



**Planning &
Infrastructure**

***MAJOR PROJECT ASSESSMENT:
Redevelopment of Hurstville Private Hospital
37 Gloucester Road, Hurstville NSW
MP 11_0042***



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

April 2013

ABBREVIATIONS

CIV	Capital Investment Value
Department	Department of Planning & Infrastructure
DGRs	Director-General's Requirements
Director-General	Director-General of the Department of Planning & Infrastructure
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning & Infrastructure
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PEA	Preliminary Environmental Assessment
PFM	Planning Focus Meeting
PPR	Preferred Project Report
Proponent	Hurstville Private Pty Ltd
RMS	Roads and Maritime Services
RtS	Response to Submissions

Cover Photograph: Artist impression of Hurstville Private Hospital, reproduced from the Proponent's environmental assessment report.

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EXECUTIVE SUMMARY

Hurstville Private Hospital is located within Hurstville Local Government Area, a major regional centre in the southern region of the Sydney metropolitan area. The existing hospital's surgical and medical wards currently have three operating theatres and 54 bed licences in use. The proponent, Hurstville Private Pty Ltd, proposes to redevelop the hospital to provide an additional 4,865 square metres of floor space allowing for a total of 96 beds and seven operating theatres, additional parking, new plant and store rooms and stormwater detention.

The proposed redevelopment has a capital investment value of \$32.2 million. The Hospital currently employs over 160 full-time and casual employees and there are 64 employees in the associated medical centre. With the proposed expansion, the proponent predicts the number of employees would increase to over 300 Full Time Equivalent (FTE), in addition to approximately 200 construction jobs.

The proposal was declared a major project under Part 3A of the Environmental Planning and Assessment Act, 1979 because it was for a hospital development with a capital investment value of more than \$15 million in accordance with clause 18(1) of Schedule 1 of State Environmental Planning Policy (Major Development) 2005 (as it existed at the time). Director-General's Environmental Assessment Requirements were issued on 22 July 2011, prior to the repeal of Part 3A, and accordingly the project is a transitional Part 3A project.

The Department publicly exhibited the application from 21 November 2012 until 21 December 2012 on the Department's website, and at Hurstville Council. It also advertised the public exhibition in the St George and Sutherland Shire Leader and Daily Telegraph newspapers and notified landholders, and relevant government authorities in writing. The Department received seven submissions to the exhibition including two from public authorities and five from the general public. Council did not make a submission. The key issues raised were:

- Loss of privacy and overlooking;
- Noise;
- Rubbish and waste disposal;
- Damage to surrounding properties;
- Lack of green travel facilities;
- Traffic impacts;
- Scale of the development;
- Overshadowing; and
- Height.

The Department has considered all relevant documents in accordance with the objects of the Environmental Planning and Assessment Act, 1979 and ecologically sustainable development. The proponent amended the design in response to the issues raised during the exhibition. These amendments are described in **Section 4** of this report.

The development is at a scale and of a design that mediates well between the higher buildings of the adjacent Hurstville city centre and nearby low density residential areas. Several conditions are recommended to address residential impacts, including noise from deliveries, the final design of the development, to ensure ecologically sustainable development outcomes and to ensure the protection of residential amenity.

The Department considers that the impacts arising out of the proposed development are acceptable and are adequately managed by the changes to the design and through the imposition of conditions on the approval. The development will positively contribute to the area by providing

beneficial medical services. On balance, it is considered that the project is in the public interest and should be approved, subject to conditions.

The application is being referred to the Planning Assessment Commission for determination as a political donation has been disclosed.

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1. BACKGROUND

Hurstville Private Pty Ltd proposes to construct and operate the Hurstville Private Hospital expansion, at 37 Gloucester Road, Hurstville. The site is located in Hurstville to the north-west of the boundary of the Hurstville City Centre. Penshurst railway station and the major transportation corridor of King Georges Road are west of the site.

The surrounding locality is in a state of transition with existing and proposed high density residential apartment developments adjacent to the site to the east contrasting the primarily single storey detached dwellings characterising the area to the west and north. The project location is shown in **Figure 1**.



Figure 1: Project Location Reproduced from the proponent's report

The site is a u-shaped block of approximately 7,740 square metres which primarily addresses the Gloucester Road frontage. The site is bound to the south by Pearl Street, to the west by Millett Street and to the east by Gloucester Road. The existing hospital has a floor space of 5,618 m². The hospital has three operating theatres and 54 bed licences in use (with 31 bed licences in reserve). The hospital's u-shape layout encloses three privately owned properties on Millett Street with a total of five dwellings of one to two storeys. **Figure 2** illustrates the existing site layout.

The main building entrance is off Gloucester Road and parking access is off Millett Street. The reception area to the hospital is on Gloucester Road. The hospital frontage to Pearl Street comprises a pharmacy, medical centre and day surgery wing, with a radiology unit and consulting rooms on the second storey. The Millett Street frontage is the rear of the hospital comprising birthing rooms, kitchen and amenities. There is an associated on-grade car park at 12 Millett Street used by hospital staff.



Figure 2: Existing Site Layout (outlined in red and numbered 1-6)

Area 1 is the Medical Centre with 2 levels of consulting rooms and 2 basement parking levels (this is the main development site).

Area 2 has a 1 storey building housing surgical consulting rooms.

Area 3 has the original house which now comprises offices, board room, kitchen, cafeteria, and store.

Area 4 is a connecting wing with wards on the ground floor and service rooms on the second floor.

Area 5 completed in 2009 includes patient wards and delivery suites.

Area 6 is an open car park for staff use.

2. PROPOSED PROJECT

2.1. Project Description

The Project Application involves the redevelopment of Hurstville Private Hospital. The project has a Capital Investment Value of \$32.2 Million. The development will add approximately 4,865m² of new floor space including:

- 4 theatres;
- 3 new lifts;
- New wards;
- New consulting rooms;
- New basement car parking and delivery dock;
- Link-way bridge to connect wards to new lifts;
- Bridge will also connect kitchen and linen delivery area to lifts;
- Refurbishment work to existing wards, consulting suites and kitchen; and
- Additional parking and cantilevered turning bay deck over a section of the existing open at-grade car park located at 12 Millett Street.

The project layout is shown in **Figure 3**. The key components of the project are listed in **Table 1**.

