

# Newcastle Urban Renewal Strategy

Submission to the Department of Planning and Infrastructure

28 March 2013





# Table of Contents

Executive Summary	i
Introduction	1
Response to the Strategy	13
Conclusions and Next Steps	35
Appendix A Strategy Modelling	
Appendix B Alternative Planning Provisions	

This report has been prepared for and on behalf of the Co-Owners, Urban Growth NSW and the GPT Group, with assistance from AECOM, Crone Partners and The Hornery Institute.

# Executive Summary

As Co-Owners in a significant redevelopment proposition across four street blocks in the heart of Newcastle's City Centre, UrbanGrowth NSW and the GPT Group are in favour of urban renewal, employing a principles based approach to planning and design controls, enabling commercial viability, rewarding best practice urban design and contextual place making.

We wish to convey our strong support for the Government enunciating its vision for Newcastle's central business district and making a decision to truncate the heavy rail line west of Stewart Avenue.

We are eager to press forward with the masterplanning of our site located along the Hunter Street Mall, once the planning and design framework creates certainty, incorporates ingenuity and best practice, and enables flexible built form and public realm outcomes.

We have taken the opportunity to test the proposed planning guidelines outlined in the Newcastle Urban Renewal Strategy (NURS, 2012) for our Project Area. This assessment has revealed that the minimum required floor space ratio of 4:1 cannot be achieved under the proposed development envelope.

Our analysis indicates that the combined effects of the controls proposed in the NURS will not enable feasible development of our site. As a consequence, the controls will not achieve the objectives of renewal set out in the Strategy.

This submission provides alternate guidelines related to the FSR control and other planning and design elements for consideration. We submit that a specific merit-based Development Control Plan be prepared for our Project Area as it is the most appropriate approach to achieve best practice for the redevelopment of this precinct.

The City Centre has been in significant decline for at least 30 years, leading to significant underperformance in terms of commercial, cultural and social capital outcomes. It is this element of the wider fabric of the city that must be addressed.

The Co-Owners' four blocks should be seen as a critical building block in achieving the renewal outcomes. Their successful redevelopment is therefore vital to achieving the wider strategy objectives.





Co-Owners' land holding in Newcastle City Centre

# Introduction

UrbanGrowth NSW and the GPT Group (Co-Owners) request that the Minister for Planning and Infrastructure accepts this submission on the draft Newcastle Urban Renewal Strategy (NURS 2012). Foremost, we wish to convey our strong support for the Government enunciating its vision for the city's renewal in such a comprehensive manner.

As Co-Owners in a significant redevelopment site in the City, we are in favour of urban renewal, employing a principles-based approach, which enables commercial viability, and rewards best practice urban design and contextual place making.

The Co-Owners strongly endorse the objective of the NURS to harness the intrinsic strengths of the three major precincts in the city. We acknowledge the attempt of the NURS to provide clear direction for each Precinct to grow and complement each other. It is entirely appropriate that our Project Area is earmarked as a unique main street shopping destination, the Civic Precinct as the true administrative and tertiary heart, whilst the West End is the focus for new commercial development with a new transport interchange in this area that will vastly improve the city's connectivity.

During the exhibition period for the NURS we have taken the opportunity to test the proposed planning guidelines for our Project Area. Our close consideration of the draft NURS has reinforced our support for certain aspects of the Strategy to:

- Support the truncation of heavy rail west of Stewart Avenue.
- Simplify key planning guidelines applicable throughout the City Centre;
- Reposition the East End into a mixed use area with residential, retail, restaurants and supporting commercial;
- Stimulate renewal initiatives in the short, medium and longer term; and
- Improve developer and investor confidence in the City Centre, thereby diversifying its role and injecting new economic, cultural and social opportunities.

As the Minister is aware, the GPT Group has had a long history of ownership and management of one of the largest amalgamated property and redevelopment opportunities in the City Centre. GPT has long held a clear vision

formulated for its land holding which included a critical waterfront connection via Market Street. UrbanGrowth's recent involvement in the site has come about by recognising that such an amalgamated site is a once in a generation opportunity to reset the East End's trajectory and to act as a catalyst for the City Centre's wider renewal.

The Co-Owners are eager to press forward with masterplanning of its site working with the Department and Council. This will ultimately require a framework which creates certainty, rewards ingenuity, incorporates best practice, and provides flexibility to address the Project Area's constraints and opportunities.

The area within which our Project sits, is given special area controls. The suite of changes proposed to the planning guidelines, particularly the height limits, setbacks and laneways, and view corridors to Newcastle Cathedral, along with existing physical constraints such as mine subsidence conditions all combine to unreasonably restrict and impede the:

- Built form outcomes;
- Urban realm and the potential quality of public space; and
- Commercial viability of the Project.

Our submission shares our testing results, and importantly provides alternate guidelines for consideration. These alternate guidelines are largely drawn from existing and working planning guidelines in other jurisdictions and have also been informed by the Co-Owners' collective experience in delivering numerous quality urban renewal projects in this State and around the country.





Aerial view over the East End of Newcastle

## Best practice approach to urban renewal

### Background

The GPT Group, in the years 2006 to 2008, assembled this major single holding of properties in the Newcastle City Centre. Their intention was the comprehensive redevelopment of the properties as a cornerstone project in the urban renewal of the City Centre. Agreements were effected with Newcastle City Council for the acquisition of the contiguous lanes, air and subterranean rights under and over Wolfe Street and under part of King Street.

This section has been prepared by The Hornery Institute (THI)<sup>1</sup> on behalf of the Co-Owners.

### Previous Studies

In 2007, THI was commissioned by The GPT Group (at the time the sole owner of the properties) as part of a multi-disciplinary team, to:

- Determine an urban renewal strategy for the City Centre of Newcastle which could deliver an appropriate “investment environment”. The principal contributors were THI, Civitas Urban Designers, Better Transport Futures, Nelson Nygaard and Space Syntax; and
- Determine the optimal redevelopment proposition for the Hunter Street assets based on a strategic place-making approach that would deliver the maximum shared value for all stakeholders. The principal team contributors were ARM Architects, Village Well, Howard Tanner and Associates and THI.

### Defining the optimal contribution to Newcastle

Newcastle is a critical region in the past, present and future development of NSW. It fulfills a key role in the regional services for the Hunter valley. In the future its role will be even more critical as the Sydney metropolitan region faces increasing population and infrastructure challenges. Expansion of its roles in educational, health

industry and tourism will be required to assist in meeting these challenges.

Newcastle has a unique set of natural assets and resources that attract some of Australia’s best creative, technological and resource industry talent. The only significant brake on its future as one of Australia’s leading provincial cities is its City Centre, which has been in significant decline for at least 30 years, leading to significant underperformance in terms of commercial, cultural and social capital outcomes. It is this element of the wider fabric of the city that must be addressed.

In essence the City Centre must restore its position as the “point of transactions”; the honey pot for capital and wealth; and as a most memorable experiential place.

Within the City Centre, the Co-Owners’ property is the most significant single landholding. It is positioned in the ideal location to fulfill aspirations for fine grain urban design, strong connection with the waterfront, re-use of buildings and layered uses and amenity.

