

28 April 2017

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



PLANNING DEVELOPMENT PROPERTY

KDC PTY LTD	ABN 61 148 085 492
PHONE	(02) 4940 0442
EMAIL	admin@kobydc.com.au
WEBSITE	www.kobydc.com.au
ADDRESS	Suite 2B, 125 Bull Street Newcastle West NSW 2302

Dear Madam,

RE: REQUEST FOR SECRETARY'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS FOR THE DEVELOPMENT OF A MIXED-USE PROJECT LOCATED AT 42 HONEYSUCKLE DRIVE, NEWCASTLE.

1 Introduction

1.1 Purpose

Koby Development Consultants Pty Ltd (KDC) has been commissioned to prepare an environmental impact statement (EIS) and associated development application (DA) documentation in support of a mixed-use 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 State Significant Development (SSD). As the proposed development will have a capital investment value well in excess of \$10 million it is defined as State Significant Development.

The report reviews the relevant environmental planning instruments and development guidelines. The preliminary design has considered the key development standards and guidelines as they apply to the site and the proposed built form. A preliminary assessment of the potential effects of the proposal with reference to the heads of consideration listed under section 79C of the EP&A Act 1979 has also been undertaken.

1.2 Background

The site was released to the market by the Hunter Development Corporation (HDC) 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.

KDC is not aware of any previous development consent being granted for the site by Newcastle City Council or any other consent authority.

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 land reserved for the former Newcastle railway line, which is currently vacant.

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

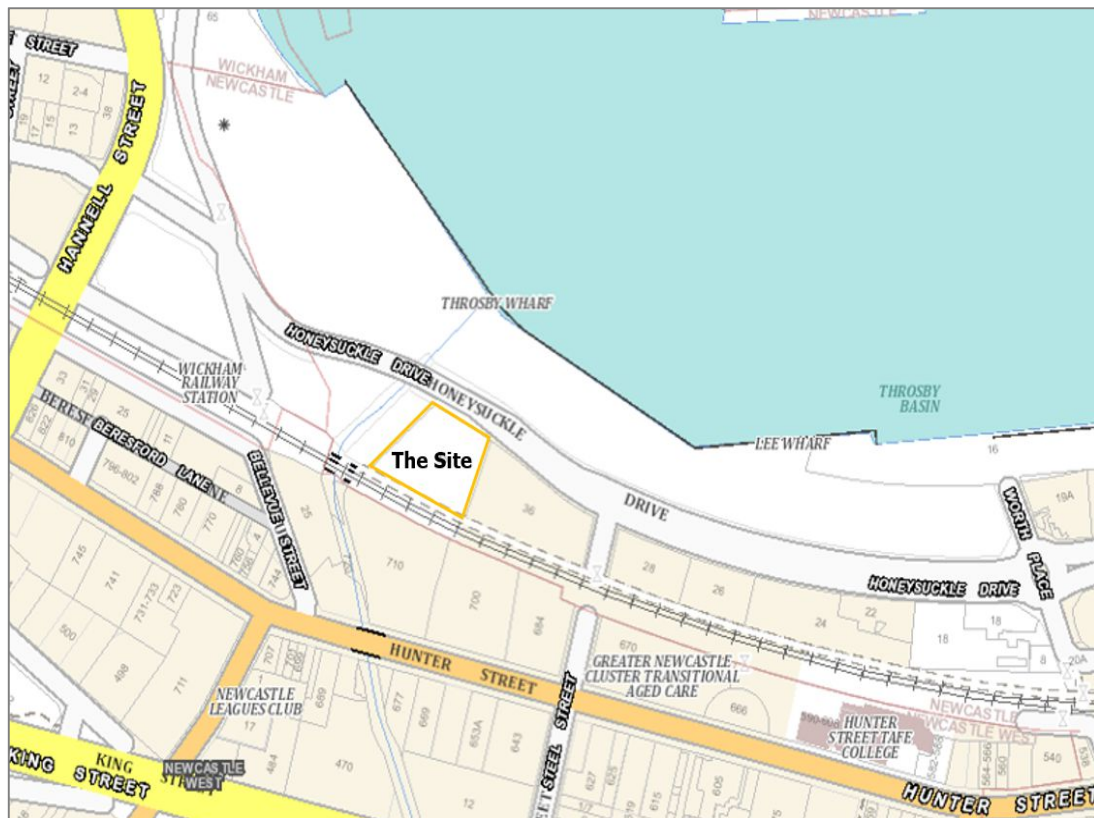


Figure 3 - Aerial view of the site and immediate locality (Source: Dept. Planning SIX Maps)



2.2 Description of Proposed Development

The proposed SSD application will seek consent for the redevelopment of the site for a mixed-use development involving ground floor commercial premises with residential units and hotel above; with associated on site car parking in the form of multi-level above ground carpark.