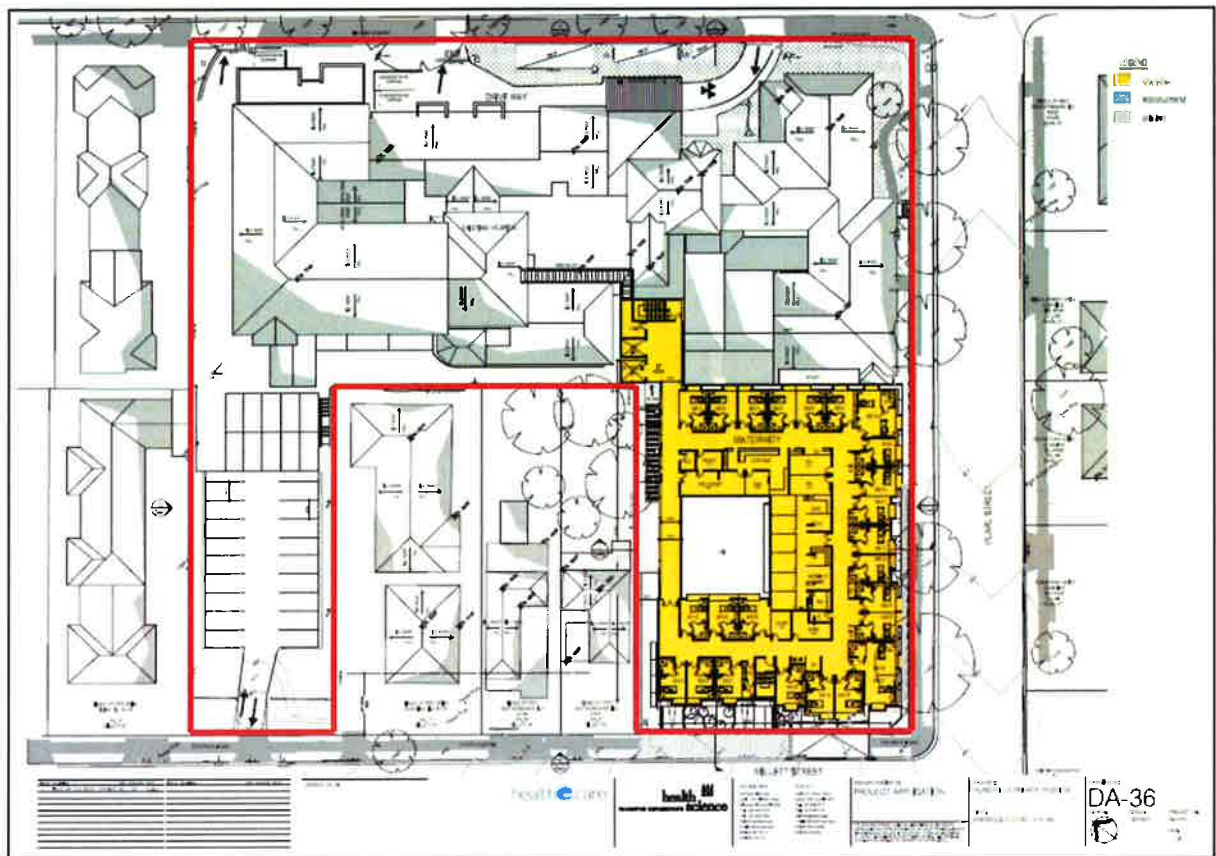


Figure 3: Project Layout. Typical floor plan of the proposed new building at the corner of Pearl and Millett Streets, coloured yellow. The overall hospital site is outlined in red.

Table 1: Key Project Components

Aspect	Description
<i>Demolitions</i>	<ul style="list-style-type: none"> • Demolition of existing theatre in medical centre building; and • Demolition of connecting walls between the reception area, colo-rectal associates consulting suites and the medical centre.
<i>Excavations</i>	<ul style="list-style-type: none"> • Bulk earthworks and excavation for new lifts; and • Excavation for the detention tank.
<i>New work</i>	<ul style="list-style-type: none"> • Extension and redevelopment of the medical centre creating a 5 storey building, adding four new operating theatres and 42 new beds; • New concrete columns to support floors on the medical centre; • 21 new car parking spaces in a new and refurbished basement carpark and on a deck at the rear of 12 Millett Street providing for a total of 92 vehicles; • New vehicle access to the basement car park and loading dock; • New floors connected over existing colo-rectal associates consulting rooms to link to the original administration building; • Refurbishment of patient wards (Areas 2 and 4); and • New signage on the Pearl Street frontage.
<i>Landscaping</i>	<ul style="list-style-type: none"> • New Landscaping on Pearl Street and Millett Street; and • Public domain works including footpaths, lighting and planting.

**Figure 4: Artists impressions of the proposed development from the Gloucester Road and Pearl Street Corner.**



Figure 5: Artists impressions of the proposed development from Millett Street

2.2. Project Need and Justification

The proponent states that the aim of the proposal is to achieve a substantial increase in the capacity of the Hurstville Private Hospital to meet the future demand for private hospital health services in the local area and the region.

NSW 2021

NSW 2021 is a 10 year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability, and strengthen our local environment and communities. It replaces the State Plan as the NSW Government's strategic business plan, setting priorities for action and guiding resource allocation.

Regional action plans have been established under the NSW 2021 framework. The Hurstville Private Hospital is located within the Hurstville Local Government Area, a major regional centre in the southern region of the Sydney metropolitan area. The Regional Action Plan for Southern Sydney focuses on building a more sustainable and desirable region for residents, and supporting local job creation to boost local investment and economic development. Key relevant aims include:

- Build more liveable cities, through balanced, sustainable development that enhances the region as an attractive place for residents and visitors;
- Boost local employment and improve housing affordability, to support the region's growing population and improve the economic sustainability of the region;
- Improve access to healthcare and services for an ageing population, providing better accommodation options and improved support for aged care programs; and
- Improve social infrastructure and support for vulnerable communities, with greater access to coordinated services and opportunities in cultural, creative, sporting and recreational facilities.

Metropolitan Strategy

Both the Sydney Metropolitan Strategy and Draft South Sub-regional Strategy identify Hurstville as a Major Centre for the subregion. The Metropolitan Strategy requires the south subregion to provide an employment capacity of 214,500 by 2031, an additional 29,000 jobs. The Draft South Sub-regional Strategy states in relation to Employment and economy: Knowledge Assets and Key Industries, "it will be important that the subregion is able to attract knowledge and high skill industries to support emerging education and medical facilities".

