

**ORDINARY COUNCIL MEETING
27 SEPTEMBER 2016**

**CCL 27/09/16
ENDORSEMENT OF PROPOSED AMENDMENT TO LOCAL ENVIRONMENTAL
PLAN 2012 –RAIL CORRIDOR LAND BETWEEN WORTH PLACE AND WATT
STREET NEWCASTLE**

Attachment A: Planning Proposal – Rail corridor land between Worth Place
and Watt Street Newcastle

**Amend Newcastle LEP for rail corridor land between
Worth Place and Watt Street Newcastle**

September 2016

CONTENTS

Summary of Proposal	1
Background.....	1
Site.....	4
Part 1 - Objectives or Intended Outcomes	6
Part 2 - Explanation of Provisions	6
Part 3 – Justification	8
Section A - Need for the planning proposal	8
Section B - Relationship to strategic planning framework	9
Section C - Environmental, social, and economic impact	23
Section D - State and Commonwealth interests	32
Part 4 – Mapping.....	34
Part 5 – Community Consultation.....	46
Part 6 – Project Timeline.....	47

Attachments

- Attachment A:** Urban Design Analysis - by Hassell Architects, dated 7 July 2016
- Attachment B:** Assessment of Retail Impact - by MacroPlanDimasi, dated June 2016
- Attachment C:** Geotechnical and Contamination Assessment - by Douglas Partners, dated June 2016
- Attachment D:** Heritage Impact Assessment - by RPS, dated July 2016
- Attachment E:** Flood Risk Assessment - by BMT WBM, dated August 2016
- Attachment F:** Flora and Fauna Assessment - by RPS, dated April 2016
- Attachment G:** Visual Impact Statement - by Moir Landscape Architects, dated 7 June 2016
- Attachment H:** Shadow Impact Analysis, by Hassel, dated September 2016
- Attachment I:** Draft DCP Principles - by Elton, dated 2 June 2016
- Attachment J:** Traffic Impact Assessment - by GHD, dated June 2016
- Attachment K:** Social Impact Assessment - by Elton, dated 1 June 2016
- Attachment L:** Economic Impact Assessment - by SGS Economics and Planning, dated April 2016
- Attachment M:** Servicing Investigation - by ADW Johnson, dated May 2016

Amend Newcastle LEP 2012 for rail corridor land between Worth Place and Watt Street Newcastle

Summary of Proposal

Proposal	The Planning Proposal intends to rezone the rail corridor land between Worth Place and Watt Street, Newcastle and apply relevant planning controls in relation to building height, floor space ratios, minimum lot sizes, along with identifying land reservation acquisition and key sites.	
Property Details	Title	Address
	Part Lot 22 DP1165985	430 Hunter Street, Newcastle
	Part Lot 3 DP1111305	6 Workshop Way, Newcastle
	Lot 100 DP809262	426 Hunter Street, Newcastle
	Lot 31 DP534638	418 - 422 Hunter Street, Newcastle
	Lot 1 DP18256	414 - 416 Hunter Street, Newcastle
	Lot 1 DP1192409	1R Merewether Street, Newcastle
	Lot 1001 DP1095836	280 Hunter Street, Newcastle
	Lot 21 DP1009735	150 Scott Street, Newcastle
	Lot 22 DP1009735	110 Scott Street, Newcastle
	Lot 15 & 16, DP21503	484 - 486 Hunter Street, Newcastle
	Lot 17 DP21503	488 Hunter Street, Newcastle
	Lot 1000 DP1095836	352 Hunter Street, Newcastle
	SP21188	342 Hunter Street, Newcastle
Lot 1 DP1008183	336 Hunter Street, Newcastle	
Applicant Details	UrbanGrowth NSW	

Background

Council has received a request to amend Newcastle Local Environmental Plan (LEP 2012) in order to enable the rail corridor land between Worth Place and Watt Street Newcastle to be redeveloped for mixed use, public open space and tourist uses.

The submitted request outlined the following background.

"The Newcastle Urban Transformation and Transport Program (NUTTP) has been established to deliver the Newcastle Urban Renewal Strategy (NURS) and to implement the NSW Government's around \$500 million commitment to revitalise the city centre through:

- *The truncation of the heavy rail line at Wickham and creation of the Wickham Transport Interchange.*
- *The provision of a new light rail line from Wickham to the Beach.*
- *The delivery of a package of urban transformation initiatives.*

The Program aims to bring people back to the city centre by strengthening connections between the city and the waterfront, creating employment opportunities, providing more public space and amenity, preserving and enhancing heritage and delivering better transport.

The vision and objectives of the program builds upon the principles developed in NURS and has been informed by feedback from the community, Newcastle City Council, government agencies and city renewal experts.

Community engagement undertaken in 2014 and 2015 provided a clear direction that people favoured a combination of mixed use development with open space and new community assets. This feedback has influenced the overall Newcastle Concept plan for the surplus rail corridor."

The Urban Design Analysis, that includes the Master Plan, is at **Attachment A** to this Planning Proposal.

The submitted request indicates that the desired amendments to the Newcastle LEP support the objectives of the NSW Government's NUTTP.

"The Program (NUTTP) is underpinned by six objectives which will drive successful urban revitalisation:

1. Bring people back to the city centre

Re-imagine the city centre as an enhanced destination, supported by new employment, educational and housing opportunities and public domain that will attract people.

2. Connect the city to its waterfront

Unite the city centre and the harbour to improve the experience of being in and moving around the city.

3. Help grow new jobs in the city centre

Invest in initiatives that create jobs, with a focus on innovative industries, higher education and initiatives to encourage a range of businesses to the city centre.

4. Create great places linked to new transport

Integrate urban transformation with new, efficient transport to activate Hunter and Scott Streets and return them to thriving main streets.

5. Creating economically sustainable public domain and community assets

Leave a positive legacy for the people of Newcastle. Ensure that new public domain and community facilities can be maintained to a high standard into the future.

6. Preserve and enhance heritage and culture

Respect, maintain and enhance the unique heritage and character of Newcastle city centre through the revitalisation activities."

The NUTTP objectives are consistent, and build upon, the objectives of the Newcastle Urban Renewal Strategy (NURS), and are also generally consistent with broader objectives of Council's Newcastle 2030 Community Strategic Plan (CSP) and Local Planning Strategy (LPS).

The submitted request to amend the Newcastle LEP summarised the requested LEP amendments as follows:

"The planning proposal proposes to amend the NLEP to rezone the surplus rail corridor to provide for additional public domain, entertainment, mixed use, commercial and residential development within the rail corridor lands. The proposed rezoning can provide a mix of uses with between 500-600 dwellings (which will comprise a variety of styles and types and up to 5% affordable housing), and up to 5,000-6,000m² of commercial, retail, restaurant and other entertainment uses. The rezoning also proposes maximum building heights and floor space ratio controls that respect the existing controls that apply to surrounding land."

Upon reviewing this request it was identified that there was also an opportunity to expand the scope of the Planning Proposal to rationalise zoning and planning controls on certain adjacent land to ensure the land will integrate with the future uses of the rail corridor. This additional land includes to the rear of the Newcastle Museum where it is appropriate to expand the application of the RE1 Public Recreation zone to cover the existing open space area that is currently zoned B4 Mixed Use. It is also proposed to reduce building heights to properties fronting Hunter Street, between Civic and Merewether Street (414 to 426 Hunter Street), to correspond with proposed heights for the rail corridor land and reduce overshadowing of Wheeler Place. It is also proposed to correct mapping anomalies for some other land adjoining the rail corridor, including 336 and 342 Hunter Street which is currently zoned B4 Mixed use zone but the height and floor space ratio maps do not provide development controls for. These sites are proposed to have heights consistent with the corridor adjacent.

The request to amend Newcastle LEP 2012 has been processed in accordance with Council's 'LEP – Request for Amendment Policy'. The request has been considered by Council's Urban Design Consultative Group (UDCG) and their advice has informed the Planning Proposal.

As a result of the above, this Planning Proposal has been prepared and explains the need and justification for the proposed amendment to Newcastle LEP 2012.

Site

The site is located within the Newcastle city centre. The rail corridor is approximately 1.53km in length and is bounded by Wharf Road to the north, Watt Street to the east, Hunter and Scott Streets to the south and Worth Place to the west, and comprises the following land parcels:

Title	Address	Current Status
Part Lot 22 DP1165985	430 Hunter Street, Newcastle	Rail Corridor
Part Lot 3 DP1111305	6 Workshop Way, Newcastle	Land adjoining corridor (open space at rear of Newcastle Museum)
Lot 100 DP809262	426 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 31 DP534638	418 - 422 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 1 DP18256	414 - 416 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 1 DP1192409	1R Merewether Street, Newcastle	Road (Merewether Street)
Lot 1001 DP1095836	280 Hunter Street, Newcastle	Rail Corridor
Lot 21 DP1009735	150 Scott Street, Newcastle	Rail Corridor
Lot 22 DP1009735	110 Scott Street, Newcastle	Rail Corridor & Newcastle Station and surrounds
Lot 15 & 16, DP21503	484 - 486 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 17 DP21503	488 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 1000 DP1095836	352 Hunter Street, Newcastle	Land adjoining corridor (vacant)
SP21188	342 Hunter Street, Newcastle	Land adjoining corridor (Building)
Lot 1 DP1008183	336 Hunter Street, Newcastle	Land adjoining corridor (Building)

(See **Figure 1**: Context of Site and Land Application Map).

The rail corridor has a total area of approximately 4.2 hectares.



Figure 1 - Site Context and Land Application

Part 1 - Objectives or Intended Outcomes

1. To enable former rail corridor land between Worth Place and Watt Street, Newcastle to be developed for commercial, educational, residential accommodation, public recreation and visitor and tourism uses.
2. To ensure built form respects the unique built and cultural heritage of the City Centre by being compatible with the existing and desired urban environment.
3. To ensure active, vibrant and high amenity streetscapes and public open spaces which are well connected, including strengthening the connection between the City and the waterfront.

Part 2 - Explanation of Provisions

The objectives of the Planning Proposal will be achieved by amending the Newcastle LEP 2012 as follows:

1. Land zoning map to reflect a change in zone from SP2 Infrastructure (Railway) to B4 Mixed Use zone, RE1 Public Recreation zone and SP3 Tourist zone.
2. Height of building map to provide for a range of heights from 14m to 30m above ground, that are compatible with the surrounding existing heights limits, respect the built heritage of the city and facilitate reasonable daylight access to developments and the public domain.
3. Floor space ratio map to provide for a range of densities from 1.5:1 to 4:1, to ensure building density, bulk and scale is compatible with the existing surrounding densities, respect the built heritage of the city and facilitate quality and high amenity building design.
4. Land reservation acquisition map to identify land to acquire for a new public accessible link between Civic Lane and Hunter Street (484 to 488 Hunter Street, Newcastle).
5. Including prominent sites, including the Newcastle Railway Station, on the Key Sites Map.
6. Lot size map to restrict subdivision of the additional RE1 Public Recreation zone land.
7. Introduction of a new SP3 Tourist zone:

Zone SP3 Tourist

1 Objectives of zone

- To provide for a variety of tourist-oriented development and related uses.
- To provide for an inclusive and accessible environment for everyone.
- To provide for a range of compatible land uses.

2 Permitted without consent

Environmental protection works

3 Permitted with consent

Amusement centre; Car park; Child care centre; Commercial premises; Community facility; Earthworks; Educational establishment; Emergency services facility; Entertainment facility; Environmental facility; Filming; Flood mitigation work; Food and drink premises; Function centre; Health services facility; High technology industry; Information and education facility; Passenger transport facility; Public administration building; Recreation area, Recreation facility (indoor); Recreation facility (outdoor); Registered club; Respite day care centre; Roads; Signage; Temporary structure; Tourist and visitor accommodation.

4 Prohibited

Any development not specified in item 2 or 3.

Part 3 – Justification

Section A - Need for the planning proposal

1. *Is the planning proposal a result of any strategic study or report?*

UrbanGrowth NSW has prepared the NUTTP which provides the following objectives.

1. *Bring people back to the city centre*

Re-imagine the city centre as an enhanced destination, supported by new employment, educational and housing opportunities and public domain that will attract people.

2. *Connect the city to its waterfront*

Unite the city centre and the harbour to improve the experience of being in and moving around the city.

3. *Help grow new jobs in the city centre*

Invest in initiatives that create jobs, with a focus on innovative industries, higher education and initiatives to encourage a range of businesses to the city centre.

4. *Create great places linked to new transport*

Integrate urban transformation with new, efficient transport to activate Hunter and Scott Streets and return them to thriving main streets.

5. *Creating economically sustainable public domain and community assets*

Leave a positive legacy for the people of Newcastle. Ensure that new public domain and community facilities can be maintained to a high standard into the future.

6. *Preserve and enhance heritage and culture*

Respect, maintain and enhance the unique heritage and character of Newcastle city centre through the revitalisation activities."

These objectives build upon the objectives of the Newcastle Urban Renewal Strategy (NURS), broader objectives of Council's Newcastle 2030 Community Strategic Plan (CSP) and Local Planning Strategy (LPS). Alignment of the proposal to these strategic plans is outlined under Section B of this Planning Proposal.

The planning proposal is not a result of any Council study or report.

2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

Yes, a change of zoning is required for the land to be used in a manner consistent with the objectives of the Planning Proposal.

The land is currently zoned SP2 Infrastructure (Railway). The land use table for this zone only permits development for purposes shown on the land zoning map (ie Railway) including any development that is ordinarily incidental or ancillary to development for that purpose.

The current zoning therefore places significant constraints on the use of the land for any alternative purposes. An option of nominating additional permitted uses under Schedule 1 could also achieve the objectives. However, such uses would clearly be inconsistent with the existing objectives of the SP2 Infrastructure (Railway) zone and would therefore not provide a clear strategic direction for the future use of the land.

It is noted that the recommended zoning under Part 2 does not preclude the use of the land for access purposes such as roads, pedestrian paths and cycling.

Section B - Relationship to strategic planning framework

3. Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

Lower Hunter Regional Strategy (2006)

The Lower Hunter Regional Strategy applies to the land. The aim of this Strategy is to ensure that adequate land is available to accommodate the projected housing and employment growth in the Hunter Region over the next 25 years.

The Strategy promotes Newcastle as the regional city for the Lower Hunter with the key functions of the city centre being to service the Region with higher order administration, education, health services, cultural and recreational facilities and higher density commercial and residential development. The city is to have a commercial centre focus with large retail and commercial floor area, including department stores.

The Strategy aims to create an additional 10,000 jobs within the city centre and an additional 4000 dwellings.

The proposal will contribute to generating employment and housing opportunities within the city centre and is consistent with this Strategy.

