



Statement of Environmental Effects

Staged Development Application

Concept Proposal & Stage 1 Development Application

Wickham Woolstores Project
33 - 57 Annie Street, Wickham

Submitted to Newcastle City Council
On Behalf of Investec Australia Limited

Report Revision History

Revision	Date Issued	Prepared by	Reviewed by	Verified by
01 - Draft	13/04/17	Mark Purdy Senior Project Planner	Garry Fielding Senior Consultant	Garry Fielding Senior Consultant
02 - Draft	27/07/17	Mark Purdy Senior Project Planner	Chris Speek Associate Director	
03 - Final	02/11/17	Mark Purdy Senior Project Planner	Chris Speek Associate Director	

This document is preliminary unless approved by a Director of City Plan Strategy & Development

CERTIFICATION

This report has been authorised by City Plan Strategy & Development, with input from a number of other expert consultants, on behalf of the Client. The accuracy of the information contained herein is to the best of our knowledge not false or misleading. The comments have been based upon information and facts that were correct at the time of writing this report.

Copyright © City Plan Strategy & Development P/L
ABN 58 133 501 774

All Rights Reserved. No material may be reproduced without prior permission. While we have tried to ensure the accuracy of the information in this publication, the Publisher accepts no responsibility or liability for any errors, omissions or resultant consequences including any loss or damage arising from reliance in information in this publication

SUITE 2, 14 WATT STREET, NEWCASTLE NSW 2300
TEL +61 2 4925 3286 FAX +61 2 4925 3403 WWW.CITYPLAN.COM.AU
CITY PLAN STRATEGY & DEVELOPMENT P/L ABN 58 133 501 774

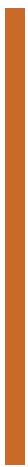
Table of Contents

1. Introduction.....	1
1.1 Purpose of the Report	2
1.2 Pre-lodgement Consultation.....	2
1.3 Scope and format of Report	2
2. The Site and Context.....	4
2.1 Site Description	4
2.2 Existing Development.....	5
2.3 Surrounding Development.....	9
2.4 Site Analysis	9
2.5 Locality.....	12
3. Description of the Development.....	12
3.1 Overview.....	12
3.2 Concept Proposal- Overview.....	12
3.3 Concept Proposal- Development Statistics	14
3.4 Concept Proposal- Indicative Staging	14
3.5 Concept Proposal- Site Development	16
3.6 Concept Proposal- Demolition.....	17
3.7 Concept Proposal- Roads & Drainage	18
3.8 Concept Proposal- Parking.....	19
3.9 Concept Proposal – Landscaping	19
3.10 Stage 1 DA - Overview	20
3.11 Stage 1 DA - Detailed Description.....	20
3.12 Stage 1 DA - Detailed Statistics	21
3.13 Stage 1 DA - Demolition and Earthworks.....	22
3.14 Stage 1 DA – Building Works	22
3.15 Stage 1 DA – Landscaping.....	23
3.16 Stage 1 DA – Community Park	23
3.17 Stage 1 DA – Public Domain Works.....	23
3.18 Stage 1 DA – Stormwater.....	24
4. Statutory Planning Considerations	25
4.1 Overview	25
4.2 Environmental Planning and Assessment Act 1979	25
4.2.1 Section 5 of the EP&A Act 1979.....	25
4.2.2 Section 79C of EP&A Act 1979	26

4.2.3	Section 91 Integrated Development	26
4.3	Environmental Planning and Assessment Regulation 2000	27
4.4	State Environmental Planning Policy No.71 - Coastal Protection	27
4.5	State Environmental Planning Policy No.65 - Design Quality of Residential Apartment Development.....	28
4.6	State Environmental Planning Policy No.55 - Remediation of Land	29
4.7	State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004	
	30	
4.8	State Environmental Planning Policy (Infrastructure) 2007	30
4.8.1	Clause 45 Determination of development applications - other development	
	30	
4.8.2	Clause 101 Development with a frontage to a classified road	31
4.8.3	Clause 102 Impact of road noise or vibration on non-road development	
	31	
4.8.4	Clause 104 Traffic generating development.....	31
4.9	Newcastle Local Environmental Plan 2012	31
4.9.1	Clause 1.2 Aims of Plan	31
4.9.2	Clause 2.3 Zone Objectives	32
4.9.3	Land Use Table - Zone IN2 Light Industrial.....	33
4.9.4	Clause 2.7 Demolition requires consent.....	33
4.9.5	Clause 4.1 Minimum subdivision lot size.....	34
4.9.6	Clause 4.3 Height of buildings.....	34
4.9.7	Clause 4.4 Floor Space Ratio.....	34
4.9.8	Clause 5.5 Development within the coastal zone.....	35
4.9.9	Clause 5.9 Preservation of trees or vegetation	35
4.9.10	Clause 5.10 Heritage Conservation.....	35
4.9.11	Clause 6.1 - Acid Sulfate soils	42
4.9.12	Clause 6.2 - Earthworks	43
4.10	Section 94A Development Contributions Plan 2009	43
5.	Non-Statutory Planning Considerations	44
5.1	DoP Review of Industrial Employment Lands in Throsby Area 2010	44
5.2	Newcastle Employment Lands Strategy 2013 and Newcastle LPS 2015....	45
5.3	Draft Wickham Masterplan	46
5.4	Newcastle Development Control Plan.....	47
6.	Environmental Impact Assessment.....	48
6.1	Overview.....	48
6.2	Context and Setting	48

6.2.1	Caltex Fuel Depot	49
6.3	Built Environment	50
6.3.1	Height, Bulk and Scale	50
6.3.2	Design and Aesthetics	52
6.3.3	Solar Access	52
6.3.4	Internal Amenity	54
6.3.5	Privacy and views	55
6.3.6	Acoustic Privacy	56
6.3.7	Heritage	56
6.3.8	Building and construction	57
6.4	Natural Environment	57
6.4.1	Tree Removal and Landscaping	57
6.4.2	Water Management	57
6.4.3	Soil Management	57
6.4.4	Air and Microclimate	57
6.4.5	Noise & Vibration	58
6.5	Movement and Access	58
6.5.1	Roads and Traffic	58
6.5.2	Access	58
6.5.3	Car Parking	58
6.5.4	Servicing / Waste	59
6.5.5	Accessibility	59
6.6	Site Suitability	60
6.6.1	Geotechnical	60
6.6.2	Acid Sulfate Soils	60
6.6.3	Contamination	60
6.6.4	Mine Subsidence	60
6.6.5	Flooding	61
6.6.6	Services and Utilities	61
6.6.7	Conclusion on Site Suitability	61
6.7	Social and Economic Effects	62
6.7.1	Social	62
6.7.2	Crime and Safety (CPTED)	62
6.7.3	Economic and Employment	63
6.8	The Public Interest	64
7.	Conclusion	65

Appendix	Document	Author
1.	Pre-Development Application Minutes and Response	CPSD
2.	DCP Table of Compliance	CPSD
3.	Concept Master Plan <ul style="list-style-type: none"> ▪ Masterplan Report & Architectural Plans ▪ SEPP 65 Design Verification and Statement 	Tonkin Zulaikha Greer Architects
4.	Stage 1 Development Application <ul style="list-style-type: none"> ▪ Architectural Plans ▪ SEPP 65 Design Statement & ADG Compliance 	Fairweather Jemmott Architects
5.	Survey Plan	Monteath and Poweys
6.	Heritage Management Guideline	EJE Architecture
7.	Quantity Surveyor Cost Report	Bylett and Associates
8.	Traffic Impact Statement	Better Transport Futures
9.	<ul style="list-style-type: none"> ▪ Stormwater Management Report ▪ Civil Engineering Plans ▪ Structural Engineering Report ▪ MUSIC and DRAINS Model 	Mott Macdonald
10.	Landscape Plans	JMD Design
11.	Basix Certificate	EWE Environment
12.	<ul style="list-style-type: none"> ▪ Contamination Status ▪ Remedial Action Plan ▪ Detailed Site Investigation ▪ Interim Audit Advice 	Senversa
13.	Economic Impact Assessment	Urbis
14.	Hazard Risk Assessment	Planager
15.	BCA Report	BCA Logic
16.	Waste Management Plan	Elephants Foot Waste
17.	Acoustic Report - Building and Traffic	Renzo Tonin
18.	Access Assessment Report	BCA Logic
19.	Flood Certificate	Newcastle City Council
20.	Crime Prevention Through Environmental Design Statement	Tonkin Zulaikha Greer Architects
21.	NSW Subsidence Advisory Approval	NSW Subsidence Advisory
22.	Preliminary Geotechnical Assessment Report	Mott Macdonald
23.	Acid Sulfate Management Plan	Senversa
24.	Hunter Water Approved Plans	Hunter Water



1. Introduction

This Statement of Environmental Effects (SEE) has been prepared by City Plan Strategy and Development Pty Ltd (CPSD) on behalf of Investec Australia Limited (Investec) in support of a staged Development Application (DA) to Newcastle City Council (Council) for land at 33-57 Annie Street, Wickham (the subject site).

The application seeks consent for a staged development pursuant to the provisions of Section 83B of the *Environmental Planning and Assessment Act 1979* (EP&A Act 1979) for the following:

- Concept Proposal; and
- Stage 1 Development Application (Stage 1 DA)

This SEE has been prepared pursuant to Section 78A of the EP&A Act 1979 and Clause 50 of the *Environmental Planning and Assessment Regulation, 2000* (EP&A Regulation 2000).

The Concept Proposal has been prepared to establish a set of guiding principles and a framework for the development of the site for the purpose of providing a genuine mixed-use development comprising residential, commercial, retail, community park, public domain upgrades and associated infrastructure.

Similar to developments such as 'The Grounds of Alexandria' in Sydney and 'Hunter Valley Roche Estate' in Cessnock, the development seeks to provide a unique mix of spaces that will complement the emerging character of Wickham. In addition, ongoing discussions are being held with the Newcastle Community Arts Centre and WOTSO Workspace with a view to occupying part of the site.

The Concept Proposal comprises three local heritage items known collectively as the 'Woolstores'. The cost to restore and conserve the buildings has been estimated by Bylett Associates Quantity Surveyors to be approximately \$5.2m. The proposed development will provide a unique opportunity to conserve an important part of Newcastle's heritage by providing significant capital investment into the site. The granting of consent to the Concept Proposal will therefore ensure the conservation of the three existing Woolstore heritage items pursuant to the conservation incentive provisions of Clause 5.10(10) of Newcastle LEP 2012.

In addition, the construction of the development is estimated by Urbis to generate an \$57.9 million in direct/indirect Gross Value Added (GVA) per year; and 106 direct jobs and 253 indirect jobs. In addition, Urbis estimates that ongoing operations of this space is likely to generate 1,014 direct/indirect jobs; and \$154.2million annually in direct/indirect GVA. Consequently, the development will contribute to the economic wellbeing of the community in a socially and environmentally responsible manner.

In summary, the Concept Proposal seeks consent for the following:

- Adaptive re-use of the existing 'Woolstore 1' and 'Woolstore 2' buildings as residential flat buildings;
- Adaptive re-use of the existing 'Woolstore 3' building as a mixed-use development comprising residential, commercial and ground floor retail;
- Two (2) building envelopes to support mixed-use development comprising residential, commercial and ground floor retail uses;
- A total maximum Gross Floor Area of 51,058 m²;
- New building heights of up to 6 storeys;
- Communal Open Space including a new community parkland;
- Public domain works; and
- Stormwater drainage infrastructure including on site detention.

The 'Stage 1 DA' comprises a section of the site that will include the 'Woolstore 1' building, the proposed community park located north of Woolstore 2, and the adjacent shared laneways and a section of 'Wool Row'. The area of 'Stage 1' is shown in the Concept Master Plan report prepared by TZG Architects and provided at Appendix 3.

The Stage 1 DA seeks consent for:

- Adaptive re-use of the 'Woolstore 1' building as a residential flat building comprising 100 residential units and 121 car parking spaces;
- Internal and external alterations and additions to the heritage listed 'Woolstore 1' building, including a new pedestrian entry, fenestration and private open space;
- Demolition, earthworks and site remediation;
- Site landscaping works, public domain works;
- Communal Open Space including a new community park; and
- Construction of stormwater management infrastructure.

The redevelopment of the subject site will provide for approximately 310 new residential units, which will help address the housing supply gap and affordability constraints facing Newcastle. Importantly, the proposed adaptive reuse of the heritage buildings will create a spatial experience and living experience that is unique to these buildings and unavailable in any typical residential development. Combined with the high amenity community park and proposed public domain upgrades, the development will be capable of housing the type of workforce suited to the 'Emerging Industry Quarter' as identified in the draft Wickham Masterplan (2017). It is estimated that the development will also stimulate further private investment in Wickham, which will ultimately be required to 'kick-start' the implementation and realisation of the Wickham Masterplan.

1.1 Purpose of the Report

The purpose of this SEE is to:

- describe the proposed development and its context;
- assess the proposal against the applicable planning controls and guidelines; and
- assess the potential environmental impacts and mitigation measures when measured against the Evaluation Criteria prescribed under Section 79C(1) of the EP&A Act 1979.

In respect of the assessment of the proposal, where impacts are identified, measures proposed to mitigate any harm to environmental amenity have been addressed in this report.

1.2 Pre-lodgement Consultation

The applicant has consulted extensively as part of the design review process, having undertaken the following formal and informal consultation processes:

- Newcastle City Council's Urban Design Consultative Group on 16 November 2016;
- Newcastle City Council's Pre-Development Application meeting on 14 December 2016; and
- Site Meeting with Newcastle City Council's Manager of Development & Building and Senior Planner on 16 May 2017.

Council advised that it generally supports the application subject to a range of matters being addressed in the DA submission. A copy of the minutes from the above described meetings and a detailed response to the matters raised at these meetings is provided at Appendix 1.

1.3 Scope and format of Report

This SEE has been set out as follows:

- Section 1 provides an introduction to the project;

- Section 2 provides a description of the subject site and site context;
- Section 3 provides details of the proposed development;
- Section 4 provides an assessment of the environmental impacts of the development;
- Section 5 provides an assessment of the development in relation to relevant non-statutory considerations; and
- Section 6 concludes that the proposed Concept Proposal and Stage 1 DA represents an improvement to the amenity levels of the current site and will have little impact on the external environment. It recommends approval of the Concept Proposal and Stage 1 DA.

This report is to be read in conjunction with the architectural plans and supporting documentation accompanying this SEE.

2. The Site and Context

2.1 Site Description

The site details are described in Table 1 below.

Table 1: Site Details

Development Statistics	
Address	57 Annie Street, Wickham 49 Annie Street, Wickham 33 Annie Street, Wickham
Legal description	Lot 1 in DP 346352 Lot 2 in DP 346352 Lot 3 in DP 346352 Lot 13 in DP 830026* * this lot is being consolidated into Lot 3 in DP346352
Site Area	Concept Plan: 31,277m ² Stage 1 DA: 11,640m ²
Topography	The topography is generally flat having been extensively developed since 1942. The site generally has an L-Shape. Please refer to the site survey provided at Appendix 5.
Frontages	Annie Street: 203m Milford Street: 261m The Avenue: 94m
Vegetation	The site does not contain trees or significant vegetation.
Hydrology	There are no known creek lines or streams traversing the site.

An aerial view of the site is shown in Figure 1.

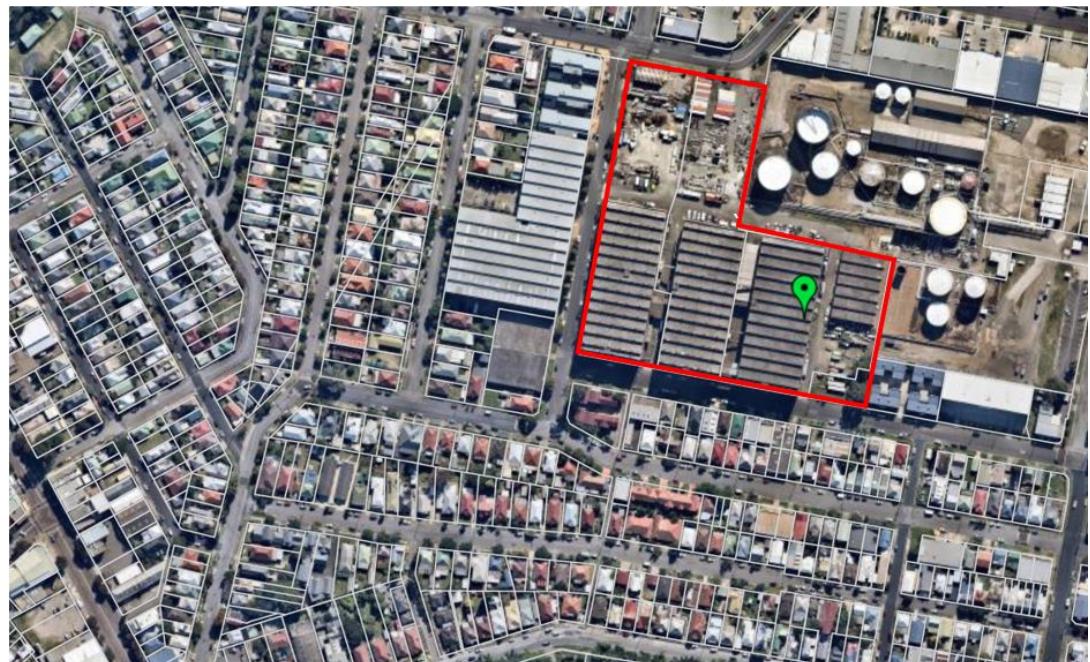


Figure 1 Aerial view of the site, (Source: NearMaps)

2.2 Existing Development

Existing development on the subject site is dominated by three mid-20th century heritage listed Woolstore buildings known as:

- 'Woolstore 1' - Australian Mercantile Land and Finance Company Ltd ('AML&F') located at 57 Annie Street
- 'Woolstore 2' - Dalgety and Company Ltd ('Dalgety's') located at 49 Annie Street; and
- 'Woolstore 3' - New Zealand Loan and Mercantile Agency Company Ltd ('NZLMA') located at 33 Annie Street.

The EJE Heritage Management Guideline (HMG) Report at Appendix 6 identifies the three existing buildings as former wool stores built between 1942 and 1956.

The three buildings are almost identical in internal and external design, with the main difference being the deliberate variation in the stylistic treatment of facade treatments. The three buildings' main address is to Annie Street and they have "laneways" running between each building. There is also an existing entry/exit from Milford Street known as 'Wool Row' which provides for east west movements through the site. The existing buildings each contain four levels and are comprised of concrete framed brick facades, internal timber framing and floors with sawtooth roofs. The height clearance of each level is between 3.1m to 4.3m.

As shown in Figure 2 - 4, the buildings have load-bearing timber beams and posts. The close column spacing, number of storeys and limited floor load capacity all severely limit the potential use of the buildings for modern industrial and warehouse land uses, which increasingly require large adaptable floor plates on a single level.



Figure 2 Typical Ground Floor view of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)



Figure 3 Typical Level 2 view of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)



Figure 4 Typical Level 3 view of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)



Figure 5 Typical Level 4 view of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)

The current uses of the existing buildings are identified in the EJE HMG Report as follows:

- 'Woolstore 1' (AML&F): was previously used for wool storage and leased to Hyntom Pty Ltd (House and Garden Warehouse), Newcastle Auctions and Kruse Clothing, and has also been used for artists' space and self-storage. The AML&F building is currently vacant due mainly to its installed fire sprinkler system being inadequate to meet current requirements for storage uses.
- 'Woolstore 2' (Dalgety's): was previously leased to Shute Bell Badgery Lumley and Australian Wool Network for wool storage and sales, and has also been used as serviced offices, artists' space and self-storage. As at 2017, parts of the Dalgety's building are being used for office space and self-storage.
- 'Woolstore 3' (NZLMA): has been leased to Associated Wools Newcastle, Newcastle Auctions, Normans Superior Auctions, Wickham Self Storage and Asset Storage Solutions. As at 2017, parts of the NZLMA building are being used for office space and self-storage.
- The eastern end of the site has a one storey sawtooth roof building used for light industrial purposes.
- The northern section of the site has a collection of small buildings associated with a precast concrete manufacturing facility mainly housed in temporary building and shipping containers.

As discussed in the EJE HMG Report, the unoccupied AML&F building makes a significant economic loss per year that precludes its upgrading to current standards without a major development being undertaken upon it. This creates great difficulty in regard to the regular repair and maintenance of the building. The other two buildings, while still being occupied and generating income, also operate at an overall economic loss. The buildings have such a low intensity of usage that it also creates further difficulties for maintenance and upkeep of the heritage items. Without the injection of funds the AML&F building will continue to

deteriorate, with the concrete structure of the building being of particular concern, and will ultimately become unviable for conservation.



Figure 6 Typical deteriorated façade of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)



Figure 7 Typical deteriorated façade of the AML&F Woolstore building (Source: EJE Heritage Management Guidelines, Wickham Woolstores)

2.3 Surrounding Development

The site is surrounded by the following development:

- To the north is a collection of low scale industrial and single storey residential buildings;
- To the east of the site is the Caltex fuel depot;
- To the south, across Annie Street, are a collection of predominantly 1 storey single residential dwellings and local businesses; and
- To the west, across Milford Street, is the converted Winchcombe Carson Woolstore building known as the 'Soque Apartments'.