Specifically, the proposal includes the following:

- Five (5) levels of parking (multi-level above ground), providing approximately 240 car park spaces, storage, plant rooms and associated services. Vehicle access to the site is via Honeysuckle Drive; and
- Construction of an eight (8) storey mixed use building consisting of commercial/retail uses, residential apartments and hotel. The proposal will comprise the following:
 - 887m² (approx.) of commercial/retail space provided at ground level along Honeysuckle Drive and along the western frontage of the development;
 - 149 hotel rooms;
 - 62 residential units; and
 - Landscaped communal parkland areas.

A simple detail of the use mix and layout has been provided in figure 3.

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 occupants 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



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 ²
Gross Floor Area	11,180m ² – Total 887m ² – Commercial 5766m ² – Residential 4527m ² – Tourist and Visitor Accommodation
FSR	3:1
Building Height	Ground floor – Commercial Levels 1 – 4 – Hotel Levels 5 – 8 – Residential 9 Floors (30m) - Total
Dwellings	62 – apartments
Vehicle Parking Provision	240 spaces
Dwelling Mix – Indicative	14 one (1) bed 44 two (2) bed 4 three (3) bed

2.4 Land Uses

Commercial / retail uses are located at ground floor level fronting onto Honeysuckle Drive. Apartments are proposed above the commercial / retail uses. The tourist and visitor accommodation component of the development are also to be located above the commercial / retail uses.

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.

2.6 Landscaping and Open Space

The concept development will provide for deep soil landscaping and general landscaping on the site, with the majority of the landscaping opportunities provided along to the northern and southern boundary. Also, as part of the proposal, public domain works to the adjoining vacant area to the west of the site (part of Lot 2000 DP 1145678)

will be upgraded (currently vacant land) and include ample deep soil landscaping. Embellished open space areas for the use of the public and residents/ occupiers of the site will be provided on this adjoining land.

As illustrated within the Architectural documentation provided at Appendix A, the apartments are provided with private open space in the form of balconies.

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 No 55 – Remediation of Land;
- State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development;
- State Environmental Planning Policy 71 – Coastal Protection;
- State Environmental Planning Policy (Infrastructure) 2007;
- State Environmental Planning Policy (State and Regional Development) 2011;
- Section 79C of the Environmental Planning and Assessment Act 1979;
- Newcastle Local Environmental Plan 2012;
- Newcastle Development Control Plan 2012;
- NSW 2021;
- Hunter Regional Plan 2036;
- Newcastle Urban Renewal Strategy 2014; and
- Draft Coastal Management SEPP.

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.*

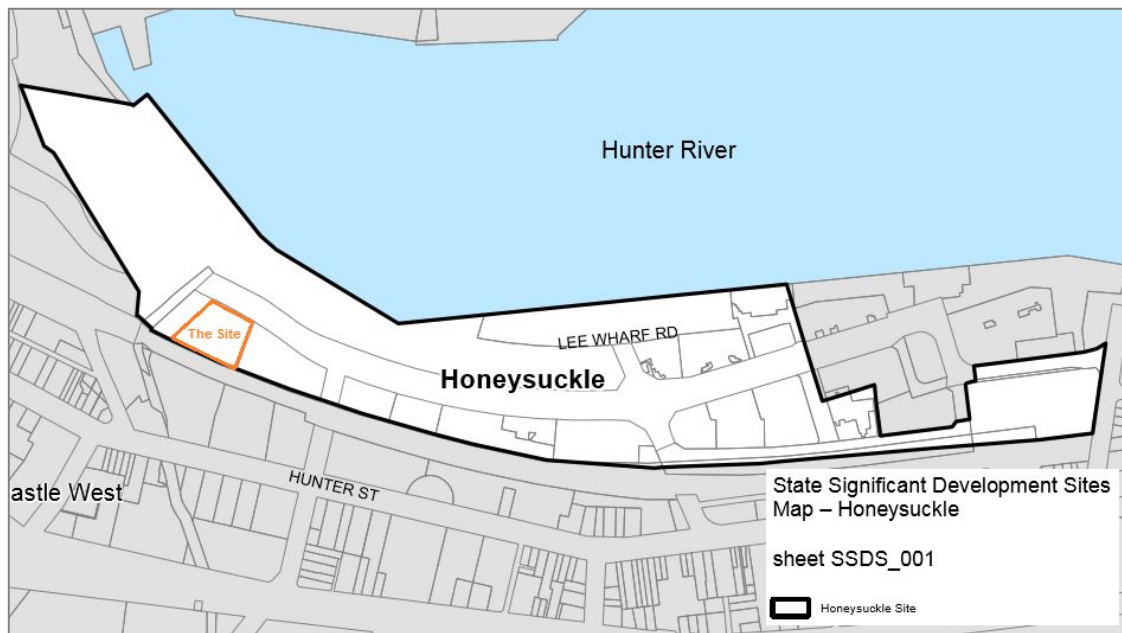
The site is declared to be State significant development site for the purposes of the Act, as it is identified within the Honeysuckle site within Schedule 2 of this SEPP (see Figure 4). Development within the Honeysuckle site with a capital investment value in excess of \$10Million is declared to be State significant development.