Draft Hunter Regional Plan and Draft Plan for Growing Hunter City

The draft Hunter Regional Plan and draft Plan for Growing Hunter City sets out the NSW Government's long term plan for the Hunter. It includes the Government's vision and goals for growing the Hunter's economy. Newcastle is within a metropolitan area referred to as 'Hunter City' in the draft Plans. There are additional directions and actions to guide strategic planning for land use and infrastructure within this metropolitan area.

The Planning Proposal intends to provide for additional residential, employment and recreation lands in the Newcastle city centre and is consistent with the vision, goals and directions of both draft Plans.

4. Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?

Newcastle 2030 Community Strategic Plan

Council adopted the Newcastle 2030 Community Strategic Plan (CSP) in February 2011, as revised in 2013. The vision for Newcastle is:

"In 2030 Newcastle will be a Smart, Liveable and Sustainable City. We will celebrate our unique city and protect our natural assets. We will build resilience in the face of future challenges and encourage innovation and creativity. As an inclusive community, we will embrace new residents and foster a culture of care. We will be a leading lifestyle city with vibrant public places, connected transport networks and a distinctive built environment. And as we make our way toward 2030, we will achieve all this within a framework of open and collaborative leadership."

The proposal is consistent with this vision in that it provides for a number of new public open space areas which will improve the connection between the city and the harbour. The proposed heights are responsive to the built environment of the city. The proposal includes a specific objective for the SP3 Tourist zone to provide for an inclusive and accessible environment for everyone.

The vision of the CSP is supported by seven strategic directions. The proposal aligns with the strategic directions, including:

- Vibrant and Activated Spaces

The Planning Proposal meets the objectives as it provides additional zoned public open space. A written offer by UrbanGrowth NSW commits to entering into a formal Planning Agreement for the embellishment and dedication of this space to Council. This facilitates achievement of the CSP objectives for public spaces that provide for diverse activity and activation day and night. Another CSP objective is that culture, heritage and place are valued, shared and celebrated. The offer also commits to the adaptive reuse of heritage items Newcastle Railway Station and Signal Box.

The limited development of land between Brown and Perkins Street will provide a balance between celebrating the connection between the historic northern city edge while also enabling activation of the edges of the 'Harbour Lawns' of the 'Entertainment Precinct' as depicted in the Master Plan (**Attachment A**).

- Caring and Inclusive Community

Accessible tourism is an emerging social trend that needs to be considered when planning tourism. Inclusion and accessibility is also a key theme under Council's Disability Inclusion Action Plan. It is important that new tourism uses within the city centre will be inclusive and accessible for everyone. A specific objective has therefore been included for the new SP3 Tourist zone to ensure development must be inclusive and accessible for everyone.

- Liveable and Distinct Built Environment

The Proposal supports the strategic objective for "*Greater diversity of quality housing for current and future community needs*". Also the proposed heights across the land have been managed to achieve the strategic objective "*A built environment that maintains and enhances our sense of identity*".

- Open and Collaborative Leadership

In December 2015 Council received a report on the outcomes of the 'Revitalising Newcastle' community engagement. This community engagement was a collaboration between UrbanGrowth NSW and Newcastle City Council. The engagement was independently facilitated and reviewed and was held across June and July 2014 and involved 950 stakeholders. That engagement gathered feedback on people's vision and aspirations for a thriving city centre.

The Engagement Report indicated that people strongly supported the objectives to bring people back to the city, grow new jobs and connect the city to its waterfront, and over 3 in 4 people favoured opportunities titled Harbour Entertainment City and Harbour Play City. These combine mixed use development with open space and new community assets and have been carried into the planning proposal masterplan.

Compliance with the LEP amendment process, in particular Section 57 – community consultation of the *Environmental Planning and Assessment (EP&A) Act 1979*, will assist in achieving the strategic objective; “*Consider decision-making based on collaborative, transparent and accountable leadership*” and the identified strategy 7.2b, which states:

“Provide opportunities for genuine and representative community engagement in local decision making”.

Local Planning Strategy (LPS)

The LPS is Council's comprehensive land use strategy to guide the future growth and development of Newcastle to 2030 and beyond. The LPS acknowledges the role of the NURS released by the NSW Department of Planning and Environment in 2012, and updated in 2014 and states, in relation to the NURS:

“The LPS aims to complement this parallel strategy.”

The visions and objectives under the LPS for Newcastle and Newcastle West is:

Vision

Newcastle will continue to grow and evolve to strengthen its position as the Hunter region's capital. The city centre's location and setting between the river and ocean make Newcastle a compact, people friendly city with unique attributes.

Newcastle city centre will be a vibrant regional hub and attractive destination for businesses, residents and visitors, providing accessible and suitable employment opportunities, a choice of retail and other services, and local, national and international investment opportunities.

Objectives

- *Land use and development will reinforce Newcastle city centre as a vibrant regional hub and attractive primary destination for businesses, residents and visitors, providing a mix of housing options, accessible and suitable employment opportunities, a choice of retail and other services, and local, national and international investment opportunities.*
- *Land use and development will enhance access to the harbour from and to the city centre for the community and provide high quality public domain that will support the activation and revitalisation of the Newcastle city centre.*
- *Refer to Newcastle Urban Renewal Strategy 2012 and 2014 update (DPE 2014) for further objectives.”*

The Proposal meets the objectives as it provides additional land zoned for mixed use, tourist uses and public open space. A written offer by UrbanGrowth NSW commits to entering into a formal Planning Agreement for the embellishment and dedication of this space to Council.

The Newcastle Employment Lands Strategy (NELS) was prepared to underpin the employment directions of the LPS. In regard to the Newcastle city centre, the NELS recommended the provision of:

- 53,000m² of retail floor space.
- 143,000m² of commercial floors pace.
- 65,000m² of special uses floor space.

The Planning Proposal is consistent with the NELS as it will assist in providing retail / commercial floor space within the city centre. The Assessment of Retail Impact at **Attachment B** indicates that the retail component of the corridor lands is expected to be between 2,400m² and 5,000m². The report indicates that this floor area is a small provision of retail in the context of the broader offer within the Newcastle city centre, and would be widely dispersed across the corridor land and would not adversely impact other commercial centres across the region.

Economic Development Strategy

The Economic Development Strategy 2016-2019 builds upon the vision and objectives of the CSP, to support economic development in Newcastle. Theme 5 of the Strategy is 'Developing the visitor economy'. The inclusion of a new dedicated SP3 Tourist zone and new public open space will support this initiative.

Parkland and Recreation Strategy

The Parkland and Recreation Strategy was adopted by Council in 2014 to guide the sustainable provision of parkland and recreation facilities for current and future communities.

This strategy includes a vision for parkland and recreation, which represents the culmination of consultation with sports groups, management committees, Council staff, industry experts and the wider community:

"The City of Newcastle will provide, promote and support a range of facilities, events and programs aimed at:

- *Meeting the diverse parkland and recreational needs and interests of residents, visitors, students and workers;*
- *Creating vibrant, activated and sustainable public places; and*
- *Promoting health, happiness, community connections and wellbeing."*

The Planning Proposal includes new areas of RE1 Public Recreation zone and SP3 Tourist zone and therefore will facilitate the achievement of this vision. The applicant, UrbanGrowth NSW, has provided a letter of offer to enter into a Planning Agreement for the embellishment of this open space (attachment to report to Council).

The Foreshore Plan of Management

The Foreshore Plan of Management (PoM) was updated by Council in 2015. The PoM does not cover the subject land, however, encompasses the harbour foreshore open space under the care and control of Council to the north of the corridor between Brown and Watt Streets. It is therefore important that proposed land use zones within this section of the corridor integrate with the intent of the PoM. The PoM provides values, objectives and strategies to guide the future management of the foreshore land.

The values include:

- Scenic (including expansive harbour views)
- Recreation
- Accessibility
- Heritage
- Community use and special events.

Specific objectives include:

- Maintain the park's visual amenity and views to the harbour and the city.
- Encourage informal and organised recreational use of the park.
- Provide appropriate facilities and services and flexible spaces consistent with a city scale park to meet the current and future needs of the local community and broader public.
- Improve accessibility and connectivity both within the park and with surrounding areas.
- Improve activation through promotion and appropriate development of the park.
- Foster community awareness, understanding and interpretation of the heritage themes evident in the park.
- Manage the park in an effective, efficient and sustainable manner.

The Planning Proposal includes new RE1 Public Recreation zone adjacent to the foreshore area which is considered to support these values. In particular the increased RE1 Public Recreation zone, when compared to the Master Plan, will support the desire for views to the harbour and also importantly the view from the foreshore back to the city. The inclusion of SP3 Tourist zone to the eastern and western ends of the recreation zoned land will assist with activation and promoting a range of activities within the open space.

Newcastle Urban Renewal Strategy (NURS)

The Newcastle Urban Renewal Strategy (NURS) 2012 and 2014 update is the principal land use strategy for the Newcastle City Centre. It is guided by nine guiding principles outlined below, with comment on alignment included.

1. Opportunities to grow and expand

The Planning Proposal provides additional zoned land to support the ongoing economic sustainability of the city and accommodate anticipated growth and trends.

2. Economic viability and competition

The proposed B4 Mixed Use zone and inclusion of a new SP3 Tourist zone supports a diversity of land uses including retail, commercial and residential uses. This promotes development that provides increased consumer choice and strong, diverse services. Section 9 of this Planning Proposal identifies that economic impacts will be positive.

3. Busy and vibrant city centre

The Planning Proposal includes additional RE1 Public Recreation areas. The inclusion of a new SP3 Tourist zone will ensure vibrant uses within the former Newcastle Railway Station precinct.

4. Integrity and viability

The Planning Proposal includes additional RE1 Public Recreation areas that would integrate with existing open space areas, promoting connection between the city and waterfront. The proposed heights respect the unique heritage of Newcastle and open space areas.

5. Investment, employment and growth

The proposed B4 Mixed Use zone and SP3 Tourist zone, support a diversity of land uses including commercial, residential and tourism.

6. Transport, access and connectivity

The proposed RE1 Public Recreation zone promotes connectivity between the city and waterfront.

7. Housing mix and affordability

The proposed B4 Mixed Use zone enables a variety of residential accommodation. The offer by the applicant UrbanGrowth NSW to enter into a Planning Agreement commits to the provision of affordable housing.

8. Retail variety and choice

The proposed B4 Mixed Use zone and SP3 Tourist zone support retail variety and choice.

9. Provide for future employment growth

The proposed B4 Mixed Use zone and SP3 Tourist zone support employment growth.

A specific initiative of the NURS 2014 update was to connect the city with its waterfront. The provision of additional RE1 Public Recreation zoned land facilitates this connection. Some built form between Brown and Perkins Street is reasonable to enable improved activation to the adjacent open space.

5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

Consistency (of the planning proposal) with State Environmental Planning Policies is outlined in the table below.

Table 1 - Consideration of State Environmental Planning Policies

Name of SEPP	Applicable	Consistency
State Environmental Planning Policy No 1 (Development Standards)	No	
State Environmental Planning Policy No 14 (Coastal Wetlands)	No	
State Environmental Planning Policy No 19 (Bushland in Urban Areas)	No	
State Environmental Planning Policy No 21 (Caravan Parks)	No	
State Environmental Planning Policy No 26 (Littoral Rainforests)	No	
State Environmental Planning Policy No 30 (Intensive Agriculture)	No	
State Environmental Planning Policy No 33 (Hazardous and Offensive Development)	No	
State Environmental Planning Policy No 36 (Manufactured Home Estates)	No	
State Environmental Planning Policy No 44 (Koala Habitat Protection)	Yes	The SEPP applies to the entire LGA, however, the land is urban and does not consist of areas of koala habitat.
State Environmental Planning Policy No 47 (Moore Park Showground)	No	
State Environmental Planning Policy No 50 (Canal Estate Development)	No	
State Environmental Planning Policy No 52 (Farm Dams and Other Works in Land and Water Management Plan Areas)	No	
State Environmental Planning Policy No 55 (Remediation of Land)	Yes	<p>A preliminary geotechnical assessment by Douglas Partners (Attachment C) has been carried out.</p> <p>In accordance with Clause 6 Contamination and remediation to be considered in zoning or rezoning proposal, of the SEPP.</p> <ul style="list-style-type: none"> • The land is identified as contaminated and the SEPP applies. • As per the recommendations of the geotechnical assessment the land can be made suitable after remediation for all the purposes for which the land is permitted to be used. <p>See Section 8 of this Planning Proposal for further details.</p>
State Environmental Planning Policy No 62 (Sustainable Aquaculture)	No	
State Environmental Planning Policy No 64 (Advertising and Signage)	No	

Name of SEPP	Applicable	Consistency
State Environmental Planning Policy No 65 (Design Quality of Residential Flat Development)	No	<p>Yes. The proposal will facilitate the delivery of residential flat building development on the land and is considered applicable. Clause 27 of the SEPP outlines functions of design review panels, including that they may</p> <p><i>"carry out a review of provisions relating to the design quality of development to which this policy applies in any local environmental plans and development control plans in the area for which it is constituted, and advise the relevant council whether or not it endorses the provisions"</i>.</p> <p>An Urban Design Analysis has informed the preparation of this Planning Proposal by proposing a preferred Master Plan for the site. The Master Plan has been considered by Council's Urban Design Consultative Group (UDCG), being Council's design review panel. The UDCG were generally supportive of the Master Plan proposed, subject to some height reductions around Civic and deletion of the majority of building footprints between Brown and Wolfe Streets. A comprehensive assessment of the UDCG comments was included as an attachment to the report to Council.</p> <p>The amendments to the LEP are intended to also be supported by Development Control Plan (DCP) guidelines, which complement the LEP controls to put into effect the Master Plan for the land, including incorporating appropriate building separations and upper level setbacks. These DCP guidelines will be developed post Gateway.</p> <p>In accordance with Clause 21A of the <i>Environmental Planning and Assessment Regulations 2000</i>, Council's UDCG will be required to review the draft DCP and comments considered. Also in accordance with Clause 21A of the Regulations and Clause 6A of the SEPP the draft guidelines would need to be consistent with the objectives, design criteria and design guidance of the Apartment Design Guide.</p> <p>The draft Development Control Plan guidelines will be exhibited concurrently with the Planning Proposal.</p>

Name of SEPP	Applicable	Consistency
State Environmental Planning Policy No 70 (Affordable Housing (Revised Schemes))	No	
State Environmental Planning Policy No 71 (Coastal Protection)	Yes	<p>The subject land is within the Coastal Zone. The Planning Proposal is acceptable in relation to the matters for consideration specified under Clause 8 as applying to the preparation of a draft LEP.</p> <ul style="list-style-type: none"> • Access to foreshores will not be affected. Access between the City and the harbour will be improved. • The controls proposed are suitable for the location and relationship with surrounding areas. • There will be no adverse impacts on the foreshore. • The scenic qualities of the coast will be protected. • The land is not subject to coastal hazards. Flood impacts would be assessed at future development application stage. • Aboriginal cultural aspects can be managed (refer Section 8 for further discussion). • The proposal will not impact coastal waterbodies. • The HOB under the proposal responds to surrounding heritage conservation and heritage items. <p>The proposal encourages compact cities by increasing density responsive to site context and access to transport and services.</p>
State Environmental Planning Policy (Affordable Rental Housing) 2009	No	
State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004	No	Compliance with SEPP (BASIX) will be demonstrated under future development applications.
State Environmental Planning Policy (Exempt and Complying Development Codes) 2008	No	
State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004	No	
State Environmental Planning Policy (Infrastructure) 2007	No	The SEPP may apply to future development.
State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007	No	
State Environmental Planning Policy (Rural Lands) 2008	No	

Name of SEPP	Applicable	Consistency
State Environmental Planning Policy (Sydney Region Growth Centres) 2006	No	
State Environmental Planning Policy (Western Sydney Parklands) 2009	No	
State Environmental Planning Policy (Urban Renewal) 2010	No	The SEPP has been amended to exclude the Newcastle City Centre as a potential precinct and therefore no longer applies.
State Environmental Planning Policy (State and Regional Development) 2011	No	

6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

Consistency (of the planning proposal) with State Environmental Planning Policies is outlined in the table below.