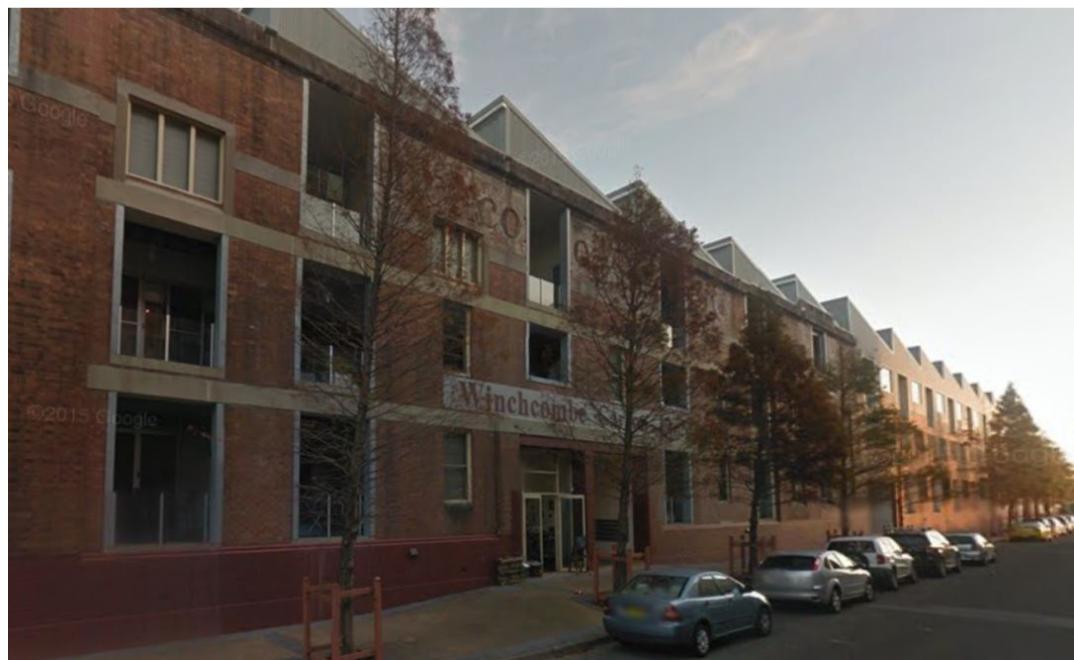


Figure 8 Adjacent converted Woolstore building in Milford Street, formerly known as the Winchcombe Carson Woolstore (Source: Google)

2.4 Site Analysis

A detailed analysis of the site is included in the Concept Master Plan Report prepared by TZG Architects at Appendix 3.

The site analysis identifies that the site currently has limited permeability or pedestrian amenity. Consequently, an opportunity exists to activate the site and improve amenity within the local area by providing effective through-site links.

In addition, TZG submits that the existing strong urban pattern of laneways established by the existing built form provides an opportunity to create a series of north-south pedestrian connections through the site. This would effectively stitch the site into the fabric of the neighbourhood and satisfy a natural desire line that runs from the residential area of Maryville to the north of the site, through the site and to Wickham Park and the proposed Newcastle transport interchange to the south.

The site is in close proximity to several large public open green spaces as shown in Figure 9. The nearest is Wickham Park, which is a 250m walk from the site. Islington Park (Throsby Creek at the terminus to Power Street) is a 500m walk. Both of these parks have sports fields for active recreation and some minor facilities for passive recreation. These larger public recreational spaces cater to organised sports but generally do not provide for smaller more intimate uses of public space by local families and the wider community.

Consequently, the TZG site analysis concludes that the diversity of public open space is considered to be generally limited, with intimate and well distributed public green spaces generally lacking. A greater variety of public green spaces, in particularly smaller pocket parks with play and picnic facilities, may therefore be considered to provide a desirable contribution to the amenity of the local area.



Figure 9 Subject site outlined in red with surrounding public space identified in green (Source: TZG Architects)

The site is well served by public transport as shown in Figure 10. The Hamilton rail train station is an 850m walk from the site and the Wickham Interchange is a 1300m walk from the site. When the Interchange is fully operational, it will provide access to the Newcastle Light Rail and a direct connection to the Newcastle City Centre.

The site is well connected to and serviced by bus routes. Specifically, the 106, 107 and 111 buses connect the site to a range of key destinations including surrounding train stations, Newcastle City Centre, the John Hunter Hospital and the University of Newcastle Callaghan Campus.

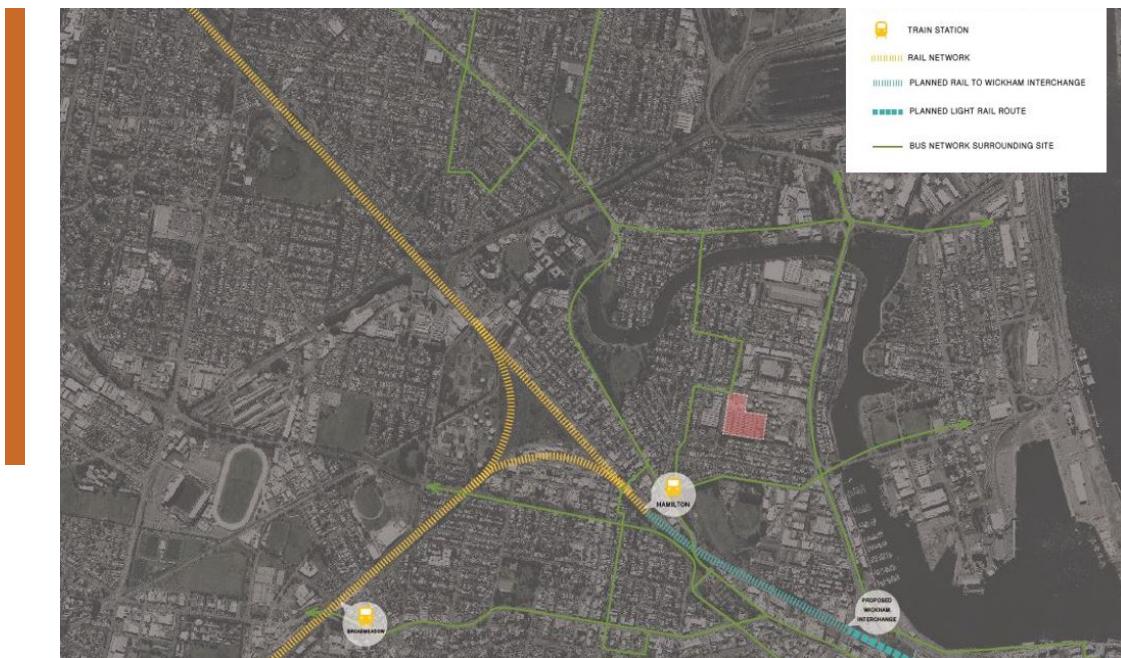


Figure 10 Locality Opportunities and constraints map (Source: TZG Architects)

In relation to the road network, the subject site is bounded by Annie Street to the south, Milford Street to the west and The Avenue to the north. The eastern boundary of the site adjoins the Caltex fuel depot. The streets are wide suburban streets, largely vehicle dominated and providing limited pedestrian amenity.

The TZG analysis shown in Figure 11 outlines that Maitland Road (Pacific Highway) is located west of the site and is considered the major artery within the regional road network, running north-south along the coast. Hannell Street forms another north-south connection to the east of the site, which connects to industrial port land and Port Stephens to the north.

It is important to note that access to the subject site via the road system limits uses for industrial purposes. Specifically, Annie Street cannot support B-double movements, cannot be turned into from Hannell Street if approached from the North, and is also shared with surrounding dwelling houses.



Figure 11 Locality Opportunities and constraints map (Source: TZG Architects)

2.5 Locality

Wickham is a highly developed area encompassing an eclectic and contrasting mix of smaller residential dwellings, newer commercial developments, marinas and larger industrial structures. As outlined in Council's draft Wickham Master Plan (2017), the area's role continues to evolve from a once semi-industrial area at the outer fringe of the Newcastle City Centre into a mixed use urban neighborhood supporting the emerging commercial core within Newcastle West.

Importantly, Wickham is experiencing increased demand for housing due to a range of factors including proximity to Newcastle West, the Newcastle transport interchange (currently being constructed), the Newcastle harbour and a topography that is highly amenable to pedestrians and cyclists. As shown in Figure 12, the subject site is centrally located within walking distance of each of the major attractors driving the regeneration of Wickham.

The Concept Proposal seeks to encourage pedestrian activity through the site by the provision of high quality public domain, a new community park, and strategically located ground floor retail. The development is also well positioned to provide attractive housing opportunities for workers within easy walking distance of the 'Industry Quarter' as identified in Council's draft Wickham Masterplan. The opportunity therefore exists for the site to become a vibrant space that contributes to the regeneration of the wider area.

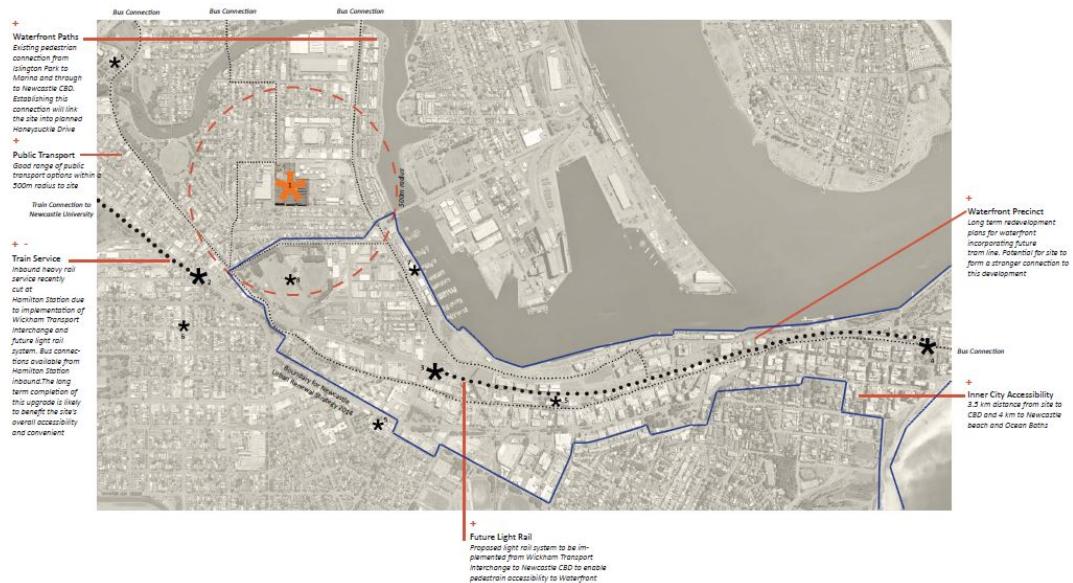


Figure 12 Locality Opportunities and constraints map (Source: TZG Architects)

3. Description of the Development

3.1 Overview

This SEE has been prepared in support of the redevelopment of the subject site for the purpose of a mixed-use development comprising residential, commercial, ground floor retail and community parkland. Consent is sought for a staged development, involving a Concept Proposal and Stage 1 DA. The proposal is detailed in the following section.

3.2 Concept Proposal- Overview

Consent is sought for a staged development under Section 83B of the EP&A Act 1979.

The proposed works entail the adaptive re-use of the three heritage listed buildings, the introduction of two additional new building envelopes, a recreation area, public domain works and landscaping in a master planned scheme to be developed over 4 indicative stages.

The Concept Proposal seeks consent for:

- Adaptive re-use of the existing 'Woolstore 1' and 'Woolstore 2' buildings as residential flat buildings;
- Adaptive re-use of the existing 'Woolstore 3' building as a mixed-use development comprising residential, commercial and ground floor retail;
- Two (2) building envelopes having a gross floor area (GFA) of 4,509m² and 10,077m² and height of 3 and 6 storeys;
- Use of the proposed building envelopes for the purpose a mixed-use development comprising residential, commercial and ground floor retail;
- A total maximum Gross Floor Area of 51,058m²
- The proposed distribution of land uses as shown on the Concept Master Plan Report prepared by TZG Architects at Appendix 3.
- Communal Open Space throughout the site totalling 10,350m², including a new community parkland of approximately 2,912m²;
- Public domain works; and
- Stormwater drainage infrastructure and on site detention.

The Concept Proposal does not seek to specify individual detailed activities but rather seeks to provide a suitable level of flexibility to ensure that the future DAs can reflect the prevailing market conditions. The Concept Proposal therefore seeks approval for a "mixed use development" comprising "residential flat building", "shop top housing" "commercial premises" and "recreation area," as characterised under Clause 1.4 of the Newcastle Local Environmental Plan 2012.

An extract from the Concept Master Plan is provided below in Figure 13.

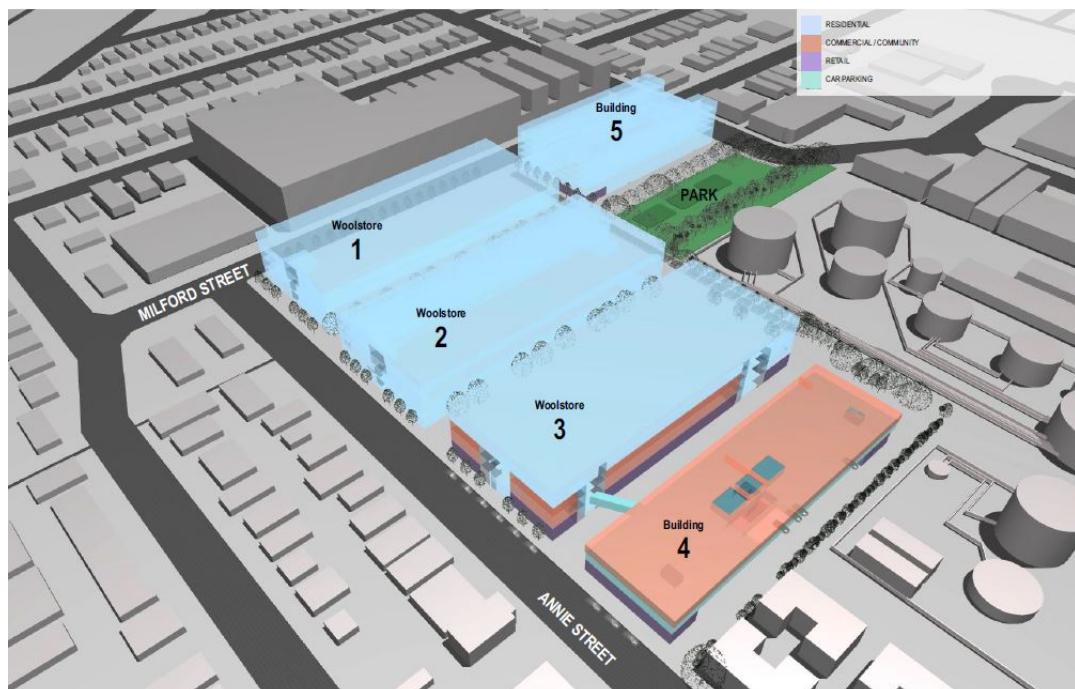


Figure 13 subject site Concept Proposal (Source: TZG Architects)

3.3 Concept Proposal- Development Statistics

Table 3 identifies key development statistics for the Concept Proposal.

Consent is sought for the Gross Floor Area as shown in the Concept Master Plan Report provided at Appendix 3.

Table 3: Development Statistics – Concept Proposal

Element	Proposal
Capital Investment Value	\$124,983,044.56
Site Area	31,277m ²
GFA	Residential: 38,153 m ² Retail: 2,755m ² Commercial: 8,604m ² Building 1 car parking in excess of DCP: 1,160m ² Total: 51,058m ²
FSR	1.63:1
Building Envelope	Building 4: 4,509m ² GFA and height of 3 storeys Building 5: 10,077m ² GFA height of 6 storeys
Total Apartments	Building 1: 100 units comprising: <ul style="list-style-type: none">▪ 39 x one (1) bed units (39%)▪ 33 x two (2) bed units (33%)▪ 28 x three (3) bed unit (28%) inclusive of 12 'townhouse' two storey cross over units NB: The following unit numbers for Buildings 2 to 5 are indicative only and subject to change based on future detailed design. Building 2: 99 units (mix of 1, 2 and 3 bedroom) Building 3: 42 units (mix of 1, 2 and 3 bedroom) Building 4: 0 units Building 5: 69 units (mix of 1, 2 and 3 bedroom)
Total Parking	593
Communal Open Space	10,350m ² (33% of the site area)
Deep Soil	2,912m ² (9% of site area)
Landscape Area	3,556m ² (i.e. 11.4% of site area)
Community Park	2,912m ² (9.3% of site area)

Source: TZG Architects

3.4 Concept Proposal- Indicative Staging

The progression of stages in terms of "years" is yet to be finalised. Details of future staging and timing will be the subject of future stage DAs. However, we note that TZG Architects have prepared an indicative staging plan as per Figure 14.

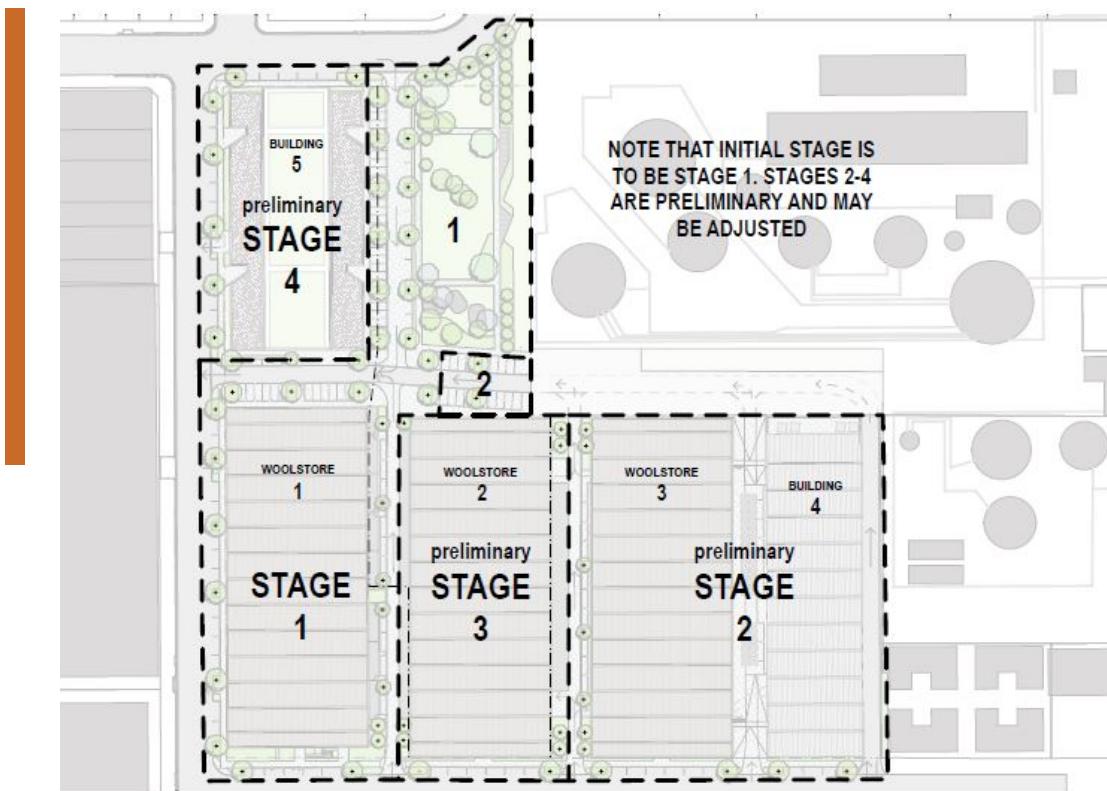


Figure 14 Indicative Staging Plan (Source: Tonkin Zulaikha Greer Architects)

As shown in the proposed indicative staging plan, the Concept Proposal is separated into four (4) indicative stages of development. Details of the proposed development within each stage are as described as follows:

Stage 1:

- Adaptive re-use of Woolstore 1 as a residential flat building and associated car parking;
- Demolition, earthworks and site remediation;
- A community parkland and landscaping designed to facilitate the entire development; and
- Works to the public domain.

Stage 2:

- Adaptive re-use of the existing 'Woolstore 3' building for a mixed-use development comprising residential, commercial and ground floor retail;
- Construction of one (1) building known as 'Building 4', which will comprise residential, commercial and ground floor retail;
- Demolition and earthworks; and
- Works to the public domain.

Stage 3:

- Adaptive re-use of 'Woolstore 2' as a residential flat building and associated car parking;
- Demolition and earthworks; and
- Works to the public domain.

Stage 4:

- Construction of one (1) building known as 'Building 5', comprising residential units and potentially a small ground retail offering;
- Demolition and earthworks; and
- Works to the public domain.

3.5 Concept Proposal- Site Development

The Concept Proposal seeks consent for a mix of land uses distributed throughout the site as shown in the Concept Master Plan at Appendix 3.

An extract of the Concept Master Plan showing the distribution of proposed land uses across the site is provided in Figure 15.



