



42 Honeysuckle Drive – Mixed Use Development

*State Significant
Development
Modification Assessment
(SSD 8440 MOD 2)*



June 2019

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Cover photo

Artist's impression of proposed development (Source: Applicant's EIS for SSD 8440)

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Glossary

Abbreviation	Definition
CIV	Capital Investment Value
Consent	Development Consent
Council	Newcastle City Council
Department	Department of Planning and Environment
EIS	Environmental Impact Statement
EPA	Environment Protection Authority
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	<i>Environmental Planning and Assessment Regulation 2000</i>
EPI	Environmental Planning Instrument
ESD	Ecologically Sustainable Development
LEP	Local Environmental Plan
Minister	Minister for Planning
RtS	Response to Submissions
SEARs	Secretary's Environmental Assessment Requirements
Secretary	Secretary of the Department of Planning and Environment
SEPP	State Environmental Planning Policy
SRD SEPP	State Environmental Planning Policy (State and Regional Development) 2011
SSD	State Significant Development



1. Introduction

1.1 Preamble

This report provides an assessment of an application to modify the State significant development (SSD) consent (SSD 8440) for the construction of a mixed-use development at 42 Honeysuckle Drive, Newcastle.

The modification application seeks to:

- convert seven ground floor serviced apartments into hotel gym and pool facilities
- convert the four adaptable hotel rooms into eight single hotel rooms (resulting in an additional four hotel rooms)
- reconfigure various service areas and plant rooms
- change the façade treatment and materials
- amend the approved landscaping works.

The application has been lodged by Doma Holdings (Honeysuckle) Pty Ltd (the Applicant) pursuant to section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

1.2 The site

The site is located on the southern side of Honeysuckle Drive, to the east of Cottage Creek, within the City of Newcastle (Council) local government area (LGA). The site forms part of the Honeysuckle Precinct, which is located within the broader Honeysuckle Urban Renewal Project (HURP) (**Figure 1**).



Figure 1 | Site location (Source: SSD 8440 Assessment Report)

The site is currently vacant, with preliminary construction preparation works taking place (**Figure 2**).



Figure 2 | Aerial view of subject site (Base source: Nearmap)

The surrounding area is characterised by a mix of buildings and uses. To the north is undeveloped waterfront land, an open carpark and cycleway adjoining the Hunter River foreshore. To the west is undeveloped land including a public reserve and stormwater canal. To the east is commercial and mixed-use developments ranging in height between three and ten storeys. To the south is the light rail corridor with a mix of commercial and residential uses further south.

1.3 Approval History

On 22 June 2018, the Executive Director (as Delegate of the Minister) granted development consent to SSD 8440 for the construction of a nine storey mixed-use development at 42 Honeysuckle Drive, Newcastle, comprising:

- ground floor retail premises
- seven serviced apartments (ground floor)
- 148 hotel rooms (levels 1-4)
- 52 residential dwellings (levels 5-8)
- 234 car parking spaces (including 25 public car parking spaces).

On 18 October 2018, the Applicant lodged a section 4.55(1A) modification request (SSD 8440 MOD 1) (MOD 1) seeking approval for:

- a revised ground floor plan resulting in an additional serviced apartment
- revised floorplan for levels 1-4, resulting in the net increase of four hotel rooms
- an increase in gross floor area (GFA) of 37 square metres (m²)
- amendments to the approved landscaping.

The Applicant has indicated its intention to withdraw MOD 1, should this subject modification application (SSD 8440 MOD 2) be approved.

On 16 April 2019, the Director (as Delegate of the Secretary) issued Secretary's environmental assessment requirements (SEARs) for an amending SSD seeking to convert the approved 52 residential dwellings into 59 serviced apartments, including alterations and additions to the approved development.



2. Proposed Modification

On 3 April 2019, the Applicant lodged a modification application (SSD 8440 MOD 2) (MOD 2) seeking the amendments summarised in **Table 1** and shown in **Figures 3-4** below. A link to the application is provided in **Appendix A**.