The extensive body of independent global benchmarking and site-specific work undertaken by GPT (to inform their approach to the site) and then subsequently by the Department of Planning and Infrastructure to assist with the preparation of the draft urban renewal strategy, reveal a consistent set of principles and critical success factors. The Co-Owners believe that the application of these principles will deliver the optimal outcome for their properties and in turn the Newcastle City Centre.

### Lessons learned

Lessons learned from international best practice can be grouped under eight principles:

1. The Hornery Institute is a not for profit organisation dedicated to enhancing the wellbeing of communities. The Institute’s charter is to help make communities better places to live, learn, work and play.



Principle 1	Regeneration for economic, social and cultural outcomes
Principle 2	A liveable neighbourhood
Principle 3	A place to visit and stay
Principle 4	Shared vision
Principle 5	Removing barriers
Principle 6	A walkable community
Principle 7	Celebrate history
Principle 8	Strong sense of place

**Principle one: Making physical regeneration activities work to deliver economic, social and cultural outcomes:**

- An integrated regional (or whole of city) approach;
- Sophisticated partnering arrangements, establish a governance framework that promotes public private sector collaboration;
- Build governance capacity and place leadership;
- Invest in leading edge thinking and ensure that there is a comprehensive evidence base to work with;
- Equal emphasis on the delivery of physical, social and cultural outcomes;
- Provide opportunities for engagement in the process, as well as in the specific developments themselves, for the multitude of different groups; for families, for tourists, youth or elders; and
- As the community itself changes, the public realm should be able to evolve, to find a place for increasing diversity, increasing environmental consciousness and social awareness.

**Principle two: Positioning the city centre as a liveable neighbourhood:**

- Livable neighbourhoods are those that people come to love, hate to leave and want to participate in;
- Give the city residents and workforce a recreational precinct within their neighbourhood and extend the life of the city; and

- Promote neighbourhood safety by creating a pedestrian-oriented environment and providing ‘eyes on the street’.

**Principle three: Creating reasons to visit and opportunities to stay – driving destination appeal 24/7:**

- Successful destinations are those places that resonate in our imagination and memory. They are distinctive and not imitative and have an offering that is hard to replicate, building on the authenticity of their local characteristics;
- Maximising public access to water enhances the amenity of the City Centre and invites residents from throughout the city region to visit their city Centre and enjoy a day out experience; and
- Lead with retail and residential; the City Centre should be a people place and needs to be active especially beyond core hours.

**Principle four: An engaged community - working towards a clearly articulated and shared vision:**

- There are benefits from the delivery of non-physical interventions to maintain momentum and diversifying participation to include non-land owning stakeholders; and
- The vision must be owned by all stakeholders (make it realizable and then exceed expectations).

**Principle five: Removing barriers and reconnecting the waterfront to create central community gathering spaces that emphasise a unique sense of place throughout the waterfront and CBD:**

- ‘Re-stitch’ the street network and block pattern to the waterfront;
- Celebrate the Waterfront and Newcastle Lifestyle;
- Create a new, authentic gathering place at the water; and
- Consolidate the excess road capacity and link the water to the city.

**Principle six: Promote a walkable community that links community amenity and public transport:**

- Make Hunter St one of the great streets of the world; and
- Create a grand pedestrian boulevard along Market Street leading from the main entry of the Centre and down to the foreshore.

**Principle seven: Authenticity - reconcile and celebrate the Indigenous and European significance of this place.**

**Principle eight: Lead with a strong and coherent sense of place:**

- This area is the only place along Hunter Street that has deep penetrating solar access and an 'open quality' providing an opportunity for inside/outside trading such as cafes and restaurants on multiple levels; and
- It also has the advantage of holding the community's memory as the major access point to the old Market Square shopping centre.

We believe that the NURS falls short on its ability to achieve these principles, as summarised in the next section.

## Relevant issues

The draft Newcastle Urban Renewal Strategy, 2012, delivers a positive framework for the overall regeneration of Newcastle City Centre. We believe that the hallmarks of a world-class regional city can substantially be delivered within the frame of this strategy.

Our submission is intended to deliver constructive suggestions for improvements to the strategy on two levels;

- The wider regeneration strategy; and
- The specific draft controls for the Co-Owners' properties.

## The wider regeneration strategy – general issues

### Issue one: Reinforce connections with the waterfront – Market St as a grand boulevard

The draft documents give an indication of the intention to reconnect the waterfront to Hunter St along the existing, but unformed, Market Street right of way.

Our strong recommendations are those encapsulated in the previously cited work, viz:

- The ground plane of Market Street is formed as a boulevard linking the waterfront with Hunter Street – a major contribution to re-constituting “the walking city”,
- The immense opportunity is seized to create a new “place” at the water’s edge, capturing the spirit of reconciliation of Indigenous and European cultures and the history of both pertaining to that place, and celebrating the waterfront environment,
- The excessive land allocations to Scott Street, Wharf Road and the old rail right of way are rationalized to deliver high quality realm and appropriate transport links.

### Issue two - The role of the City Centre as a livable neighbourhood

The Guiding Principles for the Urban Renewal Strategy cites 9 pillars for the regeneration; the 7th is headed “Housing mix and affordability”. The strategy also targets some 6,000 additional dwellings in the regeneration area by 2036.

The strategy should take the opportunity to attract a wider demographic to inner city living by identifying appropriate child care, schooling and open space objectives that, if delivered, would encourage a more diverse demographic to live in the City Centre.

### Issue three – Authenticity - reconcile and celebrate the Indigenous and European significance

The earlier work completed on behalf of GPT included comprehensive collations on Indigenous and European historical activity. This data, in addition to the numerous public workshops, community focus groups and discussions with Indigenous leaders confirmed the opportunity to deliver the regeneration with a very strong historical framework, contributing to reconciliation commitments. When this is combined with the Market Street opportunity, a very powerful outcome is possible. The draft documents make no mention of this opportunity.

### Issue four - Lead with retail and residential

The Urban Renewal Strategy has outlined in the summary of Economic Initiatives the objective of “Encouraging additional retail trade back into the city”. As is outlined in the following summary of issues related to the Co-Owners’ properties, the strategy should encourage commercially viable redevelopment opportunities.

### Issue five – Making physical regeneration activities work to deliver economic, social and cultural outcomes

#### *Clear Integration between physical and economic outcomes*

The analyses of the proposed revised development controls undertaken by AECOM and Crone Partners confirm that the draft controls now render the redevelopment of the properties as a mixed-use retail, commercial and residential product commercially unviable.

#### *Creating reasons to visit and opportunities to stay – driving destination appeal 24/7*

All previous work and discussions with authorities has confirmed the potential and desirability of the Co-Owners’ properties to be a “building block” in the regeneration of the City Centre, encompassing key leisure, retail uses. Greater flexibility in the NURS controls is required to ensure the opportunity for the Co-Owners’ site to fulfil its potential.

#### *Invest in leading edge thinking*

Harnessing the skills, experience and passion of leading edge thinkers and practitioners is a consistent thread through all successful regeneration projects. Previous work on the properties has adopted this practice.