Figure 15 Indicative Distribution of Uses (Source: TZG Architects)

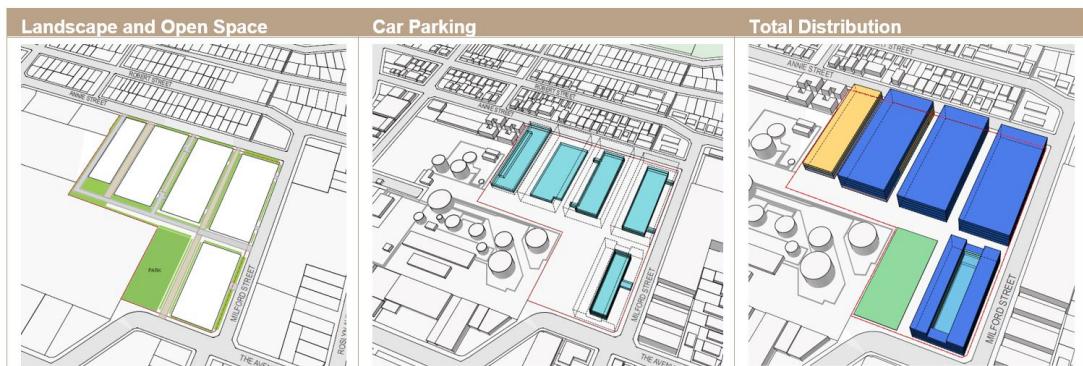


Figure 16 Indicative Distribution of Uses (Source: Tonkin Zulaikha Greer Architects)

It is important to note that the proposed land uses have been strategically located to foster a vibrant and genuine mixed-use development. As shown in the Concept Master Plan analysis, the final location of proposed uses represents a strategic decision that also focuses on addressing potential impacts upon existing adjoining and future residents, whilst ensuring retail and commercial land uses are best positioned to provide a sustainable business environment.

The proposed distribution of uses is discussed further below.

'Woolstore 1' and 'Woolstore 2'

Woolstore 1 and Woolstore 2 are proposed to be converted entirely to residential uses, thereby concentrating residential uses away from adjacent heavy industrial uses to the east of the site and closer to adjacent residential uses to the west of the site. Parking will be distributed internally across the first two levels and sleeved by residential uses in order to maintain street activation and CPTED principles.

'Woolstore 3'

Woolstore 3 is proposed to be converted to a mix of retail, commercial, community and residential uses, to reflect the mixed-use character of the eastern end of the site. Parking will be distributed internally across the ground floor and sleeved by retail uses in order to maintain street activation. Residential, commercial and community spaces are proposed across Levels 2 and 3. A limited number of residential units are located throughout. It is envisaged that the Newcastle Community Arts Centre will be accommodated on a temporary basis in Woolstore 3 pending the Centre's more permanent location in Building 4.

'Building 4'

The proposed new Building 4 at the eastern end of the site aims to provide a mix of ground floor artisanal food making and retail uses, which will complement the proposed food outlets located on the ground level of Woolstore 3. Precedents such as the 'Kensington St Chippendale', 'The Grounds of Alexandria', or even 'Hunter Valley Roche Estate' demonstrate that the proposal is achievable, and in high demand. A single level of internal car parking is proposed on Level 2, with complementary commercial/community arts uses located across Level 3.

'Building 5'

The proposed new Building 5 at the north-western end of the site is predominantly residential with a small retail component intended to address the park. This would be ideal for local site users who are drawn to the site for the park, for example dog walkers, who could then use the retail facilities. The bulk and scale of this proposed development reflects the scale of the Woolstores on site and the converted Woolstore across Milford Street.

'Landscaping and Open Space'

A variety of high quality landscaping is proposed throughout the site. The centrepiece is a large community park at the north eastern end of the site. Enclosed by buildings on 2 sides it has an intimate scale and can accommodate picnic and play facilities, while benefiting from the passive surveillance afforded by the buildings. It enjoys a northerly aspect and has extensive opportunities for planting and landscaping. The park will also provide a landscaped buffer to the Caltex fuel depot.

Street landscaping and public domain works will provide additional tree canopy to the site periphery and that co-ordinates with the surrounding area. In addition, the laneways between the Woolstore buildings are a combination of hardscape, at grade parking and street planting with some featuring private entry courtyards to terrace style ground floor garden apartments and others having retail and hospitality activation.

3.6 Concept Proposal- Demolition

While consent is not sought for demolition through the Concept Proposal, it is noted that to facilitate the construction of the development, demolition works will be required generally as shown in Figure 17 below.

Those buildings nominated for demolition fall into one or more of the following categories: contemporary lightweight sheds, intrusive later additions and/or of poor construction making them unsuitable for reuse.

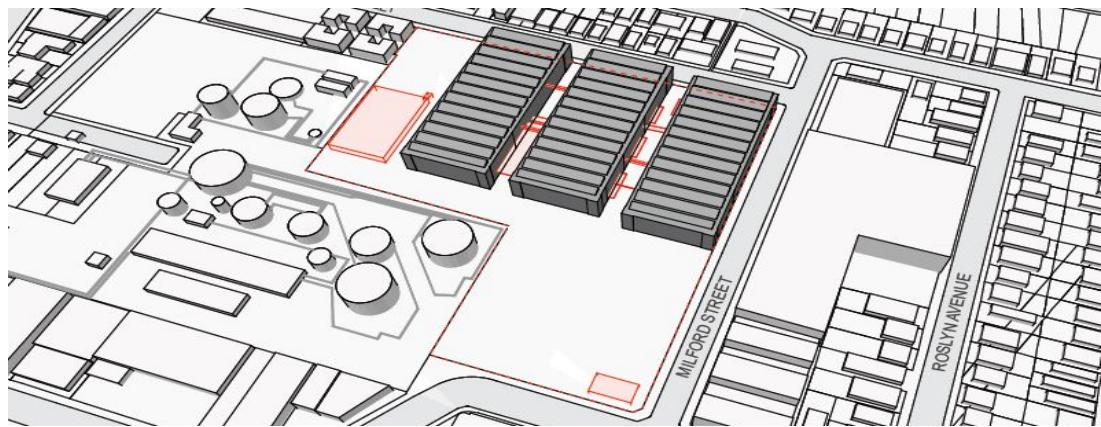


Figure 17 Indicative demolition shown in dashed red line (Source: Tonkin Zulaikha Greer Architects)

3.7 Concept Proposal- Roads & Drainage

Details of parking and vehicular access are provided in the Traffic Impact Statement at Appendix 8.

Vehicular access will be provided by using the access points as outlined below:

- 'Wool Row' is an existing internal private lane accessed from Milford Street which will be used to provide two-way east-west movements through the site.
- Three existing laneways located between the Woolstores provide entry onto the site from Annie Street. It is proposed that the existing laneways be used for one way movements and connection to 'Wool Row'.
- One new additional vehicle entry point is proposed from Annie Street to the east of Building 4, which will provide for two-way movements and connection to 'Wool Row'.
- One new vehicle entry point from The Avenue is proposed, which will provide for one way movements and connection to 'Wool Row'.
- Existing hardstand areas located directly north of Building 3 and 4 (as defined on the Survey provided at Appendix 4) will be used in accordance with the terms of the easement. Works or embellishments are not proposed over this area.

Figure 18 provides an overview of the proposed internal movement network.

Stormwater Concept Plans provided at Appendix 9 describes the proposed stormwater disposal system.



Figure 18 Internal Movement Network (Source: Tonkin Zulaikha Greer Architects)

3.8 Concept Proposal- Parking

The Concept Master Plan prepared by TZG Architects confirms that approximately 593 car parking spaces will be provided on site. The parking strategy encompasses vehicular parking within buildings alongside extensive at grade parking both on the site and immediately adjacent to it, on Annie and Milford Streets.

Parking is to be provided for residents, workers and visitors on site to support the viability of the proposed mixed-use precinct. The quantity of parking to be provided intends to strike a balance between adequate amenity for residents and workers on the site, and minimising traffic movement and reliance on private cars.

The Transport Impact Assessment prepared by Better Transport Futures (BTF) confirms that the proposed concept has a slight (<2%) shortfall for cars, but a significant surplus proposed for both motorbikes and bicycles. Overall this is considered a positive outcome for the subject site given the configuration of the existing heritage buildings.

3.9 Concept Proposal – Landscaping

A Landscape Plan and design statement has been prepared by JMD Design at Appendix 9.

A Landscape Plan was developed for the whole precinct to ensure a holistic approach and that the same key principles were applied throughout the site and responded to each stage's particular requirements.

The Landscape Plan seeks to provide a contextual design response to each major element including the public streets and site boundary, Wool Row, the shared laneways between the heritage items and proposed buildings.

The centrepiece of the landscape design is a large public park at the north eastern end of the site. Enclosed by buildings on 2 sides it has an intimate scale and can accommodate picnic and play facilities, while benefiting from the passive surveillance afforded by the buildings. It enjoys a northerly aspect and has extensive opportunities for planting and landscaping. Given the proposed sequencing of stages, the landscaping being proposed in Stage 1 provides the open space allocation for the entire Concept Plan site. The remainder of the development (Stage 2-4) will therefore benefit from this open space that is being embellished in Stage 1.

'Wool Row' will include a combination of hardscape and street planting, with the landscape treatment reinforcing connection to the proposed Park. The shared laneways between buildings will also include a combination of hardscape and street planting in addition to private entry courtyards to ground floor apartments.

Street landscaping will provide additional tree canopy to the site periphery and aim to coordinate with the surrounding area. Public domains work incorporate continuous pedestrian connections along the site boundary and improvements to the quality of on-street parking along Milford Street and Annie Street.

JMD Design note that due to the impact that grounding the existing electrical cables would have on the tree protection zone/structural root area, new street tree planting are proposed along Milford Street and Annie street to replace existing plantings and provide a consistent approach that complements landscaping within the site and in the surrounding area.

3.10 Stage 1 DA - Overview

The Stage 1 DA seeks consent for the adaptive re-use of the 'Woolstore 1' building as a residential flat building and associated car parking. Consent is also sought for alterations to the existing building, demolition, earthworks and site remediation, construction of a community park and public domain works. The proposal is described in detail below and within the Architectural Drawings prepared by Fairweather Jemmott Architecture provided at Appendix 4.

3.11 Stage 1 DA - Detailed Description

The Stage 1 DA includes that part of the site incorporating Woolstore 1 and the adjoining area, the proposed community park located north of Woolstore 2, the adjacent shared laneways and a section of 'Wool Row'.

The Stage 1 DA seeks consent for the following:

- Adaptive re-use of the 'Woolstore 1' building for the purpose of providing 100 residential units and 121 associated car parking spaces;
- Internal and external alterations and additions to the existing building incorporating:
 - 100 residential units in the form 39 x one (1) bed units, 33 x two (2) bed units and 28 x three (3) bed units, inclusive of 12 x two storey 'townhouse' cross over units;
 - Construction of new mezzanine floor level for the Level 4 apartments;
 - Individual courtyards, terraces and entrances for ground floor dwellings along the east and west façade;
 - New fenestration including windows, doors, louvers and balconies;
 - Two levels of car parking integrated into the internal fabric of the building (Levels 1 and 2);
 - Separate ground floor vehicular entry and exit from Milford Street;
 - An entrance foyer and lift access at ground level to Annie Street;
 - A new northern ground floor pedestrian entrance;
 - Removal of internal walls, building services, stairs, amenities;
 - Demolition of chutes/bridges between Woolstore 1 and Woolstore 2;
 - Provision of bin storage within Level 1;
 - An ancillary building manager office space located on the ground floor; and
 - Restoration works including works to the building façade and interpretive re-use of existing internal building features.
- Demolition of existing hardstand areas and minor earthworks and site remediation to facilitate the creation of community park that is approximately 2,912m²;

- Landscaping and at grade car parking;
- Public domain works including street tree planting, new pedestrian pathways, access ways, formalised parking and the creation of suitable levels to provide level access to the building; and
- Stormwater drainage infrastructure including on site detention.

3.12 Stage 1 DA - Detailed Statistics

The key statistics and elements of the project are shown in the **Table 4** below:

Table 4: Development Statistics – Stage 1 Development

Element	Proposal
Capital Investment Value	\$34,473,226.00
Stage Area	11,640m ²
Maximum Height	21.02m (existing)
Total Apartments	100 units comprising: <ul style="list-style-type: none"> ▪ 39 x one (1) bed units (39%) ▪ 33 x two (2) bed units (33%) ▪ 28 x three (3) bed unit (28%) inclusive of 12x 'townhouse' two storey cross over units
Total Parking	121 car spaces 25 Motorbike 100 bicycle bays/racks
Landscaping Area	3,094m ² (26% of stage area)
Deep Soil	2,912m ² (25% of stage area)
Communal Open Space	6,057m ² (52% of stage area)
Community Park	2,912m ² (25% of stage area)

Source: Fairweather Architects & JMD Design Landscape architects

The following table provides a summary of the proposal per level:

Table 5: Details of Stage 1 Development

Level	Description	Car parking Spaces/Bedrooms
Level 1 /Ground (RL2.36)	Residential lobby including interpretive re-use of heritage fixtures and fittings, two residential entries, residential units, residential cross over units/'townhouses' (unit type C1 and C2), building manager office space, outdoor terraces and courtyards, main switch room, bulky goods refuse, main communication room, residential parking, pedestrian vehicular circulation, fire stairs, lift access.	4x 1 bed units 2 x 2 bed units 1 x 3 bed units 12 x 3 bed cross over units ('townhouses') 56 x car parking spaces 7 x motorbike spaces
Level 2 (RL5.73)	Residential units, residential cross over units/'townhouses' linked to Level 1 (unit type C1 and C2), plant area, residential parking, pedestrian vehicular circulation, fire stairs, lift access.	4 x 1 bed units 3 x 2 bed units 1 x 3 bed units 65 x car parking spaces 16 x motorbike spaces

Level 3 (RL9.43)	Residential units, centralised communal corridor, fire stairs, lift access, services.	20 x 1 bed units 16 x 2 bed units
Level 4 (RL13.2)	Residential units, centralised communal corridor, fire stairs, lift access, services, mezzanine level (RL16.1) and void.	11 x 1 bed units 11 x 2 bed units 14 x 3 bed units

3.13 Stage 1 DA - Demolition and Earthworks

A demolition plan has been provided by Fairweather Jemmott at Appendix 4. An extract of the demolition plan is provided in Figure 19.

Consent is sought for demolition works, including removal of chutes and bridges connecting the Woolstore 1 and Woolstore 2 buildings, office areas, kitchens, pillars and stairwells.

Consent is sought for earthworks to facilitate the construction of the community park. Proposed earthworks are minor and generally associated with the levelling of the park footprint and installation of site infrastructure services. Site remediation works will also be undertaken in accordance with the Remedial Action Plan provided at Appendix 12.

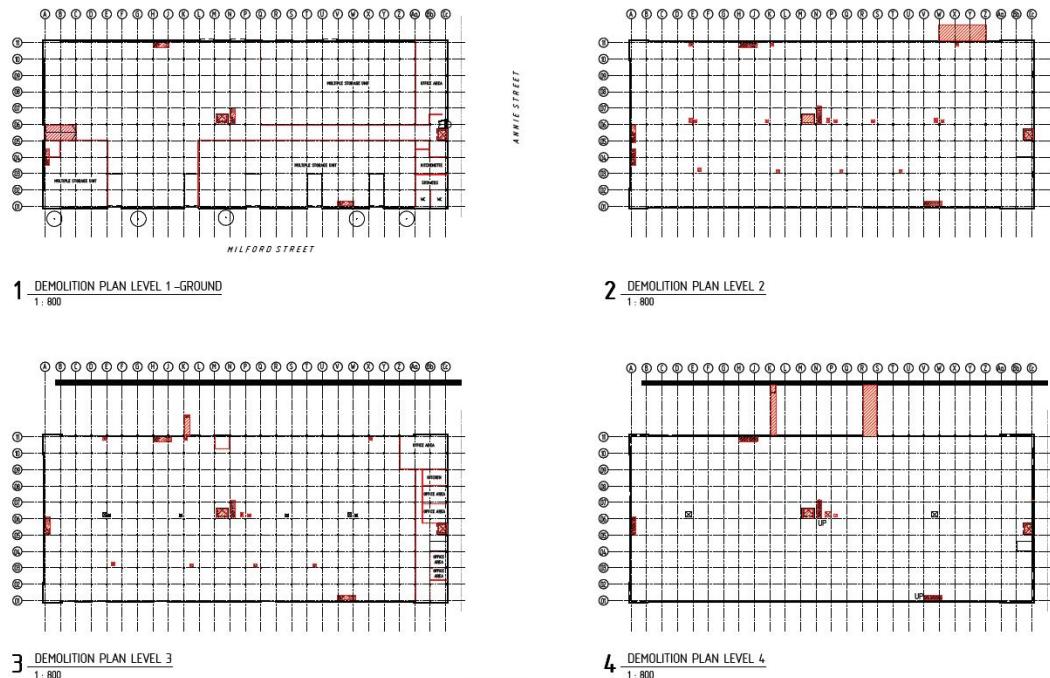


Figure 19 Demolition Plan (Source: Fairweather Jemmott Architecture)

3.14 Stage 1 DA – Building Works

Consent is sought for a range of buildings works, including:

- Construction of 100 residential units;
- Construction of new mezzanine floor level for the Level 4 apartments;
- Individual courtyards, terraces and entrances for ground floor dwellings along the east and west façade;
- New fenestration including windows, doors, louvers and balconies;
- Separate ground floor vehicular entry and exit from Milford Street;
- Upgrades to the entrance foyer and lift access at ground level to Annie Street;

- A new northern ground floor pedestrian entrance;
- Removal of internal walls, building services, stairs, amenities;
- Making good demolition works in Building 1 and Building 2;
- An ancillary building manager office space located on the ground floor;
- Extensive restoration works including works to the building façade and structure and interpretive re-use of existing internal building features;
- The existing sawtooth roof will be retained. Existing glazing to be replaced with combination of fixed glass, aluminium louvres and fixed panels;
- Box gutters/ drainage will be replaced and upgraded where required;
- Floors will be a mixture of existing floor boards, new concrete topping floor with a variety of finishes;
- Internal timber structure will be retained and exposed where possible;
- Brick walls will be retained where possible;
- Windows will be repaired where possible and new windows to be Aluminium and;
- Doors will be flush panel doors and fire rated as required.
- Ceilings will be combination of plasterboard and exposed timber structure

3.15 Stage 1 DA – Landscaping

A Landscape Plan and design statement has been prepared by JMD Design at Appendix 10.

The Landscape plan addresses the surrounding areas to existing Woolstore 1, the proposed community park located north of Woolstore 2 as well as the adjacent shared laneways between the heritage building and the proposed Building 5.

The Landscape Plan seeks to provide a contextual design response to each major element including the public streets and site boundary, Wool Row, the shared laneways between the heritage items and proposed buildings.

3.16 Stage 1 DA – Community Park

A community park is proposed in the north east section of the site as shown in the Landscape Plan prepared by JMD Design at Appendix 10.

The proposed community park will be defined by a strong geometry, given by the surrounding streets and site boundary. The proposal responds to this shape by focusing on creating activation nodes on the southern end and along the site boundary and providing a generous kick about area in the centre. Activation areas include informal play, picnic and ping-pong areas. A screening structure covered by climbing plants is also proposed, which will assist screen and soften the view of the Caltex fuel depot. The park is not intended to be dedicated to Council as a public reserve but will be open to residents of the proposed units and the general public.

3.17 Stage 1 DA – Public Domain Works

A Landscape Plan and Design Statement has been prepared by JMD Design at Appendix 10 detailing the proposed public domain works.

JMD Design notes that there are currently no footpaths along The Avenue and Milford Street. On-street parking is also not formalised and does not provide for a suitable streetscape. Proposed public domain works therefore seek to provide a consistent footpath and improvements to the quality of on-street parking.

Due to the incorporation of the additional footpath and formalised on-street parking areas, it is estimated that the width of Milford street would be reduced by approximately 1m. It follows that the works will reduce pedestrian crossing distances and improve pedestrian safety.

JMD Design notes that a limited number of street trees outside the lot boundaries along Milford Street are proposed for removal due to the impact that undergrounding of the existing electrical cables would have on the tree protection zone/structural root area. In addition, existing street trees that surround Woolstore 1 and Building 5 are inconsistent with more recent plantings along Milford Street. Consequently, new street tree planting is proposed along Milford Street and Annie Street to replace existing plantings and provide a consistent approach that complements landscaping within the site and in the surrounding area. It is proposed that trees and works be provided in accordance with Council's requirements.

3.18 Stage 1 DA – Stormwater

Stormwater Concept Plans have been provided at Appendix 9 that describe the proposed stormwater disposal system. A MUSIC and a DRAINS model have been included to ensure the stormwater design is compliant with Newcastle City Council's requirements.

The proposed stormwater system will connect into the existing Council drainage system. Accordingly, the proposal incorporates on-site detention basin and rain water tanks, sized and designed in accordance with Council's Design Guidelines. A series of treatment devices have also been proposed to ensure compliance with Council's water quality targets.

4. Statutory Planning Considerations

4.1 Overview

The relevant statutory framework considered in the preparation of this report comprises:

- Environmental Planning and Assessment Act 1979;
- Environmental Planning and Assessment Regulation 2000;
- State Environmental Planning Policy No.71 - Coastal Protection;
- State Environmental Planning Policy No. 65 - Design Quality of Residential Flat Development;
- State Environmental Planning Policy No. 55 – Remediation of Land;
- State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004;
- State Environmental Planning Policy – Infrastructure 2007; and
- Newcastle Local Environmental Plan 2012.