The Draft Metropolitan Strategy for Sydney 2031 is on public exhibition until 31 May 2013. The Draft Strategy identifies Hurstville as the major Centre for the subregion. The Draft Strategy plans for further increases in employment with 43,000 new jobs in the South sub-region by 2031. Hurstville is identified as the Major Centre for the South Sub-region and as the "primary focus in the subregion for additional office, retail, entertainment, cultural and public administration growth as well as higher intensity residential development complementing the commercial growth emphasis". The Draft Strategy plans for Hurstville to provide capacity for at least 5,000 additional jobs to 2031.

Redevelopment of the Hospital supports the emerging health facilities cluster in Hurstville. The Hospital currently employs over 160 full-time and casual employees and there are 64 employees in the Medical Centre. With the proposed expansion of the Hospital to 96 beds with ancillary health service facilities, the number of employees is expected to increase to over 300 full time equivalent jobs, contributing to the sub Region's employment targets. The number of construction jobs created will be approximately 200. Its location in close proximity to the identified Centre of Hurstville and significant transport infrastructure is also consistent with key NSW 2021 and Metropolitan Strategy objectives to provide local employment close to public transport.

The redevelopment of the Hospital will also support the needs of an increasing and ageing population and the associated increasing prevalence of chronic diseases. The new facilities will build on the Hospital's core specialties of obstetrics, urology and colorectal surgery. It will also support increased capacity in its other specialties including maternity and women's health, general surgery, endoscopy, orthopaedics, maxillo-facial, plastic and reconstructive surgery, and generally supporting knowledge infrastructure around health services in the South Sub-Region.

Accordingly, it is considered that the proposed development is consistent with and will contribute to the strategies of NSW 2021, the Sydney Metropolitan Strategy and South Sub-Regional Strategy and Draft Metropolitan Strategy for Sydney 2031.

3. STATUTORY CONTEXT

3.1. Continuing operation of Part 3A

Part 3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the EP&A Act, continues to apply to transitional Part 3A projects. Director-General's Environmental Assessment Requirements were issued for this project on 22 July 2011, prior to the repeal of Part 3A, and accordingly the proposal is a transitional Part 3A project.

This report has been prepared in accordance with the requirements of Part 3A and associated regulations, and the Minister (of his delegate) may approve or disapprove of the carrying out of the project under Section 75O of the EP&A Act.

3.2. Major Project

The proposal is a major project under Part 3A of the Environmental Planning and Assessment Act, 1979 (EP&A Act) because it is development that has a capital investment value of more than \$15 million for the purpose of providing professional health care services to people admitted as in-

patients in accordance with clause 18(1) of Schedule 1 of State Environmental Planning Policy (Major Development) 2005 (as it existed at the time).

On 24 March 2011, the delegate of the Minister for Planning declared the project to be subject to Part 3A of the EP&A Act under Section 75B of the EP&A Act. Accordingly the Minister for Planning is the approval authority.

3.3. Permissibility

Hurstville Local Environmental Plan 1994 and Hurstville Local Environmental Plan 2012 apply to the project. Hurstville Local Environmental Plan 2012 came into effect on 7 December 2012 with savings provisions relating to applications lodged prior to the plan coming into effect. Accordingly, for the purposes of this application, Hurstville Local Environmental Plan 2012 is treated as a Draft Plan.

Under Hurstville Local Environmental Plan 1994, land (other than 12 Millett Street) is zoned Special Uses 5(a), with permitted uses limited to that of hospital, with other "public purposes" or uses incidental or ancillary to this purpose permitted with consent. The land, formerly 12 Millett Street, which now forms the car park, is zoned No. 2 Residential Zone under the Hurstville Local Environmental Plan 1994.

The Hurstville Local Environmental Plan 2012, does not change the permissibility of the proposed development, making only minor changes to the zoning so as to conform to the zoning prescribed in the Standard Instrument. Under Hurstville Local Environmental Plan 2012, the subject land is zoned SP2 Infrastructure and the car park at 12 Millett Street is zoned R2 Low Density Residential.

Notwithstanding the above, on 4 June 2012, the Department advised the proponent that it considered the car park at 12 Millett Street to be 'related development' and that it forms part of the declared Major Project MP11_0042. Accordingly, the proposed development is permissible.

3.4. Environmental Planning Instruments

Under Sections 75I(2)(d) and 75I(2)(e) of the EP&A Act, the Director-General's report for a project is required to include a copy of, or reference to, the provisions of any State Environmental Planning Policy that substantially governs the carrying out of the project, and the provisions of any Environmental Planning Instrument that would (except for the application of Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the assessment of the project.

The following State Environmental Planning Policies and Environmental Planning Instruments apply to the application:

- State Environmental Planning Policy No. 55 – Remediation of Land
- Hurstville Local Environmental Plan 1994
- Draft Hurstville Local Environmental Plan 2011 (which came into force 7 December 2012 as Hurstville Local Environmental Plan 2012).

The projects consistency with the Hurstville Local Environmental Plan 1994 and Draft Hurstville Local Environmental Plan 2011, is discussed in Section 3.3 above.

Phase 1 and 2 investigation works have been undertaken and have not identified any on-site contamination. Further investigation work will be undertaken following demolition of the buildings to ensure that the site is suitable for the intended use. The requirements of SEPP 55 have been met.

Further consideration of the relevant State Environmental Planning Policies and Environmental Planning Instruments is provided in Appendix D.

3.5. Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the Act, as set out in Section 5 of the Act. The relevant objects are:

- (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.*

The objects of most relevance to the Minister's decision on whether or not to approve this development are 5(a)(i), (ii), (v), (vii) 5(b) and 5(c).

Object 5(a)(i) - The proposed development contributes to the local and State economy, improves the local environment and contributes to the welfare of the community.

Object 5(a)(ii) - The proposed development is an appropriate economic use of the land in accordance with relevant planning policies and strategy.

Object 5(a)(vii) - The proposed development contains a range of initiatives addressing sustainability.

Object 5(b) - The proposed development meets the criteria for State significant development.

Object 5(c) - Public involvement and participation in the development assessment process was provided through the public exhibition and notification of the Project Application.

The Department has given due consideration to these objects in its assessment of the proposal.