Table 1 | Main components of the modification application

Aspect	Description
Ground Floor	<ul style="list-style-type: none">• Replace seven serviced apartments with hotel gym and pool facilities (Figure 3)• Extend the southwest corner of the proposed gym towards southern boundary to align with approved structural columns• Reconfigure internal service areas and plant rooms, level changes to loading dock and carpark entry ramp
Levels 1-4	<ul style="list-style-type: none">• Convert four adaptable hotel rooms into eight single hotel rooms (Figure 4)• Internal level changes within hotel carpark, enlarge planter box adjacent to new hotel rooms and widen the northeast hotel stairwell
Elevations	<ul style="list-style-type: none">• Replace glass louvres with fixed glazing at the end of the hotel corridors• Replace pre-cast concrete panels with feature blockwork along ground floor• Adjust the width of each of the three louvred sections on the east elevation
Landscaping	<ul style="list-style-type: none">• Reconfigure planter boxes and terrace adjacent to the Honeysuckle Drive boundary (to accommodate the water meters and hydrant boosters)• Revise landscaping along the western boundary to accompany the proposed hotel pool

A comparison between the approved and proposed floor plans are shown in **Figures 3** and **4** below:

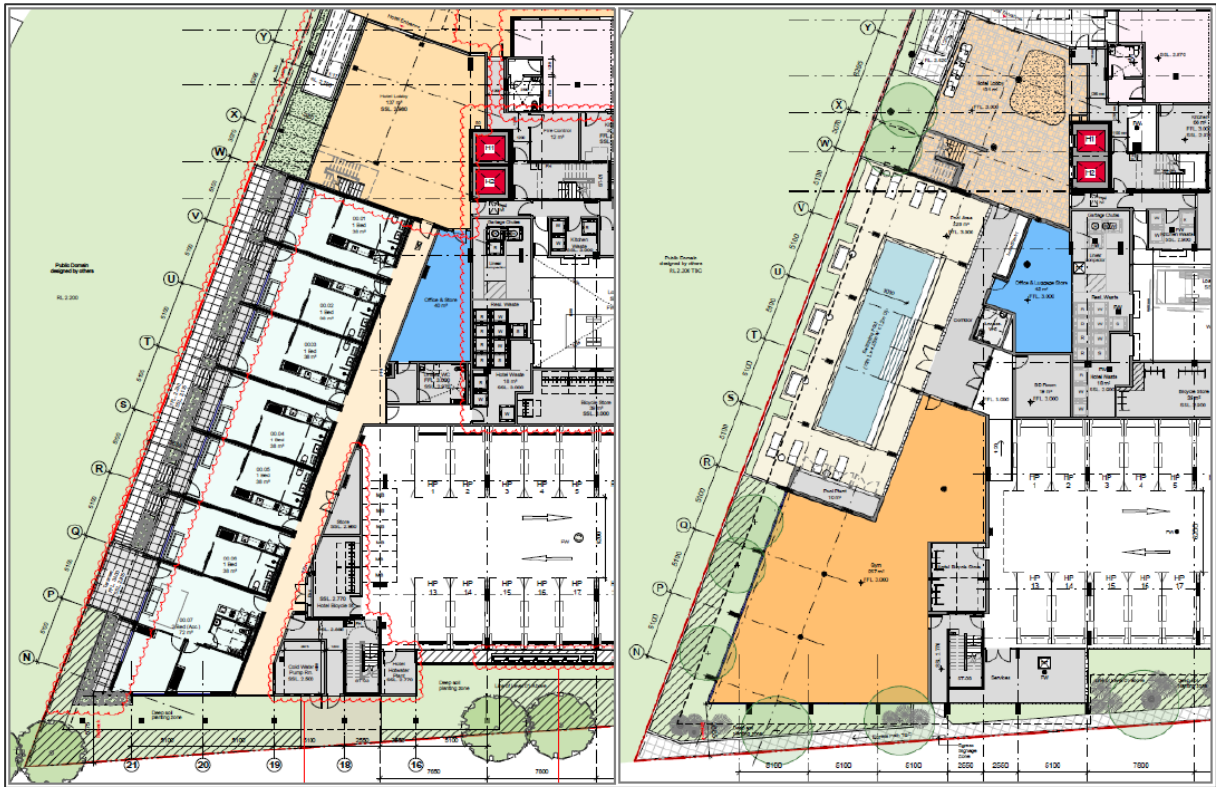


Figure 3 | Ground floor plan approved (left) and proposed (right) (Source: Applicant's Application)