Table 2 - Consideration of Section 117 Directions

S117 Direction	Applicable	Consistent
1. Employment and Resources		
1.1 Business and Industrial Zones	Yes	<p>Yes</p> <p>The Planning Proposal does not reduce existing business and industrial zones, or the total potential floorspace area for employment uses in business or industrial zones. The Planning Proposal will lead to net additional business zoned land (B4 Mixed Use zone) being provided in an appropriate location, being a regional centre, rather than being at the expense of existing employment lands.</p> <p>In this regard, the Planning Proposal achieves the following objectives of this direction by:</p> <ul style="list-style-type: none"> encouraging employment growth in suitable locations supporting the viability of identified strategic centres.
1.2 Rural Zones	No	
1.3 Mining, Petroleum Production and Extractive Industries	No	
1.4 Oyster Aquaculture	No	
1.5 Rural Lands	No	
2. Environment and Heritage		
2.1 Environment Protection Zones	No	

S117 Direction	Applicable	Consistent
2.2 Coastal Protection	Yes	Yes The Proposal is within the Coastal Zone but does not impact or would be impacted by coastal processes or hazards. The proposed HOB is compatible with the context of the area.
2.3 Heritage Conservation	Yes	Yes The Planning Proposal relates to land containing heritage items and potential Aboriginal cultural items as detailed under the Heritage Assessment Report Attachment D . This Planning Proposal does not propose to alter the heritage conservation provisions of the LEP. The proposed HOB map has had regards to heritage items, including scale interface with built heritage items. An archaeological strategy for the whole corridor will be prepared post Gateway. Refer to Section 8 for further discussion.
2.4 Recreation Vehicle Areas	No	
3. Housing, Infrastructure and Urban Development		
3.1 Residential Zones	Yes	Yes The Planning Proposal proposes to rezone some of the land to B4 Mixed Use zone. This will broaden housing choice, make more efficient use of infrastructure and services, reduce demand for housing on the urban fringe and facilitate good design, responsive to the context. The Proposal will not reduce the permissible density of the land and future development will be able to be adequately serviced. The Planning Proposal therefore achieves the objectives of this direction by: <ul style="list-style-type: none"> • Encouraging a variety and choice of housing types to provide for existing and future housing needs, • Make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and • Minimise the impact of residential development on the environment and resource lands.
3.2 Caravan Parks and Manufactured Home Estates	No	
3.3 Home Occupations	No	

S117 Direction	Applicable	Consistent
3.4 Integrating Land Use and Transport	Yes	<p>Yes</p> <p>The Proposal will facilitate commercial and residential development within walking distance to transport and services and is therefore consistent with the objectives by:</p> <ul style="list-style-type: none"> • Improving access to housing, jobs and services by walking, cycling and public transport. • Increasing the choice of available transport and reducing dependence on cars. • Reducing travel demand including the number of trips generated by development and the distances travelled, especially by car. • Supports the efficient and viable operation of public transport services.
3.5 Development Near Licensed Aerodromes	No	
4. Hazard and Risk		
4.1 Acid Sulfate Soils	Yes	<p>Yes</p> <p>The Planning Proposal relates to land affected by Acid Sulfate Soils (ASS) under Newcastle LEP 2012.</p> <p>Any potential impact from ASS can be managed with the remediation works to be carried out and with the implementation of an ASS management plan.</p>
4.2 Mine Subsidence and Unstable Land	Yes	<p>The site is within the Newcastle Mines Subsidence District. It is anticipated that consultation with the NSW Mine Subsidence Board will be required as part of the Gateway determination, prior to community consultation. Future development would require approval from the NSW Mine Subsidence Board.</p>

S117 Direction	Applicable	Consistent
4.3 Flood Prone Land	Yes	<p>Generally consistent.</p> <p>A Flood Risk Assessment by BMT WBM is at Attachment E which details consistency with the direction in detail.</p> <p>The Newcastle LEP does not contain flood management provisions and this is not proposed to be altered. Flood management provisions are contained in the Newcastle DCP 2012 and these will continue to apply and are consistent with the NSW Flood Prone Land Policy and Floodplain Development Manual 2005, as required by the direction.</p> <p>The Planning Proposal is inconsistent with the direction in that it will rezone land from a special purpose zone (SP2 Infrastructure) to a business zone (B4 Mixed Use). However, the areas are generally classified low risk and application of the DCP requirements would provide management of the risk.</p> <p>The Planning Proposal is inconsistent with the direction in that it will permit a significant increase in the development of the land. However, the land is generally classified as low risk and the risk can be managed by application of the DCP requirements.</p> <p>The inconsistencies with the direction are justified and the Planning Proposal does not compromise the achievement of the objective of the direction.</p>
4.4 Planning for Bushfire Protection	No	
5. Regional Planning		
5.1 Implementation of Regional Strategies	Yes	<p>Yes</p> <p>The Lower Hunter Regional Strategy applies to the land. The aim of this Strategy is to ensure that adequate land is available to accommodate the projected housing and employment growth in the Hunter Region over the next 25 years.</p> <p>The proposal will contribute to generating employment and housing opportunities, including diversity of housing, and is therefore consistent with this aim. The proposal will facilitate employment and housing in a location that will facilitate efficient travel patterns and more sustainable modes of transport, support increased walking and cycling and improved connectivity.</p> <p>The proposal is likewise also consistent with the Draft Hunter Regional Plan and Draft Plan for Growing Hunter City.</p>

S117 Direction	Applicable	Consistent
5.2 Sydney Drinking Water Catchments	No	
5.3 Farmland of State and Regional Significance on the NSW Far North Coast	No	
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	No	
5.5 Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA)	No	
5.6 Sydney to Canberra Corridor (Revoked 10 July 2008. See amended Direction 5.1)	No	
5.7 Central Coast (Revoked 10 July 2008. See amended Direction 5.1)	No	
5.8 Second Sydney Airport: Badgerys Creek	No	
6. Local Plan Making		
6.1 Approval and Referral Requirements	Yes	Yes The Planning Proposal does not include any additional concurrence, consultation or referral requirements for development applications to a Minister or public authority. It is therefore consistent with the objective to encourage efficient and appropriate assessment of development.
6.2 Reserving Land for Public Purposes	Yes	Yes The Planning Proposal includes reservation acquisition land at 484 to 488 Hunter Street for public open space to achieve a pedestrian connection between Civic Lane and Hunter Street. The relevant acquisition authority would be Council, with funding anticipated to be through a Planning Agreement with Urban Growth. The Council considers this aspect when determining whether or not to support the proposal for a Gateway determination.
6.3 Site Specific Provisions	Yes	Yes The Planning Proposal does introduce a new SP3 Tourist zone, however, it does not include any unnecessarily restrictive site specific controls. It is noted that local provisions for Newcastle city centre currently exist in the Newcastle LEP, and this Planning Proposal does not seek to alter the application of those provisions.

Section C - Environmental, social, and economic impact

7. *Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?*

The site was formerly developed for railway purposes and the Planning Proposal has no potential for critical habitat or threatened species, populations or ecological communities, or their habitats, to be adversely affected. This is confirmed in the Flora and Fauna Assessment (**Attachment F**).

8. *Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?*

City centre revitalisation

The LEP amendment request was supported by an economic assessment that identifies that redevelopment will contribute to the supply of additional floorspace for commercial, retail and residential purposes within the city centre. While beneficial, the stronger justification for the Planning Proposal is based on the opportunities it creates for city centre revitalisation. In particular, the provision of additional public open space and improved north south connections to the waterfront are considered positive outcomes for the city.

UrbanGrowth NSW has provided a letter of offer (as attached to Council report) to enter into a planning agreement, in association with the requested rezoning, to facilitate delivery of the following aspects:-

- i) Dedication of the land proposed to be zoned RE1 Public Recreation.
- ii) Enhancement of the public open space.
- iii) Repurposing heritage buildings, particularly Newcastle Railway Station and Signal Box.
- iv) Remediation of the open space.
- v) Commitment to provision of affordable housing.

The scope of the offer is considered acceptable in-principle and will be utilised as the basis to continue negotiations with UrbanGrowth NSW, post Gateway. The process of preparing the planning agreement will be carried out in accordance with Council's Planning Agreement Policy 2009.

Master Plan

The Planning Proposal is informed by an Urban Design Analysis (**Attachment A**) and Visual Impact Statement (**Attachment G**), submitted by the proponent. The Urban Design Analysis developed a Master Plan for the subject land, which also included proposed heights and floor space ratio (FSR) controls for the land. The Master Plan has been reviewed by Council's Urban Design Consultative Group (UDCG), and having regards to their advice, is supported in-principle. Advice from Council's UDCG is attached to the report to Council.

The Master Plan establishes that the development controls were based primarily upon analysis of surrounding controls. While this approach provides a logical starting point to developing the controls, it was evident from the UDCG advice that due to the constrained nature of the corridor, along with supporting high amenity open space and consideration of heritage, that further refinement to the development controls was required for the Planning Proposal. Council officers subsequently requested more detailed building massing diagrams from the applicant to demonstrate compatibility of urban form and impacts. In response, the proponent submitted a shadow analysis (**Attachment H**). The information supplied is considered sufficient at this stage to inform the development controls under the Planning Proposal for Gateway purposes, noting that slight refinement may still be required post Gateway as more detailed design work is undertaken when developing site specific DCP guidelines.

Based upon the Master Plan (including the visual impact statement), advice from Council's UDCG and further information supplied, the principal changes between those under the requested amendment and those under the Planning Proposal are as follows.

- Between Worth Place and Civic - Generally unchanged from the proposed height of 30m, other than a reduction in height to 24m adjoining the 'Civic Link' area. Given the desire for high amenity public open space this reduced height would provide a more comfortable scale and more compatible scale with nearby heritage items, including the Newcastle Museum.
- Civic - Zoning of RE1 Public Recreation zone supported and expanded to include the landscaped area at the rear of the Newcastle Museum (which is currently zoned B4 Mixed Use). These open space areas should seamlessly integrate and therefore the recreation zone should apply to both.
- Parcel between Civic and Merewether Street - Height was proposed at 24m but has been reduced to 18m. The Planning Proposal has also been expanded beyond the corridor land to encompass the properties fronting Hunter Street. These properties currently have a maximum height limit of 24m which if developed to the full height would overshadow Wheeler Place. A consistent height of 18m for this land would ensure higher amenity public open space for both Wheeler Place and the proposed 'Civic Link' under the Master Plan and would also relate better to the scale of the heritage listed Newcastle Museum which is approximately 13m in height.
- The corridor between Brown Street and Wolfe Street - This area was proposed for development. While some redevelopment is supported to be able to 'book-end' and activate the proposed open space area, the extent of built form would compromise the strategic objectives of reconnecting the city with the water. Therefore development is restricted to the western half of the corridor between Brown and Perkins Street, with the balance proposed as public open space. It is also proposed to include the SP3 Tourist zone to this development area to ensure more compatible uses with the adjacent public open space are achieved. The land is also nominated on the key site map which under the LEP requires a greater degree of design excellence.
- Having regard to the matters above, the public recreation zone will now extend from just west of Perkins Street to the Newcastle Railway Station area.
- The Newcastle Railway Station - The proposed SP3 Tourist zone for this site is supported. This provides for a range of land uses that would provide activation to this site. This land use zone does not allow residential development which is an incompatible land use for desired high activity areas. The height limit for this site has been reduced from that proposed at 20m to 15m within the area over the existing station buildings. A 15m height accommodates the existing station buildings.

A more detailed analysis is included as an attachment to the Council report and includes consideration of advice from Council's UDCG.

Zoning

It is proposed to introduce a new zone SP3 Tourist zone into the LEP. This new zone was requested by the applicant to cover the Newcastle Railway Station area. This is an important, positive initiative to ensure a vibrant use for the railway station repurposing and entertainment precinct as envisaged under the Master Plan.

It is also proposed to include this SP3 Tourist zone for the building area between Brown and Perkins Street. This would ensure more compatible uses with the adjacent public open space area are achieved. The submitted request by UrbanGrowth NSW proposed B4 Mixed Use zone for this area. However, this would likely encourage residential development that could conflict with likely vibrant outdoor uses within the adjacent RE1 Public Recreation area.

Two additional objectives are proposed (in addition to the standard LEP instrument) that seek to ensure compatible land uses and also inclusive and accessible tourism, which supports the objective for a caring and inclusive community under Council's Newcastle 2030 Community Strategic Plan and Council's Disability and Inclusion Access Plan.

The proposed land use table of the SP3 Tourist zone permits a range of uses that would facilitate active and vibrant uses, but importantly does not permit residential accommodation.

Land Reservation Acquisition

The Planning Proposal includes an amendment to the land reservation acquisition map applying to land at 484 to 488 Hunter Street, intended for public open space to achieve a pedestrian connection between Civic Lane and Hunter Street. The relevant acquisition authority would be Council. Funding for the acquisition will need to be included in any planning agreement negotiated with UrbanGrowth.

Development Control Plan

Detailed development control plan (DCP) guidelines will be developed post Gateway, generally in accordance with draft DCP principles (**Attachment I**). The DCP guidelines would provide further guidance on matters such as setbacks to control building footprints along with access. The draft DCP guidelines are proposed to be exhibited concurrently with the Planning Proposal.

Heritage

The submitted request to amend the Newcastle LEP was supported by a Heritage Assessment Report (**Attachment D**). The Assessment identified the heritage and archaeology present within the land of the rail corridor:

- A search undertaken of the Aboriginal Heritage Information Management System (AHIMS) identified that no Aboriginal sites are present in the Rezoning Study Area. However, the literature review and previous archaeological work suggests that subsurface Aboriginal heritage will be present in the Rezoning Study Area.