3.6. Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development found in the Protection of the Environment Administration Act 1991. Section 6(2) of that Act states that Ecologically Sustainable Development requires the effective integration of economic and

environmental considerations in decision-making processes and that Ecologically Sustainable Development can be achieved through the implementation of:

- (a) the precautionary principle;
- (b) inter-generational equity;
- (c) conservation of biological diversity and ecological integrity; and
- (d) improved valuation, pricing and incentive mechanisms.

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

- (a) *Precautionary Principle*: The Environmental Assessment identified and assessed the environmental impacts associated with the project. Furthermore, the Department considers that the proponent's Statement of Commitments and the recommended conditions of approval will adequately manage the residual environmental impacts associated with the construction and operation of the project.
- (b) *Inter-Generational Principle*: The project will provide for jobs and health services within close proximity to existing transport and infrastructure. Furthermore, the project has been designed in accordance with sustainable design principles to reduce the reliance on fossil fuels to heat and cool the building.
- (c) *Biodiversity Principle*: The project will not disturb any significant flora or fauna.
- (d) *Valuation Principle*: Infrastructure and measures to provide an appropriate level of environmental performance are incorporated into the cost of development on the site.

The proponent has addressed in detail Ecologically Sustainable Development principles as they relate to the project development and the Director-General's Requirements. The proposed buildings will incorporate such principles in the design, construction and ongoing operational phases of the development. The Department has considered the objects of the EP&A Act, including the encouragement of Ecologically Sustainable Development in its assessment of the application. On the basis of this assessment, the Department is satisfied that the proposal encourages Ecologically Sustainable Development, in accordance with the objects of the EP&A Act.

3.7. Statement of Compliance

In accordance with Section 75I of the EP&A Act, the Department is satisfied that the application has complied with the Director-General's environmental assessment requirements.

3.8. Delegation

On 14 September 2011, the Minister for Planning & Infrastructure delegated to the Planning Assessment Commission responsibility for the determination of Concept Plans and Project Applications under Part 3A of the EP&A Act, where:

- The Council made an objection to the proposed development, or
- There are more than 25 public submission objecting to the proposal, or
- Where a political disclosure statement has been made in relation to the application.

The application is being referred to the Planning Assessment Commission for determination under delegation as a political donation has been disclosed.

4. CONSULTATION AND SUBMISSIONS

4.1. Exhibition

Under Section 75H(3) of the EP&A Act, the Director-General is required to make the Environmental Assessment of an application publicly available for at least 30 days. After accepting the Environmental Assessment, the Department publicly exhibited it from 21 November 2012 until 21 December 2012 (30 days) on the Department's website and at Hurstville Council. The Department also advertised the public exhibition in the St George and Sutherland Shire Leader and Daily Telegraph newspapers and notified nearby landholders, local community groups and relevant State and local government authorities in writing.

The Department received seven submissions during the exhibition of the Environmental Assessment comprising two submissions from public authorities and five submissions from the general public. A submission was not received from Council.

A summary of the issues raised in submissions is provided below.

4.2. Public Authority Submissions

Two submissions were received from public authorities including one from Sydney Water and one from Roads and Maritime Services.

Sydney Water does not object to the project and has noted that the development can connect to the current wastewater system and that it will further assess impacts when the developer applies for a Section 73 Certificate. Sydney Water has noted the need to amplify the main fronting the proposed development from 150mm to 200mm. It has advised that the developer should engage a Water Servicing Coordinator to get a Section 73 Certificate and manage the servicing aspects of the development including compliance with the Water Supply Code of Australia and Sewerage Code of Australia.

Roads and Maritime Services does not object to the project and has noted a number of issues regarding compliance with relevant standards, AUSTROADS, and traffic control during construction.

4.3. Public Submissions

Five submissions were received from the public. All of the public submissions objected to the project. The key issues raised in public submissions are listed in **Table 2**.

Table 2: Summary of Issues Raised in Public Submissions

Issue	Proportion of submissions (%)
Loss of privacy, and overlooking	100%
The scale of the development	100%
Noise from staff and from multiple deliveries at night	80%
Traffic impacts	80%
Rubbish from hospital users, and escaping from bins during collection	60%
Inadequacy of the traffic report	60%
Lack of green travel facilities (eg bicycle parking, lockers) on the plans	60%
Overshadowing of properties in Millett Street	60%
Loss of tranquillity	20%
Height of the proposed development	20%

Issue	Proportion of submissions (%)
Damage to surrounding properties and driveways mainly during construction and servicing of the Hospital	20%
Approval would pave the way for further Hospital redevelopment	20%

The Department has considered the issues identified in submissions and provides the following comments and recommendations:

- The residential amenity issues arising from the proposed car park extension have been addressed by halving the extent of the proposed deck over 12 Millett Street. The Department has also required the provision of screening of the car park and frosted glazing to new windows overlooking 6 Millett Street (refer to **Section 5.2** of this report).
- Noise issues have been addressed by recommended conditions and the consolidation of existing driveways (refer to **Section 5.3** of this report);
- Any damage to surrounding properties that may be experienced during the construction of the proposed development has been addressed by recommended conditions requiring monitoring of dilapidation, and the provision of security bonds;
- The potential traffic impacts resulting from the proposed development were assessed and found to be generally acceptable. It is also recommended that bicycle parking be provided for the development. (refer to **Section 5.3** of this report); and
- The Department addressed the bulk, scale and urban design issues by requiring the provision of setbacks to the parts of the building near 6 Millett Street and the relocation of the lift tower further east (refer to **Section 5.1** of this report).

4.4. Proponent's Response to Submissions

The Proponent provided a response to the issues raised in submissions (refer **Appendix C**). The response included a Preferred Project Report prepared by Inspira Property Group which proposed the following amendments in order to address the issues raised during the exhibition and assessment:

- Amended architectural plans, including design changes to address bulk and scale issues, safety, security and residential amenity;
- Amended landscape plan, confirming additional tree removals, new tree planting and landscaping treatments along Pearl Street public domain interface;
- Supplementary environmentally sustainable development report;
- Supplementary cogeneration feasibility report;
- Supplementary traffic, parking and sustainable travel report addressing compliance with car parking standards, and cycling guidelines;
- Draft environmental management plan; and
- Draft sustainable travel plan.

Key external amendments made to the proposal included a reduction in the size of the cantilevered car parking deck over 12 Millett Street and the relocation of the elevated walkway and lift tower in the new building.