Clause 11 Exclusion of application of development control plans

Development control plans (whether made before or after the commencement of this Policy) do not apply to:

- (a) State significant development, or*
- (b) development for which a relevant council is the consent authority under section 89D (2) of the Act.*

Figure 5 – State Significant Site Map, SEPP (State and Regional Development) 2011 (SSDS_001)



3.1 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. A Site Audit Statement will be prepared for the site, with detailed investigations to be included in the submission accompanying the Environmental Impact Statement (EIS).

3.2 State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development

The concept plan has considered SEPP 65 Design Principles and a full assessment pursuant to SEPP 65 will be provided in the EIS noting that the proposal is capable of meeting the objectives of the Apartment Design Guide (ADG).

Further justification and rationale for the proposed built form will be provided in the EIS and Architectural Design Report.

3.2.1 Building Separation

It is noted that the ADG specifies separation distances between buildings on adjoining parcels of land and towers within the same site. This development does not consist of more than one tower. The adjoining building to the east of the site is bounded on the western side by a carpark and as such meeting the required separation distances are not seen to be a significant issue. Full compliance with the ADG and SEPP 65 will be documented in the EIS.

3.2.2 Solar Access

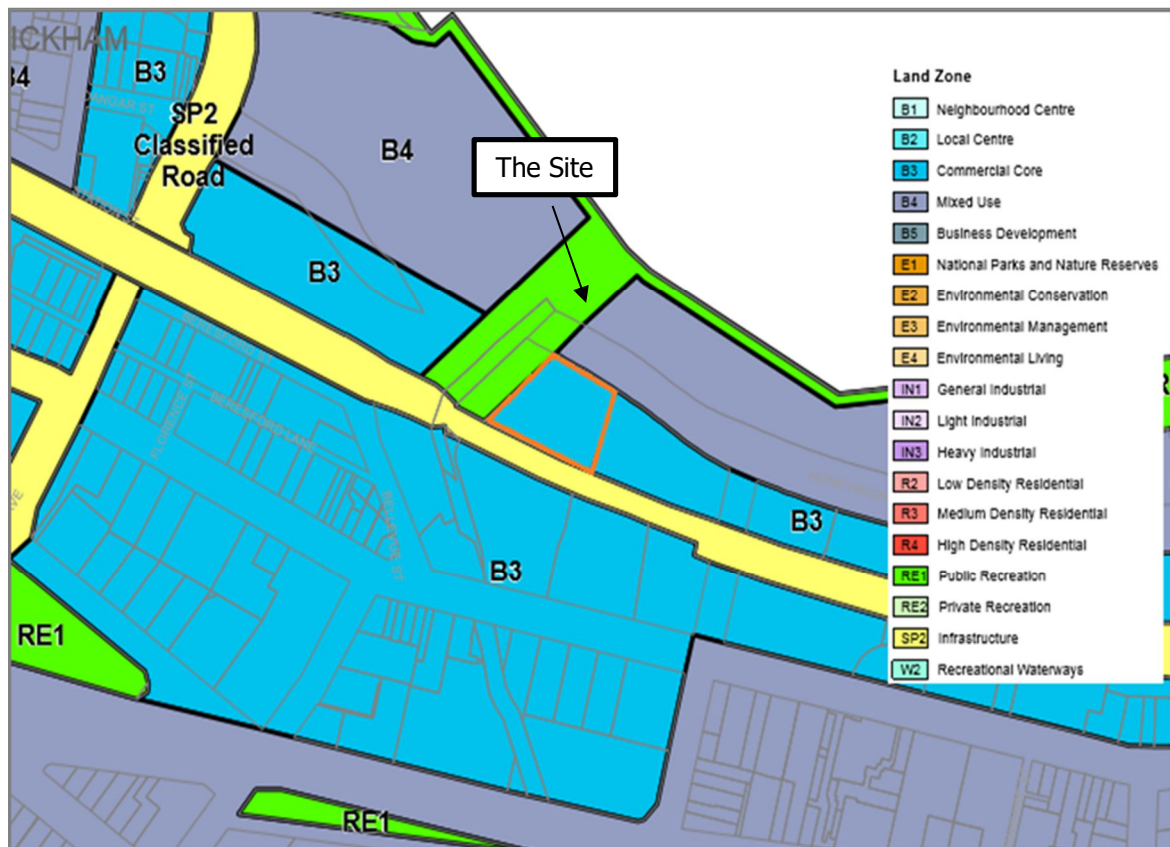
In regards to solar access, the ADG establishes that a minimum of two (2) hours of solar access is to be provided to the living rooms and private open space between the hours of 9 - 3pm on 22 June to for at least 70% of apartments. Architectural Drawings that will be submitted with the EIS will fully detail the development's compliance with the ADG and SEPP 65.