- In reference to built heritage there are six heritage places in or abutting the proposed rezoning footprint; the Newcastle Railway Station and the Newcastle Railway Station Additional Group (both on the State Heritage Register and of State heritage significance); the Civic Railway Workshop Group (Newcastle Museum); the Remains of AA Co. Bridge and Fence and the former Tramway Substation (NLEP 2012 Schedule 5 and of local heritage significance). The Civic Station (Section 170 Register) is not listed under NLEP.
- There are a number of archaeological sites and potential archaeological sites in the Rezoning Study Area including the: Mortuary Station; Civic Railway Station; Civic Railway Workshops curtilage; Newcastle Railway Station; and Convict Huts.

The Report considered the potential impact of works on potential Aboriginal sites, built heritage structures and archaeological and potential archaeological sites if the rezoning progresses as planned. The Report has provided advice on the planning approval process required and provides recommendations for mitigation against adverse heritage impact.

The Report's recommendations are supported and have demonstrated that heritage matters can be addressed under future development, by:

- Mitigation methods for Aboriginal archaeological sites including that a heritage archaeological strategy be prepared.
- The mitigation for built heritage including visual analysis, construction considerations, adaptive reuse and full consideration of any demolition.

The adaptive reuse of heritage items is seen as a positive initiative and the commitment to such is confirmed within the Planning Agreement offer by UrbanGrowth NSW (attachment to Council report).

In relation to visual analysis the Report states:

"While the proposed rezoning will not physically impact on the heritage items, the works that follow the rezoning will. The construction of buildings to heights of 14m; 24m (Parcels 05 & 14); 20m (Parcel 12); and 30m (Parcels 01; 02; 03; 06; 07) will have a potential visual impact on the heritage value of the Newcastle City Centre Heritage Conservation Area. It is considered however that the impact will be, in most instances, positive with adaptive re-use of heritage items and in a number of instances improved view corridors."

The report indicates that *"Any new buildings should be designed in accordance with the requirements of the Newcastle City Council requirements for the Newcastle City Centre Heritage Conservation Area."*

It is agreed that additional heritage assessment will occur at development application (DA) stage, however the appropriate built form (bulk and scale) cannot be entirely deferred until assessment of a DA. It is important at this stage of preparing the development controls for the subject land (ie the Planning Proposal) that consideration is given to the general scale and massing of future development. Having regards to advice from Council's UDCG the scale of development surrounding the Civic have been set to appropriately relate to the heritage listed Newcastle Museum (listed as the Civic Railway Workshops Group).

Prior to exhibition a heritage and archaeological strategy for the land will need to be prepared that includes:

- Details regarding the timing and preparation of the heritage interpretation strategy and plan recommended in the Heritage Assessment Report.

- Identifies heritage items planned for adaptive reuse or identified for demolition.
- Outlines a schedule with indicative timing for lodging applications for permits / approvals (recognising long lead times) and proposed archaeological methods (eg. use of ground penetrating radar, testing and/or monitoring).
- Include an indication of contamination testing/clearing if the archaeological program requires subsurface investigation.
- Include an indication of how Aboriginal Traditional Owners, NGOs (eg Local Aboriginal Land Councils) and how the community in general might be engaged and informed of the progress of archaeological investigations over the corridor.

Traffic and Parking

The submitted request to amend the LEP was supported by a Traffic Impact Assessment (TIA) (**Attachment J**). The TIA identified demand generated by approximately 585 dwellings and 5,200m² of gross floor area for non-residential uses. This included adjacent sites on Wright Lane between Worth Place and Civic that would likely be amalgamated with the corridor land. It is noted that the TIA was based upon the submitted request not this Planning Proposal (ie. a reduced floor space yield). The TIA would therefore tend to overestimate impacts and is considered acceptable for this Planning Proposal. The SIA predicted 3,900 (two-way) additional traffic movements, which modelling shows could be accommodated within the existing road network.

Future development would be subject to on-site parking requirements of the Newcastle DCP 2012.

The TIA found that the rezoning itself will not impact public off-street parking supply, however, the adjacent car park off Wright Lane would likely be amalgamated for redevelopment and some 190 spaces lost from the existing at-grade car park. The TIA found that in the context of overall supply of off-street parking in the city centre, with the removal of these spaces, the peak utilisation would remain at less than 70%.

A strategic approach to parking within the Newcastle city centre is required and is a wider issue than just relating to the rail corridor. Transport for NSW, through UrbanGrowth NSW, in consultation with Council, is developing a car parking strategy for the city centre.

The Master Plan includes a number of north-south pedestrian connections. These will be achieved by either zoning to RE1 Public Recreation or otherwise under DCP guidelines developed post Gateway.

Services

Council's Infrastructure Planning Section has identified a need to ensure that there is sufficient room within the corridor for 'future proofing' of services, in particular adequate space for stormwater infrastructure and overland flow paths. The critical aspect will be to ensure future building footprints provide space between for these services to be accommodated. The applicant (UrbanGrowth NSW) have advised a concept services map will be produced post Gateway, with required spaces between buildings specified with the DCP guidelines.

Geotechnical and Contamination

The submitted request to amend the Newcastle LEP was supported by a geotechnical and contamination assessment by Douglas Partners (**Attachment C**).

The Assessment outlined that Douglas Partners has conducted contamination investigations within the rail corridor between Newcastle Station in the east and Worth Place in the west. The results of the investigation indicated the following with respect to contamination at the site:

- The presence of hydrocarbon contamination in soil associated with the former gas works in the eastern portion of the site (ie. current bus interchange).
- The presence of hydrocarbon contamination in near-surface soils in the vicinity of Newcastle Station and the Newcastle Signal Box as a results of historical train use.
- The presence of heavy metal-impacted near-surface soils to the west of Civic Station, likely to be as a result of impacted historical filling and/or historical ash dumping in the area.
- The presence of minor soil contamination in filling across the site, likely due to historical use as a railway and historical filling of the site.

The Assessment recommends that contamination in soil at the site should be addressed due to the potential for impacts on human health and the environment, including groundwater impact. The Assessment proposes a remediation strategy for the site for localised removal and/or remediation of impacted soils, with capping of the remainder of the site with structures, pavements or soils. The contamination assessment and Remediation Action Plan (RAP) will be subject to review and approval by a NSW EPA accredited Auditor.

Council's Compliance Services Unit has reviewed the Assessment and are satisfied that the land can be made suitable after remediation for all the purposes for which the land is to be used. Further details and agreement of contaminants remaining in-situ will be established for land intended to be dedicated to Council.

In terms of geotechnical suitability of the site for future development the Assessment identifies that the rail corridor land is considered to be geotechnically suitable for residential and commercial type developments. The Assessment adds that prior to the detailed design of any proposed developments specific geotechnical investigation will be required, appropriate to the nature of the proposed development. Investigation and design will need to consider some or all of the following matters:

- The presence and depth of uncontrolled fill.
- The presence, depth and likely variation in groundwater levels.
- Appropriate treatment and management of acid sulphate soils where encountered.
- Excavation conditions and shoring requirements, if relevant.
- Earthworks procedures and whether any ground improvement measures (such as removal and compaction) are required, taking into account the requirements of the Remediation Action Plan (RAP).
- Suitable footing options and design parameters for support of structures.
- Requirements relating to potential mine subsidence, where relevant.

The Assessment identified that it could be expected that with suitable investigation, design and construction in accordance with accepted engineering practice, that the above matters can be readily managed.

Having regards to the above, the land is acceptable from a contamination and geotechnical perspective for the intended land uses proposed.

Mine Subsidence

The site is within the Newcastle Mine Subsidence District. It is anticipated that consultation with the NSW Mine Subsidence Board will be required as part of the Gateway determination, prior to community consultation. Future development would require approval from the NSW Mine Subsidence Board.

Flooding

The land is subject to flooding. A Flood Risk Assessment by BMT WBM is at **Attachment E** which details that flooding can occur from three mechanisms (and combination thereof), oceanic flooding, local catchment flooding and Hunter River flooding. The Assessment identifies that future development constraints, in accordance with Council's Development Control Plan 2012, include a flood planning level (ie. minimum floor level), and flood refuge areas. These could be accommodated under future development.

Bushfire

According to Newcastle Bush Fire Hazard Map the land is not affected by bushfire risk or in the vicinity of such a risk.

Acid Sulphate Soils (ASS)

The land is identified as Class 3 ASS under the Newcastle LEP 2012. Future development must comply with the provisions of the Newcastle LEP 2012 relating to ASS.

9. *Has the planning proposal adequately addressed any social and economic effects?*

Social Impacts

A Social Impact Assessment (SIA) (**Attachment K**) was submitted in support of the request to amend the Newcastle LEP. The SIA identified the social issues that may occur as a result of the rezoning and subsequent implementation of the Master Plan to include:

- The impact of the forecast additional population and employment levels on local and regional social infrastructure.
- Demand for public transport services and pedestrian / cyclist access routes through the City Centre.
- Perceptions that certain areas have relatively high crime rates.

The SIA found that the benefits of the rezoning for the local community, wider Newcastle community, business and visitors are expected to be:

- Provision of a range of dwelling styles, mixed uses (retail, office and business) and open spaces to revitalise this important city area.
- Diversity in dwelling prices, including affordable housing that will appeal to a broad cross-section of households.
- Improvements to the public domain, including access to the Harbour area from the city and surrounding streets, new areas of open space and new pedestrian and cycling linkages, with the potential for community health benefits.

- Stimulation and revitalisation of local economic activity, during the day, evening, night-time and weekends.
- Preservation and enhancement of unique and valued heritage.
- New community uses and activities around the Newcastle Station precinct.

The SIA has also highlighted the following issues that may have the potential to create some adverse social impacts:

- Impacts of the forecast additional population and employment levels on community services and facilities and demands for quality open space.
- Impacts on community structure - integration of existing and new residents.
- Community perceptions of risk - to changing character, reduced affordability and crime risk.
- Social equity impacts - including a lack of affordable housing options for lower income and leading to potential displacement.
- Construction impacts.

The SIA recommended a number of measures to mitigate impacts. These are generally supported. Some measures are beyond the scope of the Planning Proposal, however, they do demonstrate that mitigation methods are available as future development progresses.

The mitigation measures applicable to the Planning Proposal are outlined below, with comment under:

- UrbanGrowth NSW working with the Newcastle City Council to identify further opportunities to upgrade or embellish new and existing areas of open space or identify suitable community uses within the rail corridor land.
This will be developed further as part of Planning Agreement negotiations and exhibited with the Planning Proposal.
- Continuing discussions and liaison with social infrastructure providers (particularly the City of Newcastle Council, Department of Education and NSW Health) to ensure capacity issues, plans for future growth and service delivery can best accommodate the needs of this additional population and workforce.
Consultation will be undertaken as part of the exhibition of the Planning Proposal.
- Strengthening design elements to formalise pedestrian and cyclist access through the city, towards the Harbour precinct and major community destinations, including planned light rail stops and heritage areas, with clear signage targeted at a culturally diverse community to help people navigate through the city.
Relevant aspects will be developed further as part of site specific DCP guidelines and exhibited with the Planning Proposal.
- Creation of an attractive and safe public domain and meeting places to attract people at all times of the day and assist with social integration.
To be developed further as part of negotiation for Planning Agreement and exhibited with the Planning Proposal.

- Public safety and adherence to CPTED principles in design, including consultation with police.
To be developed further as part of site specific DCP guidelines. Consultation with police will occur as part of public exhibition.
- Streets and public open spaces that allow natural surveillance from windows, balconies, passing vehicles and pedestrian and cyclist traffic.
Relevant aspects will be developed further as part of site specific DCP guidelines and exhibited with the Planning Proposal.
- UrbanGrowth NSW to work with the Newcastle City Council and other interest groups to investigate opportunities to provide affordable housing options.
The letter of offer from UrbanGrowth NSW to enter into a Planning Agreement includes commitment to affordable housing. To be developed further and exhibited with the Planning Proposal.

In addition to the above mitigation methods, given the alignment of the Planning Proposal with the established strategic planning framework (as outlined under Section B of this Proposal), it is considered that, on balance, the Planning Proposal will result in positive social impacts.

Economic Impact

Attachment L contains an Economic Assessment by SGS Economics and Planning.

This Assessment considered the range of economic impacts associated with the proposed rezoning of the rail corridor lands. The Assessment included analysis of employment market dynamics within the Newcastle city centre, residential market dynamics and the job creation potential of the rezoning proposal. The findings are summarised below.

- Commercial floorspace
 - Current commercial space in the city centre is 255,200m².
 - By 2031 demand will increase by 58,000m².
 - The proposed development is estimated to deliver 2,413-3,397m² of commercial which contributes to a small (4.2%-5.9%) but important addition to accommodate forecast growth to 2031.
- Retail floorspace
 - By 2031 demand will grow to be a total of 182,300m² in the Newcastle city centre.
 - The proposed development is estimated to deliver 2,413 - 3,397m² of retail floorspace to the centre which contributes to a small (1.3%-1.9%) but valuable addition to accommodate forecast growth within the LGA by 2031.
- Residential - the rezoning proposal will deliver an estimated 543 additional apartments within the corridor. A further 221 apartments will be delivered by land adjacent to the corridor that is already zoned. The Assessment identifies:

"There are a range of benefits associated with residential development in and around centres, in the form of more sustainable travel, economies of agglomeration and optimal use of infrastructure. It will also improve the vitality and viability of the Newcastle city centre, given that new residents will stimulate demand for services, such as restaurants, cafes, tourism, recreation, entertainment and cultural activities in the centre and drive associated local employment growth. Residential development contributes to activity outside of core business hours and on weekends. Increasing the population will assist in providing a better mix of dwellings and greater housing diversity within the Newcastle LGA."

- Job creation - An additional 601 jobs will be established within the rail corridor and a further 333 jobs within adjacent lands. This is based on the development of the mixed use sites as well as demand for services from the people within the apartments:
 - Newcastle Railway Station – Heritage refurbishment and adaptive re-use: 166-269 total jobs
 - Mixed Use development: 334-522 total jobs
 - Residential apartments: 101-143 total jobs

The direct impact of the anticipated increase in construction activity is estimated to contribute to an additional \$124.5 million in industry output, 600 additional construction jobs within the centre and a gross value add of \$98 million to the local economy.

Attachment B contains an Economic Impact Assessment by MacroPlanDimasi. The Assessment concludes:

"In summary, the proposed rezoning of the rail corridor lands to enable the potential development of around 5,000 m² of retail/commercial floorspace is considered appropriate, and would represent only a small addition to the retail network. Even in combination with the proposed redevelopment of the Hunter Mall precinct, cumulative impacts across the retail hierarchy are expected to be moderate."