5. ASSESSMENT

The Department considers the key assessment issues for the Project are:

- Built form and urban design;
- Residential amenity;
- Transport and accessibility; and
- Ecologically Sustainable Development.
- Voluntary Planning Agreement and Contributions

5.1. Built form and urban design

The built environment of the Hurstville city centre is in a state of transition as it increases in height and density over time. This gives rise to scale issues associated with the close proximity of low density residential zoning next to higher density zonings. The proposed development illustrates some of these scale issues.

In the absence of height and floor space ratio controls applying to the proposed development, a merit assessment was conducted in the context of the surrounding development and future development of the wider area.

The proposed development has an architectural form that is designed to respond to its function and its prominent corner location. The bulk and scale of the proposed development is significantly higher than the immediately adjacent single and double storey dwellings. The proponent states that the new levels on what is currently the Medical Centre will provide a transition from the 16 storey development of the City Centre to the south, on the opposite side of Pearl Street to the two storey developments further north along Millett Street and Gloucester Road.

The Department agrees that the proposed development achieves a reasonable balance by providing a transition to much higher scale developments across Pearl Street in the absence of any specific built form planning controls relating to the site. The development establishes a taller built form at the corner of the block adjacent to the city centre, which is an appropriate urban design response. The Department notes that the location of the tallest parts of the development generally to the south of smaller adjacent dwellings has ensured that overshadowing impacts are negligible.

It is also noted that whilst the property at 6 Millett Street (immediately adjacent to the existing hospital building of two to three levels) is impacted along its south-eastern boundary, its north-western boundary is shared with similarly low-scale development, ensuring reasonable access to sunlight and ventilation. Given the existing development on the Millett Street frontage and the prominent corner location, it is considered that requiring further articulation of the proposed development (such as by setbacks to the building form) would not substantially reduce the impacts on adjoining properties along Millett Street but would detract from the corner location and produce a less acceptable building form.

The proponent has also responded to bulk and scale concerns raised during the exhibition of the development by amending the design. The amendments include:

- Relocating the proposed elevated walkway at levels 3 - 5 of the proposed development near the boundary to 6 Millett Street 4 metres further south, creating a recess or indent along the north elevation; and
- Relocating the proposed lift tower further east and amending its design to reduce the height of associated roofing.

It is also considered that the contemporary design and varied building materials help to break up the bulk of the building and results in an appropriate urban design for the area.

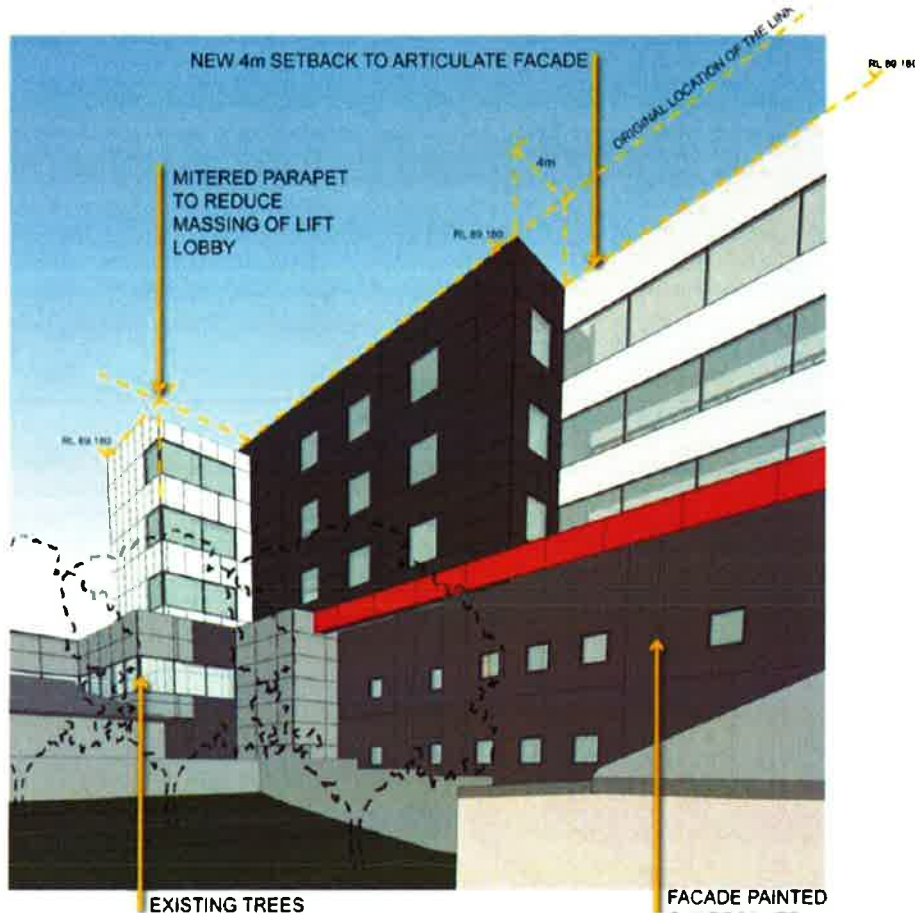


Figure 6: Illustration showing the design amendments to the northern elevation of the proposed new building addressing issues raised following exhibition.

The Department considers that these amendments have improved the proposed development and reduced the impacts on surrounding residential properties.

In relation to the walkway setback, this change reduces the apparent scale of the building as viewed from the north and helps address bulk and scale impacts. In relation to the relocated lift tower, this change similarly reduces the apparent height and scale of the building as viewed from the north. Whilst ideally the tower might have been relocated further south, the Department accepts this would have given rise to unreasonable impacts on the existing hospital building and operations. The revised location provides an acceptable balance between minimising the scale of the building and working within the constraints of the site and the existing building.

The proponent has also responded to urban design issues identified during the exhibition and assessment by amending the design. The amendments include:

- The bin collection enclosure has been deleted from the ground floor corner, and its functions relocated inside the main building envelope. This area has been replaced with low level landscaping;
- Clarifying the design of the ground floor elevation and interface with the footpath along Pearl Street to confirm the extent of open and closed elements of the ground floor elevation and the proposed materials for the ground plane abutting the footpath; and

- Clarifying that the vehicular access along the boundary with 6 Millett Street is to be deleted, increasing the setback here to allow for improved egress and providing security gates, in order to address safety and security issues.

The Department considers that these amendments have improved the proposed development and reduced the impacts on the adjacent public domain and on surrounding residential properties. The removal of the bin enclosure reduces the visual impact of the building along the street and helps the building 'turn the corner' with a superior safety result. The other two amendments provided additional information and clarified what was proposed in these two areas.