Where relevant, these controls are addressed below.

4.2 Environmental Planning and Assessment Act 1979

4.2.1 Section 5 of the EP&A Act 1979

The Environmental Planning and Assessment Act, 1979 is the principal planning and development legislation in New South Wales. In accordance with Section 5, the objects of the Act are:

to encourage:

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
- (ii) the promotion and co-ordination of the orderly and economic use and development of land,*
- (iii) the protection, provision and co-ordination of communication and utility services,*
- (iv) the provision of land for public purposes,*
- (v) the provision and co-ordination of community services and facilities, and*
- (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
- (vii) ecologically sustainable development, and*
- (viii) the provision and maintenance of affordable housing, and...*

(b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and

(c) to provide increased opportunity for public involvement and participation in environmental planning and assessment."

The proposed development satisfies the above stated objects of the EP&A Act, where relevant, as follows:

- The proposed development will promote the social and economic welfare of the local community through the provision of high-quality mixed-use development and the provision of community parkland;
- The proposed development will provide for the proper management, development and conservation of three heritage-listed buildings in a well-serviced location;
- The Stage 1 DA and future detailed stage DAs will result in the creation of additional jobs during the construction and operational phases of the development;
- The proposal will result in the orderly and economic use and development of land as the site is of an appropriate size and location to enable the development;
- Appropriate utility services will be provided to the site;
- There will be no unreasonable adverse impacts on the environment; and
- The proposal will incorporate a range of measures to promote ecologically sustainable development.

4.2.2 Section 79C of EP&A Act 1979

Section 79C (1) of the Act as amended specifies the matters which a consent authority must consider when determining a development application. The relevant matters for consideration under Section 79C of the EP&A Act are addressed in Table 6.

In addition, please refer to the assessment provided in the DCP Table of Compliance provided at Appendix 2, and the detailed analysis of the proposal provided in the SEPP 65 Statement prepared by Fairweather Jemmott Architects provided at Appendix 4.

Table 6: Section 79C(1)(a) considerations

Section	Comment
Section 79(1)(a)(i) Any environmental planning instrument	Consideration of relevant instruments is discussed in Section 4.
Section 79C(1)(a)(ii) Any draft environmental planning instrument	Not relevant to this application.
Section 79C(1)(a)(iii) Any development control plan	Consideration of the relevant development control plan is discussed in Section 5.
Section 79C(1)(a)(iiia) Any planning agreement	Planning agreements are not applicable to or proposed as part of this application.
Section 79C(1)(a)(iv) Matters prescribed by the regulations	Refer to Section 4.
Section 79C(1)(a)(v) Any coastal zone management plan	Not relevant to this application.
Section 79C(1)(b) - (e)	Refer to Section 6.

4.2.3 Section 91 Integrated Development

This Section of the EP&A Act defines 'integrated development' as matters which require consent from Council and one or more approvals under related legislation. In these circumstances, prior to granting consent, the consent authority must obtain from each relevant approval body their General Terms of Approval (GTA) in relation to the development.

Clause 15 of the Mine Subsidence Compensation Act 1961 requires approval to alter and erect improvements within a mine subsidence district and the development is therefore 'integrated development'. Conditional approval has been received from the NSW Subsidence Advisory (refer to Appendix 21).

4.3 Environmental Planning and Assessment Regulation 2000

Clause 50 of the EP&A Regulation 2000 stipulates how a DA must be "made". This DA satisfies relevant clauses of the Regulation as follows:

- Clause 50(1)(a) - the nominated documentation is provided (accompanying this SEE), including a design verification statement prepared by TZG and Fairweather Jemmott Architects; an explanation of the design in terms of the principles set out in Part 2 of SEPP 65; and relevant drawings.
- Clause 70A - subject to approval by Council the information required to be provided for the later Stages of development (Stage 2-4) will be deferred to a subsequent development application/s.

4.4 State Environmental Planning Policy No.71 - Coastal Protection

The subject site is located within the coastal zone and therefore the SEPP applies. The relevant matters for consideration under the SEPP are addressed in Table 7 below. In summary, the proposal complies.

Table 7: SEPP 71 considerations

Clause	Comply?	Comment
8(a) Aims of policy	Yes	<p>The Concept Proposal does not seek to undertake physical works.</p> <p>The Stage 1 DA seeks approval for the adaptive re-use of an existing building and provision of a new park, both of which are not likely to have any significant impacts on the amenity of the coastal foreshore.</p> <p>Existing public access to the coastal foreshore will not be affected, and no significant areas of foreshore vegetation will be impacted.</p> <p>The proposal has been designed to protect and complement the historical significance of the heritage items, as outlined in Section 4 of this SEE.</p>
8(b) Existing public access	N/A	The proposal will have no impact on public access to the coastal foreshore.
8(c) Opportunities for new public access	N/A	The proposal will have no impact on public access to the coastal foreshore.
8(d) Suitability of development	Yes	The proposed development is considered suitable given its conservation of the heritage buildings, close proximity to public transport and employment opportunities. The design specifically seeks to increase pedestrian permeability and the enhanced relationship with the surrounding area which is also undergoing urban renewal.
8(e) Amenity	Yes	The proposed development will not detrimentally impact the amenity of the coastal foreshore.
8(f) Scenic qualities	N/A	The proposal will have no significant impacts on the scenic qualities of the coastal foreshore.
8(g) Measures to conserve animals	N/A	The proposal will have no impact on animals or their habitat.

Clause	Comply?	Comment
8(h) Measures to conserve fish	N/A	The proposal will have no impact on fish or their habitat.
8(i) Wildlife corridors	N/A	The site is not located within a mapped wildlife corridor.
8(j) Coastal processes and hazards	N/A	The proposal will have no significant impacts on coastal processes and coastal hazards.
8(k) Conflict between activities	N/A	The proposal will have no impact on water-based activities.
8(l) Protect Aboriginal cultural heritage	N/A	The proposal will have no impact on aboriginal cultural heritage.
8(m) Water quality	Yes	The proposal incorporates appropriate stormwater management features. Appropriate erosion and sedimentation controls will be implemented during the construction phase.
8(n) Conserve heritage	Yes	The proposal has been designed to protect and complement the historical significance of the heritage items, as outlined in Section 4 of this SEE.
8(o) For Draft LEPs	N/A	-
8(p)(i) Cumulative impacts	Yes	The proposal will not involve a significant increase in the use of resources or the creation of significant volumes of pollution.
8(p)(ii) Efficient water and energy usage	Yes	Appropriate water and energy efficient technologies will be incorporated into the detailed design of the proposal. A BASIX Certificate, outlining these measures, is attached at Appendix 11.
13 Flexible Zone Provisions	N/A	-
14 Public Access	N/A	The proposal will have no detrimental impact on public access to the coastal foreshore.
15 Effluent Disposal	Yes	The proposal will utilise the existing reticulated sewerage system. The existing stormwater management system will continue to be utilised for stormwater. A Stormwater Management Plan is provided at Appendix 9.
16 Stormwater	Yes	The proposed development will connect to and augment the existing stormwater management system.

4.5 State Environmental Planning Policy No.65 - Design Quality of Residential Apartment Development

This Policy aims to improve the design quality of residential flat development to:

- Ensure such buildings contribute to sustainable development
- Provide sustainable housing in social and environmental terms
- Achieve better built form and aesthetics of buildings, streetscapes and the public spaces they define
- Better satisfy the increasing demand, changing social and demographic profile of the community

- Maximise amenity, safety and security for the benefit of occupants and the wider community
- Minimise the consumption of energy from non-renewable resources

To support these aims the SEPP specifies 9 design quality principles. These principles do not generate design solutions, but provide a guide to achieving good design and the means of evaluating the merit of proposed solutions.

In relation to the Concept Plan, while consent is not sought for physical works, a preliminary assessment of the Concept Plan against the SEPP 65 design principles is provided in the SEPP 65 Design Verification Statement prepared by TZG Architecture at Appendix 3.

An assessment of the Concept Plan against the Apartment Design Guide (ADG) has also been undertaken by TZG Architecture and is provided at Appendix 3. The assessment concludes that the development complies with the SEPP 65 design principles and the ADG.

As the Stage 1 DA involves the adaptive re-use of Woolstore 1 for construction of 100 apartments greater than three (3) storeys, the provisions of State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development (SEPP 65) apply.

An assessment of the development in the Stage 1 DA against the design principles is provided in the SEPP 65 Design Verification Statement prepared by Fairweather Jemmott Architecture at Appendix 4. An assessment of the proposed development against the Apartment Design Guide (ADG) has also been undertaken by Fairweather Jemmott Architecture and is provided at Appendix 4. The assessment concludes that the development complies with the SEPP 65 design principles and the ADG.

Further to the above, the proposed development was referred to Council's Urban Design Consultative Group (UDCG) on November 2016. Minutes of the meeting are provided at Appendix 1. Council's UDCG provided an assessment of the proposal against the nine design quality principles set out in the ADG, and concluded that the design would likely result in a development of excellent standard. The UDCG supported the proposal in principle subject to several matters being addressed. The matters raised have subsequently been addressed during the design phase, as detailed in Appendix 1.

4.6 State Environmental Planning Policy No.55 - Remediation of Land

State Environmental Planning Policy No. 55 – Remediation of Contaminated Lands (SEPP 55) establishes State-wide provisions to promote the remediation of contaminated land.

The policy states that land must not be developed if it is unsuitable for a proposed use because it is contaminated. If the land is unsuitable, remediation must take place before the land is developed. The policy makes remediation permissible across the State, defines when consent is required, requires all remediation to comply with standards, ensures land is investigated if contamination is suspected, and requires Councils to be notified of all remediation proposals. The Managing Land Contamination: Planning Guidelines were prepared to assist councils and developers to determine when land has been at risk.

Clause 7 of the SEPP 55 requires that a consent authority must not grant consent to a development unless it has considered whether a site is contaminated, and if it is, that it is satisfied that the land is suitable for the proposed use.

In response, the following reports have been provided with this SEE:

- A Detailed Site Investigation Report is provided at Appendix 12.
- A Remediation Action Plan has been prepared and is provided at Appendix 12.
- An interim audit advice (IAA) provided at Appendix 12 verifying that:
 - The nature and extent of contamination on and under Lot 1 and Lot 2 has been adequately assessed; and

- Implementation of the RAP should make the site suitable for the proposed future uses.

In addition, a statement has been prepared by Senversa to describe the status of site contamination investigation and remediation activities at the site in the context of the proposed future development plans and staging. In this regard, investigation and remediation of contamination on and under the portion of the site formed by Lot 3 and Lot 13 is ongoing, with development of these parts of the site only to occur once IAA or a Section A Site Audit Statement is provided - indicating that this part of site can be made, or is suitable, for the proposed future use.

4.7 State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004

The aim of this Policy is to establish a scheme to encourage sustainable residential development (the BASIX scheme). This on-line assessment tool calculates the dwelling's energy and water scores based on a range of design data.

This SEPP requires the submission of a BASIX certificate to accompany an application for development consent for any "BASIX affected building".

In relation to the Concept Approval, the final layout of the residential components of the development is not yet known and as such a BASIX certificate cannot be generated.

In relation to the Stage1 DA, a BASIX Certificate has been provided at Appendix 11. We note that in order to conserve items of significant heritage value, a BASIX Heritage Alternative Assessment was supported by Newcastle City Council Manager of Development Building and approved by the NSW Department of Planning and Environment.

4.8 State Environmental Planning Policy (Infrastructure) 2007

4.8.1 Clause 45 Determination of development applications - other development

This clause applies to a DA for development comprising or involving any of the following:

- the penetration of ground within 2m of an underground electricity power line or an electricity distribution pole or within 10m of any part of an electricity tower,
- development carried out:
 - (i) within or immediately adjacent to an easement for electricity purposes (whether or not the electricity infrastructure exists), or
 - (ii) immediately adjacent to an electricity substation, or
 - (iii) within 5m of an exposed overhead electricity power line,
- installation of a swimming pool any part of which is:
 - within 30m of a structure supporting an overhead electricity transmission line, measured horizontally from the top of the pool to the bottom of the structure at ground level, or
 - within 5m of an overhead electricity power line, measured vertically upwards from the top of the pool,
- development involving or requiring the placement of power lines underground, unless an agreement with respect to the placement underground of power lines is in force between the electricity supply authority and the council for the land concerned.

The proposal involves the placement of power lines underground and includes penetration of the ground to a depth of 2m to accommodate the underground electricity power line.

Council is therefore required to give written notice of the proposal to the relevant electricity supply authority. Council must also take into consideration any reply received within 21 days after the notice is given.

Preliminary consultation has been undertaken with Ausgrid and we do not anticipate any issues that would preclude the development from being undertaken as a result of this requirement.

4.8.2 Clause 101 Development with a frontage to a classified road

This clause requires that Council ensure the proposal considers alternative access arrangements for land fronting a classified road. The proposal is not fronting a classified road.

4.8.3 Clause 102 Impact of road noise or vibration on non-road development

The subject site is not on land in or adjacent to the road corridor for a freeway, a tollway or a transitway or any other road with an annual average daily traffic volume of more than 40,000 vehicles.

4.8.4 Clause 104 Traffic generating development

This clause applies to traffic generating development specified in Column 1 of the Table to Schedule 3 that involves new premises of the relevant size or capacity, or an enlargement or extension of existing premises, being an alteration or addition of the relevant size or capacity.

The Concept Proposal will result in a development with 300 or more dwellings with access to "any road". The Concept Plan will therefore require referral to the RMS under 104 of the SEPP Infrastructure as it is deemed "traffic generating development".

4.9 Newcastle Local Environmental Plan 2012

The Newcastle Local Environmental Plan 2012 (NLEP) applies to the subject site. The provisions relevant to the proposed development are addressed below. In summary, the proposed development will comply with the provisions of NLEP.

4.9.1 Clause 1.2 Aims of Plan

The proposed development complies with the objectives of the NLEP, as outlined below:

- The proposal involves a well-designed adaptive re-use of heritage listed buildings, thereby conserving and managing the built resources and respecting the cultural heritage of Newcastle. The proposal also actively applies the principles of ESD through the preservation and conservation of the built and natural environment for present and future generations.
- The proposed development seeks approval for a mixed-use development within close proximity to the Newcastle City Centre, Wickham and the emerging West End. It follows that the proposed development will support increased patronage of public transport, active transport and help to reduce travel demand and private motor vehicle dependency.
- The proposed development is well positioned to provide an attractive and affordable diversity of housing opportunities and open space in a central location that will improve access to employment opportunities such as the proposed Wickham "Emerging Industry Quarter", public transport, community facilities and services, retail and commercial services.
- The construction of the development is estimated by Urbis to generate an estimated \$57.9 million in direct/indirect Gross Value Added (GVA) per year; and 106 direct jobs and 253 indirect jobs (refer Appendix 13). In addition, Urbis estimates that ongoing operations of this space is likely to generate 1,014 direct/indirect jobs, and \$154.2million annually in direct/indirect GVA. Consequently, the development will

clearly contribute to the economic well being of the community in a socially and environmentally responsible manner.

4.9.2 Clause 2.3 Zone Objectives

The subject site is zoned IN2 Light Industrial as shown in Figure 20.

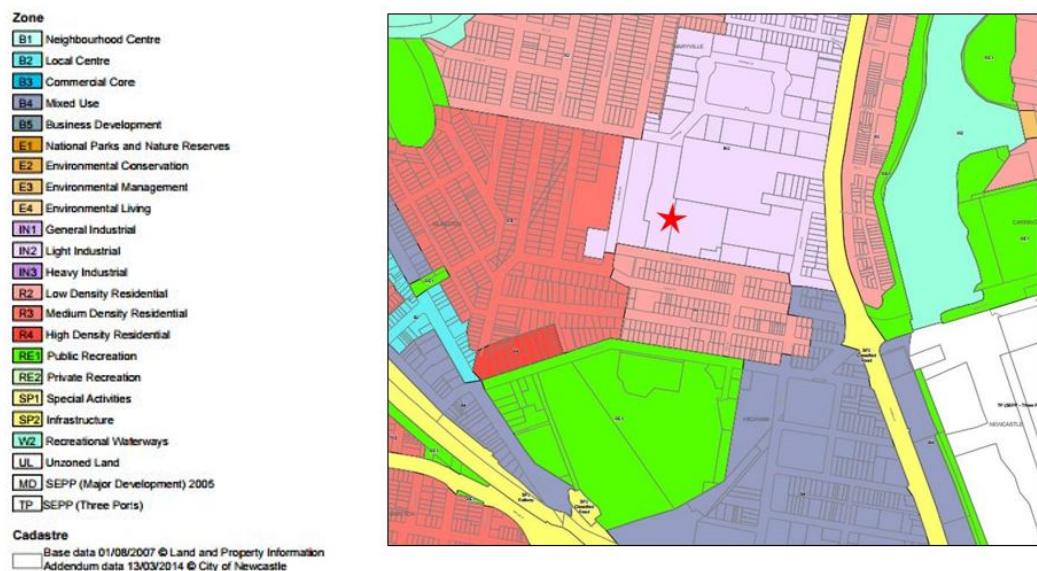


Figure 20 NLEP Land Use Map Extract. (Source: Sheet LZN_004FA)

Clause 2.3 (2) of the NLEP 2012 states that consent authority must have regard to the objectives for the development in a zone when determining a development application in respect of land within the zone.

An Economic Impact Assessment prepared by Urbis provided at Appendix 13 provides a detailed response in relation to the zone objectives. The proposed development is considered not to be inconsistent with the zone objectives, for the following reasons:

- The proposal does not seek to diminish suitable zoned industrial land for industrial purposes. The Economic Impact Assessment prepared by Urbis provides a competitive positioning analysis that demonstrates that while precincts such as Kooragang, Mayfield and Tighes Hill achieved high ratings against the key success drivers for industrial land take-up, the subject site has several key attributes that significantly impact the site's suitability for use as an industrial asset and these attributes will continue to limit the types of businesses / tenants the site attracts. The Economic Impact Assessment also identifies that there are currently 801 hectares of industrial land in the LGA that are capable of accommodating new industrial employment in 2017 and, based on forward estimates, there will be a surplus of 760 - 782.5 hectares of industrial land in 2031. Urbis concludes that there is sufficient supply in the market for industrial land uses and, consequently, the adaptive re-use of the heritage items as a mixed-use development will not have a significant impact on the supply of industrial land or activity within the Newcastle LGA. A more detailed analysis of the sites suitability for industrial purposes is provided in Section 5 of this SEE.
- The proposed development seeks to minimise any adverse effect of industry on other land uses. Activities that increase noise, odour or industrial traffic on residential streets will create land use conflicts with surrounding residential properties adjoining the site along Annie Street, Milford Street and The Avenue. The provision of a well-designed mixed use development will effectively minimise the ongoing adverse effects of industry on the surrounding neighbourhood.

- The proposed development encourages employment opportunities. Urbis estimates that the construction of the development will generate 106 direct jobs and 253 indirect jobs and ongoing operations would generate 1,014 direct/indirect jobs. The proposed development will therefore provide a much stronger employment outcome, particularly when compared to the subject site's current uses.
- The proposed development will support the viability of surrounding centres. The Economic Impact Assessment prepared by Urbis demonstrates that, over both the short and long term, there is insufficient housing stock to meet the growing housing needs of Newcastle LGA. Between 2016 and 2021, the housing deficit is estimated at approximately -44 to -449 dwellings (low and main series), expanding to a -6,732 to -7,840 dwellings deficit by 2026.

The redevelopment of the subject site will provide for approximately 310 new residential units that will help address the housing supply gap and affordability constraints facing Newcastle. Importantly, the proposed adaptive reuse of the heritage buildings will create a spatial experience and living experience that is unique to these buildings and unavailable in any typical residential development. Combined with the high amenity park and public domain, the development will be capable of attracting the type of workforce suited to the 'Emerging Industry Quarter' as identified in the draft Wickham Masterplan (2017). It is estimated that the development will also stimulate further private investment in Wickham, which will ultimately be required to 'kick-start' the implementation and realisation of the draft Wickham Masterplan.

- The proposed development will provide for a range of land uses that will enable provision of facilities and services to meet the day to day needs of workers in the area.

4.9.3 Land Use Table - Zone IN2 Light Industrial

The Concept Proposal seeks approval for a mixture of land uses distributed across the subject site as shown in Section 3 of the SEE. The final composition of land uses within individual buildings (outside of the Stage 1 DA) will be determined in the detailed DAs. Consequently, the Concept Proposal does not seek to specify individual detailed activities but rather seeks to provide a suitable level of flexibility to ensure that the future DAs can reflect the prevailing market conditions. The Concept Proposal therefore seeks approval for a range of land uses including a "mixed use development", "residential flat building", "shop top housing" "commercial premises" and "recreation area".

In relation to the stage 1 DA, the proposed adaptive re-use of the Woolstore 1 is for the purpose of a "residential flat building" and the provision of a new "recreation area" located north-east of Woolstore 1.