A process that restores that process for evolving the optimum redevelopment proposal in conjunction with all stakeholders for is recommended.

#### *An engaged community*

Previous work on proposals for this site encapsulated a wide range of community engagement processes. This is consistent with the principles of successful regeneration projects, ie, an engaged and understood set of stakeholders. It is the Co-Owners’ intention to re-activate that process and that proposals for the properties should be considered on merit utilizing this process.



Vision of a City Renewed (Civitas, 2008)





East District - Water front perspective  
View looking south toward Market Square (Civitas, 2008)

## Overview of our response to the Draft NURS

The Co-Owners agree with the NURS Special Area objectives, together with the specific Hunter Street Mall objectives, which are reproduced below. In reviewing these objectives, it is evident that they can be grouped to address three key themes related to the renewal and revitalisation of the City Centre, which we have described as 'PEOPLE', 'PLACE' and 'PURPOSE'. These themes have informed our assessment of the planning and design controls set out in this submission.



## Special area objectives themes

The emerging themes can be explored as:

Purpose

Place

People

### General objectives

- Promote development that contributes to an overall vision for the Newcastle city centre
- Reinforce, improve or develop the character of specific areas in the Newcastle city centre
- Encourage development that interprets and reinforces important civic elements of the city structure, including public spaces, buildings and views
- Strengthen the spatial definition of streets with consistent street wall height and building alignments
- Promote development that reinforces safety and amenity in the public domain

### Hunter Street Mall objectives

- Strengthen the sense of place and urban character of the east
- Build upon the existing heritage character to enhance the area's identity
- Be an attractive and liveable urban neighbourhood centre
- Diversify the role of Hunter Street Mall as a destination for many activities including retail, dining, entertainment, nightlife and events, additional to regular day-to-day services for local residents.
- Encourage new businesses that will attract visitors to the area
- Interpret the historic significance of Hunter Street Mall and protect heritage buildings
- Protect views to Christ Church Cathedral
- Promote the Mall as the main access way and place of activity, supported by the surrounding street network
- Improve pedestrian permeability and reinforce existing links to other destinations and public transport.
- Encourage activity at street level.

## Our approach to the analysis

The Co-Owners have prepared 3D modelling of the indicative plan prepared for the Hunter Street Mall special area which incorporates its Project Area. This 3D modelling has assessed the indicative floor plates, proposed building height controls, street frontage height and setback controls, and sections (illustrating the horizontal distribution of uses). It has also analysed the parking requirements.

Based on accepted benchmarks of development layout and efficiency, we have checked the resultant development capacity against the planning controls. The testing has focussed on the achievable Floor Space Ratio since this is the essential indicator of development feasibility.

The details of the assessment outcomes are presented in Appendix A.



3D modelling interpretation of Hunter Street Mall Special Area

## Summary of Response

NURS Objective PURPOSE	Instrument/ Control	Response
Promote development that contributes to an overall vision for the Newcastle city centre	Floor Space Ratio	<p>Assessment demonstrates that the floor space ratio is unattainable as a consequence of the combined effects of building height, street frontage heights and setbacks, view corridors, mine subsidence and water table.</p> <p>A more flexible performance-based approach linked to the provision of a range of public benefits, including site amalgamation is requested.</p> <p><b>MINIMUM FSR 4:1 RECOMMENDED</b></p>
Diversify the role of Hunter Street Mall as a destination for many activities including retail, dining, entertainment, nightlife and events, additional to regular day-to-day services for local residents	Zoning - Mixed Use	<p>Support change to mixed use zoning and re-positioning of the East End.</p> <p><b>NEW ZONE AND MIX OF USES IS SUPPORTED</b></p>
Encourage new businesses that will attract visitors to the area		
Promote the Mall as the main access way and place of activity, supported by the surrounding street network	Laneways, shareways & through site links	<p>A more performance-based approach to the location of laneways using mechanisms adapted from the Sydney LEP 2012 is requested. This could comprise an adaptation of Clause 7.20 which relates to preparation of a site specific DCP, prepared in conjunction with the Department and Council.</p> <p><b>MERIT BASED APPROACH RECOMMENDED WITH SITE SPECIFIC REVIEW</b></p>
NURS Objective PLACE	Instrument/ Control	Response
Reinforce, improve or develop the character of specific areas in the Newcastle city centre	Special Area Controls –heritage buildings	<p>The Co-Owners endorse the more flexible approach to heritage buildings and façades and parking requirements for redevelopment of heritage items.</p>
Build upon the existing heritage character to enhance the area's identity		<p>The Co-Owners are considering the strategy for building/ façade retention and the ability to achieve commercially sound re-use / redevelopment.</p> <p><b>MERIT BASED APPROACH RECOMMENDED</b></p>
Encourage development that interprets and reinforces important civic elements of the city structure, including public spaces, buildings and views	Special Area Controls – indicative plan	<p>The Co-Owners request a more performance-based approach to the layout of the project area , addressing sense of place and urban character elements, building heights, streets and laneways. This should enable greater permeability, finer street grain, more appropriate building footprints and height, and distribution of public domain, while addressing buildings and views. This could be achieved using mechanisms adapted from the Sydney LEP 2012, such as an adaptation of Clause 7.20 which relates to preparation of a site specific DCP, prepared in conjunction with the Department and Council.</p>
Strengthen the sense of place and urban character of the east		<p><b>RECOMMEND SITE SPECIFIC DCP INCORPORATING NEW CONCEPT LAYOUT DIAGRAM</b></p>



NURS Objective PLACE	Instrument/ Control	Response
Interpret the historic significance of Hunter Street Mall and protect heritage buildings	Special Area Controls – street frontage height	<p>The Co-Owners endorse the more flexible approach to heritage buildings and façades and parking requirements for redevelopment of heritage items.</p> <p>A more flexible approach is sought to street frontage height controls along Hunter Street to reflect the existing variation in building facades.</p> <p><b>MERIT BASED APPROACH RECOMMENDED</b></p>
Protect views to Christ Church Cathedral	Building Heights/ View corridors	<p>An assessment of view corridors demonstrates that additional building height can be accommodated in certain parts of the subject land without detriment to key view lines or view corridors.</p> <p>The Co-Owners request consideration of a performance-based approach to building height focused around the ability to achieve views, respect for heritage facades, streetscape, SEPP 65 provisions for building separation, and feasible development.</p> <p><b>MERIT BASED APPROACH RECOMMENDED</b></p>
NURS Objective PEOPLE	Instrument/ Control	Response
Strengthen the spatial definition of streets with consistent street wall height and building alignments	Special Area Controls – street frontage heights and setbacks	<p>Our assessment demonstrates that the combined effects of building height, street frontage heights and setbacks, and view corridors detrimentally affect feasible redevelopment.</p> <p>A more flexible performance-based approach is sought, linked to the provision of a range of public benefits, including site amalgamation.</p> <p><b>MERIT BASED APPROACH RECOMMENDED</b></p>
Promote development that reinforces safety and amenity in the public domain	Special Area Controls – Laneways, shareways and through site links	<p>Co-Owners propose a more performance-based approach to the location of public domain areas and accessibility to reinforce safety and amenity and pedestrian permeability. Mechanisms adapted from the Sydney LEP 2012 are available: Adaptation of Clause 7.20 relates to preparation of a site specific DCP.</p> <p><b>MERIT BASED APPROACH RECOMMENDED WITH SITE SPECIFIC REVIEW</b></p>
Be an attractive and liveable urban neighbourhood centre		
Improve pedestrian permeability and reinforce existing links to other destinations and public transport		
Encourage activity at street level	Special Area Controls; FSR and building height	<p>Additional floor space/ density and dwelling yields will increase the viability of the Project Area, enable additional residents, support retail and street activity, and create the vitality that will underpin greater street level activity.</p> <p><b>MINIMUM FSR 4:1 RECOMMENDED</b></p> <p><b>MERIT BASED APPROACH RECOMMENDED FOR HEIGHT</b></p>

# Response to the Strategy

This section sets out the specific response to the NURS as it relates to the subject site.