On balance the proposed development achieves an acceptable built form and urban design outcome. Whilst there are residual adverse impacts arising out of the bulk and scale of the proposed development and its juxtaposition with adjacent low density residential development, the Department considers that these impacts are acceptable given the constraints of the site. Conditions are also proposed to require further design refinements in relation to the 12 Millett Street car park to manage any adverse visual impacts.

5.2. Residential Amenity

The Department notes that the addition of a new five storey development next to one to two storey dwellings has the potential to give rise to amenity impacts. Submissions from properties in Millett Street raised concern regarding the potential for loss of sunlight, privacy and residential amenity including overshadowing, privacy and noise.

Overshadowing

The Department has carefully considered the shadow diagrams submitted with the proposal and considers that the development does not create any adverse loss of sunlight to properties on Millett Street. This is due to the proposed development being located to the south of the nearest properties. Whilst there are shadow impacts on Pearl Street properties, these are acceptable and generally limited to late afternoons in winter. It is also noted that no submissions were received from landowners or occupiers along Pearl Street.

The proposed car parking deck at the rear of 12 Millett Street as initially proposed, gave rise to greater overshadowing impacts on 10 Millett Street. The proponent revised this aspect of the design to reduce the depth of the proposed deck to only one car length. This has halved the depth of the projecting slab. As a result the potential shadow was similarly reduced. It is noted that the property at 10 Millett Street contains an outbuilding/garage at its rear, built along the boundary with 12 Millett Street. This outbuilding largely occupies the area where the proposed deck would cast shadows on 10 Millett Street. As a result, the Department considers that any overshadowing to 10 Millett Street is minimal and acceptable.

Overlooking and Privacy

The Department notes the potential for the proposed new corner building to overlook adjacent residential properties from its new windows. The proponent has also responded to these issues by amending the design. The amendments include:

- Relocating the proposed elevated walkway at levels 3 - 5 of the proposed development near the boundary to 6 Millett Street 4 metres further south; and
- Frosted privacy glass is proposed to be installed to 1.8 metres above floor level to all windows on the northern façade of the proposed new building.

The Department considers that these changes will minimise any potential overlooking and loss of residential amenity through loss of privacy.

The proposed development's car parking deck at the rear of 12 Millett Street as initially proposed gave rise to greater overlooking impacts on 10 and 14 Millett Street. As noted above, the proponent has now revised this aspect of the design to halve the depth of the proposed deck. The amended design also includes a 1.8m high privacy screen around the car park (attached to the required crash barriers) to minimise any potential for overlooking. The Department considers that this has addressed potential overlooking and privacy issues. A condition of approval is proposed for the proponent to provide a more detailed design of this area prior to the issue of a Construction Certificate for any works above ground in order to confirm that the design addresses safety, overshadowing and overlooking impacts.

Operational Noise

Submissions noted the potential for noise impacts from the proposed development. These are related to two main areas including: traffic and other noise from staff and visitors; and, noise from the servicing of the Hospital.

The proponent has noted that the increase in noise associated with the development will be less than 0.2dBA. In its report attached to the original Environmental Assessment Report, GHD has assumed that mechanical plant, emergency vehicles and car park activities would operate at all times of the day. They advise that operational noise targets should not be exceeded at any time of the day and sleep disturbance criteria will not be exceeded at any of the sensitive receiver locations (i.e. adjacent habitable rooms).

In relation to the noise from staff movements the Department notes that the majority of parking for the development is already approved (71 spaces of 85 spaces) and that all 14 proposed new car parking spaces are accessed by existing driveways, with 10 located within the basement car park. The overall number of additional vehicles using the site is small with the majority of any noise occurring within the building, and as a result is considered not to give rise to significant additional adverse noise impacts.

As noted above, the proposed additional parking on the deck at the rear of 12 Millett Street has been reduced to 4 vehicles. These spaces are to be allocated to staff, who the proponent advises will be asked to be considerate to neighbours when coming and going. The Department acknowledges that there will be minor additional noise impacts from the use of these spaces however it considers that this impact is acceptable.

In relation to noise from servicing the building, the Department notes that submissions have complained about multiple deliveries and collections late at night and in the early morning. The Department notes that servicing of the proposed development is now centralised to the new loading area (other than in relation to the refilling of the oxygen cylinder – see below under the heading *Oxygen Tank*), and with the majority of vehicles able to enter and leave the basement in a forward direction. It is considered that this should assist in managing deliveries and associated noise. Notwithstanding, it is proposed that a condition be placed on the ongoing operation of the development to prohibit deliveries and servicing of the building between 11pm and 7am.

Landscaping

The proponent has revised the development to include the planting of shade trees to the northern side of the existing on-grade car park at 12 Millett Street. The proponent notes the planting of trees on this side of the block is intended to provide shade to the car park without creating excessive overshadowing to 10 Millett Street. The Department notes that this change is consistent with *Hurstville Development Control Plan 1 Clause 3.1.2.2 (1) Landscaping*. The Department supports this amendment. Conditions of approval are proposed for the proponent to provide additional details about the exact locations and type of plantings proposed.

5.3. Transport and accessibility

The Traffic and Accessibility Impact Assessment and the Supplementary Report submitted with the Project Application and prepared by the consultants Colston, Budd, Hunt and Kafes estimates the traffic and parking impacts of the proposed development. The Department considers that the impacts on local road networks arising out of the proposed development are at an acceptable level and are not significant. The Department notes that Hurstville Private development is not a "Traffic Generating Development" as defined under the State Environmental Planning Policy No. 11 – Traffic Generating Development. The Traffic Report prepared by Colston Budd Hunt and Kafes for the Major Project application found that the traffic increases on Millett Street would be some 40 to 50 vehicles per hour two-way during morning and afternoon peak hours which is well within the capacity of these local roads. The Department also notes that Council and RMS did not raise any concerns regarding traffic impacts. The conditions of approval will require the preparation of a Construction Management Plan and Sustainable Travel Plan to be implemented by the proponent to manage the impacts of the development during construction and its ongoing operation. Notwithstanding, the Department has given further consideration of the following issues:

Driveway consolidation

The Department notes that the proposed development consolidates the number of driveways crossing the footpath from 5 to 3 by closing the thoroughfare from Gloucester Road through the rear lane to Millett Street and by consolidating and levelling the lower basement car park entry. This will also allow the installation of a roller grille for after-hours security. The driveways to 12 Millett Street and the lower basement level are existing and not proposed to change. Reducing the number of driveways entering the site represents an improvement compared to the existing situation and is supported by the Department.