The land uses proposed in the Concept Proposal and Stage 1 DA are not permissible land uses in the IN2 Light Industrial Zone, with the exception of the proposed recreation area. Consequently, approval for the proposed land uses is sought by way of NLEP Clause 5.10(10) 'Conservation Incentives', which permits the use of a building that is a heritage item or of the land on which such a building is erected for any purpose, even though development for that purpose would otherwise not be allowed by the NLEP. The proposed application of the Conservation Incentives provisions of the NLEP is addressed in detail within section 4.9.10 of the SEE.

4.9.4 Clause 2.7 Demolition requires consent

The Stage 1 DA proposes minor demolition works that require consent, including removal of the wool chutes located between buildings 1 and 2 and removal of minor hardstand areas associated with the creation of the proposed parkland.

4.9.5 Clause 4.1 Minimum subdivision lot size

The site is affected by a minimum lot size of 1,000m² pursuant to Clause 4.1 of the NLEP. Consent is not sought for Torrens or Community Title subdivision as prescribed by this clause and therefore the proposal complies in this respect.

4.9.6 Clause 4.3 Height of buildings

The subject site is not shown as having a maximum building height on the Height of Building map (refer to Figure 21) and is therefore not subject to the Height of Buildings control.

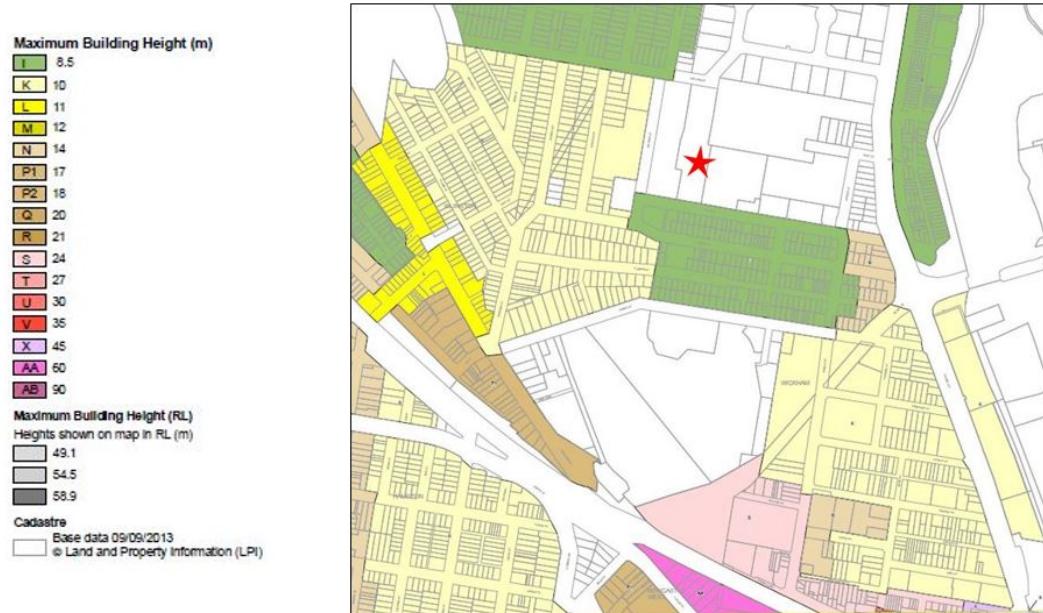


Figure 21 NLEP Height of Buildings Map Extract (Source: Sheet HOB_004FA)

4.9.7 Clause 4.4 Floor Space Ratio

The site is not shown as having a FSR on the FSR Map (refer to Figure 22) and is therefore not subject to a FSR control.

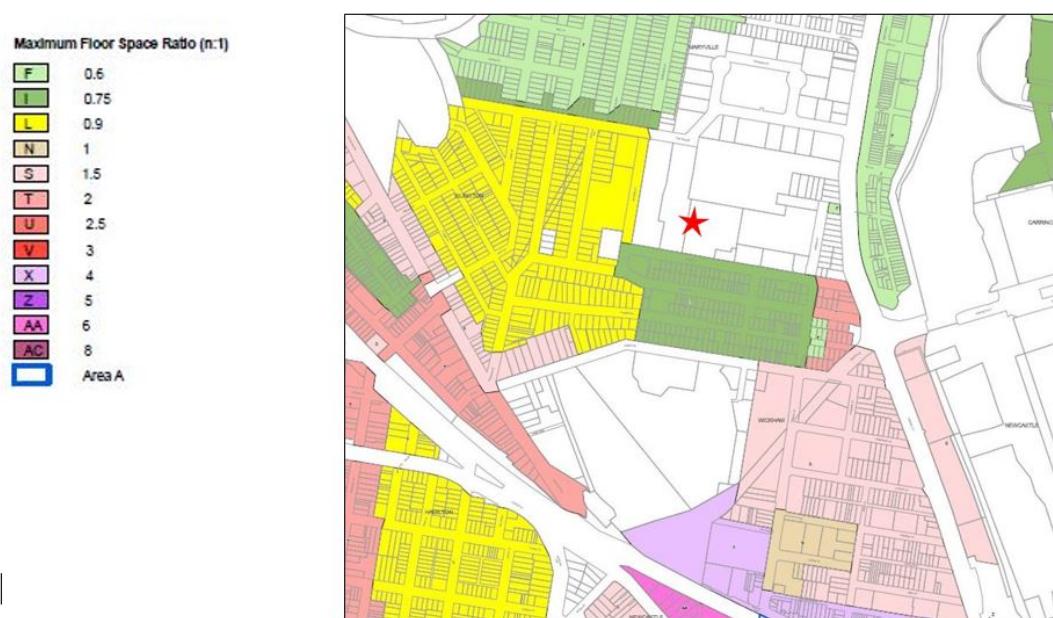


Figure 22 NLEP Floor space ratio Extract (Source: Sheet FSR_004FA)

4.9.8 Clause 5.5 Development within the coastal zone

The proposed development complies with Clause 5.5 based on the following grounds:

- Existing public access to the coastal foreshore will not be affected, and no significant areas of foreshore vegetation will be impacted.
- The proposed development is considered suitable given its conservation of the heritage buildings, close proximity to public transport and employment opportunities, a design that specifically seeks to increase pedestrian permeability and the enhanced relationship with the surrounding area which is undergoing urban renewal.
- The proposed development will not detrimentally impact the amenity of the coastal foreshore.
- The proposal will have no significant impacts on the scenic qualities of the coastal foreshore.
- The proposal will have no impact on animals or their habitat.
- The proposal will have no significant impacts on coastal processes and coastal hazards.
- The proposed development will connect to and augment the existing stormwater management system. Appropriate erosion and sedimentation controls will be implemented during the construction phase.
- The proposal will utilise the existing reticulated sewerage system.
- The subject site lies within the NSW Coastal Zone, and therefore SEPP 71 applies. Compliance with SEPP 71 is demonstrated in Section 4 of this SEE.

4.9.9 Clause 5.9 Preservation of trees or vegetation

Tree removal within the site is not proposed as the site is fully developed and devoid of vegetation. It is noted, however, that infrastructure works and upgrades are proposed in the public domain, which will require replacement of existing street trees. The proposed tree replacement is detailed in the Landscape Plan prepared by JMD Design at Appendix 10.

4.9.10 Clause 5.10 Heritage Conservation

The existing woolstore buildings on the site are 'local' listed heritage items (Item 1680, Item 1679 and Item 1678), as shown in Figure 23.

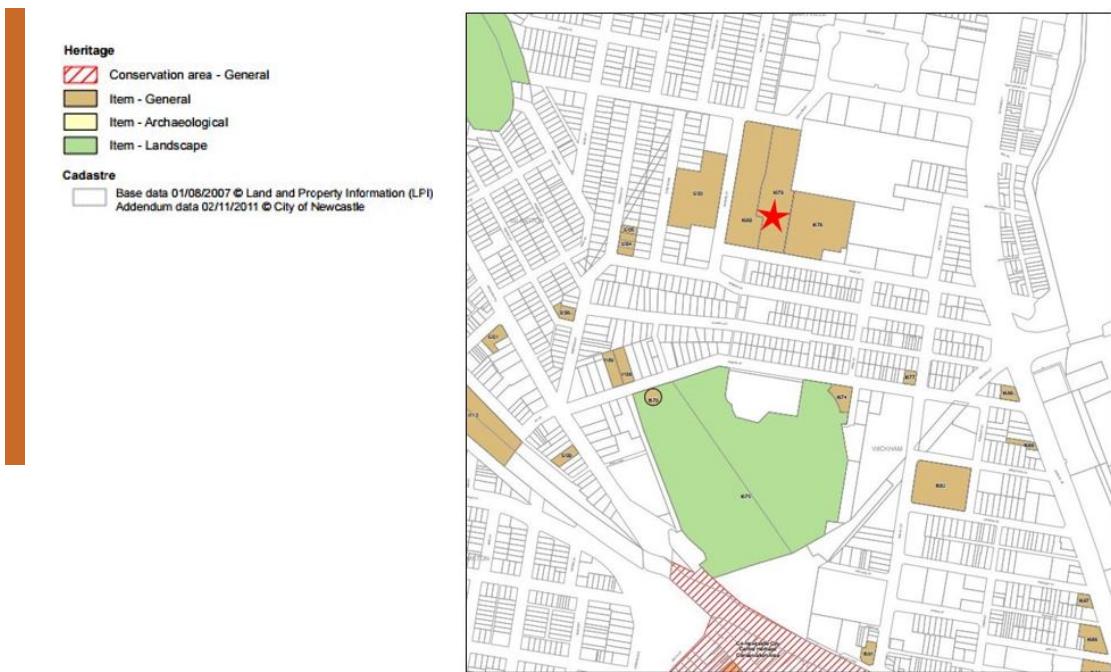


Figure 23 NLEP Heritage Map Extract (Source: Sheet HER_004FA)

A detailed assessment of the proposal against all relevant heritage matters is provided below.

Clause 5.10(1) Objectives

The objectives of Cl 5.10 are as follows

- (a) *to conserve the environmental heritage of the City of Newcastle,*
- (b) *to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,*
- (c) *to conserve archaeological sites,*
- (d) *to conserve Aboriginal objects and Aboriginal places of heritage significance.*

The Heritage Management Guidelines document prepared by EJE at Appendix 6 identifies that the proposed development has been carefully considered and will conserve the environmental heritage of the City of Newcastle and the heritage significance of each item on the site. The proposal protects the setting of the heritage items and retains significant fabric, settings and views. In addition, the proposal seeks to remove unsympathetic elements and reinstate significant building elements. We note that in order to conserve items of significant heritage value, a BASIX Heritage Alternative Assessment was also approved by the NSW Department of Planning and Environment. Consequently, the proposed adaptive re-use of the Woolstores as a mixed-use development will ensure the conservation of the heritage items.

Clause 5.10(2) Requirement for consent

Clause 5.10(2) requires development consent for the following:

Development consent is required for any of the following:

(a) *demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance):*

- (i) *a heritage item,*
- (ii) *an Aboriginal object,*
- (iii) *a building, work, relic or tree within a heritage conservation area,*

(b) *altering a heritage item that is a building by making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,*

(c) *disturbing or excavating an archaeological site while knowing, or having reasonable cause to suspect, that the disturbance or excavation will or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed,*

(d) *disturbing or excavating an Aboriginal place of heritage significance,*

(e) *erecting a building on land:*

- (i) *on which a heritage item is located or that is within a heritage conservation area,*
- (ii) *on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance,*

(f) *subdividing land:*

- (i) *on which a heritage item is located or that is within a heritage conservation area,*
- (ii) *on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance.*

Each provision is considered in detail below.

(a) *demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance)*

Consent is sought for partial demolish of the wool chutes linking Woolstores 1 and 2. All demolition works are shown on the demolition plan prepared by Fairweather Jemmott Architecture at Appendix 4.

Consent is sought for altering the exterior of the Woolstore 1, which will include new windows, doors, louvers, balconies and associated changes to the building fabric and finish. All alterations to the exterior of Woolstore 1 are shown on the Stage 1 DA plans prepared by Fairweather Jemmott Architects at Appendix 4.

(b) *altering a heritage item that is a building by making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,*

Consent is sought for structural changes to the interior of the building as shown on the Stage 1 DA plans prepared by Fairweather Jemmott Architects at Appendix 4.

Clause 5.10(4) Effect of proposed development on heritage significance

As required by cl.5.10(4), the effect of the proposed development on the heritage significance of the items has been considered in the Heritage Management Guidelines document prepared by EJE at Appendix 6. In summary, this document identifies that the proposed development:

- Is consistent with the Statement of Significance for the item within the Office of Environment and Heritage listing.
- Protects the setting of the heritage item.
- Retains significant internal and external spaces and reuses significant building fabric.
- Reuses all reusable parts of the building within the design and avoids facadism.
- Removes unsympathetic and intrusive elements.
- Reinstates and reinforces significant building elements and details that will facilitate interpretation of the heritage items.
- Facilitates the repair and ongoing maintenance of the heritage item to ensure their conservation.

Clause 5.10 (10) Conservation incentives

An extract of the clause is provided below:

The consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected, or for any purpose on an Aboriginal place of heritage significance, even though development for that purpose would otherwise not be allowed by this Plan, if the consent authority is satisfied that:

(a) the conservation of the heritage item or Aboriginal place of heritage significance is facilitated by the granting of consent, and

(b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and

(c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and

(d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and

(e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.

The permissibility of the proposed development specifically requires consent pursuant to the above clause, as the proposed land uses are prohibited on the site under the zoning provisions of the NLEP 2014. The proposed land uses are permissible by way of the above clause as the consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected even though development would not otherwise be permitted, subject to satisfying sub-clauses (a)-(e). Consequently, each of these provisions is considered in detail below.

(a) The conservation of the heritage item will be facilitated by the granting of development consent.

Heritage conservation is ultimately a 'public good' driven by the broader community. As such, there is a strong expectation that heritage items are conserved. The expectation extends not only to the regulatory listing and protection but also to economic incentive and assistance. Taking this in to account, Cl.5.10(1)(a) requires evidence that the conservation of the heritage item will be facilitated by the granting of consent.

One of the major pressures facing historic buildings is their deterioration resulting from a lack of capital investment. This typically stems from historic assets not being suited to contemporary business requirements, subsequent ongoing vacancy, and a resulting lack of

income to fund conservation measures. It follows that heritage buildings are much more likely to be well maintained and conserved if they are fully occupied.

The Heritage Management Guidelines document prepared by EJE outlines that the AML&F building is currently vacant due mainly to its installed fire sprinkler system being inadequate to meet current requirements for storage uses. In addition, the NZMLA and Dalgety buildings are only partially utilised as self-storage and offices. The unoccupied AML&F building makes significant economic losses for the site owner that precludes its upgrading to current standards without a major development being undertaken upon it. This also creates great difficulty with regard to the regular repair and maintenance of the building. The other two buildings, while still being occupied, are generating income but also operate at an overall economic loss and have such a low intensity of usage that again creates substantial and ongoing difficulties for maintenance and upkeep.

Looking beyond the present day, EJE outlines that the Woolstores do not support emerging light industrial requirements. The spatial arrangement, column spacing, ceiling heights, multiple storeys, and limited floor load capacity all severely limit the potential of the buildings for land uses permitted in the IN2 Zone. Access to the building via the road system also limits uses for industrial purposes, as Annie Street cannot support B-doubles and cannot be accessed directly from Hannell Street if approached from the north. The current vacancy and underutilisation of the site is therefore expected to continue and worsen if corrective action is not taken.

Further to the above, the use of the portions of the subject site proposed for Buildings 4 and 5 is not considered economically viable for industrial uses. The introduction of industrial uses would also create a range of impacts on the surrounding residential area. Conversely, the use of the buildings for mixed-use purposes as proposed would minimise any adverse effects such as noise, odour or industrial traffic on residential streets. Overall, the provision of a well-designed mixed use development will effectively minimise the ongoing adverse effects of industry on the surrounding neighbourhood.

A feasibility assessment has been undertaken to examine whether the buildings could be repaired, restored and conserved in the long term without pursuing a residential scheme as currently proposed.

Bylett and Associates were engaged to prepare an estimate, identifying the cost to repair, restore and conserve the woolstores in their current form and make them suitable for light industrial use.

The assessment considered a ‘business as usual’ approach, whereby the site and the buildings would continue to be utilised for light industrial purposes permitted within the zone. It was acknowledged that the constraints and limitations of the woolstores unique heritage features are restrictive for light industrial uses and whilst other forms of light industrial uses have been explored there is ample opportunity and availability for prospective tenants to seek more appropriate and suitable nearby space than try to utilise the compromised space and facilities that the woolstores have to offer.

Currently only 2 of the 3 woolstores are suitable for partial occupation, with only 3 of the 4 levels being used. Woolstore 1 is completely vacant and has been unable to be occupied. Significant cost would need to be incurred to allow any form of occupation in building 1. Should works be undertaken to allow building 1 to be occupied for industrial use, the cost required to allow the occupation would be significant with limited ability to recover costs. The cost for the repair and make good of building 1 is noted below, a summary of the costs for entire site follows.

Cost analysis for building 1

Building 1	Restoration Cost Estimates
General Demolition and Tidy Up	\$ 215,319.00
Replace Roof	\$ 1,208,166.00
Repair External Walls (No Earthwork bracing)	\$ 414,624.00

Building 1	Restoration Cost Estimates
New Amenities	\$ 480,000.00
Relocating overhead cables	\$ 1,000,000.00
Window repair and door replace	\$ 199,600.00
General repair to floor (50sqm)	\$ 891,126.00
Fire Stairs	\$ 292,450.00
Fire Services	\$ 809,398.00
Upgrade of electrical services	\$ 913,404.00
Mech Services to office areas only	\$ 71,750.00
Vertical transportation	\$ 273,242.00
General paint	\$ 288,575.00
Sub Total	\$ 7,057,654.00
Prelims & Margin	\$ 1,058,648.10
Total	\$ 8,116,302.10

Cost to Restore for basic industrial use for next 25 years

Building	Cost Estimates
Building 1	\$ 8,116,302.10
Building 2	\$ 7,116,302.10
Building 3	\$ 7,116,302.10
Make good clear and remediate rear site	\$ 750,000.00
Make good building 33 - remediation by others	\$ 100,000.00
Total	\$ 23,198,906.30

The cost to bring the site back into a suitable form for the light industrial uses permissible and to secure their conservation for the next 25 years has been estimated to be some \$23 million. Yearly ongoing maintenance of the asset would be in addition to this estimate. It is submitted that the current range of permitted light industrial land uses are not suitable to generate sufficient income to facilitate conservation of the site.

Without the necessary injection of funds, the heritage items will continue to deteriorate, with the concrete structure of the AML&F building being of particular concern, and will ultimately become unviable for conservation. Rather than waiting until conservation becomes economically untenable (and the assets become another run-down historic building in the Newcastle cityscape), the proposed adaptive re-use provides an opportunity to leverage significant private capital to generate a substantial and worthwhile conservation activity that would otherwise not occur.

The \$23 million capital investment required to fund the conservation measures would be generated through the adaptive re-use of the heritage items and the development of the proposed new buildings. Conservation works have been identified in the Heritage Conservation Guidelines prepared by EJE at Appendix 6 and it is estimated that all works can be fully funded through implementation of the proposal. Indeed, EJE notes that "re-use will be necessary to ensure the survival of these very large structures against a background of social and economic change not only in the local area but around the country". Of importance, proposed works will not impact the heritage significance of the building but rather

will ensure significant building elements are reinstated and the legibility of the heritage items is maintained. In summary, the granting of consent to the proposed adaptive re-use of the site as a mixed use development will ensure the conservation of the heritage items.

(b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and

A Heritage Management Guidelines document has been prepared by EJE at Appendix 6. EJE notes that *"the Heritage Management Guidelines document submitted with the proposal provides guidelines applicable to all the listed buildings of the Wool Row and will be updated in future stages to provide specific advice to the adaptive reuse of each individual Heritage Item."* The proposed development will be undertaken in accordance with the Heritage Management Guidelines subject to the document's approval by Council.

(c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and

The Heritage Management Guidelines Report prepared by EJE at Appendix 6 specifies necessary conservation works. Subject to approval of the Heritage Management Guidelines, the proposed development will ensure all necessary conservation works are carried out.

(d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and

As detailed in the Heritage Management Guidelines prepared by EJE at Appendix 5, the proposed development would not adversely affect the heritage significance of the items or their settings.

(e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.

The proposed concept has been produced with particular attention to the amenity of surrounding properties, having taken into consideration the following key issues:

- The development history of the site;
- The context of the site and neighbourhood;
- The capability of the concept proposal to be designed in future detailed Stage DAs to have a minimal impact on the amenity of the surrounding properties;
- The relevant heads of consideration under Section 79C of the EP&A Act;
- The aims, objectives and provisions of the relevant statutory and non-statutory planning instruments; and
- The pre-lodgement advice received from Council.

Consideration of these key items demonstrated that in order to develop the site in a sustainable manner that does not impact upon the surrounding locality, it is appropriate to take a "staged" approach to development. This approach enables the development to clearly demonstrate that it is capable of evolving without impacting adversely upon the surrounding locality, while also providing the surrounding area with an element of "certainty" regarding its conceptual expansion in the future.

The SEPP 65 analysis of the proposed Concept Proposal undertaken by TZG Architects confirms that the proposed building envelopes have the capability of accommodating buildings designed to mitigate any adverse impact resulting from height, bulk and scale in terms of visual massing and streetscape impact.