Impacts of the order estimated are highly unlikely to result in any detrimental impacts on the surrounding retail / centres hierarchy across the region, nor other retail precincts within the Newcastle CBD. Additional retail / commercial development within the Newcastle CBD is likely to boost the overall profile and attractiveness of the CBD as a retail, entertainment and commercial destination."

The economic impacts resulting from the Planning Proposal are considered to be positive.

Section D - State and Commonwealth interests

10. Is there adequate public infrastructure for the planning proposal?

A Servicing Investigation, by ADW Johnson (**Attachment M**) supports the submitted request to amend the Newcastle LEP. The Investigation identifies that there are no issues that would preclude the proposed rezoning on the basis of water and wastewater infrastructure servicing, electricity and communications.

As part of the Gateway determination Council will consult with relevant agencies in relation to infrastructure. It would be expected that these could be augmented as required to accommodate an increased demand generated by future development.

As indicated earlier, future proofing a corridor for the provision of services for development within the rail corridor will be part of the DCP being prepared for the land and exhibited with the Planning Proposal.

11. *What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?*

No State and Commonwealth public authorities have been formally consulted at this stage but will be carried out in accordance with the requirements of the Gateway determination. Council proposes to consult with the following agencies prior to public exhibition of the Planning Proposal:

- Roads and Maritime Services - to identify any road infrastructure issues.
- Mine Subsidence Board - to identify any mine subsidence issues.
- Hunter Water Corporation - to identify any servicing issues in relation to water and sewer.
- NSW Department of Family and Community Services - to identify any housing social issues.
- Office of Environment and Heritage - to identify any further heritage issues.
- Newcastle Port Authority and Port of Newcastle - to identify any issues with building heights in relation to port navigation.
- NSW Department of Education - to identify any capacity issues to serve future residents.
- NSW Health - to identify any capacity issues to serve future residents.
- NSW Police - CPTED principles.

Part 4 – Mapping

The planning proposal seeks to amend the following maps within Newcastle LEP 2012.

- Land Zoning Map
- Height of Buildings Map
- Floor Space Ratio Map
- Minimum Lot Size Map
- Land Reservation Acquisition Map
- Key Sites Map

The Matrix below indicates (with an “X”), which map sheets (of Newcastle LEP 2012) are to be amended as a result of this planning proposal (eg FSR_001C)

	FSR	LAP	LZN	WRA	ASS	HOB	LSZ	LRA	CL1	HER	URA
001											
001A											
001B											
001C											
001D											
002											
002A											
002B											
002C											
002D											
002E											
002F											
002G											
002H											
003											
004											
004A											
004B											
004C											
004D											
004E											
004F											
004FA											
004G	X		X			X	X	X	X		
004H											
004I											
004J											
004K	X		X			X	X		X		

Map Codes:	FSR	=	Floor Space Ratio map
	LAP	=	Land Application Map
	LZN	=	Land Zoning Map
	WRA	=	Wickham Redevelopment Area Map
	ASS	=	Acid Sulfate Soils Map
	HOB	=	Height of Buildings Map
	LSZ	=	Lot Size Map
	LRA	=	Land Reservation Acquisition Map
	CL1	=	Key Sites Map & Newcastle City Centre Map
	HER	=	Heritage Map
	URA	=	Urban Release Area Map

The following maps illustrate the proposed amendments to the Newcastle LEP 2012 maps:

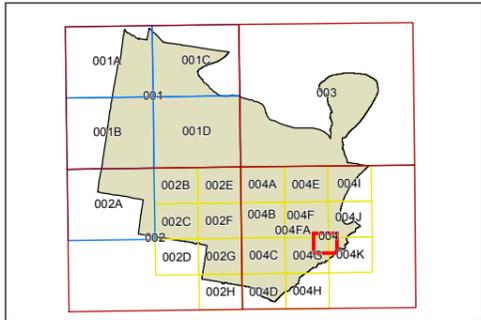
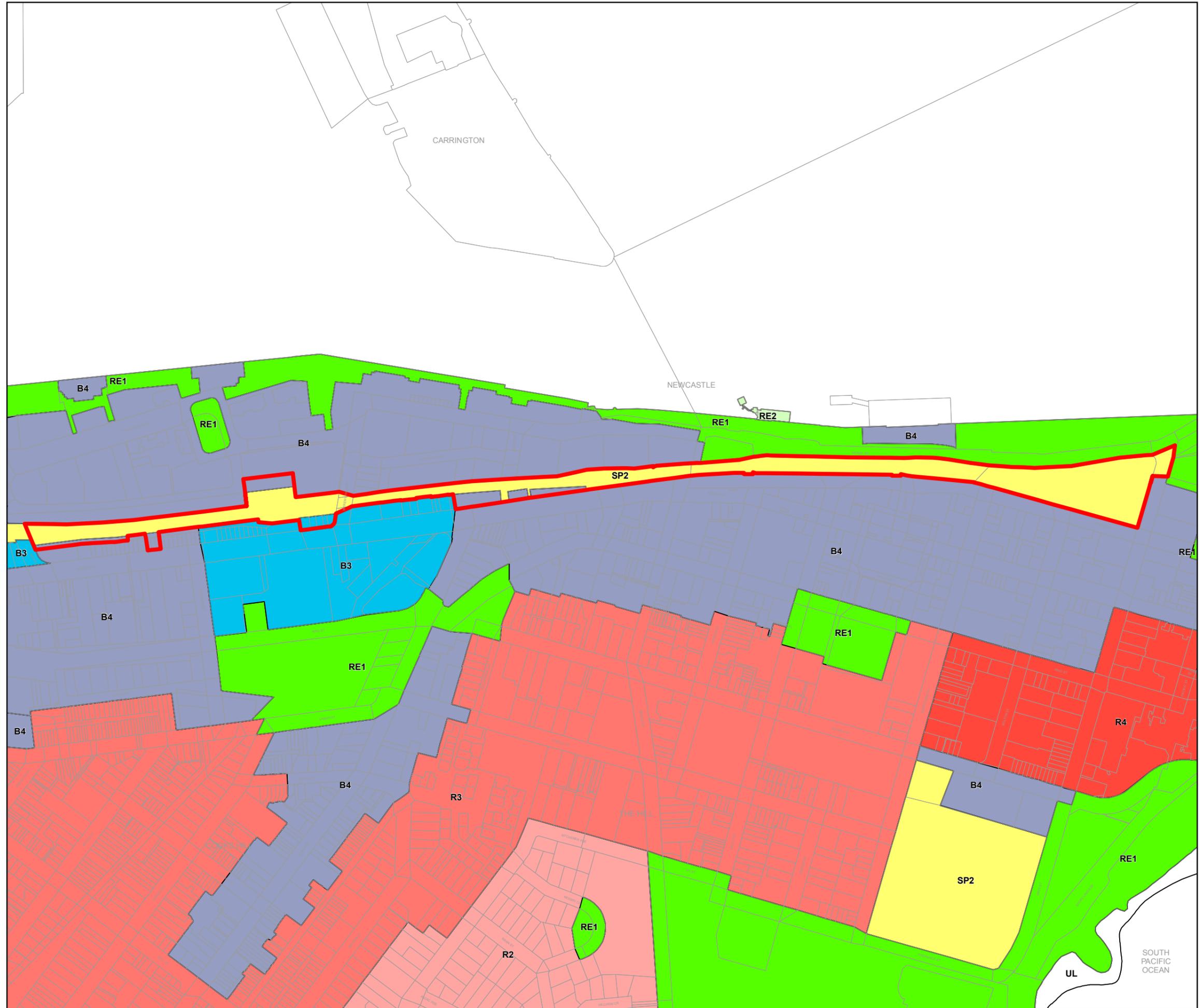
- **Figure 2:** Existing Land Zoning Map
- **Figure 3:** Proposed Land Zoning Map
- **Figure 4:** Existing Height of Buildings Map
- **Figure 5:** Proposed Height of Buildings Map
- **Figure 6:** Existing Floor Space Ratio Map
- **Figure 7:** Proposed Floor Space Ratio Map
- **Figure 8:** Existing Min Lot Size Map
- **Figure 9:** Proposed Min Lot Size Map
- **Figure 10:** Proposed Land Reservation Acquisition Map
- **Figure 11:** Existing Key Sites Map
- **Figure 12:** Proposed Key Sites Map

Figure 2

**Existing Land Zoning Map
Planning Proposal PP2016/0004**

- Subject Site
- ZONE**
- B1 Neighbourhood Centre
- B2 Local Centre
- B3 Commercial Core
- B4 Mixed Use
- B5 Business Development
- E1 National Parks and Nature Reserves
- E2 Environmental Conservation
- E3 Environmental Management
- E4 Environmental Living
- IN1 General Industrial
- IN2 Light Industrial
- IN3 Heavy Industrial
- R2 Low Density Residential
- R3 Medium Density Residential
- R4 High Density Residential
- RE1 Public Recreation
- RE2 Private Recreation
- SP2 Infrastructure
- W2 Recreational Waterways
- UL Unzoned Land

Cadastre Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56

Scale: 1:5,000 @ A3

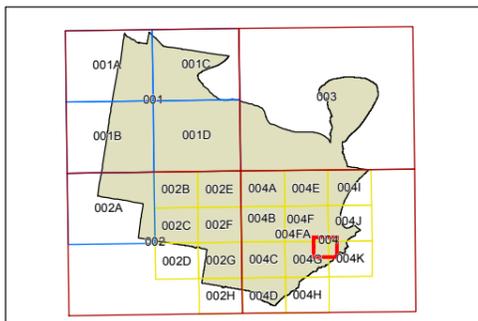
Figure 3

**Proposed Land Zoning Map
Planning Proposal PP2016/0004**

- Subject Site
 - ZONE**
 - B1 Neighbourhood Centre
 - B2 Local Centre
 - B3 Commercial Core
 - B4 Mixed Use
 - B5 Business Development
 - E1 National Parks and Nature Reserves
 - E2 Environmental Conservation
 - E3 Environmental Management
 - E4 Environmental Living
 - IN1 General Industrial
 - IN2 Light Industrial
 - IN3 Heavy Industrial
 - R2 Low Density Residential
 - R3 Medium Density Residential
 - R4 High Density Residential
 - RE1 Public Recreation
 - RE2 Private Recreation
 - SP2 Infrastructure
 - SP3 Tourist
 - W2 Recreational Waterways
 - UL Unzoned Land
- Cadastre** Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council