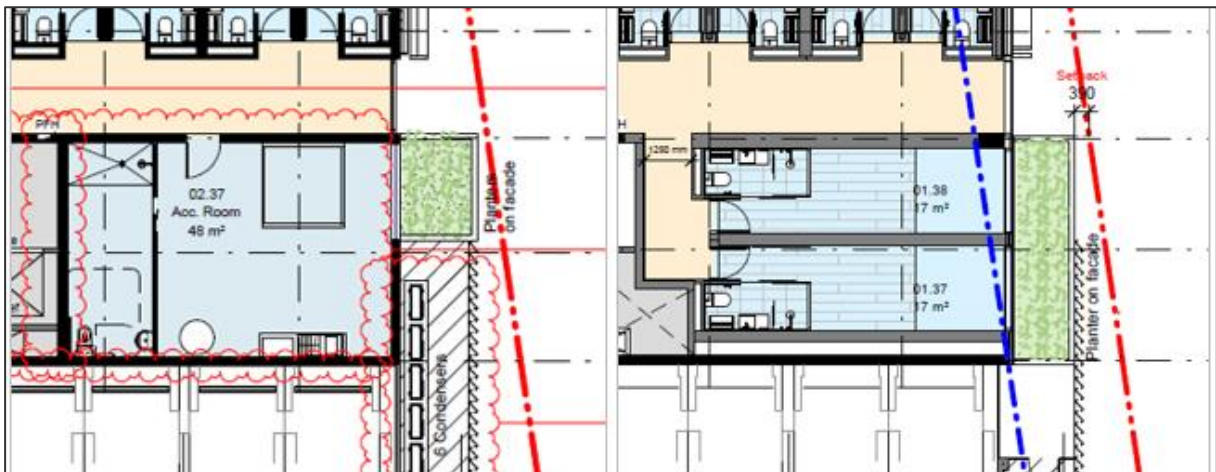


Figure 4 | Level 1-4 floor plan approved (left) and proposed (right) (Source: Applicant's Application)



3. Strategic Context

The Department's assessment considered that the original application complied with the strategic planning context for the site. The Department has considered the proposed changes against the strategic planning context, and is satisfied that the proposal remains consistent with the strategic planning context.



4. Statutory Context

4.1 Scope of Modifications

Section 4.55(1A) of the EP&A Act outlines the matters that a consent authority must take into consideration when determining an application that seeks to modify an SSD application.

The matters for consideration under section 4.55(1A) of the EP&A Act that apply to the modification (SSD 8440 MOD 2) have been considered in **Table 2**.

Table 2 | Section 4.55(1A) Modification involving minimal environmental impact

Section 4.55(1A) Evaluation	Consideration
a) that the proposed modification is of minimal environmental impact, and	Section 6 of this report provides an assessment of the impacts associated with the modification application. The Department is satisfied that the proposed modification is of minimal environmental impact, as the changes are generally contained within the approved building envelope, maintain the character and approved intensity of the development, and result in acceptable impacts on adjoining development.
b) that the development to which the consent as modified relates is substantially the same development as the development for which the consent was originally granted and before that consent as originally granted was modified (if at all), and	The proposed modifications are largely internal design changes and maintain the same general shape, scale, appearance and character of the approved development. On this basis, the Department is satisfied the modification is substantially the same development as originally granted.
c) the application is notified in accordance with the regulations, and	The Department made the modification application publicly available on the Major Projects website and notified Council and relevant Government agencies. Details of the notification are provided in Section 5 of this report.
d) any submissions made concerning the proposed modification have been considered.	The Department received three submissions, namely from two Government agencies and Council, which have been considered in Section 5 of this report.

4.2 Consent Authority

The Minister for Planning is the consent authority for the application. However, the Director Key Sites Assessments, may determine the application as:

- the relevant local council has not made an objection
- a political disclosure statement has not been made
- there are no public submissions.

4.3 Environmental Planning Instruments

The following Environmental Planning Instruments (EPI) are relevant to the application:

- State Environmental Planning Policy (State & Regional Development) 2011
- 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 (Building Sustainability Index: BASIX) 2004
- State Environmental Planning Policy (Urban Renewal) 2010
- Draft State Environmental Planning Policy (Remediation of Land)
- Newcastle Local Environmental Plan 2012 (NLEP 2012).

The Department undertook a comprehensive assessment of the development against the above-mentioned EPIs in its original assessment. The Department has considered the above EPIs and is satisfied that the modification continues to be consistent with the requirements of these EPIs.

4.4 Objects of the EP&A Act

The Minister or delegate must consider the objects of the EP&A Act when making decisions under the Act. The Department is satisfied the proposed modification is consistent with the objects of the EP&A Act.