3.3 Newcastle LEP 2012

3.3.1 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 shop top housing and tourist and visitor accommodation. It is noted that shop top housing is identified as permitted with consent.

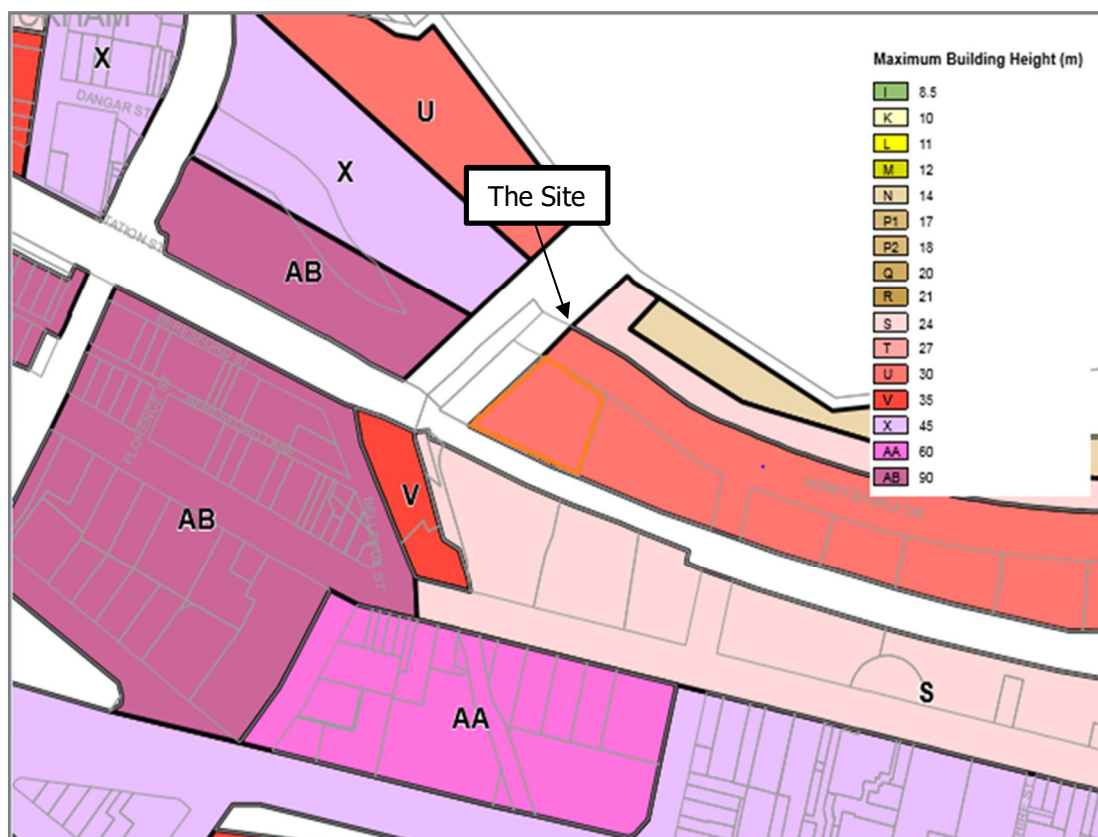
The proposal is considered to be consistent with objectives of the B3 Commercial Core Zone as it will facilitate the development of a mixture of residential and commercial uses in accessible location so to maximise public transport patronage and encourage walking and cycling within the area.