It addresses proposed LEP elements and DCP elements as well as other key policy areas that are affected by the Strategy.

## LEP Objectives and Controls

### Zoning and permissible uses

#### NEW ZONE AND MIX OF USES SUPPORTED

#### Recommendation

The Co-Owners strongly support the proposed change to the zoning and the mix of uses in the proposed new zone.

The proposed mixed-use zone is considered to be a better match for the future position of Newcastle East End and will encourage revitalisation.

The function of the East End should be cemented as a retail high street destination with flow on benefits to the amenity and experience for residents, tourists, visitors and workers.

Further, it is recommended that the retail planning policies for the City Centre reinforce the East End as the predominant retail area in the City Centre retail hierarchy. Retail activities in Wickham should be tailored towards services and amenities related to the new commercial core and the transit interchange.

#### Analysis

The NURS proposes that the subject site will change in zoning from B3 Commercial Core to B4 Mixed Use for street blocks south of Hunter Street - bounded by Hunter, King, Newcomen and Perkins Streets.

It is noted that the proposed zoning map (see image opposite) seeks to promote the east end of Hunter Street as a mixed use area, with the commercial core relocated principally to Wickham.



Proposed LEP Zoning Map

## Building heights

**MERIT BASED APPROACH  
RECOMMENDED**

### Recommendation

To enable a more varied and interesting approach to building height, and to ensure feasible renewal, the Co-Owners request that consideration be given to a performance-based approach to building height focused around the ability to achieve views, respect for heritage facades, streetscape, SEPP 65 provisions related to building separation, and enabling adequate development to achieve renewal objectives.

The Co-Owners request that consideration be given to retaining Clause 7.9 of the NLEP 2012, perhaps in a modified form requiring preparation of a site specific height plan similar to Clause 6.20 of the Sydney LEP 2012 (see Appendix B), and replacing the reference to a site of 10,000m<sup>2</sup>, with a reference to the area bounded by Perkins, Hunter, Newcomen and King Streets.

A blanket height control is not considered consistent with the past history of development along this part of Newcastle City Centre.

A blanket height control will produce a mundane building silhouette and uninteresting streetscape.

### Analysis

The elements in the NURS regarding building height that impact and are of concern are:

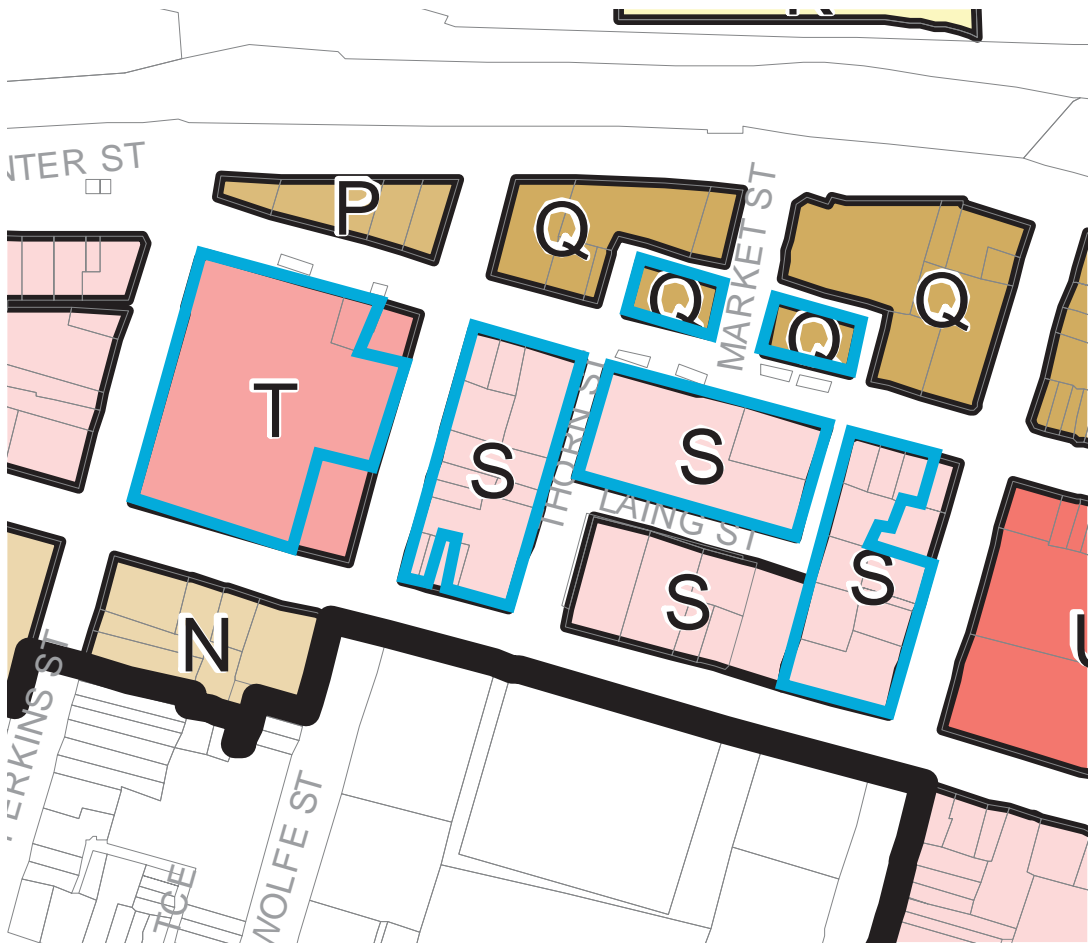
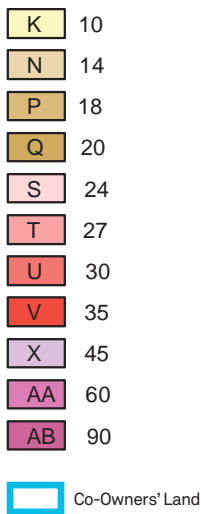
- Rationale of the block east of the Co-Owners land is set at 30m and ours adjacent at 24m;
- Figure 5.5 of NURS is not consistent with the Height Map and accompanying text;
- Heights of buildings including plant and lift overruns;
- Rationale for removing 40m AHD maximum building height plane; and
- Rationale for recommending changes to the current NLEP 2012 height provisions specific to the Co-Owners land.