Date: 16/09/2016

Time: 12:09:00 PM



Projection: GDA 1994
MGA Zone 56

Scale: 1:5,000 @ A3

Map Identification Number: ECM 4951347, Date: 16/09/2016 12:09:00 PM

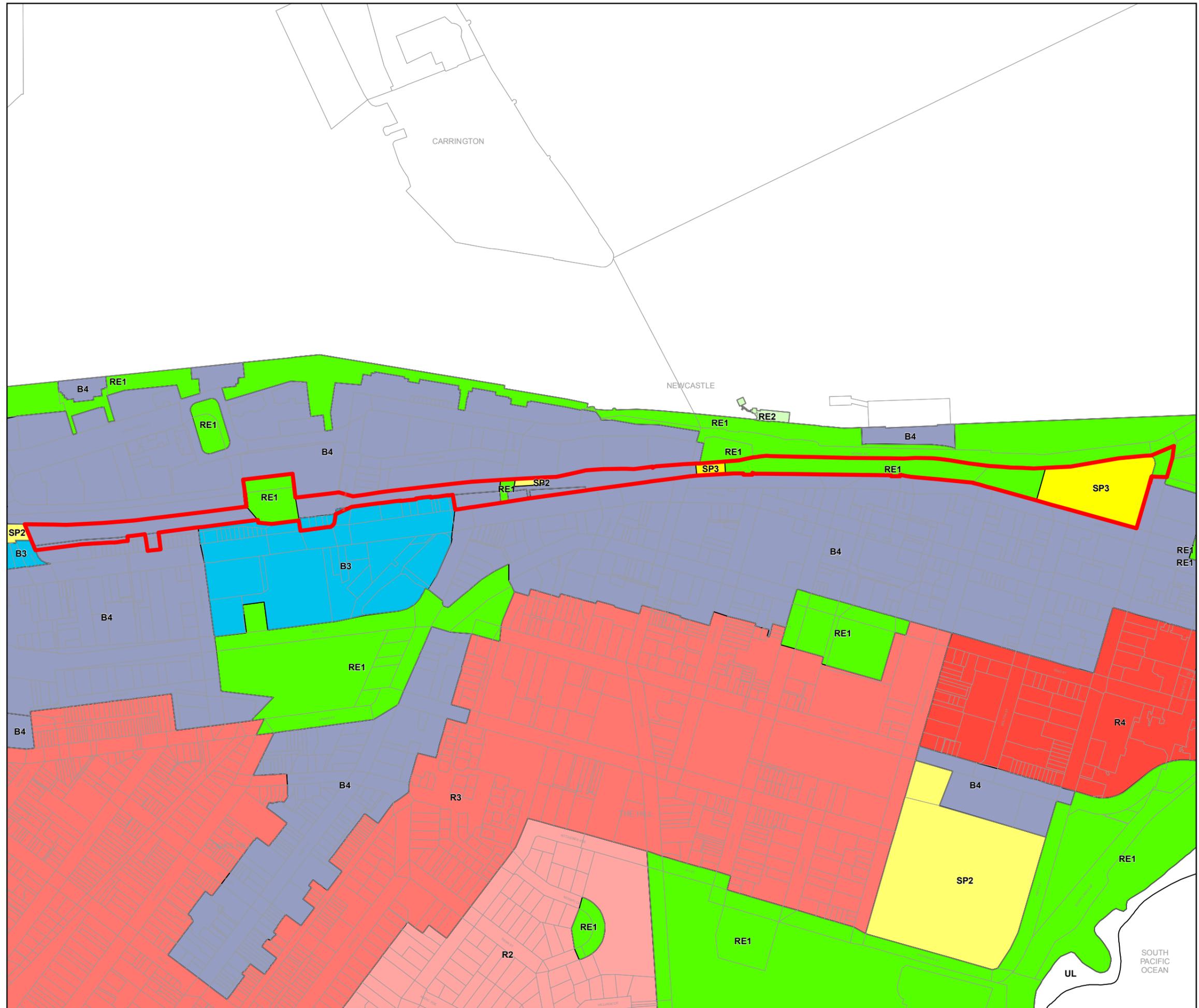


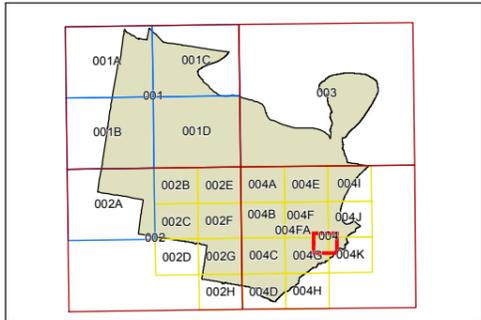
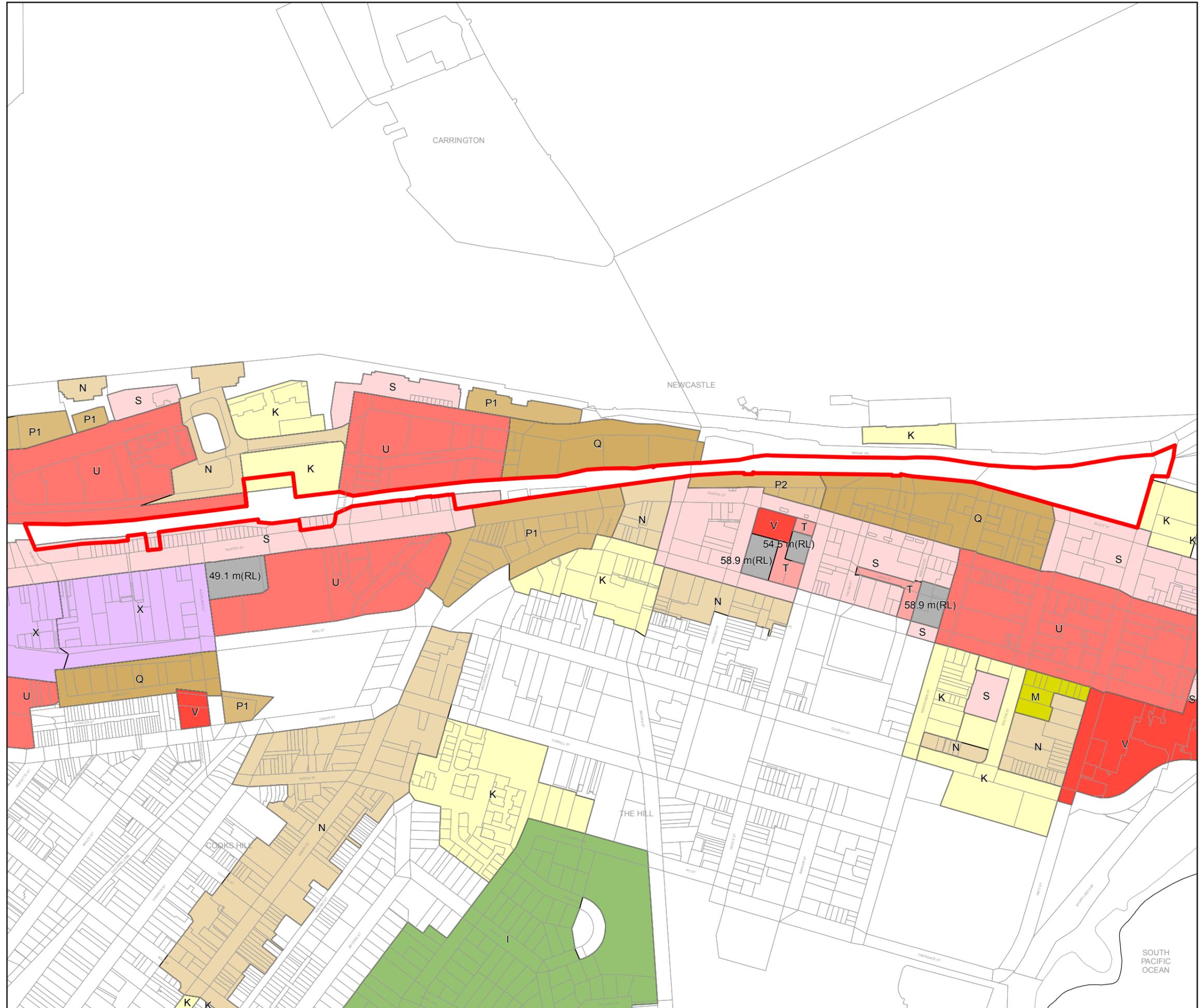
Figure 4

**Existing Height of Buildings Map
Planning Proposal PP2016/0004**

-  Subject Site
- Maximum Building Height (m)**
-  I 8.5
 -  K 10
 -  L 11
 -  M 12
 -  N 14
 -  P1 17
 -  P2 18
 -  Q 20
 -  R 21
 -  S 24
 -  T 27
 -  U 30
 -  V 35
 -  X 45
 -  AA 60
 -  AB 90
 -  RL1 0 - 20
 -  RL2 20 - 40
 -  RL3 40 - 60

Cadastre

 Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



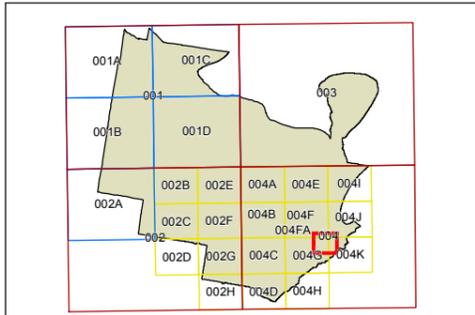
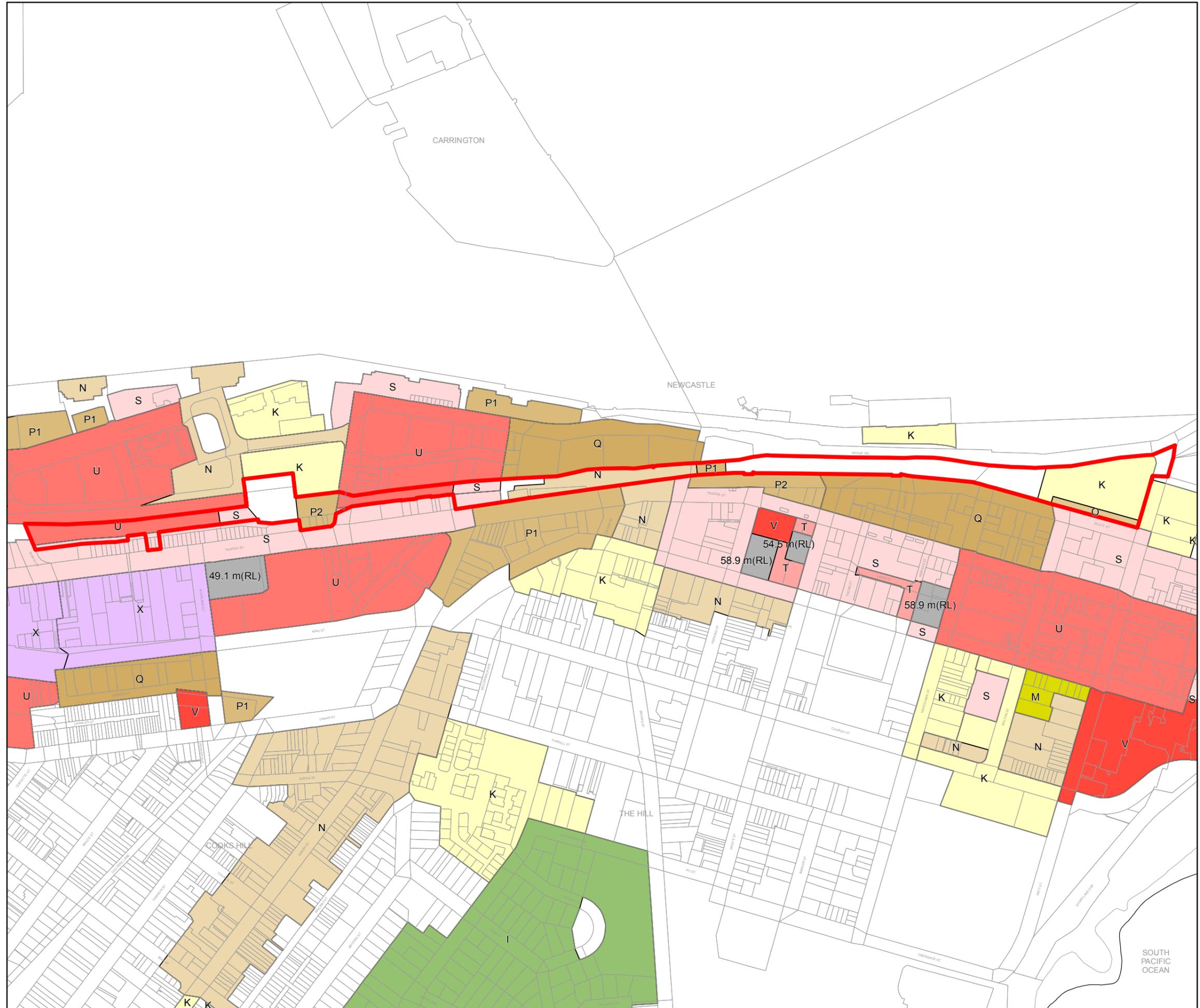
Projection: GDA 1994
MGA Zone 56

Scale: 1:1,000 @ A3

Figure 5

**Proposed Height of Buildings Map
Planning Proposal PP2016/0004**

- Subject Site
- Maximum Building Height (m)**
- I 8.5
- K 10
- L 11
- M 12
- N 14
- O 15
- P1 17
- P2 18
- Q 20
- R 21
- S 24
- T 27
- U 30
- V 35
- X 45
- AA 60
- AB 90
- RL1 0 - 20
- RL2 20 - 40
- RL3 40 - 60
- Cadastre**
- Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



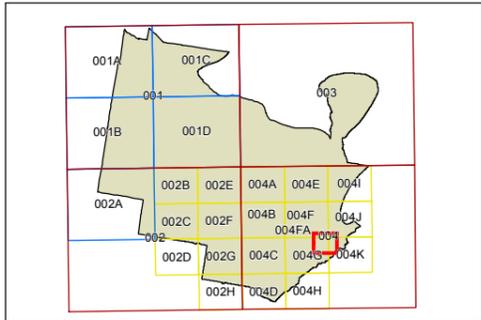
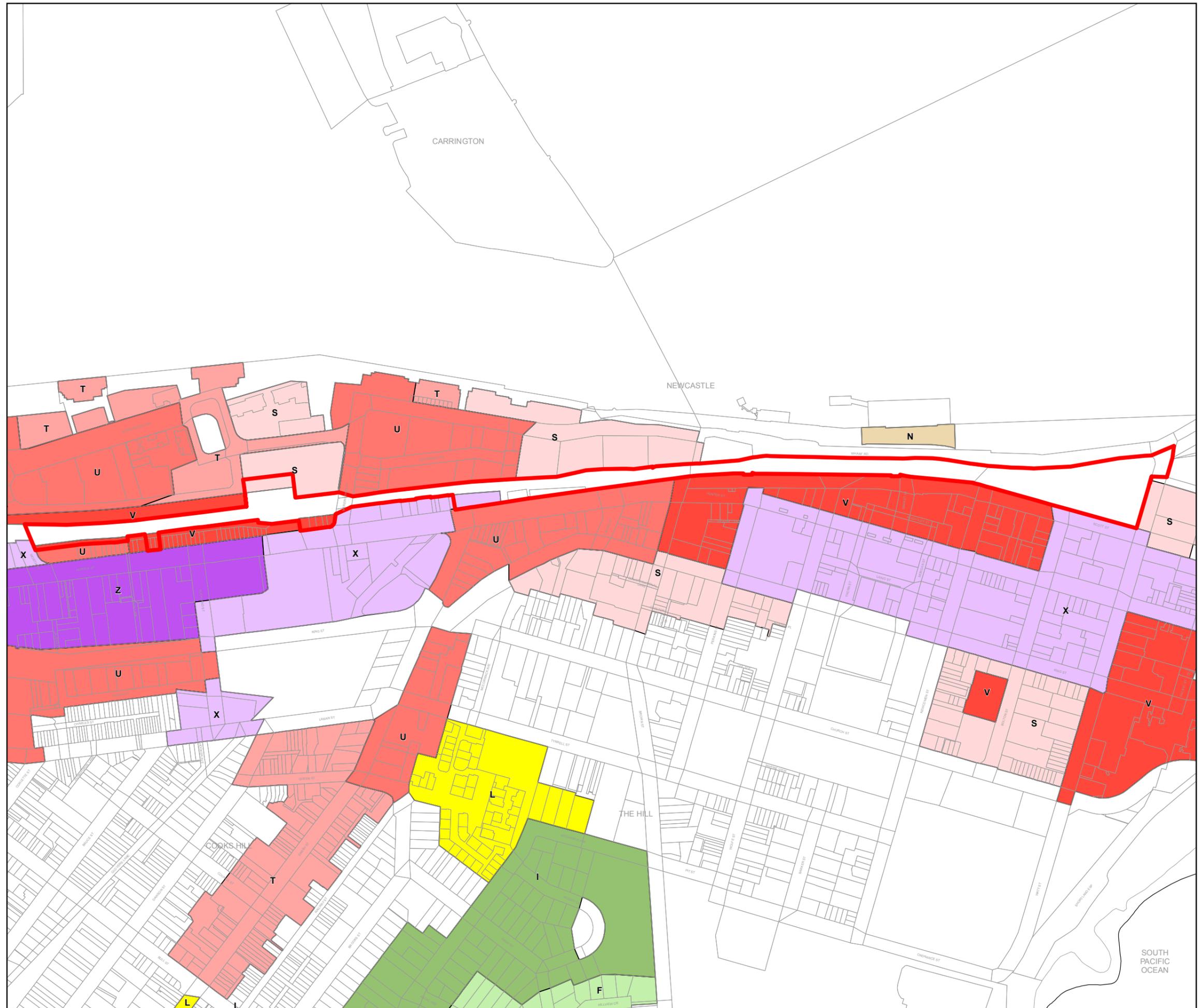
Projection: GDA 1994
MGA Zone 56
Scale: 1:5,000 @ A3

Figure 6

**Existing Floor Space Ratio Map
Planning Proposal PP2016/0004**

- Subject Site
- Maximum Floor Space Ratio (n:1)**
- F 0.6
- I 0.75
- L 0.9
- N 1
- S 1.5
- T 2
- U 2.5
- V 3
- X 4
- Z 5
- AA 6
- AC 8