3.3.2 Principle Development Standards

Height of Buildings

The proposed building height of 30m is consistent with the 30m height control (see Figure 6).

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:

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

- (a) commercial premises,
- (b) 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.

3.4 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 3.05 Residential Flat Buildings
- Section 309 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 Amenities
- 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
- Section 7.09 Street Awnings and Balconies

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.

3.5 NSW 2021

NSW 2021, the State's Plan seeks to deliver sustainable development through increasing the supply of housing in existing urban areas with access to centres, services and transport. The proposal supports the objectives of NSW 2021 through the development of new residential and commercial development in close proximity to public transport and services within the locality.

3.6 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 and commercial tenancies as well as providing for permanent accommodation for the increasing population of the area.

3.7 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 precinct 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 Preliminary Section 79C Assessment

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 Residential Amenity

The proposed building height is consistent with the 30m control applicable to the site. Furthermore, the built form will ensure the site will achieve visual and physical connection from Honeysuckle Drive to the waterfront.

The impact of the design of the building will be addressed in the EIS with regard to streetscape, heritage, context and visual impact.

The EIS will demonstrate the proposal's achievement of residential amenity. Consideration of the proposal against the relevant provisions of SEPP 65 and the Apartment Design Guide.

Local safety is a consideration for the redevelopment of the site. The proposed use will further enhance local safety through passive surveillance and increased activity alongside appropriate security systems. A Crime Prevention Through Environmental Design (CPTED) report will be incorporated into the EIS.

The development of the site from vacant land to a nine (9) storey development will result in some disruption of views from the mixed-use developments located to the south of the site. In this regard, the development will be shown to be consistent with Newcastle LEP and DCP provisions relating to the maximum height and storey controls that apply.

4.2 Traffic and Access

A traffic report will accompany the EIS and will assess the generated traffic, car and bicycle parking, and vehicular access and circulation requirements 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.

An approval under section 138 of the Roads Act 1993 will be required and this will be discussed in the EIS. If development consent is granted then pursuant to Section 89K of the EPA Act, a section 138 approval must be issued by the relevant roads authority provided that it is consistent with the development consent.

4.3 Social and Economic

The proposed apartments provide a mix of housing opportunities in close proximity to employment and public transport nodes. The proposal will provide a variety of apartment sizes, types and layouts that will positively contribute to provide an appropriate social mix for the locality, contributing to housing affordability and diversity.

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 will contribute 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. BASIX Certification will be provided with the EIS to indicate the building provides acceptable amounts of sustainable methods of construction and operation.

Solar access impacts will be considered throughout the detailed design of the proposal and will be addressed in detail within the EIS.

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 Mine Subsidence

A validation report for the proposal will be sought from the Mine Subsidence Board (MSB) confirming that the works have addressed subsidence risk to the extent that the proposed building is within the nominated development envelope.

Notwithstanding the proponent will still need to obtain MSB approval for the final development and address any structural requirements of the MSB. This approval will be sought under section 15 of the Mine Subsidence Compensation Act 1961 and the MSB must issue the approval provided it is consistent with any development consent which has been granted.

4.7 Demolition and Construction

Demolition and construction impacts associated with the proposal will be addressed within a Preliminary Demolition and Construction Management Plan that will be prepared for lodgement with the Development Application. It will address how the existing buildings will be demolished (in part) and the construction of the new building is carried out with minimal impact upon the locality.

The site is reclaimed land that was previously used for road, rail and port related activities. Full assessment and consideration of the contamination of the site will be addressed within the EIS.

4.8 Community and Stakeholder Engagement

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

4.9 Archaeological

The EIS will need to consider all archaeological and heritage issues in connection with the proposed development including what permits and approvals are required for excavation and other work as well as appropriate programming.

4.10 Flood Management Plan

The Cottage Creek Flood Management Plan 1999 and the Newcastle Floodplain Risk Study 2012 provide the base information required to understand the flood management constraints for the site.

This will be addressed in the EIS.

5 Conclusion

This submission provides information to assist in the preparation of Secretary's Environmental Assessment Requirements (SEARs) for a mixed-use 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 State Significant Development and for the SEARs to be issued.

Secretary's Environmental Assessment Requirements 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

Company Name	KDC Pty Ltd
Primary Contact	<i>Patrick Quinlan</i>
Address	<i>2B, 125 Bull Street, Newcastle West NSW 2302</i>
Telephone	(02) 4940 0442 0429 020 128
Email	pquinlan@kobydc.com.au

Yours sincerely,



Patrick Quinlan
Senior Planner



Steve O'Connor
Partner

Appendix A – Architectural Plans