Shadow diagrams prepared for the proposal by TZG Architects at Appendix 3 demonstrate that no significant overshadowing of adjoining residential properties on Milford Street or Annie Street would occur as a result of the proposed building envelopes (refer to Figure 24). Given

the distance to the nearest residential development, the potential for privacy and overlooking issues associated with the adaptive re-use of the Woolstores is also considered minor.

The proposed development seeks to minimise any adverse effect that industry would otherwise have nearby land uses. The intensification of uses that increase noise, odour or industrial traffic on residential streets will typically lead to conflicts with surrounding residential properties adjoining the site along Annie Street, Milford Street and The Avenue. The provision of a well-designed mixed use development as proposed will effectively minimise the ongoing adverse effects of industry on the surrounding neighbourhood.

Further to the above, Section 6 of the SEE provides an assessment of the development as required under the heads of consideration under section 79C of the EP&A Act 1979. Significant supporting statements have been provided to support this assessment. Of importance, Section 6 demonstrates that the proposal will not have a significant adverse effect on surrounding development in relation to visual amenity, overshadowing, views, noise, traffic and public safety. Additionally, the proposed works to the public domain and the provision of a new community park will result in a significant public benefit that serves to improve the safety and amenity of the surrounding area.

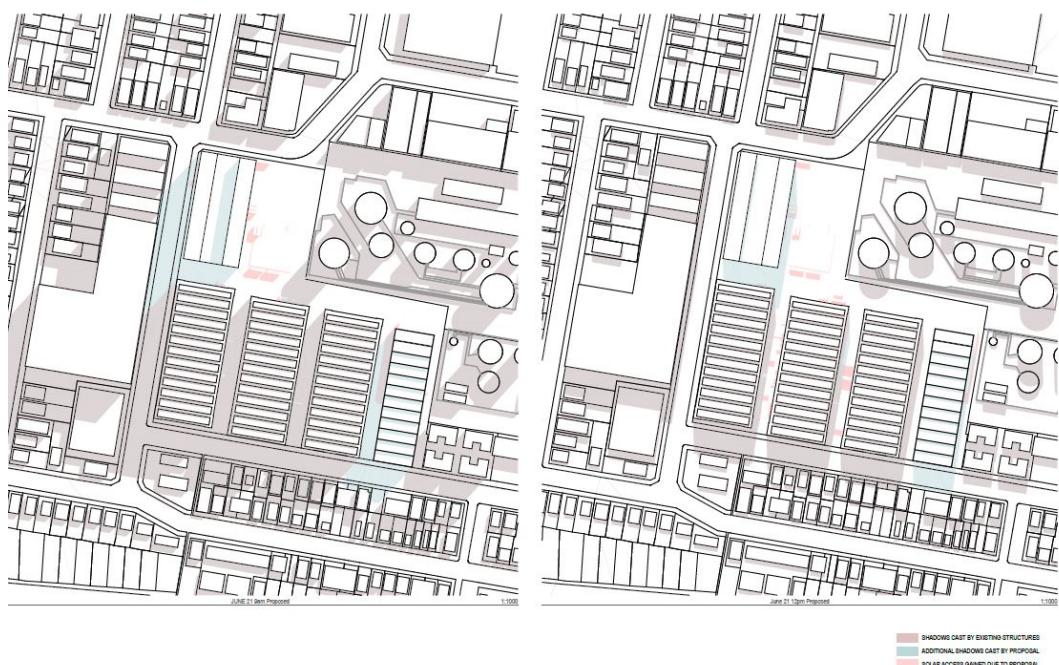


Figure 24 Concept Proposal Overshadowing Analysis (Source: TZG Architects)

4.9.11 Clause 6.1 - Acid Sulfate soils

The subject site is mapped as containing 'Class 3' acid sulfate soils as shown in the extracted figure below from the NLEP.

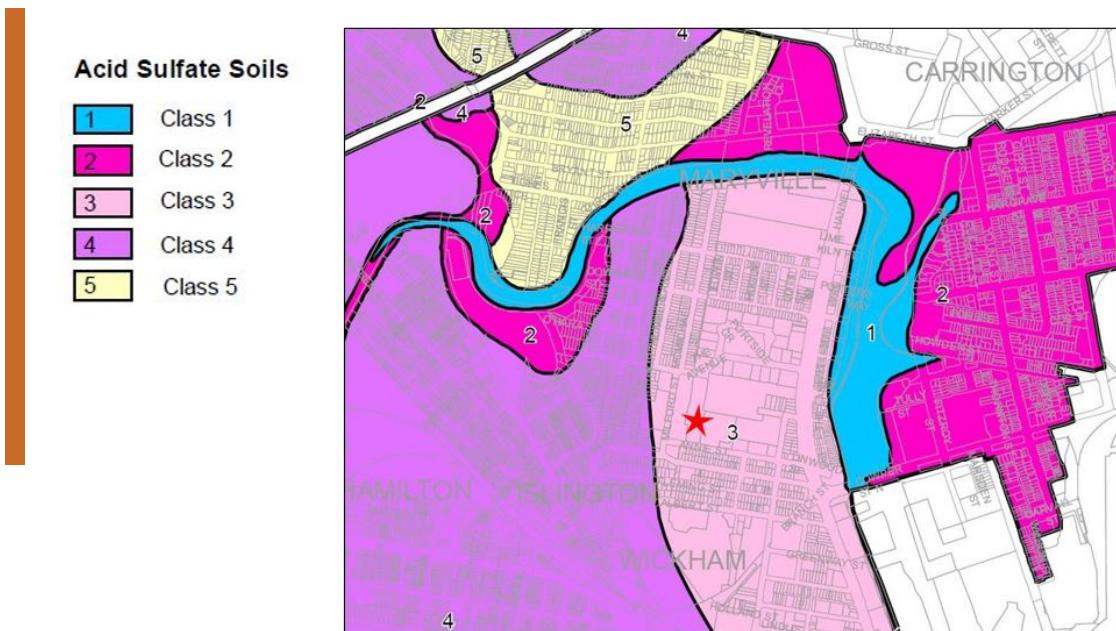


Figure 25 NLEP Acid Sulfate Soils Map Extract (Source: Sheet ASS_004)

Earthworks are required as part of the remediation works for Stage 1 DA, which may be 1m below the natural ground surface. The depth of remediation works is still to be determined. Notwithstanding this, Clause 6.1 of the NLEP could potentially apply as it states that consent is required for works 1m below the natural ground surface on Class 3 land.

Subclause (3) states that "development consent must not be granted under this clause for the carrying out of works unless an acid sulfate soils management plan has been prepared for the proposed works in accordance with the Acid Sulfate Soils Manual and has been provided to the consent authority".

A Preliminary Acid Sulfate Soil Management Plan has been provided at Appendix 23.

4.9.12 Clause 6.2 - Earthworks

Clause 6.2 applies as works are likely to alter the ground level (existing) in order to construct the proposed community park, remediate the site and install site services.

4.10 Section 94A Development Contributions Plan 2009

The Council's Section 94A Development Contributions Plan 2009 (S94A Plan) applies to the site. In accordance with Section 1.7 of the S94A Plan, a levy cannot be imposed on development for the purpose of the adaptive reuse of an item of environmental heritage. Further to the above, Clause 25J(3)(m) of the Environmental Planning and Assessment Regulations 2000 specifically excludes the costs of any development that is for the purpose of the adaptive reuse of a heritage item from attracting S94A contribution.

In this regard, the development seeks approval for the adaptive reuse of the Woolstores buildings, which are listed in Schedule 5 of the NLEP 2012 as local heritage items (Item 1680, Item 1679 and Item 1678). In addition, consent is sought for works to the grounds of the heritage items as required to facilitate the adaptive re-use of the heritage items. This includes upgrades to private laneways, landscaping and the proposed community park. Consequently, the S94A plan is not applicable to the adaptive re-use of the Woolstores buildings or works external to the buildings required to facilitate the adaptive reuse of the heritage items.

5. Non-Statutory Planning Considerations

There are several non-statutory planning documents that are relevant to the proposed development of the subject site. The documents identify key priorities and objectives for Wickham and the Newcastle LGA and include:

- Department of Planning and Environment's Review of Industrial Employment Lands in Throsby Area 2010;
- Newcastle Employment Lands Strategy 2013;
- Newcastle Local Planning Strategy 2015; and
- Newcastle Development Control Plan 2012.

Where relevant, these documents are addressed below.

5.1 Department of Planning and Environment's Review of Industrial Employment Lands in Throsby Area 2010

The Review of Industrial Employment Lands in Throsby Area 2010 (RIELTA 2010) study recommends future land use zones for the Carrington, Islington, Maryville, Tighes Hill and Wickham employment land precincts in Inner Newcastle. RIELTA 2010 recommends that all industrial zoned land within the employment land precincts including Wickham should be retained to support port related activities and a range of industrial land uses.

Response

An Economic Impact Assessment has prepared by Urbis at Appendix 13. The report provides an industrial land assessment within the Newcastle LGA, and reviews the industrial precincts in terms of their appeal to the industrial market compared to the subject site. Urbis identifies several key factors that drive tenant interest which underpin the functioning of industrial precincts, including:

- Access to motorway networks and B-Double routes;
- Scale of the precinct, with larger precincts offering opportunities for expansion, intensification of activity and clustering of similar industries and supply chain synergies; and
- Land use conflict to sensitive noise receptors (e.g. residential areas where impacts on neighbourhood amenity can lead to land use conflict) and the potential to result in traffic conflict between residential and freight vehicles.

An evaluation of key industrial precincts by Urbis based on the key success factors identifies that while precincts such as Kooragang, Mayfield and Tighes Hill, and Beresfield achieved high ratings, the subject site has poor ratings against the key success drivers. This is primarily due to site constraints, including:

- “Poor accessibility southbound on Hannell Street, as it is not possible to turn right directly into Annie Street.
- According to NSW Roads and Maritime Services, Annie Street does not have B-double access. B-double access is only available to the subject site on Milford Street via The Avenue from Hannell Street.
- Access from Pacific Highway which connects with Newcastle Road, however, cars and trucks must pass through smaller residential streets to reach the site.
- The Woolstores are heritage listed buildings which places significant constraints on their suitability as a light industrial asset.
- Residential land use located directly across the road to the south and west of the site. This includes the Soque Apartment development. Any uplift in industrial activity on the site is likely to adversely affect these residents, and create land-use conflicts.

- Given the nearby residential apartments and houses across the street, activities that increase noise, odour or industrial traffic on residential streets will create land use conflicts with surrounding residential properties, creating unacceptable barriers to higher intensity industrial users.”

Based on this competitive positioning analysis, Urbis concludes that:

- “Site constraints significantly impact the subject site’s ongoing use as industrial asset and limit the types of businesses / tenants it could attract”;
- “The subject site does not share the attributes of successful, large industrial precincts located within the Newcastle LGA or smaller, specialised industrial precincts”; and
- “While the subject site is located within the inner industrial precinct of Newcastle and is zoned for light industrial uses, its heritage constraints make it difficult for it to be redevelop as a light industrial asset”.

Further to the above, EJE concludes in its HMG report that “current requirements for industrial use (the original, use for the Heritage buildings) are not supported by the existing dimensions and fabric of the buildings. A change of use is therefore necessary for the conservation of the buildings.” Urbis supports this view, outlining that the “industrial sector is constantly changing, businesses require different built forms and facilities in buildings, which Woolstores built in the early to mid-20th century cannot offer. For example, typical industrial tenants require industrial buildings with high ceilings and clearance in a single level for ease of access and movement of goods. The Woolstores are multi storeys with low ceilings making the movement of goods inconvenient, limiting their appeal to a narrow market of industrial tenants.”

Additional analysis in relation to the impact on industrial land within the Newcastle LGA is provided below in Section 5.2 of this SEE.

5.2 Newcastle Employment Lands Strategy 2013 and Newcastle Local Planning Strategy 2015

The Newcastle Employment Lands Strategy 2013 (NELS 2013) is a strategic document which guides the future uses and role of employment land within the Newcastle LGA based on existing research and revised population forecast and trends. NELS 2013 identified a total supply of 2,599 hectares of industrial land of which 921 hectares were vacant in 2009. The study recommends the need to protect industrial land within the Inner Precinct of Newcastle which includes Wickham and the subject site. Wickham and the subject site were not identified as strategic industrial lands in NELS 2013.

The Newcastle Local Planning Strategy 2015 (LPS 2015) is a comprehensive land use strategy to guide the growth and development of Newcastle to 2030 and beyond. Similar to NELS 2013, LPS 2015 identified Kooragang, Mayfield, Beresfield and Carrington as the four main Industrial clusters. The strategy outlines the need to protect industrial lands in the Inner Precinct to ensure there continues to be a range and choice of lands available for existing businesses and the growth of the Port of Newcastle.

Response

The Urbis Economic Impact Assessment analyses the supply and demand for industrial land using data from the Newcastle Employment Lands Strategy (NELS) 2013 and the Newcastle Industrial Land Analysis Review (NILA Review) 2009.

The Urbis report provides an assessment of the industrial land demand and supply under two scenarios:

- “Employment Demand, estimates an annual land demand by converting industrial job forecasts (using employment densities) to land demand. Urbis have estimated employment densities to be between 20-30 jobs per hectare.

- Industrial Development Take-Up, estimates an annual industrial land demand based on the site area of industrial projects on greenfield / undeveloped land that are at / or past the development approval stage and are to be completed in 2017 and 2018.”

The analysis provided in the Urbis report identifies the following:

- “There are currently 801 hectares of industrial land in the LGA that are capable of accommodating new industrial employment in 2017.
- Under the Employment Demand scenario, there is a projected industrial employment growth of 560 jobs in total by 2031, which will require 18.7 to 28 hectares of industrial land by 2031. Based on this estimate there will be a surplus of 773.2 to 782.5 hectares of industrial land in 2031.
- Under the Industrial Development Take-Up scenario, there is a projected demand of 41.2 hectares by 2031. Based on this take-up estimate, it there will be a surplus of 760 hectares of industrial land in 2031.
- In addition to the industrial land surplus, Urbis identify that there are currently 35 projects in the development pipeline in the LGA with 100,000sq m of floorspace. There are also close to 100 vacancies with 154,000sq m of floorspace in the LGA that are capable of industrial use.”

In conclusion, the analysis undertaken by Urbis demonstrates there is ample supply in the market for industrial land uses, and under both demand scenarios, the adaptive re-use of the heritage items on the subject site as a mixed-use development will not have a significant impact on the supply of industrial land within the Newcastle LGA.

5.3 Draft Wickham Masterplan

The subject site is located outside of the draft Wickham Masterplan area. Notwithstanding this, on review it is considered that the proposed development will support the aims of the draft Masterplan.

The draft Wickham Masterplan identifies the ‘Emerging Industry Quarter’ to the south of the site as an area that seeks to attract workers and businesses involved in smart technology, research and development. CPDS is of the view that the type of workers and business owners sought in the Emerging Industry Quarter are typically attracted to high amenity neighbourhoods that have strong elements of authenticity and uniqueness.

Analysis of the Newcastle housing market provided in the Urbis Economic Impact Assessment demonstrates that there is insufficient housing stock to meet the growing housing needs of Newcastle LGA. Between 2016 and 2021, the housing deficit is estimated at approximately -44 to -449 dwellings (low and main series), expanding to an -6,732 to -7,840 dwellings deficit by 2026. Housing affordability is also starting to become an issue for residents within the Newcastle LGA, which will become more pronounced as the housing deficit grows.

The proposed adaptive reuse of the heritage buildings will create a spatial experience and living experience that is unique to these buildings and unavailable in any typical residential development. Combined with the proposed high amenity community park and public domain, the development will be capable of attracting and housing the type of workforce envisioned for the Industry Quarter. The space provided for artisanal food makers and the Newcastle Community Arts Centre will also add an additional layer of vibrancy and authenticity to Wickham.

Consequently, not only will this development assist to provide the necessary environment to attract the workforce suited to the Industry Quarter, it will also serve to stimulate the investment in Wickham that is ultimately required to ‘kick-start’ the implementation and realisation of the draft Wickham Masterplan.

5.4 Newcastle Development Control Plan

The Newcastle Development Control Plan 2012 (NDCP) provides guidelines, objectives and controls for development in the Newcastle LGA. Development within the precinct will need to have regard to this DCP. The relevant sections of the NDCP are listed below.

- Residential Flat Buildings
- Commercial Uses
- Flood Management
- Mine Subsidence
- Safety and Security
- Social Impact
- Soil Management
- Land Contamination
- Heritage Items
- Landscape, open space and visual amenity
- Traffic Parking Access
- Movement networks
- Stormwater
- Waste Management
- Public Participation

The Table of Compliance at Appendix 2 shows that the proposed Concept Proposal and Stage 1 DA demonstrate compliance with the relevant provisions of the NDCP, or complies with their intent.

6. Environmental Impact Assessment

6.1 Overview

This section identifies and assesses the impacts of the development with specific reference to the heads of consideration under section 79C of the EP&A Act.

6.2 Context and Setting

Responding to context involves identifying the desirable elements of an area's existing or future character. Well-designed buildings respond to and enhance the qualities and identity of the area including the adjacent sites, streetscape and neighbourhood. Consideration of local context is important for all sites, including sites in established areas, those undergoing change or identified for change. The context and setting of the development site is described in detail below.

In relation to the Concept Proposal, TZG Architecture has prepared a SEPP 65 analysis that outlines the proposed building envelopes will provide the potential for a form and massing to be created across the site which positively contributes to the quality and transitioning identity of the locality. The scale is comparable to existing buildings, while the reduced height of Building 4 provides an appropriate transition between the neighbouring properties to the east.

Further to the above, it is proposed that Woolstore 1 be converted to a residential flat building, thereby concentrating residential uses away from adjacent heavy industrial uses to the east of the site and closer to adjacent residential uses to the west of the site. Parking will be distributed internally across the first two levels and sleeved by residential uses in order to maintain street activation and CPTED principles. An extract from the SEPP 65 statement prepared by Fairweather Jemmott Architects addressing Principle 1 of SEPP 65, which relates to the proposal's response to the site's context, outlines the following:

"The Wickham Woolstores are located on the corner of Annie & Milford street. The woolstores are part of a local context that includes a wide range of typologies. Light industrial and commercial to the East, a fuel storage facility to the North-East, commercial and low rise residential to the North and low rise residential to the South. To the West of the site a large existing Woolstore has been adapted for residential use; 'Soque apartments' has become a catalyst for the development of apartments to the north that reinforce the local density and character.

The Woolstores have a direct pedestrian connection with Wickham Park and nearby community facilities to the South via the existing laneway network. The proposed laneway between Woolstores 1 & 2 follows the same pattern and will connect to the existing network and respond to the existing streetscape.

Using a long term, coordinated approach to the site and its context, the development will significantly enhance the public domain, with improved streetscape on Milford and Annie streets, and street activation brought by residents and visitors. The Woolstore re-purpose has the potential to be a reference development within the local context and will reinforce the urban renewal initiated along Milford street."

In conclusion, the Concept Proposal and Stage 1 DA are considered to be compatible with surrounding context and setting. The development proposes a built form of varying heights and scales within a landscaped setting that responds and contributes to the varied streetscapes and built form character of surrounding development. Within the broader context, the proposal is also consistent with the larger scale light industrial buildings that punctuate the skyline and define the local area.

6.2.1 Caltex Fuel Depot

The subject site is located adjacent to the fuel depot operated by Caltex (Caltex fuel depot).

A Hazard Risk Assessment (HRA) Report has been prepared by Planager at Appendix 14. The HRA assesses the risk to human safety for occupants of the subject site posed by Caltex's fuel depot. The HRA has been prepared in accordance with the guidelines described by the NSW Department of Planning and Environment (NSW DP&E) in their Hazardous Industry Planning Advisory Paper No 10 Land use Safety Planning (HIPAP10, Ref 1).

It should be noted that the HRA has taken a highly conservative approach, particularly with respect to the risk reduction controls in place at the Caltex fuel depot. In this regard, it is understood that the Depot has an extensive fire repressions system and a fire proof wall. Notwithstanding this, the HRA has excluded these risk reduction measures from the HRA risk calculations, thereby ensuring a highly conservative approach is applied. It follows that the actual risk results determined in this HRA are conservative and are likely to overstate any potential risks.

In light of the above, the HRA report concludes:

"The levels of risks to public safety from a proposed residential and/or commercial development of the Wickham wool stores and the adjacent buildings 4 and 5 are within the most stringent accepted safety and risk criteria for land use planning as per the NSW DP&E guidelines in their HIPAP10 (in Ref 1).

Any potential use of the building 4 for sensitive development (child care, elderly care etc.) is restricted. This building is planned for retail usage.

Restrictions also apply to the area immediately to the west of the fuel depot (within the development area) and from the easement between the wool stores and the depot.

In NSW, land use safety is determined based on risk, and in risk terms the Wickham wool stores are acceptable for the proposed development because the likelihoods of major incidents at the Caltex fuel depot are very low.

The incremental increase in societal risk in the area resulting from the proposed development is very low and the societal risk associated with the increase in population in the area is well within the tolerable zone for the full range. It is unlikely that the proposed development have significant impact on the societal risk of the area.