By combining the height limits with the proposed Floor Space Ratio (FSR), the development cannot achieve the floor area permissible. The redevelopment's commercial viability is placed in jeopardy. The massing diagram opposite is based on the heights and indicative plan for the Hunter Street Mall contained in the NURS.





Massing analysis of NURS indicative plan



Proposed LEP Height Map

## Floor Space Ratio

**MINIMUM FSR 4:1  
RECOMMENDED**

### Recommendation

Consideration should be given to a more flexible approach to FSR using a minimum base FSR of 4:1, with additional FSR bonus for the delivery of public benefits such as site amalgamation, retention and re-use of heritage items, retention of key views, active street frontage, provision of additional public domain, through site links/ connectivity, cultural uses, entertainment uses and sustainability outcomes.

Such an approach is provided for in Clause 6.1-6.8 of Sydney LEP 2012 (refer to Appendix B).

Through such a mechanism additional FSR would be available where an applicant can demonstrate a superior approach to planning and design for the subject land.

The Co-Owners support the removal of the sliding scale arrangement in Newcastle LEP 2012 which penalises mixed use developments.

### Analysis

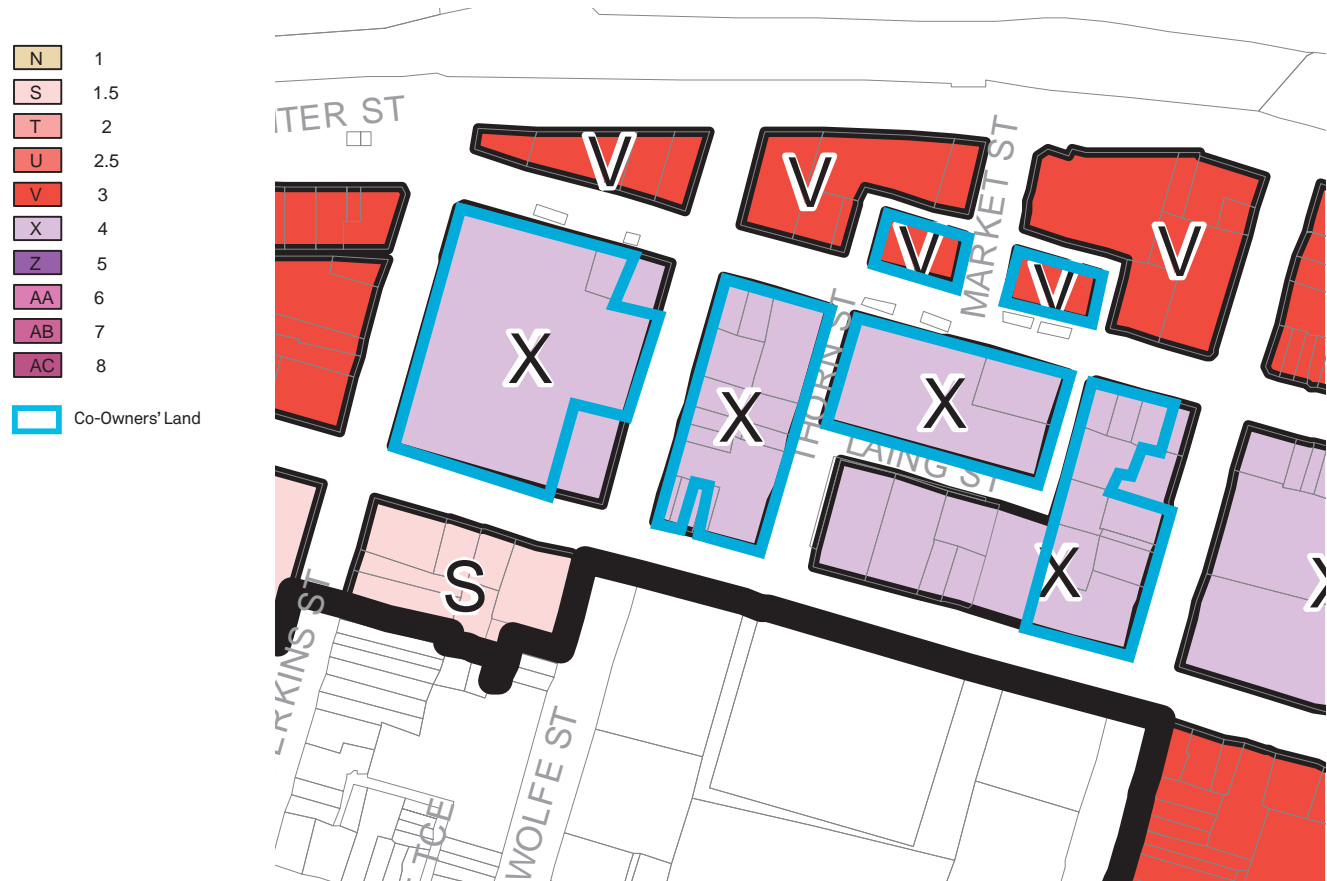
The NURS retains a FSR of 4:1 for block south of Hunter St (bounded by Perkins, Hunter, Newcomen and King Streets) (see figure opposite).

The sliding scale FSR arrangement in the NLEP 2012 for mixed use developments in the commercial core zone area is to be removed.

The FSR of the proposed indicative plan (Figure 5.12 of the NURS) has been tested. Details are provided at Appendix A. The analysis demonstrates that the FSR cannot be achieved. Furthermore, a minimum FSR of 4:1 is required to encourage redevelopment of the subject land.



Massing assessment reveals inability to achieve maximum FSR



Proposed LEP FSR Map

## Heritage

**MERIT BASED APPROACH  
RECOMMENDED**

### Recommendation

Consideration should be given to creating a link in the LEP between the retention of heritage items and the availability of additional bonus height and floorspace.

Clauses 6.1-6.8 of Sydney LEP 2012 establish additional height and FSR allowances in return for certain public benefits (see Appendix B). Such an arrangement could be applied to Newcastle to encourage retention of heritage items, and the availability of unused FSR from retained heritage items for other sites within the Co-Owners' landholding.

### Analysis

The elements in the NURS regarding heritage that impact the Co-Owners' land and are of concern include:

- The NURS does not make any reference to bonus FSR, transfer of unused floor space on heritage sites, or other incentives directed at the retention of heritage items.
- It is noted that the indicative plan at Figure 5.12 of the NURS for the land incorporating the Co-Owners' properties identifies buildings "likely to stay" which are at odds with the heritage buildings on the NLEP 2012 Heritage Map (see figure opposite).




The Co-Owners endorse the more flexible approach to heritage buildings and façades and parking requirements for redevelopment of heritage items identified in the NURS to encourage redevelopment and revitalisation.