5. Engagement

5.1 Department's Engagement

In accordance with the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation), the subject application was not required to be formally exhibited. However, the application was made publicly available on the Department's website from 3 April 2019 and referred to Council and the following Government agencies for comment by 26 April 2019 (19 days):

- Office of Environment and Heritage (OEH)
- Transport for NSW (TfNSW)
- Hunter & Central Coast Development Corporation (HCCDC).

The Department received submissions from OEH, TfNSW and Council. No submissions were received from the general public.

OEH and TfNSW advised that they had no comments on the proposed modification.

Council did not object to the proposed modification, however provided the following comments:

- ground floor plans nominate the approved retail premises as a restaurant, further consideration should be given to any likely impacts
- car parking in excess of Council's DCP requirements should be defined as GFA
- a concept for the hotel drop off/pick up facilities is currently being considered by Council's Traffic and Transport team.

5.2 Response to Submissions

On 27 May 2019, the Applicant provided a response to submissions (RtS) addressing the issues raised during the notification of the proposed modification (see **Appendix A**).

The RtS provided further clarification around the ground floor retail tenancy, car parking and the hotel drop off/pick up facilities. In addition, the RtS seeks to amend the approved stormwater plans.

The RtS was made publicly available on the Department's website and provided to Council and HCCDC.

Council raised no objection to the amended stormwater proposal, subject to the imposition of an additional condition requiring the establishment of easement (**Condition E15a**).

HCCDC raised no objection to the amended proposal, provided the proposed stormwater and any required easements would not prohibit the future dedication of the Cottage Creek public domain to Council.



6. Assessment

The modification application seeks approval for various internal layout changes, design refinements and revised landscaping works. The majority of these changes are minor in nature, internal and relate to the reconfiguration of service areas and plant rooms due to final construction details.

The Department considers the key assessment issue associated with the modification application is the conversion of the ground floor serviced apartments into the gym and pool associated with the hotel.

Gym and pool facilities

The application seeks to replace the approved seven serviced apartments on the ground floor with a new pool and gym facility associated with the hotel. The amendments include the provision of a semi-enclosed swimming pool along the western boundary and a new gym in the southwest corner (**Figure 5**).

