

“Making good development happen the right way”

SUBMISSION: DRAFT NEWCASTLE URBAN RENEWAL STRATEGY

Introduction

1. The Minister and the Department of Planning and Infrastructure are to be commended for the vision and commitment shown to revitalise Newcastle. This is a project of key State significance.
2. Planning for the Newcastle city and sub-region must be undertaken in the context of planning for the Metropolitan region – it is a city having the potential to alleviate social, economic, environmental and infrastructure cost and delivery pressures on Sydney.
3. The draft Newcastle Urban Renewal Strategy 2012 (NURS) is strong on visions for the future and presenting ideas for the fulfilment of the potential of the city of Newcastle. However, it is weak on providing real incentives for development in certain sectors and excessively raises expectations without strong and solid means of implementation.
4. The demonstration that the NSW Government and Newcastle City Council have a collective, well-founded, development incentivised Plan with realistic implementation will be the biggest factor in attracting major investment to the city.

Context: Regional Planning and Demographics

5. The significance of Newcastle as NSW's second city should be enhanced within the Metropolitan Plan context. The scope for economic development in the city, given physical location and attractiveness, under-utilisation of existing sites and buildings, technological opportunities reducing need for location in Sydney are all factors presenting opportunities.
6. To give business confidence, it should be strongly re-affirmed that the policy for the centres hierarchy established in the

Lower Hunter Regional Strategy will be sustained and the role of Newcastle is as the major regional city.

7. This policy emphasis should include the discouragement of bulky goods retailing in industrial areas and large stand alone shopping centres in suburban or fringe locations that unfairly compete with established town centres.
8. The NURS includes projections of significantly reduced dwelling yield - from the Lower Hunter Regional Strategy 2006 (LHRS) projection of 4000 dwellings between 2006 and 2031 (160 net per annum) to 1200 to 2100 maximum dwellings (48 to 84 dwellings per annum) based upon Hill PDA's analysis. This means that at 2.1 persons per household, these dwellings would provide for 2520 to 4410 residents in the city centre. These lower level projections appear to be extrapolation of past trends only. If net growth of the city centre is to move towards its potential, development is to create a feasible basis for funding the needed infrastructure and importantly, the NSW to get "return on investment" for removing the rail line etc, then that growth clearly cannot be predicated on such low levels of dwelling and population increases. This means that the need for interventionist policies (and the need "to do things differently") should be emphasised to incentivise development and dwelling supply provided to drive growth of greater rate and scale than projected. There are clearly some mismatches between the Hill PDA projections and the potential created by the height and FSR controls in the NURS.
9. The NURS contains some other very significant inconsistencies (tables on page 41). These tables need complete review. Relevant inconsistencies - including with the LHRS - are as follows:
 - Newcastle is shown as having 24900 net additional population and 20500 dwellings between 2006 and 2031 – even with declining household size, this is an unlikely comparison;
 - Cessnock is shown as having 21700 additional dwellings but only 15700 population increase – again, a very

unlikely numerical relationship given that 19700 of these dwellings are in new release areas;

- Port Stephens is projected as having 36000 new dwellings between 2006 and 2031 31% of the total new dwellings in the lower hunter) compared to the projected 12500 in the LHRS of 2006. This is an error with the numbers being incorrectly interchanged with Lake MacQuarie.

10. The Property Council is correct to advocate that a Regional Transport Plan that interlocks with the strategy is critical to the success of the NURS and its implementation. This strategy should be comprehensive in terms of transport modes but very importantly needs to include other Local Government Areas (particularly Lake MacQuarie and Maitland) in the development of bus corridors, park and ride and opportunities for cycleway linkages. The related establishment of bus interchanging and cycleway connections at Broadmeadow as well as Wickham are crucial in the context of such a regional plan.

City Planning

11. The NSW Government has made public statements that the rail corridor will be retained as a public corridor, as public land. It consequently should be zoned as infrastructure SP2. I actually question whether the Government should have made that commitment. Given the realities of funding all of the public domain works needed for the interchanges, bus services and public area enhancements to create liveability and investment attractiveness, the return on development from land in the rail corridor could have been very beneficial.
12. Diversity' should be a principle / objective. That is making sure initiatives can cater for families, youth, elderly, indigenous, other ethnicities and provide for equitable access where possible. The university campus development proposal in the city centre is very important but raises questions about housing affordability for students etc.
13. It should be noted that the City Council currently facilitates the development of building design excellence through the Urban Design Consultative Committee.

14. A statement needs to be made that, to ensure that when the operation of trains at Wickham concludes, adequate bus services need to be operating before the line is closed.
15. The statement that the existing 10m height is an anomaly needs to be reviewed and justified. The 10m height is based on City East DCP 57 which modelled heights and view corridors to allow oblique views of the Cathedral from the north east. The 24m for Bolton and Newcommen Streets between King Street and Church Street, will restrict views to the Cathedral from north east (View Corridor 2 in NDCP 2012). 10m was determined to be the desired height to retain these views, notwithstanding that the Bolton St parking station does protrude above this 10 m. In the East end, the intended outcome of the Strategy is to preserve the unique heritage character, vistas and human scale of City east while allowing for the revitalisation.
16. The major issue of mine subsidence, which is major disincentive at present, needs to comprehensively addressed with a funding model that gives cost certainty.
17. Obviously, the proposed planning controls should be adjusted to reflect the principles of the NSW Planning Reform outcomes at the appropriate time. Certainly, some of the proposals in the Green Paper would incentivise development and investment in Newcastle.
18. There is a vital need for the Council, potentially with support of the State Government, to prepare a planning strategy for the Wickham District – defining outcomes, how to get there and how to manage the significant transition which this district will undergo.

Implementation

19. The Implementation Plan gives a sense that \$55m is achievable Firstly, s94A is not going to be a major funding strategy in Newcastle - only \$9,000 of s94A funding was received in 2012. Council has proposed a 3 year trial reduction in the developer contribution rate from 3 to 2% as an incentive to development. If endorsed by Council, this would further

reduce income. This Council decision should not be taken until the State Government and the Council have jointly progressed a more realistic Implementation Plan.

20. Funding opportunities should include the Council \$16.7m special rate variation funding, \$10m NSW government public domain funding and sourcing further Government funding and grants. This is a critical issue particularly given Newcastle City Council's difficult financial position.
21. There is a crucial need to work with all stakeholders to get the preferred permanent option for the Newcastle Mall.GPT / Urban Growth should be defined as the lead stakeholders for this project.
22. As part of the initiatives the implementation plan could include an update of traffic modelling for Hunter Street to help inform the review and model the interchange further.
23. Funding strategies for ongoing maintenance, in life cycle terms, of infrastructure to maintain the look and function of public domain improvements in the long term should be more clearly stated.
24. A multi-agency working party should be promptly established to assess the Wickham interchange for location, size and function.
25. Within twelve months, a clear and fully funded Implementation Plan with milestone dates for achievement

Conclusion

26. Again, the Minister and Department are to be commended for the initiatives which underpin this strategy. There is a lot of merit in the contents of this draft NURS. However, a more grounded realistic strategy is needed which contains an integrated, realistic Implementation Plan. This should be given high priority before the NURS is finalised.
27. I thank you for the opportunity to make this submission.

David Broyd

David Broyd Consulting Services Pty Ltd

17 March 2013