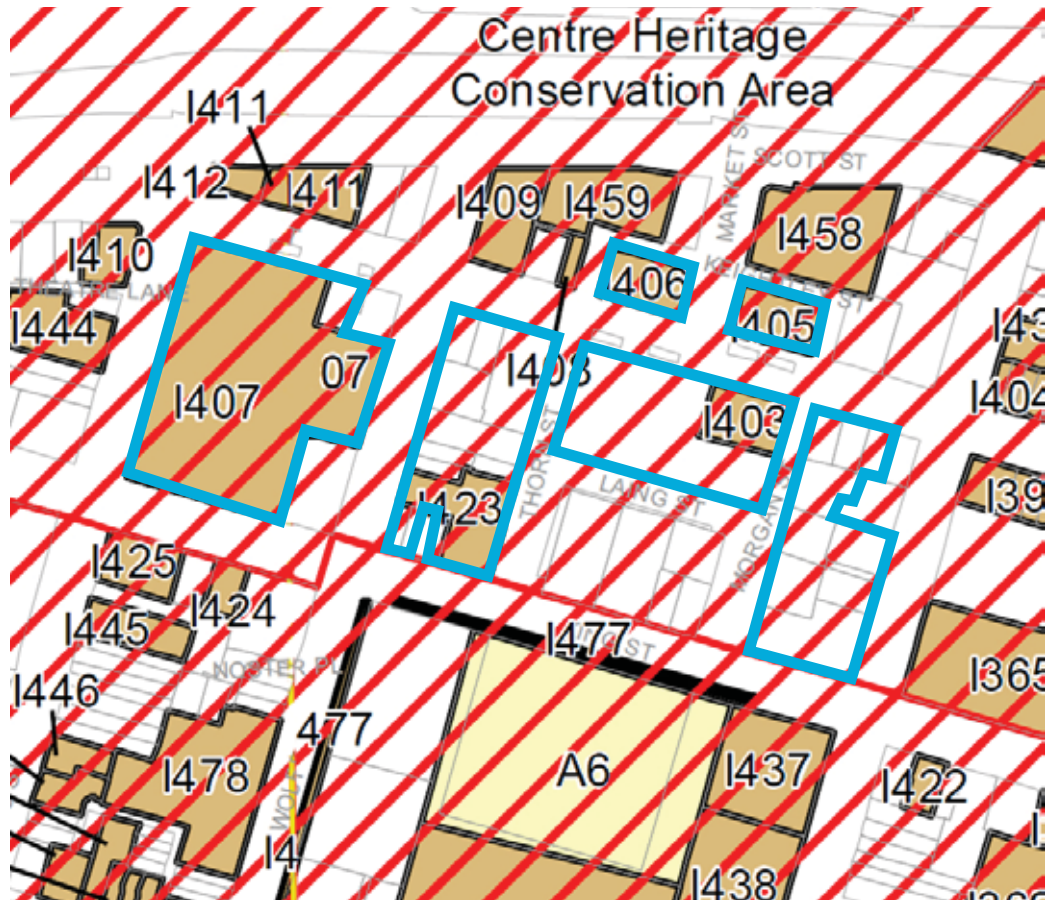
Clarification is sought on whether the indicative plan at Figure 5.12 of the NURS will result in a change to the heritage map under NLEP 2012.

The Co-Owners are still considering the strategy for building/ façade retention, and the ability to achieve commercially- sound re-use / redevelopment.

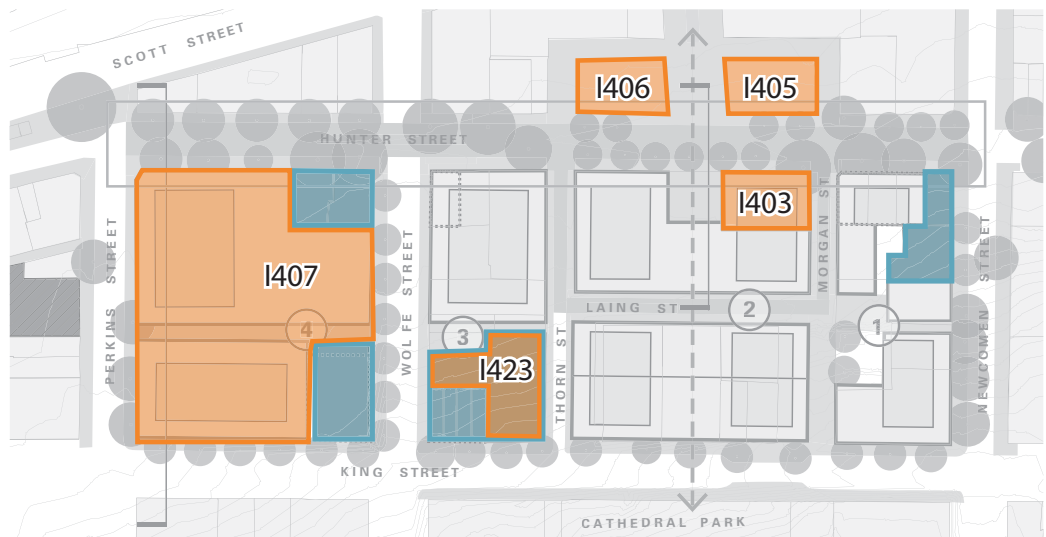
It is noted that several existing heritage buildings are substantially lower in height than the height provisions - such as the former David Jones building.





-  Heritage Conservation Area
-  Heritage Building
-  Co-Owners' Land



NLEP 2012 Heritage map and conservation area (red hatching)



-  Newcastle Urban Renewal Strategy - Building likely to stay
-  Newcastle LEP 2012 - Heritage Item

Heritage overlay on NURS indicative plan for Hunter Street Mall

## Key sites and design excellence

### ALTERNATIVE APPROACH RECOMMENDED

#### Recommendation

It is submitted that the design competition requirements will be unreasonably onerous given the scale of the site (covering four street blocks), the low dollar threshold proposed, and the number of potential buildings within the precinct.

Alternative mechanisms have been put forward in this submission to enable bonus FSR and height, without the onerous requirements of a design competition framework.

It is requested that the Co-Owner's land is removed from the Key Sites/ Design Excellence provisions.

The Co-Owners are eager to move ahead with masterplanning of our site. We believe that the time and cost impediments that would come with design competitions are not in the interests of the City's overall renewal objectives.

The Co-Owners believe that the design excellence objectives can best be met by way of a site specific DCP prepared with best practice and sustainability as inherent components. This plan should be prepared by the Co-Owners in close consultation with the Department and Newcastle City Council.