Oxygen Tank

The proposed development retains the driveway entry off Gloucester Road to provide access to the car spaces on the deck and at the rear of the Hospital, and for service deliveries to the kitchen. Following the exhibition of the application the proponent amended the design to widen this driveway slightly by removing the existing kerb against the building and the three Leopard trees planted immediately adjacent the building. The driveway expansion will also require the removal of an existing street tree. The widening of the driveway is to enable a larger truck to use this driveway to refill the oxygen tank near the 12 Millett Street boundary. The location of this oxygen tank was not shown on the original application.

The Department does not support this change to the development. The increased servicing of the premises off Gloucester Road is likely to give rise to residential amenity impacts, primarily from the noise of truck deliveries and from the refilling of tanks. The inclusion of the oxygen cylinder and the turning circle/loading bay for the servicing truck also deletes two parking spaces, one existing parking space on grade at the rear of 12 Millett Street and one on the deck. A further parking space is available if the turning bay at the north of the deck is not required. Given that the development as amended does not provide the level of parking set by the Hurstville Development Control Plan the loss of these car spaces is not supported. A condition on the approval is recommended that requires:

- the relocation of the oxygen tank to a location that is more remote from residential properties, and that can be serviced/refilled using the loading dock on Millett Street;
- that parking spaces are reinstated to the deck at the rear of 12 Millett Street; and
- that the design is amended to retain the driveway in its existing configuration including retaining the kerbing and trees, in accordance with the exhibited plans.

Car parking

The original application proposed an increase of 21 car parking spaces on the site. The revised design reduces this number to 14 spaces making the total number of on-site car spaces 85. This is 6 fewer than required under the Hurstville Development Control Plan No. 1 (Car Parking).

With the implementation of the condition noted above (under the heading *Oxygen Tank*) the parking for the development will increase by 2 spaces, leaving a shortfall of 4. The Department has considered the close proximity of the site to public transport (rail and bus) and has accepted this lower number of parking spaces.

The Department also sought further information regarding the carparking layout and in particular compliance with Hurstville's planning controls and the Australian Standard for Parking Facilities. This was also sought in submissions from the Roads and Maritime Services. This information has been provided in a supplementary report by consultants Colston, Budd, Hunt and Kafes. This report, together with the revised architectural plans has clarified that the proposed new development is able to achieve compliance. A condition of approval is also proposed to ensure compliance is achieved.

Loading and unloading

The proponent has clarified that a survey of existing service vehicle activity and an assessment of anticipated service vehicle activity indicates that two to four small to medium rigid trucks per day may reverse between the site and Millett Street. The Australian Standard for Parking Facilities (Part 2: Off-street commercial vehicle facilities), AS 2890.2-2002, indicates that "regular service" (more than once per day) from a "minor road" (road carrying predominantly local traffic, such as Millett Street), should occur in a way that only one reverse manoeuvre occurs either to or from the street. The design provides for vehicles to enter and exit the site using one reverse manoeuvre.

The Department has considered this supplementary information and notes that the majority of deliveries are from smaller vehicles that will enter and leave the site in a forward direction. Therefore the Department considers that the servicing of the development is acceptable. Conditions of approval are proposed to ensure that the development as constructed achieves compliance with this requirement.

Bicycles

The application as originally lodged did not include bicycle parking on the drawings. Submission noted the absence of bicycle parking as did the Department's own assessment. The proponent has revised the design to include secure parking for 15 bicycles located in the lower basement car park.

The NSW Planning Guidelines for Walking and Cycling provides guidance for the provision of bicycle parking in a range of developments. For hospitals, the guidelines require staff parking for bicycles at one space per 5-10% of staff, or 10-15% of beds, and one space for visitors/customers at 5-10% of staff. The proponent has advised that the typical day shift has about 80 staff. The supplementary traffic report advises that the proposed development would add approximately 50 staff on the busiest shift. This would result in a total additional requirement based on staff numbers of 5 - 10 spaces.

The Department notes, however that the existing development provides no secure bicycle parking. For a total staff of 130 on the busiest shift (existing 80 plus 50 from the expanded development) the overall development should provide parking for 7-13 bicycles for staff and 7-13 bicycles for visitors. The proposed development's provision of 15 spaces in the basement is considered to be acceptable in providing for staff parking taking the whole development into account. It is considered that visitor bicycle parking for not less than 7 bicycles should be provided in a location near the hospital entrance overlooked by regularly

staffed areas in order to minimise the likelihood of bicycle theft. A condition of approval is recommended to achieve this outcome.

The proponent confirms that end of trip shower and locker facilities are available for all staff, on the ground floor of the building. Subject to recommended conditions, the Department considers the proposed bicycle parking and facilities to be acceptable.

5.4. Ecologically Sustainable Development

Hospitals are energy and resource intensive by their function. Lighting, heating, hot water and electrical energy system technologies are used intensively in their operation, contributing to elevated carbon emissions. The Department considers that for this reason, the proposed development should achieve a high Ecologically Sustainable Development (ESD) performance.

The proponent states that the new works and refurbishments have been designed to incorporate the principles of ESD and to comply with the deemed-to-satisfy provisions of Section J – Energy Efficiency of the Building Code of Australia 2010. For general building services, the proposed development incorporated efficient tap ware, light fittings, plant and equipment into the proposed design. Other initiatives also included:

- An energy efficient building design and materials that require less energy to operate;
- A building design that increases access to natural daylight and maximises external views;
- Passive and active solar design that provides comfortable indoor temperatures using sun and natural light, in turn reducing the use of heating and cooling systems;
- Operating an efficient lighting system (including external lights that do not disperse light into neighbouring properties); and
- Specifying the use of low emission paints, adhesives, sealants, carpets, floor coverings and furnishings.

During the assessment process the Department sought further information regarding the extent of ESD commitments. In response, the proponent undertook a feasibility assessment of a number of building sustainability initiatives for the hospital, detailed in a supplementary report prepared by Erbas. The initiatives examined include:

- solar hot water system;
- solar power generation;
- rainwater harvesting;
- recycled water use;
- efficient tapware;
- efficient lighting;
- efficient building services;
- Green Star benchmarking; and
- co-generation feasibility.