Radiant heat levels from major incidents do impinge on Wool Store 3 and buildings 4 and 5 and damage to windows, building and walls may occur. Radiant heat levels also impinge on the currently undeveloped area to the west of the depot. In undertaken design considerations this needs to be taken into account."

Further to the above, the applicant has consulted with Department of Planning and Environment and has confirmed that the proposed development is not subject to State Environmental Planning Policy No.33 - Hazardous and Offensive Development. Conversely, given the site suitability of the development as determined in the HRA report, it is considered that the proposed development would not significantly affect the ongoing operation of the Caltex fuel depot.

In conclusion, the site is considered suitable for the proposed use, subject to the implementation of the recommendations of the HRA.

6.3 Built Environment

6.3.1 Height, Bulk and Scale

The building envelopes proposed in the Concept Proposal are relatively modest in scale and generally reflect the built form of the existing Woolstores.

The envelope proposed for Building 4 has a maximum building height of 3 storeys and GFA of approximately 4,509 m². The building envelope has a smaller footprint and is lower scale than the adjoining Woolstores. However, it looks to create a relationship with the existing buildings by incorporating the dominant sawtooth profile. The smaller envelope also provides an appropriate transition to the neighbouring properties to the east.

The Building 5 envelope has a maximum height of 6 storeys and GFA of 10,077m². The envelope has a similar scale and footprint as Woolstore 1. However, it looks to create a more nuanced and stepped northern elevation that responds to the small scale residential buildings across The Avenue. The envelope is appropriately separated from adjoining development thereby ensuring that visual massing is minimised.

The SEPP 65 statement prepared by TZG Architects confirms that the future buildings within the proposed envelopes have the capability of being designed to mitigate any adverse impact resulting from height, bulk and scale in terms of visual massing, streetscape impact and overshadowing.

The following extract provides further discussion from the SEPP 65 design statement addressing the approach to height and scale within the proposed concept and a response to Principle 2 of SEPP 65:

"The focus of the masterplan is the adaptive reuse and preservation of the significant Woolstore buildings.

The Woolstore buildings have a particular scale, articulation and street presence. The character of these buildings has informed the location, street alignment and scale of proposed new building envelopes on the site.

Building 4, located to the east of Woolstore 3, forms a new retail laneway of similar width to the existing laneways in order to maintain the urban rhythm. It is intentionally conceived to be lower in height than the existing Woolstores. This is in part to allow for a clear view of the heritage sawtooth roof forms of the existing buildings on approach along Annie Street, and in part to provide better solar access to the new retail laneway, which is a key public space in the masterplan. Building 5 is located to the north of Woolstore 1 and, in an effort to create a cohesive urban form along Milford Street, its envelope adopts a similar height and plan proportion to the existing Woolstores. It is separated from Woolstore 1 by a new roadway which is the primary east-west axis in the masterplan.

The public domain strategy of the masterplan is generated by the pattern of existing laneways that run between the buildings, which are extended to create through site links to a new park at the heart of the precinct.

It is envisaged that as the masterplan develops, due consideration will be given to building proportions and articulation, as well as defining key parts of the public domain."

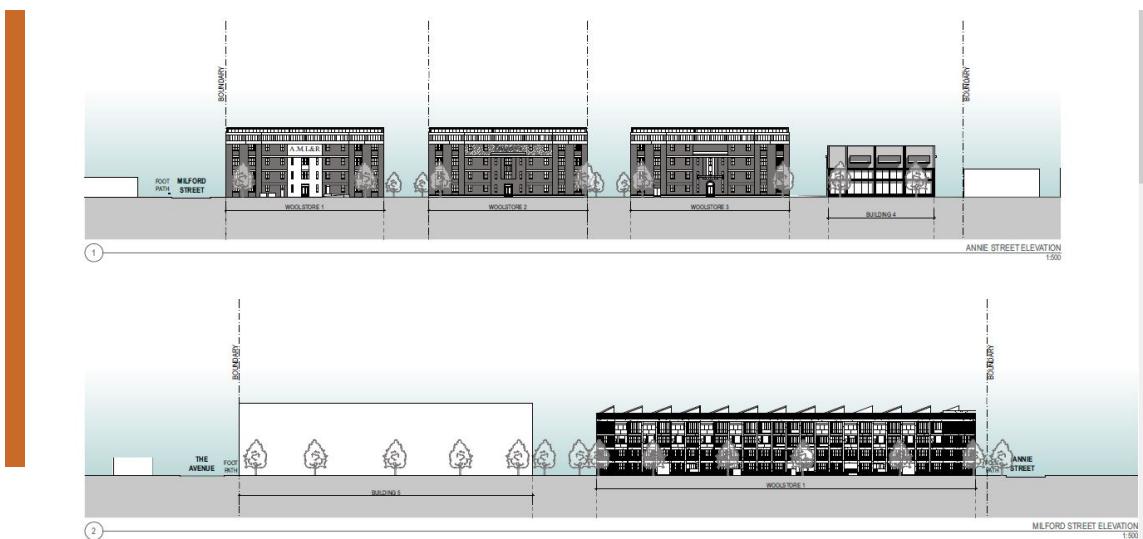


Figure 26 Elevation showing proposed building envelope for building 4 and 5 (Source: TZG Architects)

The Stage 1 DA seeks to re-use the Woolstore 1 building and does not modify the footprint or height and the envelope remains largely untouched. Consequently, it is considered that the adaptive re-use of the existing Woolstore 1 building will not result in any adverse impact on the surrounding locality as a result of the height, bulk and scale of the development.

The Fairweather Jemmott SEPP 65 design statement addresses the approach to height and scale in their response to Principle 2 as follows:

"Preserve the identity

...The scheme does not modify the footprint or height of the historic building, and its envelope remains largely untouched. The development is an effort to integrate the building's industrial past with current standards of living, thus reinforcing the area's architectural character by preserving a local landmark. The exposed structural grid will be maintained, though the new openings and fenestration will be clearly identified as new interventions.

Street Activation

The "townhouses" to the lower levels along the Milford Street frontage will have direct access to the street. These townhouses incorporate raised terraces/courtyards that are within the building line. The "townhouses" along the laneway between the Woolstores to the East, have courtyards open to the sky. These courtyards are accessed by a shared pedestrian and vehicular laneway. The courtyards and balconies to both Milford Street and the laneway offer a transition between public and private domains. All of the other balconies are within the existing form of the building.

The existing main entry to Annie Street will be maintained while a new entry to the northern end will be made. These multiple entry points will create the desired activation at ground level and offer ease of access to residents.

Carpark

The two storey Carpark, within the building, is primarily hidden from the public realm and participates to the low impact intention of the scheme. Given the existing 4m structural grid, a one way car park arrangement has been adopted

Neighbouring buildings

The height of the existing Woolstore is approximately 19 meters. The ADG requirement for separation between windows and balconies is 9 meters between habitable rooms and balconies and reduces to 4.5 meters between non-habitable rooms. The 13m separation provided by the laneway is sufficient to guarantee privacy between buildings."

6.3.2 Design and Aesthetics

The Concept Proposal does not seek approval for the appearance or internal layouts of buildings but rather seeks approval for the footprints and envelopes of Buildings 4 and 5.

The Stage 1 DA provides a clear response to the existing and likely future local context, particularly in relation to the desirable heritage elements outlined in the Heritage Management Guidelines prepared by EJE Architectures. The proposal protects the setting of the heritage item and retains significant fabric, settings and views. In addition, the proposal seeks to remove unsympathetic elements and reinstate significant building elements. We refer to the SEPP 65 Statement prepared by Fairweather Jemmott Architects, which concludes in relation Principle 9 the following:

"The existing facade of the heritage listed building is concrete frame with brickwork infill.

The strategy for the adaptive reuse is one of repairing and retaining the existing underlying structural fabric of the building as the predominant language of the building. The brickwork infill will be retained both internally and externally where possible. The next layer is the retention of most, but not all of the brickwork infill, both internally and externally. It is these two elements that communicate the essential character of the building.

New openings occupy the space between the frames. These interventions clearly communicate the adaptive reuse, however at the same time retains the bulk, scale and materiality that also communicates the original use and nature of the building.

Wherever possible internally the existing materials and paraphernalia will be retained, subject to the requirements of sound and fire ratings."

6.3.3 Solar Access

The Concept Master Plan Report prepared by TZG Architects confirm that the proposed concept, when considered as a holistic development, is generally capable of meeting the minimum requirements for solar access. Notwithstanding, minor variations to solar access are required primarily due to the heritage nature of the building and their existing north-south orientation. Specifically, 65% of all residential units will achieve 2 hours solar access while 3% receive no solar access. 78% of all apartments will also achieve cross ventilation.

In response to the minor variation in solar access it is noted that every effort has been taken to increase solar access. Due to the heritage nature of existing building (overall dimensions and structural grid), many apartments are single aspect with a narrow layout. Such layouts present a challenge in natural light access to the rear of apartments. To meet those challenges, a range of innovative strategies have been developed depending on apartment configuration and location in building. In addition, the development will provide for extensive outdoor areas, activated laneways, elevated terraces and a high amenity park with suitable solar access. Moreover, the proposed new Buildings Envelopes will be capable of achieving 100% compliance.

An extract of the SEPP 65 analysis prepared by TZG Architecture is provided in Figure 27.

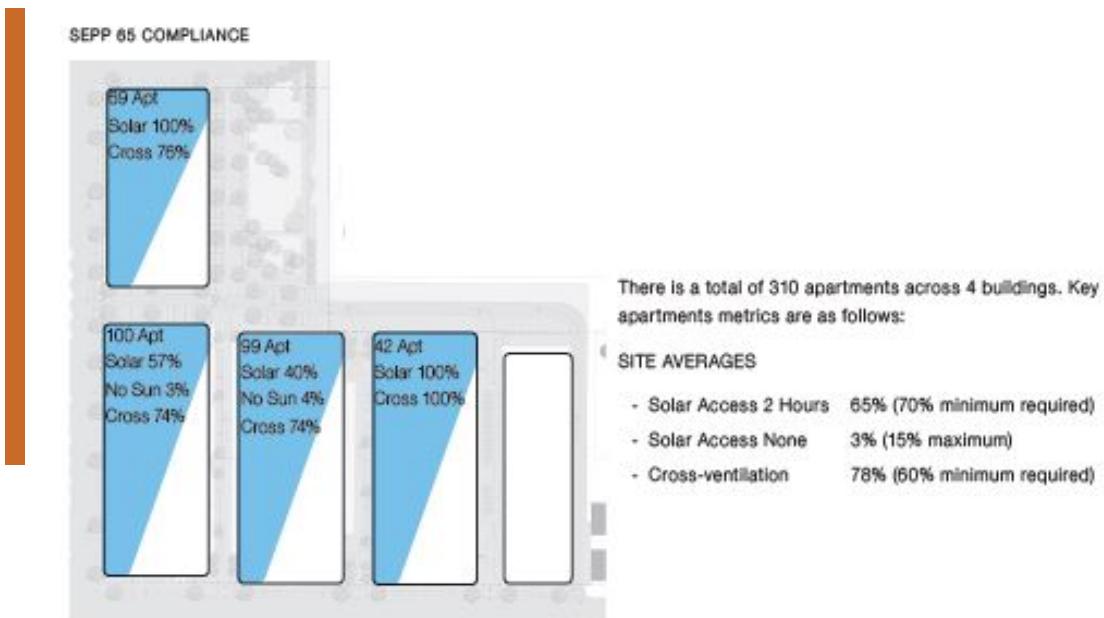


Figure 27 SEPP 65 Compliance Overview (Source: TZG Architects)

In relation to the Stage 1 DA, we refer to the SEPP 65 Statement prepared by Fairweather Jemmott Architects provides a detailed solar access analysis and confirms that:

- 65% of apartments receive at least 2 hours of direct sunlight at mid-winter in their living rooms and/or private open areas;
- 3% of apartments receive no direct sunlight at mid-winter; and
- 78% of apartments are naturally cross ventilated in the first nine storeys of the building.

A detailed SEPP 65 Solar and Air Flow Strategy has been prepared by Fairweather Jemmott at Appendix 3. The SEPP 65 statement outlines the following in response to the solar access of Woolstores 1:

"The existing Woolstore has a North-South orientation, providing good solar access to the long elevations, particularly to the west. The proximity to the neighbouring Woolstore creates some challenges to solar access to the eastern facade, with some overshadowing occurring on the eastern facade during the mid-winter months (refer Appendix 1 -Light & Air Strategy).

Each apartment takes advantage of the existing window openings to provide direct sunlight and ventilation to living areas and most bedroom rooms.

Due to the depth of the existing floor plan, there is a number of single aspect apartments, most of which facing East or West. For apartments not located on corners or are double story, they achieve natural cross ventilation via the primary window augmented with one of the stack effect based strategies developed in the 'Light & Air Strategy'. Those strategies, mostly involving the South roof light, also bring daylight to the rear of Level 3 apartments.

The appropriate amount of shading and glare control have been incorporated into each of the new window conditions.

As a result of this integrated strategy, solar access to living areas meets minimum requirements, with only 3% of apartments receiving no direct sunlight between 9am and 3pm at mid-winter. Due to the adaptive reuse nature of the development and its existing context (building orientation and proximity of the neighbouring woolstore) the 2 hour of direct sunlight requirement is not achieved, with a total of 88.5% of

apartments receiving at least 1 hour of direct sunlight but only 44% of all apartments receiving 2 hours (shadow cast by the woolstore to the East).

Natural Cross ventilation of apartments meets requirements with 74% of apartments being naturally cross-ventilated.”

Overshadowing

Shadow diagrams have been prepared for the Concept Proposal by TZG Architects at Appendix 3. The shadow diagrams demonstrate the following:

- The existing building currently create a level of overshadowing to neighbouring buildings along Annie Street and Milford Street. The proposed development does not increase the extent of existing overshadowing.
- The envelope of Building 4 has been reduced and sited to ensure no undue overshadowing will occur to the public domain or to any neighbouring buildings. Shadows from the proposal largely fall within the Annie Street road reserve. The extent of overshadowing is limited to the front northern elevation of one residential property at 36 Annie Street and the impact is considered to be relatively minor and acceptable with the properties continuing to receive 3 hours of solar access to living spaces and private open space.
- The envelope of Building 5 will not overshadow the adjoining 'Soque Apartments' during the 'worst-case' overshadowing scenario (21st June - the winter solstice) and will not significantly impact the solar amenity of Woolstore 1 as demonstrated in the Light and Air Strategy prepared by Fairweather Jemmott Architecture at Appendix 4.

An extract of the TZG Architecture overshadowing diagram is provided in Figure 28.

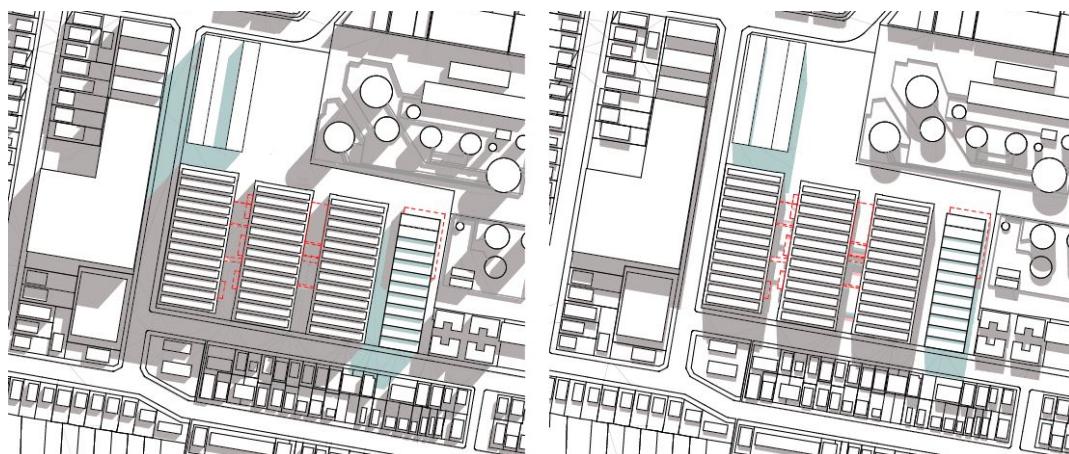


Figure 28 Concept Proposal Overshadowing Analysis (Source: TZG Architects)

6.3.4 Internal Amenity

The Concept Proposal has been produced with particular attention to the amenity of its future occupants, neighbouring properties and the public domain. As discussed in the Concept Master Plan Report prepared by TZG Architects, the development is responsive to the opportunities and constraints of the site and it surrounds with regard to topography, vegetation, neighbouring buildings, noise and physical impacts of street traffic, solar access and views. This has culminated in generating envelopes that allow for a future unique design which creates a sense of space and connectivity between the public and private realm.

In relation to the Stage 1 DA, we refer to the SEPP 65 Statement prepared Fairweather Jemmott Architects, which concludes the following in relation to the internal amenity of Woolstore 1:

"Circulation

The central circulation space is experienced as a fertile internal street, with direct access to natural daylight and ventilation through the existing south lights. Its configuration providing a rich experience (4m min width, multiple voids, landscaping) allowing visual connection and communication between levels 3 and 4.

Vehicle access and parking

All residents car parking is accommodated internally, on levels 1 & 2, close to dwellings. Bicycle, scooters and motorbike parking facilities are also provided.

Comfortable Apartments

Generously sized apartments provide good amenity to residents, with the ADG minimum sizes exceeded by an average 65%, plus higher than average ceiling heights (min. 3000mm max 7200mm) greatly improving the sense of space due to increased volumes. The additional ceiling height allows for a proportional increase depth of the apartment. The proposed layouts are designed not only to be sizable but also functional and efficient, with all bedrooms and bathrooms grouped within close proximity, and open plan kitchen, dining and living areas to all apartments highlighting the original spatial qualities of the building. In accordance with the design guidelines, all living rooms and outdoor areas are located on the external face of the building.

The separation with neighbouring buildings complies with the requirements, ensuring good visual privacy to all apartments on the upper floors. A privacy strategy has been developed for the window frontage the laneway to maintain visual privacy. This strategy allows the residents to obtain privacy without compromising access to light and ventilation.

The apartments have been planned to accommodate a variety of household activities. All bedrooms, living and dining rooms comply with the minimum requirements.

Apartments provide appropriately sized private open space and balconies to enhance amenity. The balconies are generally located at the front of the apartments on the two and three bedroom apartments and a rear courtyard is provided for the one bedroom apartments on level 3."

6.3.5 Privacy and views

Visual privacy is considered to be a function of the spatial relationship of buildings. Building separation should increase in proportion to the height of the building to ensure adequate amenity and privacy for building occupants.

Both the Concept Proposal and the Stage 1 Detailed Development Application suitably address and provide for the visual privacy of dwellings on adjoining sites and for dwellings within the site. The siting and placement of buildings optimises the separation of buildings within the site and on adjoining land. Specifically, the following building separation distances are provided:

- 20m between Woolstore 1 and the 'Soque Apartments' along the eastern side of Milford Street
- 21m between Building 5 and the 'Soque Apartments' along the eastern side of Milford Street
- 27m between Building 5 and the residential development located to the north along The Avenue
- 52m between Building 5 and the Caltex fuel depot located to the west
- 30m between Building 4 and the Caltex fuel depot located to the north

- 22m between Building 4 and the residential development located to the south along Annie Street
- 12m between Building 4 and the Woolstore 3 building located to the east.

It is evident from above separation distances that the proposed development complies with the separation distances encouraged by the ADG.

Visual privacy is further achieved through suitable screening devices and landscape plantings to provide screening. Windows to habitable and principal living spaces are also offset from one another to avoid direct overlooking where possible. Accordingly, the potential for privacy and overlooking issues associated with the proposal is considered minor.

In relation to views, it is noted that the existing Woolstores are approximately 19m in height. The most relevant consideration in terms of impact to views would therefore be in relation to the impact of Building 5 on the Soque Apartments. Whilst consent is only sought for the envelope of Building 5, it is noted that the Soque Apartments have a limited view into the subject site and east to the Caltex fuel depot. Importantly, they do not enjoy views of significance across or over the site. In this respect, it can be concluded that the overall impact of the proposed development on the views from surrounding properties is minor and considered to be reasonable.

6.3.6 Acoustic Privacy

Renzo Tonin & Associates have completed an assessment of the potential noise impacts to and from the proposed Wool Store 1 which is provided at Appendix 17. The assessment includes consideration of external noise intrusion on the proposed development from nearby ambient noise such as industrial and traffic noise. In conclusion, the proposed site is capable of complying with all relevant acoustic criteria through means of standard acoustic treatment and management.

Further to the above, the proposed building separation will assist to provide suitable acoustic privacy between the proposed development and adjoining dwellings.

Within the site, acoustic impacts will be controlled through a variety of measures both built and environmental, including:

- The layout of dwellings will locate active and principal living spaces near one another and separate quieter sleeping areas;
- The layout of dwellings will locate sleeping areas away from street front facades wherever possible;
- Restriction on the hours of operation for active ground floor uses will be imposed; and
- Multiple openable windows to various facades will be provided.

Combined with the above, construction methods to ensure adequate acoustic privacy between individual units and neighbouring properties will be implemented. These measures commonly include things such as appropriate window glazing and door seals and compliance with BCA requirements regarding sound transmission.

Given the existing acoustic environment of the subject site and variety of measures, it is considered that future residents will not be adversely impacted by noise emanating from the proposed retail/commercial components of the development or from surrounding existing uses.