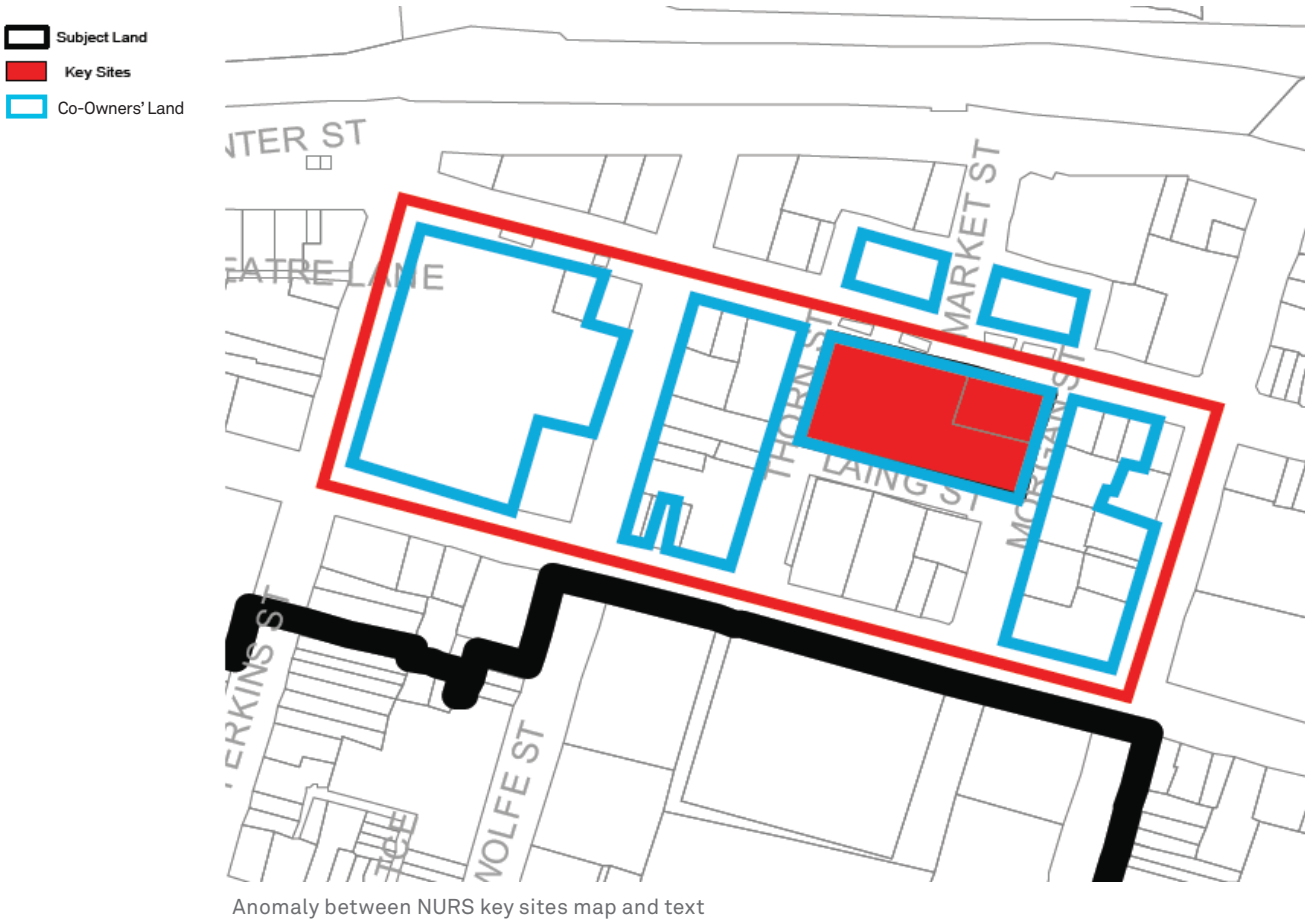
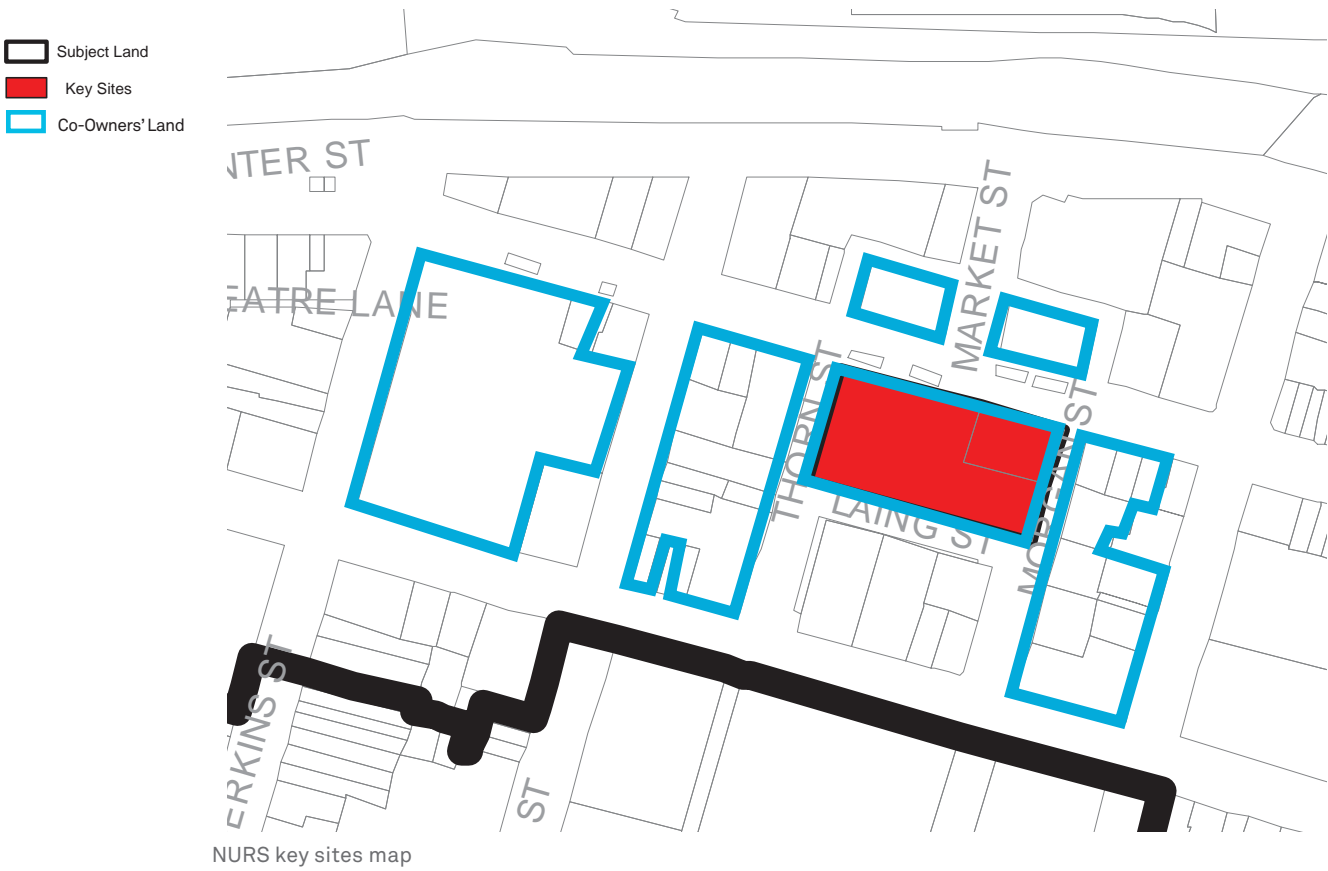
#### Analysis

The elements in the NURS regarding key sites/ design excellence provisions that impact on the Co-Owners' land and are of concern include:

- The NURS Key Sites map differs from text on page 154 of the NURS, which states: "the blocks in the east end bounded by Hunter, Newcomen, King and Perkins Streets" as a Key Site.
- The Co-Owners' site is identified as a Key Site, and as a result the design excellence competition provisions would apply.

