

12 March 2013

Urban Renewal Team
Department of Planning & Infrastructure
GPO Box 39
Sydney NSW 2001

Transmission by email: <u>urbanrenewal@planning.nsw.gov.au</u>

Dear Sir or Madam,

SUBMISSION IN RESPONSE TO EXHIBITION OF *DRAFT NEWCASTLE URBAN*RENEWAL STRATEGY 2012 IN RESPECT OF THE PANTHERS NEWCASTLE SITE

We act for the Panthers Group, the owner of the Panthers Newcastle site, bounded by King, Union, Bull and Ravenshaw Streets, Newcastle. The *subject site* contains a total area of 12,960m² and is legally described as follows:

- Lot 1 in DP 826956, No. 309 King Street.
- Lot 232 in DP 791815, No. 36 Union Street.
- Lot 1 in DP 1046028, No. 42 Union Street.

The site's current uses and improvements comprise:

- The existing Newcastle Panthers Club (9,140m² floor area) with 86 basement car parking spaces, a trade hall (1,300m² floor area), and an associated hanger building for 90 car parking spaces, at 309 King Street;
- · A commercial building, at 36 Union Street; and
- A commercial building, at 42 Unions Street.

The site is one of the few Newcastle city centre blocks held substantially in the same ownership.

Newcastle Local Environmental Plan 2012

Under *Newcastle Local Environmental Plan 2012 (LEP 2012)*, the subject site is included in zone B3 Commercial Core. Pursuant to the provisions of Clause 7.10 of LEP 2012, the site is included within "Area A - Commercial" as identified on the Floor Space Ratio Map. As the site is subject to a maximum building height of 45 metres under LEP 2012, the maximum floor space ratio applying to the site under Clause 7.10 is 6:1 for a "commercial activity," as defined under Clause 7.10(7), *viz*:



commercial activity, in relation to the use of a building, means the use of the building for the purposes of office premises, retail premises, business premises, hotel accommodation (but not hotel accommodation that is subdivided under a strata scheme) or other like uses or a combination of such uses.

(Note: the poor drafting of Clause 7.10 in not containing a subclause (2) prevents a full interpretation of the Clause.)

Draft Newcastle Urban Renewal Strategy

The *Draft Newcastle Urban Renewal Strategy* (the *Draft Strategy*) proposes to change the zoning of the subject site from B3 Commercial Core to B4 Mixed Use, in response to the desire to concentrate commercial core development within identified "activity nodes", such as the west end of the city centre and the Honeysuckle precinct. The mixed use zone is to be applied to locations able to support Hunter Street and the hubs of the commercial core zone (*Draft Strategy*, pp. 137-138). Other locations proposed to be subject to the same zoning change from B3 to B4 are the two city blocks bounded by Wood, Hunter, Parry and Tudor Streets, and the city block bounded by Hunter Street, Railway Street and the railway line (referred to in our submission as *City Blocks 1-3*).

Part 5 of the *Draft Strategy* proposes at Section 5.1.2 to

"simplify and amend the FSR map and clause in the LEP. The proposed FSRs represent the realistically achievable amount of floor space that can be accommodated relative to height, setbacks, land zoning and building types, while resulting in a good built form outcome. In many respects, they are a direct representation of currently achievable FSRs, taking all of these factors into consideration. In areas of the city centre where height or zoning is proposed to be amended, the maximum FSR has also been adjusted to reflect these changes."

The *Draft Strategy* then proposes to reduce the maximum FSR applicable to the subject site from 6:1 to 5:1. Relevantly, the 6:1 FSR is to be retained for *City Blocks 1-3* referred to above.

In respect of the maximum building height, the *Draft Strategy* proposes to retain the 45 metre upper limit applying to the subject site under *LEP 2012*. By comparison, *City Blocks 1-3* are subject to of 60 metres under *LEP 2012* and a maximum building height of 45 metres under the *Draft Strategy*, the same as the subject land.



Comments

The Panthers Group supports the overall direction of the *Draft Strategy* in setting a clear framework to help revitalise Newcastle's city centre over the next 25 years. It therefore supports the greater differentiation being proposed between the commercial core and mixed use zones and, specifically, the proposal to rezone the subject site from B3 Commercial Core to B4 Mixed Use. Such a change is compatible with the Panthers Group's vision for the site which envisages major hotel development on the site in the future, together with other compatible mixed uses, such as residential, commercial and entertainment.

However, the Panthers Group has major concerns with the proposed reduction in maximum FSR permissible on the subject site. The 16% reduction in FSR proposed, amounting to a reduction of 12,960m² of gross floor space permitted on the site, will have a significantly negative impact on the commercial viability of the Panthers Group's vision for the site. This needs to be considered in the Department's review of the *Draft Strategy* following the public exhibition of the *Strategy*.

In this regard, the subject site has special qualities warranting appropriate incentives for redevelopment, including its single ownership bounded by four streets; its close proximity to Hunter Street and public transport services; its close proximity to National Park, offering extensive recreational opportunities to future employees and residents of a redeveloped Panthers site; its nodal and iconic location at the junction of Union Street with King and Hunter Streets; and its proximity to the revitalised and thriving Marketown Shopping Centre. Furthermore, the size and shape of the subject site is conducive to larger floor plates such as hotel buildings and office buildings.

For these reasons it is submitted appropriate to maintain the current maximum FSR of 6:1 for the subject site. Such an approach would be consistent with the FSR and maximum building height controls proposed for the *City Blocks 1-3* referred to above. These blocks have similar characteristics to the subject site but suffer by contrast in not being under single ownership and in lacking some of the subject site's locational advantages, such as proximity to National Park.

Recognising the vital importance of the *Draft Strategy* and its planning framework to the future redevelopment for the subject site, the Panthers Group and City Plan Strategy & Development would be pleased to meet with the Department to discuss this submission at your convenience.



Yours sincerely,

GARRY FIELDING

REGIONAL DIRECTOR

CITY PLAN STRATEGY AND DEVELOPMENT PTY LIMITED