The proponent argues that many of the above initiatives have a physical footprint on the site which would either load the structure of the building, or alternatively that the spatial requirements for plant and equipment are not available and/or too costly. The Department accepts that it would not be reasonable to require all sustainability initiatives to be achieved in this development.

The proponent has provided a revised statement of commitments providing performance targets and ESD commitments in light of the ERBAS report. The Department considers that, on balance, this revised statement of commitments will help to ensure that an appropriate

ESD outcome is achieved in the final development. Recommended conditions on the approval are proposed to ensure that these minimum targets are achieved or exceeded.

5.5. Voluntary Planning Agreement and Contributions

The proponent reported in the original application and in the PPR on its discussions with Council regarding a possible Voluntary Planning Agreement (VPA). The Department understands that the parties are not able to reach agreement. Accordingly, the Department has considered the issue of contributions appropriate to the development and its local context.

The Department is advised by the proponent that in its discussions with the Council regarding a VPA, agreement had been reached about carrying out of specified works in the public domain in the immediate vicinity of the development. These works include:

- Removal of existing street trees and replanting of appropriate species on Pearl Street frontage;
- Construction of new kerb and gutter along Gloucester Road, Pearl Street and Millet Street in the immediate vicinity of the Hospital new works;
- Construction of new footpath along Gloucester Road, Pearl Street and Millet Street in the immediate vicinity of the Hospital;
- Removal of existing street furniture and installation of new street furniture along Gloucester Road and Pearl Street in the immediate vicinity of the Hospital; and
- Construction of new pram ramps along Gloucester Road, Pearl Street and Millet Street in the immediate vicinity of the Hospital.

The Department considers that these works should be carried out in association with the proposed development independently of any consideration of contributions and has recommended a condition of consent accordingly.

The Department notes that Council has a S94 plan in place for the area which includes the subject site, but does not capture the proposed development. This plan levies residential development (levied for open space, community and library facilities only), retail and commercial in Hurstville City Centre (levied for public domain only), and retail and commercial in certain commercial centres (levied for carparking shortfalls). The plan does not levy for traffic management facilities and infrastructure works until the TMAP process is completed.

The Department further notes that although a combined S94 and S94A plan were recommended to Council in 2011, it resolved to "not to have a Section 94A Plan for the Hurstville LGA" and "that the Draft Plan be amended to remove all clauses relating to S94A". The Department is advised that the key reason for this decision was to protect small scale residential developments from the additional cost burdens of s94A. The decision to remove S94A from the plan meant that certain developments would not be captured under the S94 Plan (including industrial developments, private hospital developments) as no projections and nexus has been established for these developments under the S94 Plan.

Notwithstanding the above, the Department has considered whether there is a nexus between the proposed development and the need for additional public amenities and services in the local area.

Council advises that the hospital development will result in increased traffic movements (from staff and visitors) on the local roads and intersections (particularly at the intersections of Pearl St, Millett St and Gloucester Rd), increased larger vehicles and service vehicle movements at the loading facility in Millet St, increased pedestrian traffic (from staff and

visitors), and increased conflicts between pedestrian and vehicles in the local area. Council advises that in order to deal with the additional infrastructure demand generated by the proposed development, additional local road improvements including reconstruction of adjacent road pavements, and modification of the intersection at Pearl Street and Gloucester Road roundabout are required. Council further advises that anticipated contributions for public facilities and infrastructure from other developments either under s94 or in any anticipated VPAs would not overlap with these proposed improvements.

The Department notes the location of the proposed development is adjacent to the Hurstville City Centre, and that arguments by the proponent justifying its height and scale have referenced the building approvals on nearby sites within the City Centre, where developments are captured by a S94 plan. The Department also notes that the proposed development has a shortfall of onsite parking. With 300 employees, the Department also considers that the hospital is likely to generate additional demands on local public facilities and services beyond those identified in Council's S94 Plan (including for open space, community and library facilities).

Accordingly, the Department is satisfied that the proposed development is likely to increase the demand for public amenities and public services within the area. A condition of consent is proposed that requires a contribution of \$322,000 being 1% of the cost of carrying out the development to be paid to the Council.

6. CONCLUSION

The proposed redevelopment of Hurstville Private Hospital supports the emerging health facilities cluster in Hurstville. Its location in close proximity to the identified centre of Hurstville and significant transport infrastructure is also consistent with key NSW 2021 and Metropolitan Strategy objectives to provide local employment close to public transport.

The Hospital currently employs over 160 full-time and casual employees and there are 64 employees in the Medical Centre. With the proposed expansion of the Hospital to 96 beds with ancillary health service facilities, the number of employees is expected to increase to over 300 FTE, as well as 200 construction jobs, contributing to the sub region's employment targets.

The redevelopment will deliver a substantial increase in the capacity of the Hospital, helping to address demand for private hospital health services in the region, and responding to the needs of an increasing and ageing population.

Accordingly, it is considered that the proposed development is consistent with and will contribute to the strategies of NSW 2021, the Sydney Metropolitan Strategy and South Sub-Regional Strategy.

The Department has considered all relevant documents in accordance with the objects of the EP&A Act and ecologically sustainable development. The Department has found that the development is consistent with relevant strategic plans. The Department has considered the impacts of the development on the surrounding area and has noted that the centre of Hurstville is in a transition from lower to higher density urban development, and that the subject development sits between low scale residential zonings and high rise city centre zones.

The Department has taken into consideration submissions from public authorities and from the general public. The Department has also considered the revisions to the original design that have been made in order to address some of these issues.

The impacts arising from the proposed development are considered to be acceptable and can be adequately managed by the changes to the design and through conditions on the approval. In addition to the Department's standard conditions, special conditions are recommended to address noise from deliveries, the final design of some aspects of the development, to ensure the delivery of ecologically sustainable development outcomes and to ensure the protection of residential amenity.

On balance, it is considered that the project is in the public interest and should be approved, subject to conditions.

7. RECOMMENDATION

It is recommended that the Planning Assessment Commission, as delegate for the Minister for Planning and Infrastructure:

- (a) consider the recommendations of this Report;
- (b) approve the Project Application under the repealed Section 75J of Part 3A of the Environmental Planning and Assessment Act, 1979;
- (c) sign the attached Instruments of Approval.



Director 3/4/13

Metropolitan and Regional Projects South



3.4.13

**Executive Director
Development Assessment, Systems & Approvals**