Cadastre Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56

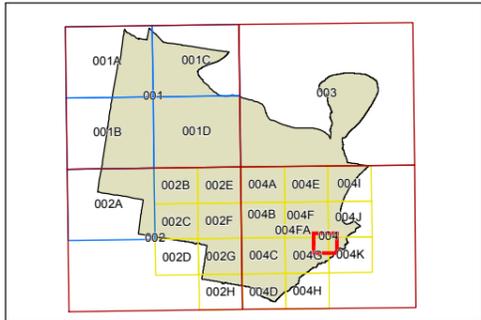
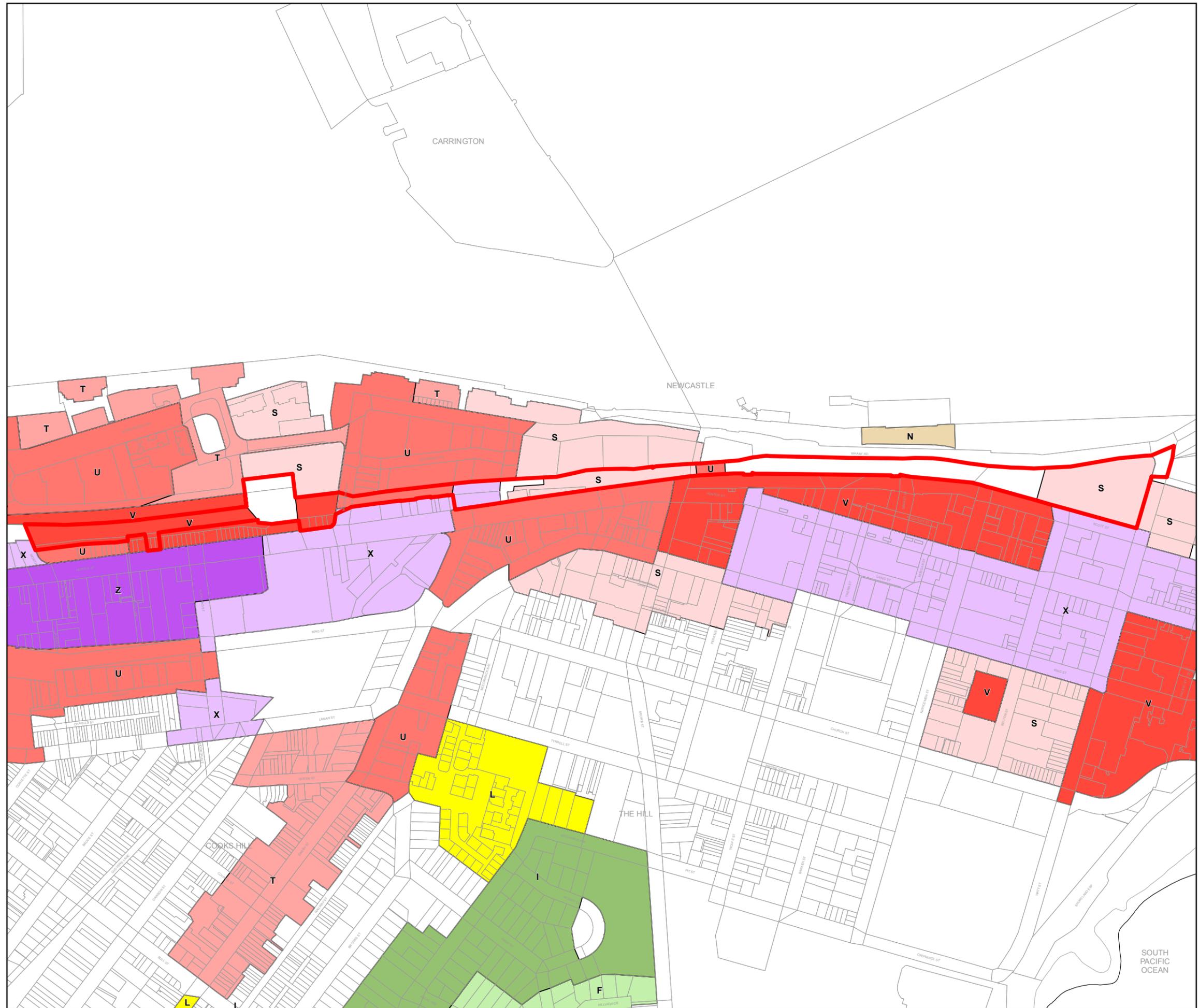
Scale: 1:5,000 @ A3

Figure 7

**Proposed Floor Space Ratio Map
Planning Proposal PP2016/0004**

- Subject Site
- Maximum Floor Space Ratio (n:1)**
- F 0.6
- I 0.75
- L 0.9
- N 1
- S 1.5
- T 2
- U 2.5
- V 3
- X 4
- Z 5
- AA 6
- AC 8

Cadastre Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



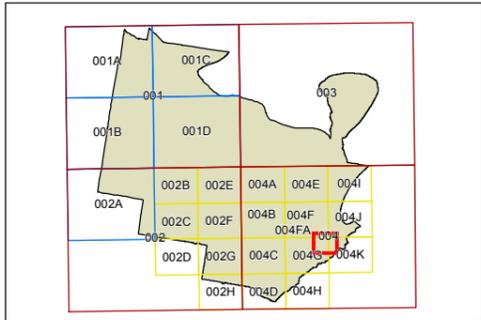
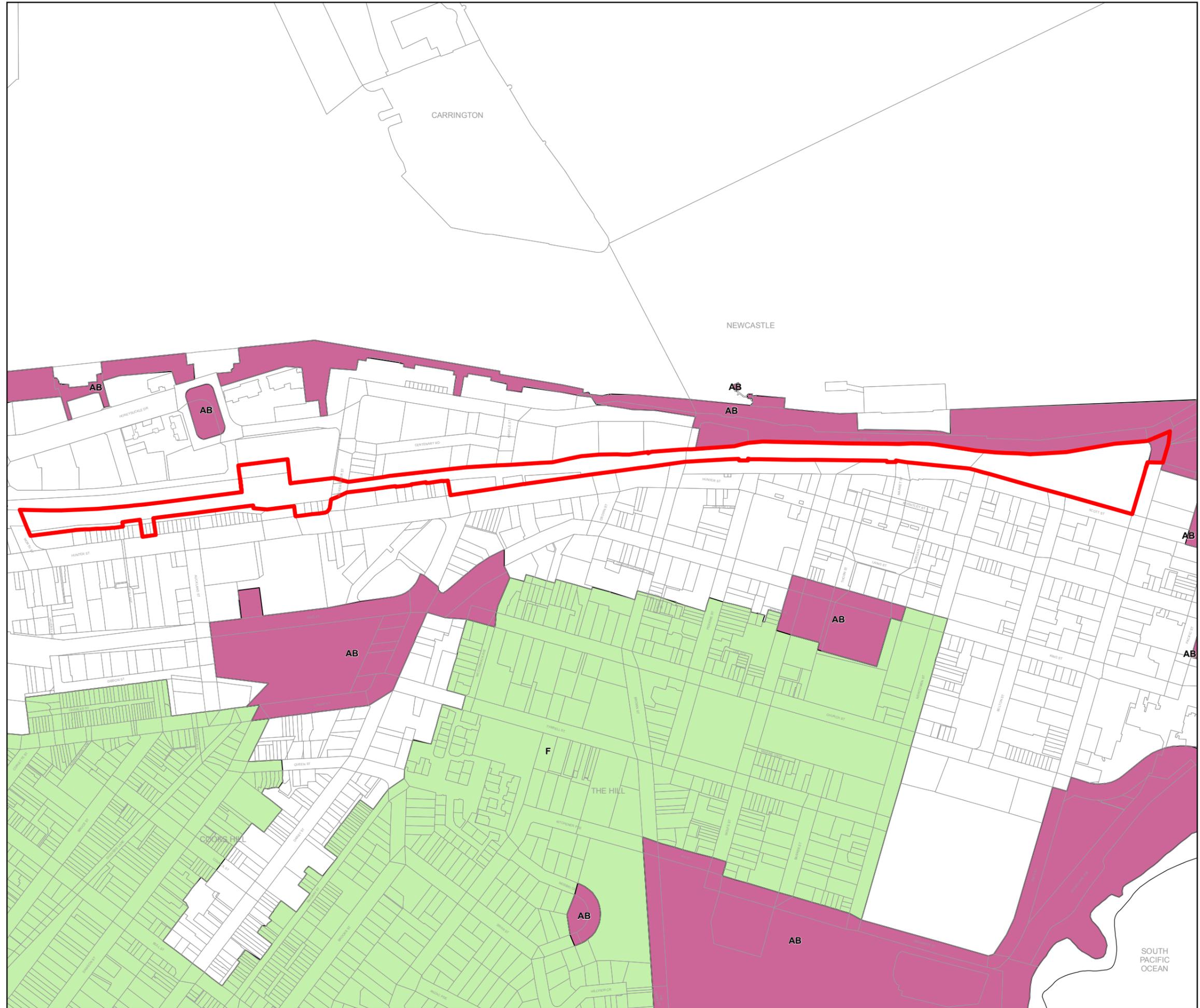
Projection: GDA 1994
MGA Zone 56
Scale: 1:5,000 @ A3

Figure 8

**Existing Minimum Lot Size Map
Planning Proposal PP2016/0004**

- Subject Site
- Minimum Lot size (sq m)**
- C 250
- F 400
- G 450
- U 000
- W 4000
- Z 20000 (2ha)
- AB 400000 (40ha)

Cadastre Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56

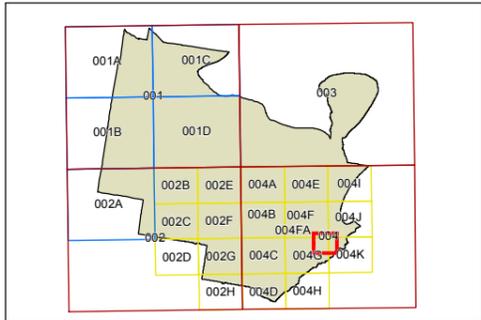
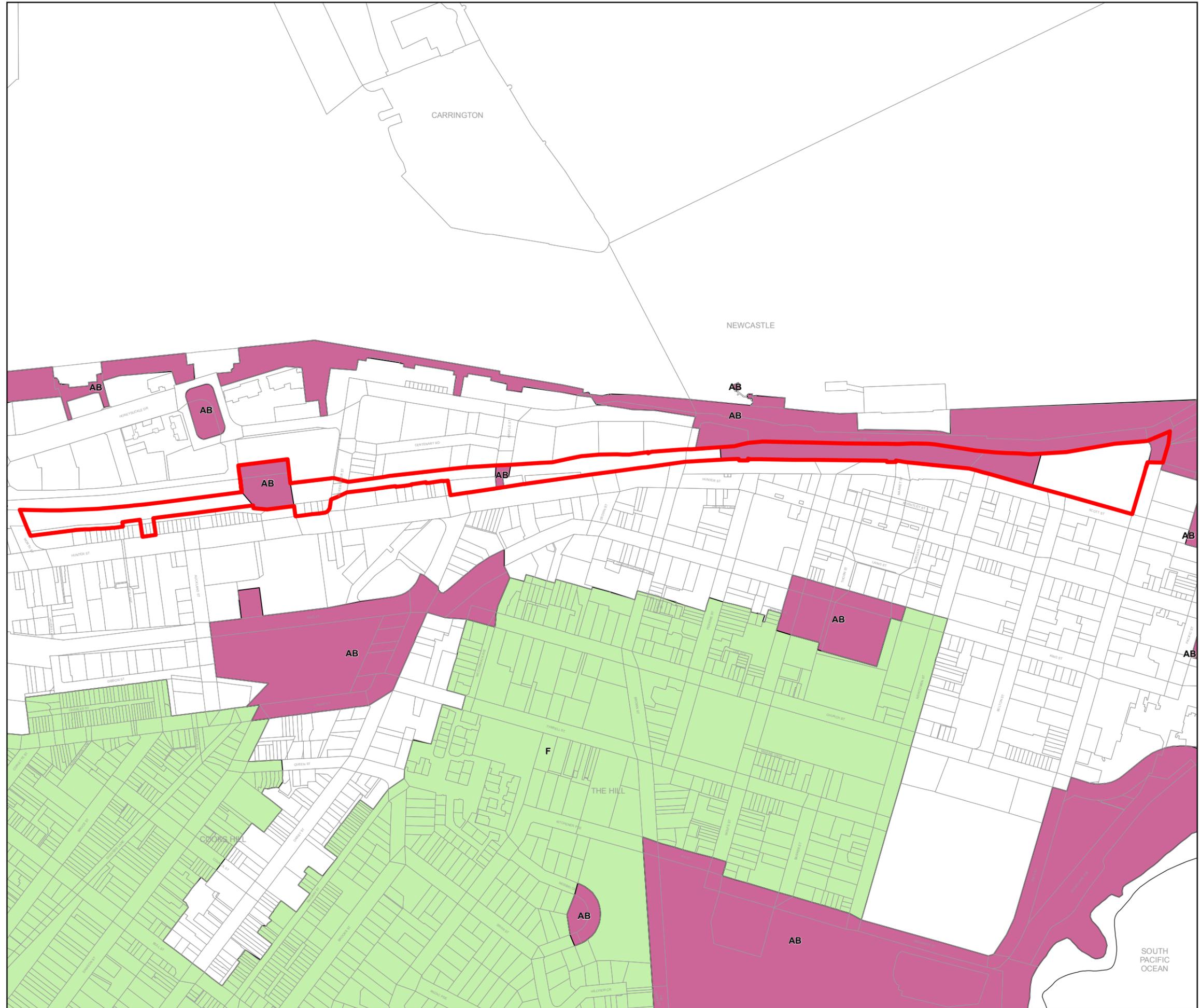
Scale: 1:5,000 @ A3

Figure 9

**Proposed Minimum Lot Size Map
Planning Proposal PP2016/0004**

- Subject Site
- Minimum Lot size (sq m)**
- C 250
- F 400
- G 450
- U 000
- W 4000
- Z 20000 (2ha)
- AB 400000 (40ha)

