dated 4 April 2013, the modification application is able to be determined under delegation by the Executive Director, Development Assessment Systems and Approvals.

4. CONSULTATION AND SUBMISSIONS

Under Section 75X(2)(f) of the EP&A Act, the Director-General is required to make the modification request publicly available. The request was made publicly available on the department's website from 13 August 2013 and referred to Wollongong City Council.

The department received no submissions during the consultation period.

5. ASSESSMENT

The department has given consideration to the proposed amendments to the instrument of approval below.

5.1 Condition B25 NSW Department of Health – Private Hospital Licence

The proponent has requested that the wording of condition B25 be amended to provide greater flexibility to enable construction activities to commence on site. In this regard, the proponent intends on issuing a number of construction certificates (CCs) for various stages of the development program, including:

- early works (demolition and excavation);
- building structure; and
- fit out.

However, condition B25 currently requires the proponent to acquire an 'approval in principle' from the NSW Department of Health (DoH) to operate a private hospital

facility prior to a CC being issued, restricting any works on site, including bulk earthworks and excavation until the NSW Health approval is acquired.

The proponent has therefore sought a minor amendment to the condition, deferring the DoH requirement until prior to the issue of a CC for above ground works, or the building structure.

The department considers the proposed minor amendment to be satisfactory, noting that the proposed amendment will not remove the requirement for an in principle approval being sought from the DoH, while enabling works commence on site.

5.2 Statement of Commitment B5 Water and Energy Efficiency Program

The key amendments sought by the proponent to statement of commitment (SoC) B5 include:

- amending the DG's approval requirement to prior to the issue of a CC for above ground works;
- requiring energy and water use design to achieve levels better than the minimum requirements Building Code of Australia (BCA) Section J instead of establishing benchmark comparisons from other hospital facilities;
- removing the commitment to install solar panels and cogeneration; and
- removing the commitment to achieve a minimum 5 star rating.

The proposed amendments to SoC B5 follow the proponent's review of the approved scheme and issues identified regarding the cost effectiveness and functionality of the initiatives of the original commitment, particularly the installation of solar panels and cogeneration energy system and energy and water benchmark comparisons. In this regard, the proponent's amended wording of SoC B5 maintains the commitment to achieve better energy and water use design levels than the minimum requirements of Section J of the BCA, investigate energy and water efficiency measures and their implementation and savings, and include a monitoring program to ensure of the effectiveness of those implemented measures.

Further, an amended ESD report for the hospital has been submitted with MP07_0070 MOD 1, which is currently being considered by the department. The recommendations provided within the amended ESD report, include:

- installation of individual water metres to allow for usage monitoring and reporting;
- selection and installation of the best water efficient fixtures and fittings;
- collection, treatment and reuse of rainwater and air-conditioning discharge for toilets, landscape irrigation and in the main cooling plant;
- installation and operation of a chilled water cooling system to best control temperatures;
- installation of digital mechanical services controls; and
- implementation of waste management practices during construction and operation to minimise waste generation and maximum opportunities for its reuse on site.

Considering the sustainability initiatives proposed within the proponent's amended SoC B5, and initiatives proposed in the amended ESD report submitted with MOD 1 (currently under assessment), the department raises no objections to the modified wording. In addition, the proponent's proposed amendments to the timing of

requirements under SoC B5 to prior to the issue of a CC for above ground works is considered minor and will allow works to commence on site.

6. CONCLUSION

The proposed amendments to condition B25 and statement of commitment B5 are considered minor and will not detrimentally impact on the operational or environmental outcomes of the proposed private hospital development.

In this regard, the proposed amendments to condition B25 will enable early works to commence on site and ensure that the health services are provided in a timely manner and not unreasonably delayed. Further, the amendments to the proponent's SoC B5 are considered minor, with suitable alternate environmental measures proposed to be implemented.

The department has considered the proposed amendments to the approved project and considers the changes proposed to be minor and recommends that the modification application be approved.

7. RECOMMENDATIONS

The department's recommends that the Executive Director, Development Assessment Systems and Approvals:

- a) consider the findings and recommendations of this report;
- b) **approve** the modifications, subject to conditions, under section 75W of the *Environmental Planning and Assessment Act, 1979,* and;
- c) sign the attached instrument of modification approval (Appendix B).

Director Industry, Social Projects & Key Sites

29.9.3

Executive Director Major Projects Assessment

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