6.3.7 Heritage

Heritage matters are addressed in Section 4 of this SEE. In summary, the Heritage Management Guidelines prepared by EJE at Appendix 6 identifies that the proposed development has been carefully considered in order to conserve the environmental heritage of the City of Newcastle and the heritage significance of each item. The proposal protects the setting of the heritage item and retains significant fabric, settings and views. In addition, the proposal seeks to remove unsympathetic elements and reinstate significant building

elements. Consequently, the proposed adaptive re-use will ensure the conservation of the heritage items.

6.3.8 Building and construction

A BCA Capability Assessment has been prepared by BCA Logic at Appendix 15 in relation to the Stage 1 DA, which concludes that the proposed development is capable of complying with the provisions of the Building Code of Australia (BCA).

6.4 Natural Environment

6.4.1 Tree Removal and Landscaping

The subject site is located within an inner-city environment and is devoid of vegetation.

As detailed in the Landscape Plans provided at Appendix 10, the proposed landscaping across the site will comprise 3,556m² (11.4% of site area). Of this total landscaped area, 2,912m² (9.3%) will comprise deep soil planting.

A series of terraces and courtyards, shared laneways and community parkland are located throughout the site all accessible via the comprehensive network of pedestrian paths. All buildings have access to a range of outdoor landscaped spaces.

The community parkland proposed within Stage 1 will be open to all members of the public to traverse the site and enjoy the recreational area. While this is being delivered in Stage 1, it is envisaged that the park will service the development and the wider community.

We note that the Landscape Plans details a variety of trees and planting proposed to provide suitable landscaping and shade throughout the site and within the public domain.

Based on the above, it is considered that the proposed landscaping will have no adverse impacts on the natural or built environment.

6.4.2 Water Management

The application is supported by a BASIX Certificate at Appendix 11. The proposed development will aim to reduce the consumption of potable water through the construction and implementation of appropriate water saving devices and technologies.

Refer to the Stormwater Management Plan at Appendix 9 for details regarding the stormwater management.

6.4.3 Soil Management

During construction, rain events and wind, may lead to the disturbance of exposed soils. It is envisaged that these impacts will be controlled through adoption of appropriate site management practices including;

- A Sediment Erosion Control Plan to stop soil from being washed off site and/or into the stormwater system has been prepared and is provided at Appendix 9.
- Any spoil excavated from the site, will be managed in accordance with the Remedial Action Plan at Appendix 9.

The SEPP 55 assessment provided in Section 4 of the SEE addresses all matters related to potential soil contamination.

6.4.4 Air and Microclimate

The proposed development may have a short-term impact on air quality as a result of minor excavation works. These impacts will be addressed through the adoption of suitable site management practices, such as the hosing down of the site and covering spoil stock piles waiting to be removed from the site. Consequently, there will be no impact on the long-term air quality as a result of the proposed development.

In relation to internal air quality, the proposed re-use of the Woolstores has been designed with adequate ventilation to ensure the effective removal of contaminants and will utilise both mechanical and natural ventilation. The air conditioning design will incorporate suitable filtration to remove particulates and odours as well as operable windows to provide high levels of fresh air. In addition, over 70% will receive cross ventilation as outlined in the Fairweather Jemmott SEPP 65 statement.

The microclimate of the site is heavily influenced by the harbour to the east of the site, and can expect prevailing westerly winds in the morning and easterly winds in the afternoon and into the evening. The proposed development responds to the natural microclimate and passive cooling system by orientating openings with an east/west orientation where possible to channel natural ventilation.

6.4.5 Noise & Vibration

The Acoustic Assessment at Appendix 17 details that noise intrusion requirements into the development can be satisfied. The report concludes that the site is capable of complying with all relevant acoustic criteria through means of standard acoustic treatment and management.

Potential vibration impacts resulting from Stage 1 DA are unlikely given the limited depth of excavation associated with the proposed development. Notwithstanding this the following measures are proposed in relation to the management of impacts of vibration:

- Construction Management Plan (CMP) for the development. The CMP can be developed at detailed design stage prior the issue of a construction certificate.
- All works undertaken during construction shall be monitored and strict safety measures implemented in accordance with the BCA guidelines and standard Occupational Health and Safety Regulations.
- Hours of construction will be undertaken in accordance with Council's requirements, and adjoining properties will be notified prior to commencement of works on site.

6.5 Movement and Access

6.5.1 Roads and Traffic

The Traffic and Parking Assessment Report at Appendix 8 has considered the existing and proposed traffic conditions as a result of the proposal.

The Traffic and Parking Assessment Report identifies that the Concept Proposal will result in traffic generation of 542 vtph when compared to the existing land uses that will contribute 200vtph to the local road network. The five (5) access points will aid in dispersing traffic flows across junctions and reducing the anticipated impact on the local road network. Combined with the relatively limited increase in traffic volumes the proposal will not have an adverse impact on traffic capacity or intersections.

6.5.2 Access

The proposed development seeks approval for re-use of internal laneways and access ways and provision of two additional vehicle access points. BTF have reviewed the access arrangements and concluded that the proposed arrangements can comply with relevant Australian Standards and RMS design Guidelines.

6.5.3 Car Parking

The Traffic and Parking Assessment Report at Appendix 8 has considered the appropriateness of the overall proposed number of car parking spaces. The report concluded that the proposed car parking is consistent with the required maximum car parking rates within the Newcastle DCP.

To ensure that the fully developed Concept Proposal has minimal impact on the surrounding locality a total of 593 car parking spaces are proposed, including 94 at grades spaces that

will be provided in the private laneways, alongside the proposed park and "Wool Row". The provision is slightly under for cars (<1.5%). However, a significant surplus is proposed for both motorcycles and bicycles. In fact, with the allocation of some 54 motorbike and 31 bicycle parking spaces over and above the DCP requirement, the combination of parking is considered to be a positive incentive toward promoting alternate travel over private motor vehicle trips only.

The City of Newcastle Transport Strategy (CoN December 2014) actively seeks to promote alternate transport such as walking, cycling and public transport as alternatives to private car travel. Accordingly, the combination of parking for motorbikes, bicycles and meeting the vast majority of Council's car parking requirement is seen as a positive element to the site's overall design.

In relation to the Stage 1 DA, the following car parking is proposed:

- Off-street parking for the proposed development will be accommodated in two (2) levels internal to Woolstore 1, providing a total of 121 car spaces for use in association with the residential development proposed in Woolstore 1.
- An additional 73 parking spaces will be provided external to the building for use in association with the residential development proposed in Woolstore 1 and the proposed community parkland.

This review of the proposed parking provision undertaken by BFT concludes that the proposed parking provision for the Stage 1 DA is acceptable.

6.5.4 Servicing / Waste

The Newcastle City Council Waste Management Guideline for Development applies to all forms of proposed development and is aimed at achieving a holistic and integrated response to waste generated as a result of development including construction, demolition and operational waste generation.

A Waste Management Plan (WMP) is provided at Appendix 16.

This document outlines the proposed waste management regime during the demolition, construction and operational phases. Key aspects of the proposal's waste management procedures are as follows:

- Where practicable, all materials removed from site will be reused and recycled. Those materials which are not able to be recycled will be disposed of at a licensed landfill.
- The residential waste and recycling will be collected by a private contractor.
- The waste collection vehicle will enter the site from Milford St and park in the designated loading bay. The waste and recycling will be collected from the bin holding room/collection area located in the current location of the Building 5 envelope via a wheel in wheel out arrangement.
- On collection days, the building caretaker will use a bin moving device to move the bins from Woolstore 1 to the collection area in Building 5.
- The swept paths of the vehicle types identified above have been assessed and validated by BFT in the Traffic Impact Statement provided at Appendix 8.

6.5.5 Accessibility

An Access Report has been prepared for the proposal by BCA Logic and is provided at Appendix 18.

The purpose of this report is to assess the proposed Stage 1 DA against the following Deemed-to-Satisfy provisions of the Building Code of Australia 2016 (BCA2016) to clearly outline those areas where compliance is not achieved and provide recommendations to upgrade such areas to achieve relevant compliance:

- Disability Discrimination Act 1992 (DDA);
- Disability Access to Premises Standards 2010 (Premises Standards);
- Design Quality of Residential Apartment Development 2015 (SEPP65)
- Building Code of Australia 2016 (BCA2016) – Part D3 and Clauses E3.6 and F2.4;
- Applicable Australian Standards AS1428.1:2009, AS1428.4.1:2009 and AS2890.6:2009.

In summary, the report identified that compliance can generally be achieved subject to further consideration of built form during the detailed design.

6.6 Site Suitability

6.6.1 Geotechnical

Coffee Geotechnics has prepared a Preliminary Geotechnical Design Assessment Report at Appendix 22. The report includes preliminary recommendations for foundation designs and the scope of further geotechnical assessments required to meet the building design objectives.

6.6.2 Acid Sulfate Soils

Acid sulfate soils (ASS) are known to exist in natural soils under the site as outlined in the Remedial Action Plan prepared by Senversa at Appendix 13. Earthworks are required as part of the remediation works for Stage 1 DA, which may be 1m below the natural ground surface. The depth of remediation works is still to be determined. Accordingly, a Preliminary Acid Sulfate Soil Management Plan has been provided at Appendix 23. If required, a detailed ASS Management Plan (ASSMP) will be prepared for review and approval by the Site Auditor. The ASSMP will provide suitable recommendations that will ensure that water quality, soil runoff, site wastewater, and potential water contamination associated with ASS are considered and effectively managed as part of the construction works.

6.6.3 Contamination

Refer to Section 4.5 of this SEE for the SEPP 55 assessment. In summary, the following reports have been submitted in support of this application:

- Detailed Site Investigation Report is provided at Appendix 12.
- A Remediation Action Plan has been prepared and is provided at Appendix 12.
- An Interim Audit Advice (IAA) provided at Appendix 12 verifying that:
 - The nature and extent of contamination has been adequately assessed by the detailed site investigation (DSI) and other previous investigation reports.
 - The site can be made suitable for the proposed future use – if the remediation approach outlined in the RAP is implemented.

The above reports and IAA indicate that whilst the site is contaminated, it can be made suitable for the proposed uses subject to undertaking implementation of remediation action plan.

6.6.4 Mine Subsidence

The subject site is located within the Newcastle Mine Subsidence District.

A Preliminary Geotechnical Design Assessment Report provided at Appendix 22 identifies that Woolstore 1 has been identified as having no mine influence.

The NSW Subsidence Advisory (previously Mine Subsidence Board) has issued conditional approval, which is provided at Appendix 21. Further detailed geotechnical investigations will be undertaken prior to lodging Development Application for Stages 3 and 4.

6.6.5 Flooding

In accordance with NCC Flood Information Certificate (FL2016/00210) provided at Appendix 19, the site is subject to Ocean and Local Catchment Flooding. In both cases the waters are slow moving (maximum of 0.2m/s).

The NCC Flood Information Certificate identifies the flood planning level as RL2.5 AHD, which comprises the ARI level (RL2.0) and an additional 0.5 metre freeboard. Council as the consent authority must be satisfied that proposed development is compatible with the flood hazard of the site.

A total of 19 apartments are proposed on the ground floor of Woolstore Building 1. The existing finished floor level of these apartments is RL 2.23 AHD, which sites within the freeboard zone i.e. 230mm above the defined flood level and 270mm below the flood hazard level.

In relation to the ground floor dwellings, 12 x 'townhouse' cross over units will be provided with habitable space located on Level 2 (RL 5.73 AHD) accessed by internal stairs. Consequently, refuge in place is available to these dwellings, thereby ensuring minimal hazard risk to life or property.

An additional 7 x single level units are proposed on the ground floor. The habitable spaces, while below the nominated freeboard level are above the flood planning level. It is therefore submitted that the development will provide minimal hazard risk to life or property.

In relation to the ground floor car parking, the proposed spaces are considered non-habitable. While below the nominated freeboard level, they are above the floor level and are considered to provide minimal hazard risk to life or property.

Based on the above it is considered that proposed use of the building for residential purposes would be:

- Compatible with the sites flood hazard;
- Not likely to affect flood behaviour, being an existing building;
- Unlikely to present a risk to life from flood;
- Unlikely to adversely affect the environment; and
- Unlikely to result in unsustainable social economic costs to the community as a result of flooding.

6.6.6 Services and Utilities

Public infrastructure for the existing utilities noted below are located in road surrounding the site and are identified within the report, these being:

- Electrical supply (Ausgrid);
- Water and sewer (Hunter Water);
- Telecommunications (NBN); and
- Gas (Jemna).

In summary, where there is insufficient capacity in the existing infrastructure, upgrades to existing infrastructure will be undertaken as negotiated with the utility authority. Utility service supply for individual development lots will be provided via trunk distribution within the internal road verges to service individual development lots or as otherwise agreed with the individual utility authority.

Hunter Water stamped and approved plans are provided in Appendix 24.

6.6.7 Conclusion on Site Suitability

This report has demonstrated that the site has sufficient capacity to accommodate the proposed development with minimal adverse impacts on neighbourhood amenity. There are

no significant natural or cultural constraints that would hinder the proposed development, and accordingly the site is considered suitable for the proposed development.

6.7 Social and Economic Effects

6.7.1 Social

Heritage conservation is ultimately a 'public good' driven by the broader community. As such there is a strong expectation that heritage items will be conserved. Rather than waiting until conservation of the Woolstores becomes economically untenable and the assets become another run-down historic building in the Newcastle cityscape, the proposed adaptive re-use provides an opportunity to leverage significant private capital to generate a substantial and worthwhile conservation activity that would otherwise not occur. In this regard, granting of consent to adaptive re-use of the site as a mixed-use development will effectively ensure the 'public good' of heritage conservation is delivered to the community.

When fully implemented the Concept Plan will deliver an array of housing choices throughout the site, focusing on high quality residential living environments in an urban infill context that is close to public open space, transport and employment. In addition, the proposal will provide more jobs, better public spaces and retail/commercial opportunities with access to public transport, sporting facilities and entertainment venues. Consequently, the development helps address the social impacts typically associated with unchecked 'urban sprawl'. It follows that the proposal will bring positive social impacts for Newcastle LGA as a result of the proposed development, including:

- The proposed development will contribute directly to the quantum of available housing;
- The provision of purpose built space for artists and artisanal food makers is integrated with established urban areas and will contribute positively to the diversity and wellbeing of residents;
- The proposed development provides for a range of onsite services, facilities and public open space to meet day to day needs of residents and the wider community; contributing positively to the health and wellbeing of the community.

6.7.2 Crime and Safety (CPTED)

The proposed concept is for a mixed-use development with a high level of amenity, casual surveillance and ultimately public safety within the development and surrounding area. The proposal will revitalise the subject part of Wickham and will provide appropriate lighting and security measures to protect the safety of neighbouring premises, residents and the local community.

Crime Prevention through Environmental Design (CPTED) is a recognised model which provides that if development is appropriately designed it can reduce the likelihood of crimes being committed. By introducing CPTED measures within the design of the development, it is anticipated that this will assist in minimising the incidence of crime and contribute to perceptions of increased public safety.

TZG Architects have provided a CPTED analysis provided at Appendix 20. The analysis demonstrates that the Concept Proposal has been carefully considered and will provide a sound solution to the four major principles of CPTED. The report concludes the following:

"The proposed development is considered appropriate in terms of its response to design and management related safety and security matters. The detailed response to Section 4.04 Safety and Security of the Newcastle DCP 20212 supports this. The proposed development is also consistent with the core CPTED principles outlined below:

SURVEILLANCE

1. *Provides uninterrupted sight lines and reduces visual obstructions and areas of concealment to reduce the potential for undetected criminal or undesirable behaviour.*
2. *Creates new pedestrian paths and vehicular routes to increase the level of activity and passive surveillance within the site*
3. *Mix of residential and commercial uses ensure ongoing surveillance during the day and in the evening*
4. *Promotes increased activity around the site, which has previously been underutilised*

ACCESS CONTROL

1. *Electronic security mechanisms will be provided to control access as appropriate to various building areas including residential and commercial lobbies and car parking*
2. *Ensuring all service, back of house and car park areas are appropriately monitored and secured where necessary to prevent unauthorised access*

TERRITORIAL REINFORCEMENT

1. *Clear distinction is provided between public, semi-public and private areas of the development, particularly with respect to existing public streets, new lanes and transition zones.*
2. *Providing clear visual distinction to appropriately demarcate all entrances to various building areas will ensure public, semi-public and private zones are clearly distinguishable.*

SPACE MANAGEMENT

1. *The introduction of new uses and upgrades to public domain will create activation and lift the perception of a presently blighted and underutilised site. The visual appearance of the site and the immediate surrounds are essential to shaping perceptions of the development and as such appropriate management and maintenance practices will be a key component of the ongoing life of the development.”*

6.7.3 Economic and Employment

Detailed assessment of the likely economic impacts associated with the proposal is provided in the Economic Impact Assessment prepared by Urbis provided at Appendix 13.

The report analyses the employment and economic generation potential associated with the proposed development on the subject site. The report specifically considers:

- Potential employment and economic benefits generated during the construction of the proposed development;
- Potential employment and economic benefits generated in the ongoing operation of the proposed development; and
- Qualitative assessment of additional economic benefits.

The Economic Impact Assessment estimates that total construction cost could be in the order of \$137.1 million over 2.5 years (30 months), equating to an annual construction cost of \$54.84 million. The construction of the development is estimated by Urbis to generate an estimated:

- \$57.9 million in direct/indirect Gross Value Added (GVA) per year; and

- 106 direct jobs and 253 indirect jobs.

In addition to the construction phase of the proposed development, the ongoing operations of the non-residential components of the development will also create jobs and generate economic activity. The proposed development on the subject site will include limited space for office and retail space. Urbis estimate that ongoing operations of this space is likely to generate:

- 1,014 direct/indirect jobs; and
- \$154.2million annually in direct/indirect GVA.

The report concludes that the proposed development represents a much stronger employment and economic outcome compared to the existing storage use of the site, which typically do not require a significant workforce.

6.8 The Public Interest

As demonstrated by this report, the proposed development will not result in any significant adverse impacts upon adjoining properties or the locality and will provide a high standard of residential dwellings, commercial/community and ground floor retail uses.

The proposed development meets an identified need within the community for purpose built housing that will cater to a diverse workforce and contribute to the quantum of housing available within the LGA. The development will also provide for the creation of new jobs and the conservation of significant local heritage items.

In addition, the adaptive re-use will effectively enable the conservation of an important part of Newcastle's heritage, which is of significant public benefit. The buildings to be retained are of significant local heritage value. They are attractive in their own right and fit well within their urban context. In this regard, the proposal will complement the existing Soque Apartments, which are also a converted Woolstore building. Moreover, given the changing character of Wickham, the proposed uses are considered to significantly serve the public interest better than the existing uses of the subject site.

On this basis, the proposal is considered to be in the public interest.

7. Conclusion

The Concept Proposal seeks approval for the adaptive re-use of the existing Woolstores buildings, two new building envelopes with varying heights and forms, a maximum GFA of 51,058m², distribution of land uses across the site including residential, commercial/community and ground floor retail, landscaping works, public domain works and infrastructure upgrades.

To enable this development, and manage it in a sustainable manner that does not impact upon the surrounding locality, it is considered appropriate to take a "staged" approach to development. This not only allows the subject site to demonstrate that it is capable of developing without impacting upon the surrounding locality, but also provides an element of "certainty" regarding its conceptual expansion in the future. The appropriate mechanism to seek approval for a staged development of this nature is considered to be a staged Development Application that sets out a Concept Proposal for the development of the subject site in accordance with Section 83B of the EP&A Act.

The Concept Proposal seeks to conserve the three-existing heritage listed buildings on the subject site, known collectively as the 'Woolstores'. The current light industrial uses permitted on the subject site are demonstrably insufficient to generate the capital investment necessary to facilitate conservation of the heritage items. The Concept Proposal therefore seeks approval for a mixed-use development in accordance with the Heritage Conservation Incentive provision of the NLEP. It follows that the granting of consent will generate a substantial and worthwhile conservation outcome that would otherwise not be possible.

Consent is also sought for a Stage 1 DA, which incorporates the adaptive re-use of the Woolstore 1 building, provision of a community park, landscaping and public domain upgrades. The stage 1 DA has been designed to provide high levels of residential amenity and architectural form that does not result in any adverse impacts on the amenity of the neighbourhood.

The Concept Proposal and Stage 1 DA have been prepared after taking into consideration the following key issues:

- The development history of the site;
- The context of the site and neighbourhood;
- The capability of the concept proposal to be designed in future detailed Stage DAs to have a minimal impact on the amenity of the surrounding properties;
- The aims, objectives and provisions of the relevant statutory and non-statutory planning instruments;
- The relevant heads of consideration under Section 79C of the EP&A Act;
- The economic impact of the proposal and effect on the supply of industrial land within the Newcastle LGA;
- The social benefits of to the wider community through the incorporation of new retail, commercial and residential land uses and improvements to existing infrastructure; and
- The pre-lodgement advice received from Council.

In view of information and analysis outlined within the various plans, reports and documents accompanying this application, we are satisfied that this proposal has properly and positively responded to all relevant matters for consideration Section 79C of the EP&A Act. Accordingly, it is recommended that the Concept Proposal and Stage 1 DA be granted development consent.