Cadastre Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56

Scale: 1:5,000 @ A3

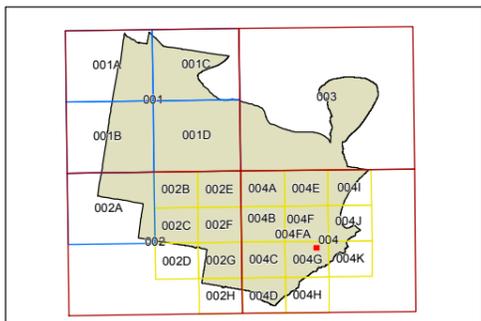
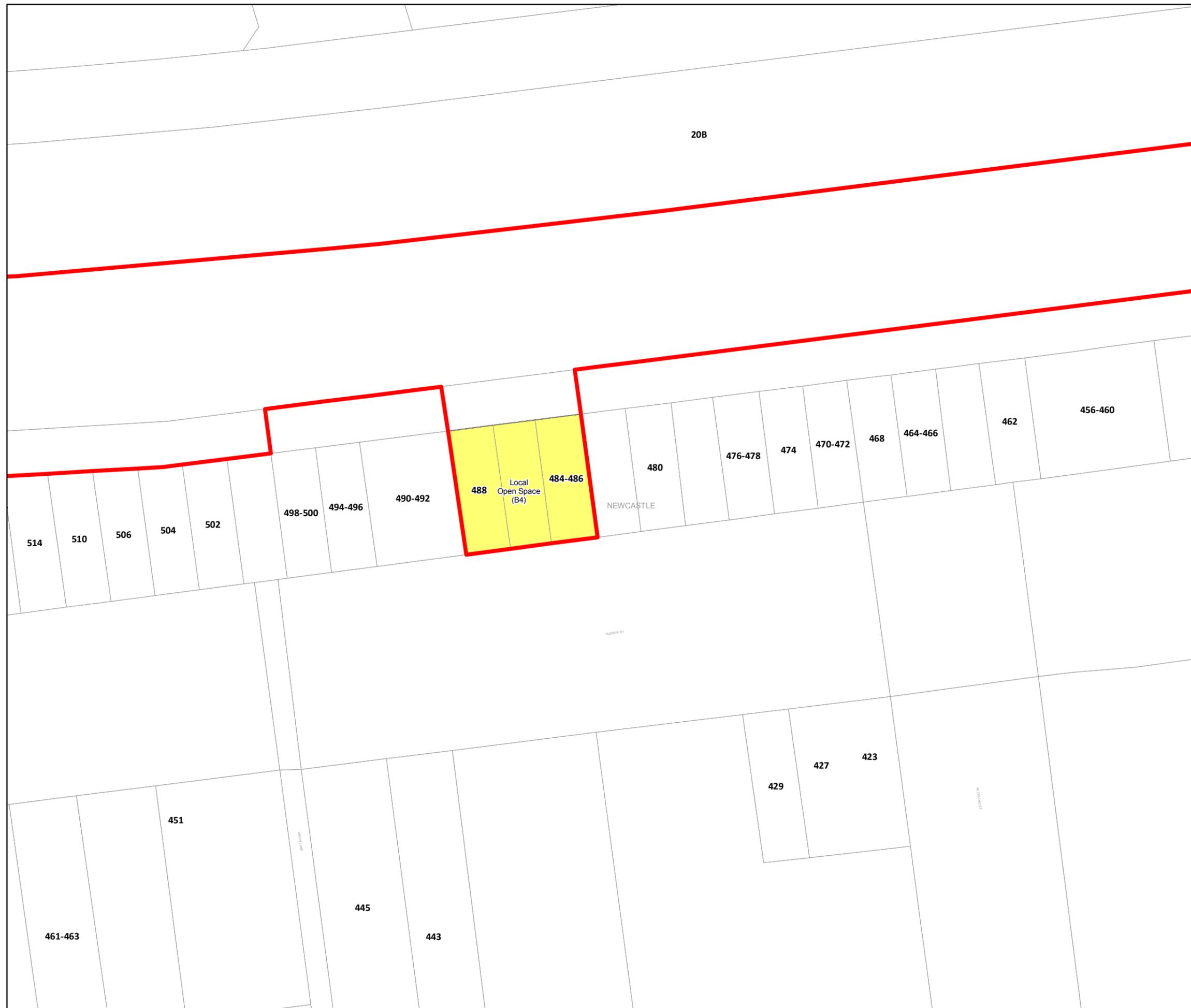
Figure 10



Proposed Land Reservation
Acquisition Map
Planning Proposal PP2016/0004

- Subject Site
- Land Reservation Acquisition

Cadastral Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56

Scale: 1:500 @ A3

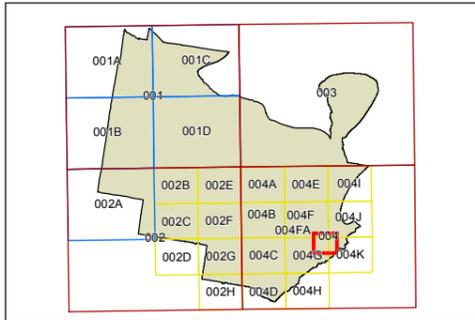
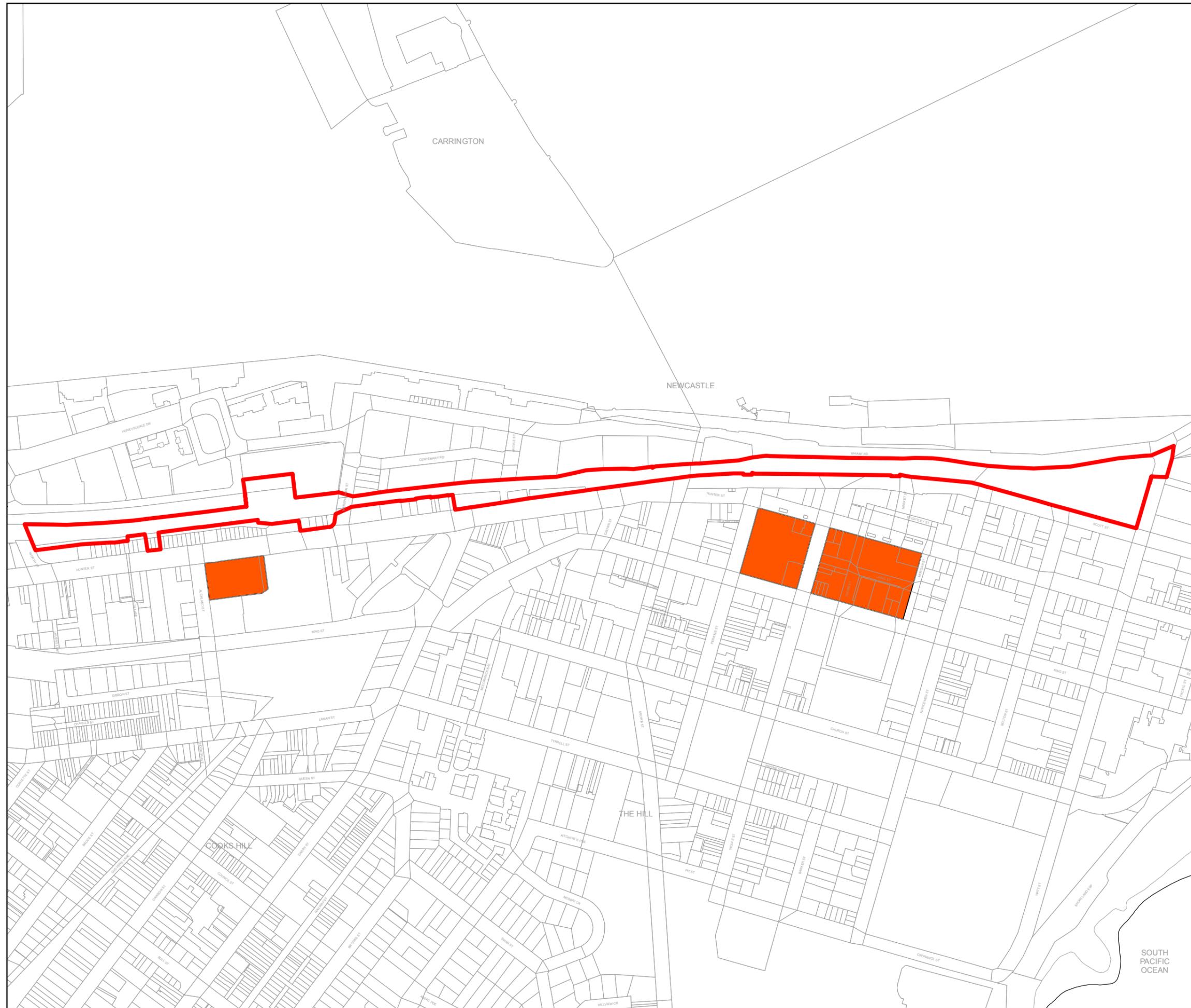
Figure 11



Existing Key Sites Map
Planning Proposal PP2016/0004

- Subject Site
- Key Sites

Cadastral Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56
Scale: 1:5,000 @ A3

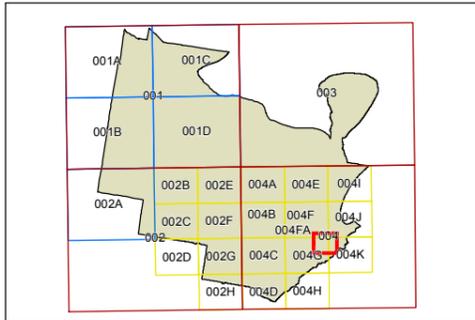
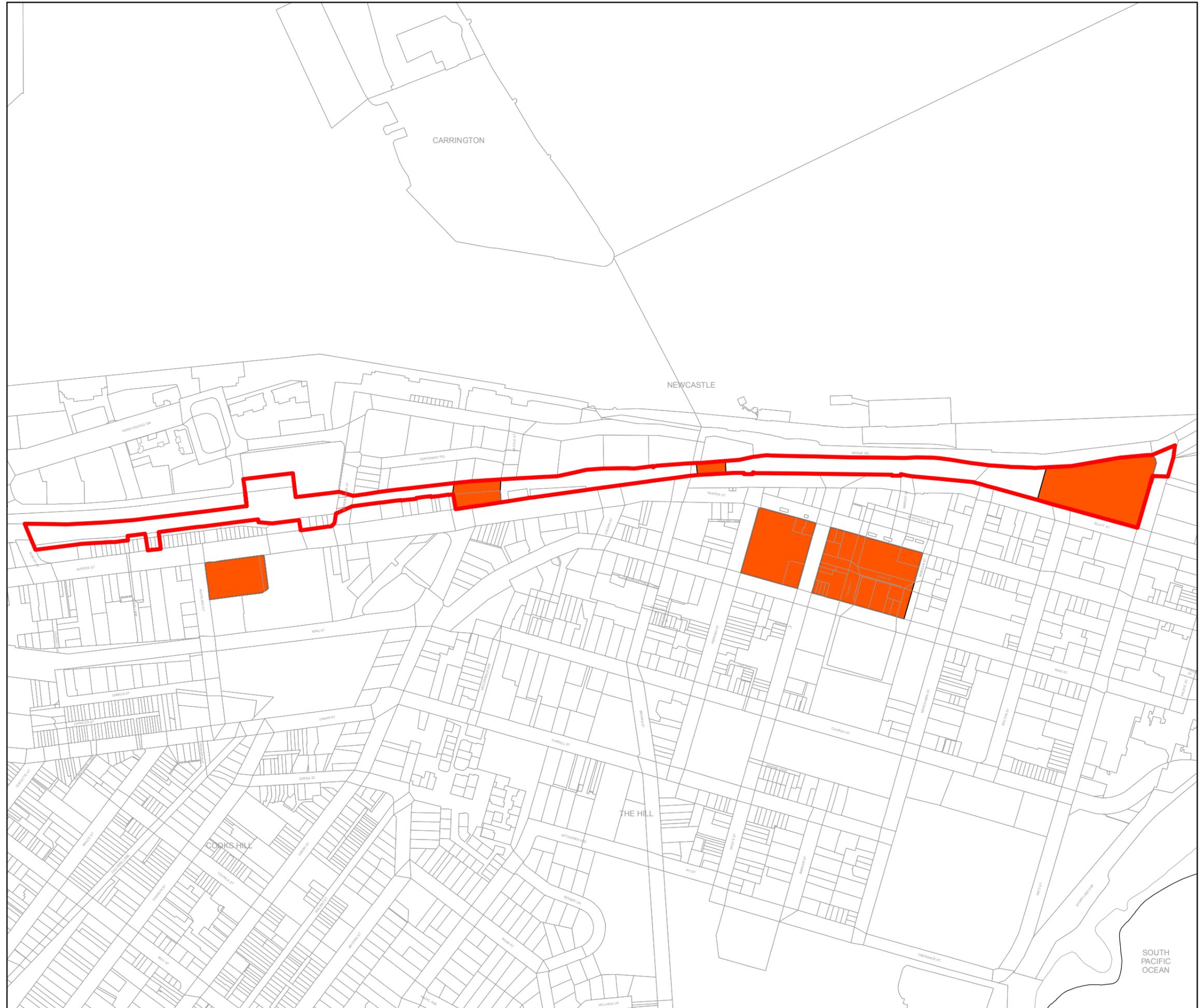
Map Identification Number: ECM 4951341, Date: 16/09/2016 1:01:42 PM

Figure 12

Proposed Key Sites Map
Planning Proposal PP2016/0004

-  Subject Site
-  Key Sites

Cadastral Base data 01/08/2007 copyright Land and Property Information (LPI), addendum data 5/09/2016 copyright Newcastle City Council



Projection: GDA 1994
MGA Zone 56
Scale: 1:5,000 @ A3

SOUTH PACIFIC OCEAN

Part 5 – Community Consultation

In accordance with the Department of Planning and Environment's guidelines, 'A guide to preparing local environmental plans' the Planning Proposal should be exhibited for a minimum 28 day period. This would also ensure consistency with the exhibition of the accompanying draft DCP guidelines and planning agreements which are required to be exhibited for a minimum of 28 days.

Council proposes to consult with the following agencies prior to public exhibition of the Planning Proposal:

- Roads and Maritime Services
- Mine Subsidence Board
- NSW Department of Family and Community Services
- Office of Environment and Heritage
- Newcastle Port Authority and Port of Newcastle
- NSW Department of Education
- NSW Health
- NSW Police

Any other relevant agencies will be consulted in accordance with the requirements of the Gateway determination.

Part 6 – Project Timeline

The project is expected to be completed within 12 months from Gateway determination. The following timetable is proposed:

Task	Planning Proposal Timeline											
	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	
Issue of Gateway determination	█											
Prepare any outstanding studies, DCP guidelines and Planning Agreement	█	█	█									
Consult with required State Agencies		█	█									
Report to Council seeking resolution to exhibit draft DCP guidelines and draft Planning Agreement				█								
Exhibition of Planning Proposal, technical studies, draft DCP guidelines, draft Planning Agreement					█							
Review of submissions and preparation of report to Council						█	█					
Report to Council following exhibition								█				
Planning Proposal sent back to Department requesting that the draft LEP be prepared									█	█	█	

Attachments

- Attachment A:** Urban Design Analysis - by Hassell Architects, dated 7 July 2016
- Attachment B:** Assessment of Retail Impact - by MacroPlanDimasi, dated June 2016
- Attachment C:** Geotechnical and Contamination Assessment - by Douglas Partners, dated June 2016
- Attachment D:** Heritage Impact Assessment - by RPS, dated July 2016
- Attachment E:** Flood Risk Assessment - by BMT WBM, dated August 2016
- Attachment F:** Flora and Fauna Assessment - by RPS, dated April 2016
- Attachment G:** Visual Impact Statement - by Moir Landscape Architects, dated 7 June 2016
- Attachment H:** Shadow Impact Analysis, by Hassel, dated September 2016
- Attachment I:** Draft DCP Principles - by Elton Consulting, dated 2 June 2016
- Attachment J:** Traffic Impact Assessment - by GHD, dated June 2016
- Attachment K:** Social impact Assessment - by Elton Consulting, dated 1 June 2016
- Attachment L:** Economic Impact Assessment - by SGS Economics & Planning, dated April 2016
- Attachment M:** Servicing Investigation - by ADW Johnson, dated May 2016