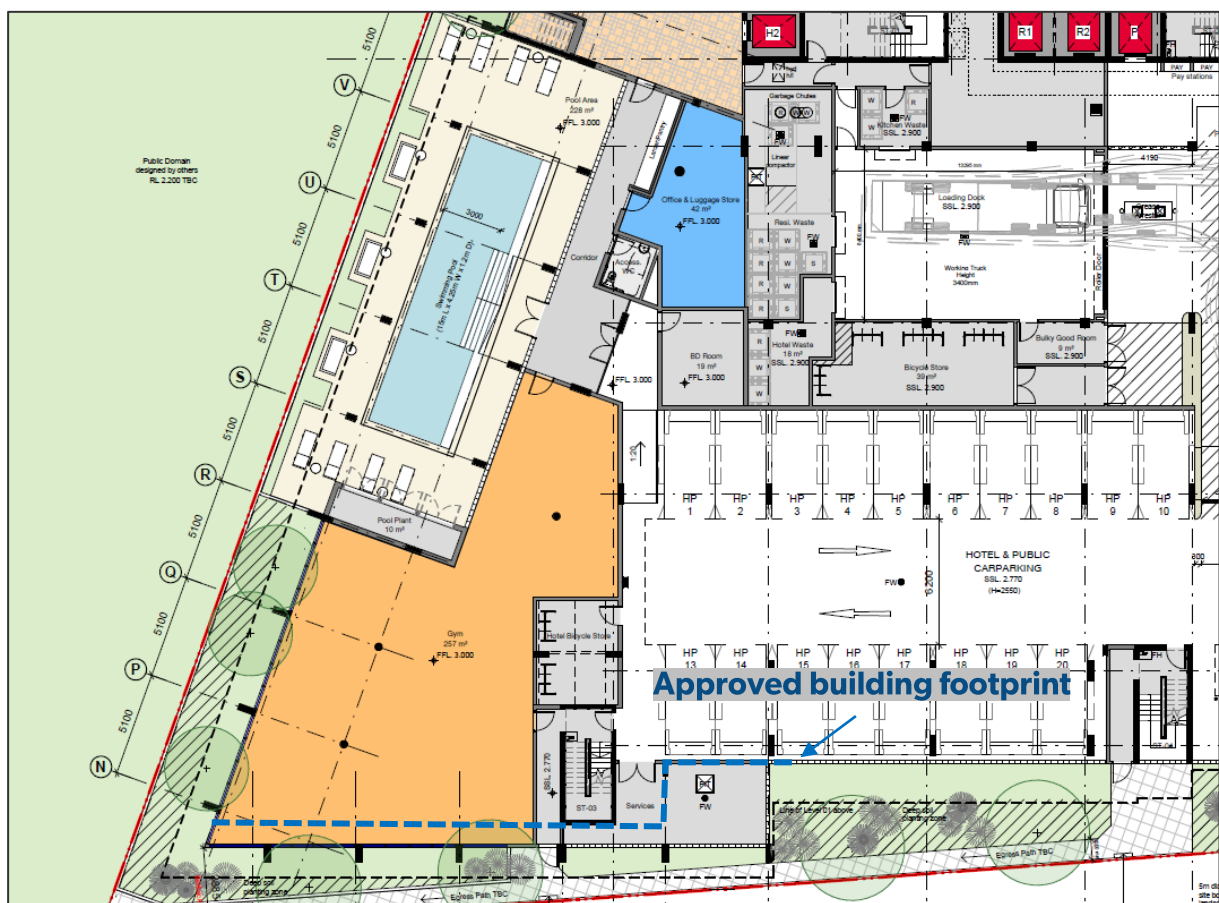


Figure 5 | Ground floor plan (Base source: Applicant's Application)

These changes also include enlarging the ground floor footprint towards the southern boundary to align with the approved structural columns.

The Applicant contends the proposed amendments are intended to better suit the operation of the hotel and will generally maintain the approved building envelope, have no detrimental traffic impacts on the surrounding road network or amenity impacts on neighbouring properties.

The Department notes the site adjoins the Cottage Creek public reserve, which forms part of the Honeysuckle Foreshore Public Domain Plan (**Figure 6**). The Public Domain Plan includes the reinstatement of the open creek, passive recreation space and will provide a new connection to the harbour.



Figure 6 | Cottage Creek Park (Base source: Honeysuckle Foreshore Public Domain Plan)

The Department considers the proposed new facilities adjacent to the Cottage Creek park will compliment this space and assist in providing activation and passive surveillance. Further, Cottage Creek provides adequate separation between the Wickham development site to the west and the proposed pool to address any potential amenity impacts resulting from the changes.

The Department notes Council did not raise any issues with the conversion of the approved serviced apartments into a gym and pool facility for the hotel.

The Department concludes the proposed removal of the ground floor serviced apartments and provision of the hotel pool and gym facilities is acceptable and will not result in any adverse amenity impacts on the surrounding area.

Other Issues

The Department's assessment of other issues is provided in **Table 3** below:

Table 3 | Summary of other issues raised

Issue	Findings	Recommended Condition
Additional hotel rooms	<ul style="list-style-type: none"> The proposal seeks to convert the approved accessible hotel rooms on levels 1-4 into two single hotel rooms. The changes result in an additional four hotel rooms. Council raised no objection to the additional hotel rooms. The Department notes there are no requirements within Council's planning controls for accessible hotel rooms, however the Department is conscious that the development is still required to comply with any relevant accessible provisions within the Building Code of Australia (Conditions A14 and B9) and any relevant Australian Standards. 	No additional conditions or amendments to existing conditions are necessary.
Ground floor retail tenancy	<ul style="list-style-type: none"> Council notes the ground floor retail tenancies has been nominated as a restaurant and states The Department notes that while the tenancy maybe nominated as a restaurant, the modification application does not include the fitout and use of the subject tenancy. The Department notes Condition A13 specifically states that the fitout of the retail tenancy does not form part of the consent. Further approval is required for the fitout of the ground floor retail tenancy. 	No additional conditions or amendments to existing conditions are necessary.
Car parking	<ul style="list-style-type: none"> The proposal results in a reduction in non-residential floor area of 147m², resulting in a surplus of three car parking spaces. Council states that any excess parking above that required by its planning controls results in additional GFA. The Applicant contends the amendments result in a technical non-compliance as the proposal maintains the approved number of car parking spaces. Further, the Applicant seeks to absorb the excess car parking within the public car parking component of the development. The Department considers the additional GFA resulting from the three car parking spaces (approximately 39m²) is negligible in comparison to the approved development (10,975m²). The removal of three car parking spaces will have no impact on the density or bulk and scale of the approved development, and the surplus is considered acceptable. 	Conditions B20 and F6 are recommended to be amended to reflect the additional three public car parking spaces.
Hotel pick up/drop off	<ul style="list-style-type: none"> Council notes the approved hotel drop off/pick up facilities will be lost as a result of 	No additional conditions or amendments to existing

	<p>the proposed realignment of Honeysuckle Drive. However, Council has advised it is currently reviewing a concept proposal for the on street drop off/pick up facilities.</p> <ul style="list-style-type: none"> The Department notes the proposal does not seek to alter the approved hotel drop off/pick up arrangements and the final arrangement for any on street drop off/pick up facilities will be determined by Council. 	conditions are necessary.
Minor reconfiguration of service areas and plant rooms	<ul style="list-style-type: none"> The proposal results in a number of internal layout changes and minor reconfiguration of the various service areas and plant rooms. The Applicant states the proposed changes are minor and result from further design refinements for construction. The Department notes these changes are contained within the approved built form and have no impact on the visual appearance of the building or amenity of adjoining sites. 	No additional conditions or amendments to existing conditions are necessary.
Minor changes to the façade treatments	<ul style="list-style-type: none"> The proposal includes feature blockwork in lieu of the approved pre-cast concrete façade treatment along the ground floor elevations, replacement of the glass louvres at the end of the hotel corridors with fixed glazing and the adjustment of the widths of the three separate carpark louvred sections on the eastern elevation. The Department considered the proposed changes maintain the design integrity of the approved building and will not impact on the visual appearance of the development or amenity of adjoining sites. 	No additional conditions or amendments to existing conditions are necessary.
Stormwater	<ul style="list-style-type: none"> The proposal includes amendments to the approved stormwater plans. Council and HCCDC raised no objection to the proposed stormwater plans, subject to the establishment of an easement. The Applicant contends the proposed amendments result in an improved method of discharging stormwater from the site. The Department considers the amended stormwater plans are acceptable and notes both Council and HCCDC raise no objection to the amended stormwater plan. 	An additional condition has been recommended (Condition E15a) requiring the Applicant to establishment an easement for the use of the stormwater pipe within the Cottage Creek public domain.
Landscaping works	<ul style="list-style-type: none"> The proposal includes landscaping amendments to accommodate the revised location of the water meters / hydrant booster, the new hotel pool and the changes to the accessible hotel rooms. The Applicant contends the revised landscaping helps provide a buffer between the proposed pool and the adjoining public open space (Cottage Creek). Also, the changes to the planter boxes adjacent to the additional hotel rooms have been expanded to correlate with the new opening on the eastern elevation. 	Condition A2 is recommended to be amended to include the revised ground floor landscaping plans.

- The Department notes the proposed revised landscaping remains generally consistent with the approved development. The proposed changes continue to provide appropriate screening and will ensure an appropriate interface between the development and the future Cottage Creek park to the west.



7. Evaluation

The Department has assessed the merits of the modification application, taking into consideration the comments raised by Council and the Applicant's response to those comments, and is satisfied the modification application will result in acceptable impacts on the surrounding amenity and character of the area.

The Department considers the modification application remains consistent with the relevant strategic policies, as it maintains its approved contribution towards housing numbers and greater housing choice, while continuing to contribute to employment opportunities within the Honeysuckle Precinct.

The Department is therefore satisfied the application is appropriate and conditions exist to address and/or mitigate these issues.



8. Recommendation

It is recommended that the Director, Key Sites Assessments, as delegate of the Minister for Planning:

- **considers** the findings and recommendations of this report
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to grant approval to the application
- **modify** the consent SSD 8440
- **signs** the attached approval of the modification (**Appendix B**).

Recommended by:

James Groundwater
Senior Planning Officer
Key Sites Assessments

Recommended by:

Brendon Roberts
Team Leader
Key Sites Assessments



9. Determination

The recommendation is: **Adopted by:**

David McNamara
Director
Key Sites Assessments



Appendices

Appendix A – Relevant Supporting Information

The following supporting documents and information to this assessment report can be found on the Department's website:

1. Modification Application
<https://www.planningportal.nsw.gov.au/major-projects/project/10826>
2. Submissions
<https://www.planningportal.nsw.gov.au/major-projects/project/10826>
3. Response to Submissions
<https://www.planningportal.nsw.gov.au/major-projects/project/10826>

Appendix B – Notice of Modification

See the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/10826>

Appendix C – Consolidated Consent

See the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/10826>