Refer to figures opposite. While the opportunity to achieve bonus FSR or height is appreciated through a design competition process, key sites are generally reserved for

sites of potential major landmark or iconic buildings of significant height and scale, where building architecture is a central consideration. These are often located at gateway or other key locations within City Centres, having the potential to make a strong and distinctive design statement for that centre. We do not believe that the Co-Owners' land represents such an opportunity, due to the relatively modest height of buildings, the heritage context and the relatively fine grain of the Project Area.



## Special Area Provisions - Hunter Street Mall Indicative Plan

### RECOMMEND SITE SPECIFIC DCP INCORPORATING NEW CONCEPT LAYOUT DIAGRAMS

#### Recommendation

A more flexible approach is sought to the indicative plan at Figure 5.12, based around alternative block sizes, a finer grain of development, increased permeability and connectivity, smaller building footprints, higher levels of street activation, additional public domain areas, and appropriately scaled laneways and streets.

The alternative would also identify potential locations for taller buildings than allowed for under the proposed height provisions, to take advantage of views, while at the same time protecting key views.

Consideration should be given to adaptation of Clause 7.20 of Sydney LEP 2012 which could require preparation of a site-specific DCP for the Co-Owners' land holding (See Appendix B). The Clause would specify the subject site, and identify elements that the DCP should address. This approach would enable the site to be the subject of separate detailed analysis by the Co-Owners in conjunction with the Department and Council.

It is recommended that the indicative plan at Figure 5.12 of the NURS be deleted, pending preparation of an alternative scheme by the Co-Owners in conjunction with the Department and Council, incorporating the design elements outlined above.

#### Analysis

Figure 5.12 of the NURS identifies an area along the Hunter Street Mall encompassing the Co-Owners' land as a "special area", with new specific provisions to be included within a revised DCP.

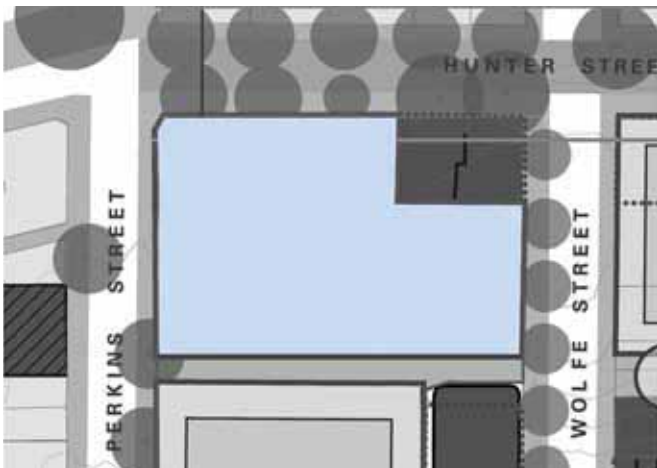
Figure 5.12 is an indicative concept (see opposite (left)), supported by a laneways map, building sections, and building setbacks – these issues are discussed in further detail later in this submission. The indicative plan has been assessed, revealing:

- The concept assumes relatively large floorplate retail / commercial buildings which are considered unviable /

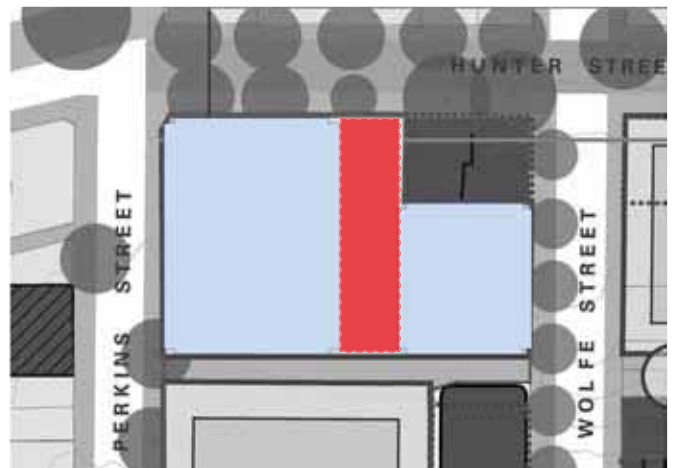
unsuitable for a fine grain urban environment. The deep blocks indicated are not feasible commercial floorplates and the indicative representation of residential towers will not comply with SEPP 65 requirements, in particular the required setbacks between residential buildings.

- The concept does not reflect workable building footprints for residential or mixed use buildings, nor the requirements of SEPP 65 for building separation.
- The location of laneways and shared spaces reflect the current street and laneway layout within this part of Newcastle. However, these streets and lanes do not necessarily lead to the best outcome for building footprints, connectivity, permeability and public domain areas. Greater flexibility is sought in the location of streets and lanes.

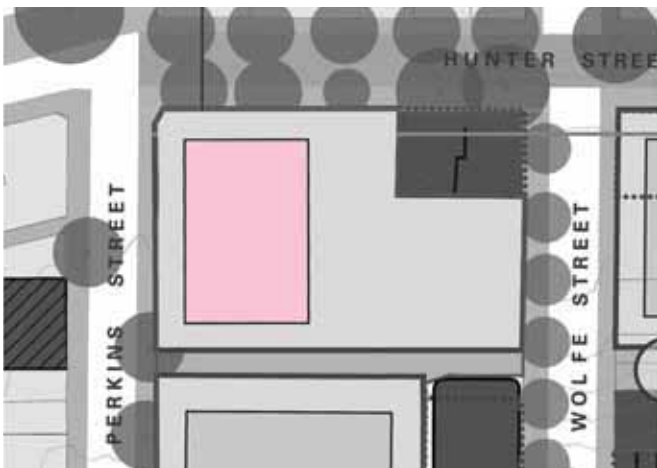
The images opposite (right) illustrate more realistic building footprints for commercial and residential buildings overlaid on the Hunter Street Mall Indicative Plan.



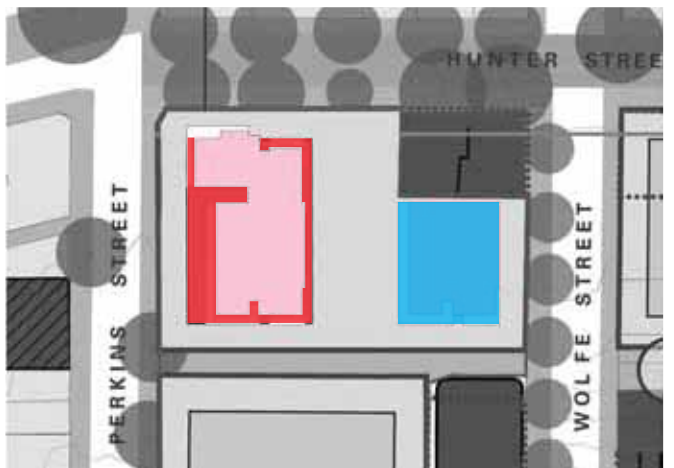
NURS indicative plan envelope for a commercial low rise floor plate



Generic envelope for a commercial low rise floor plate. Red shows area unrealised.

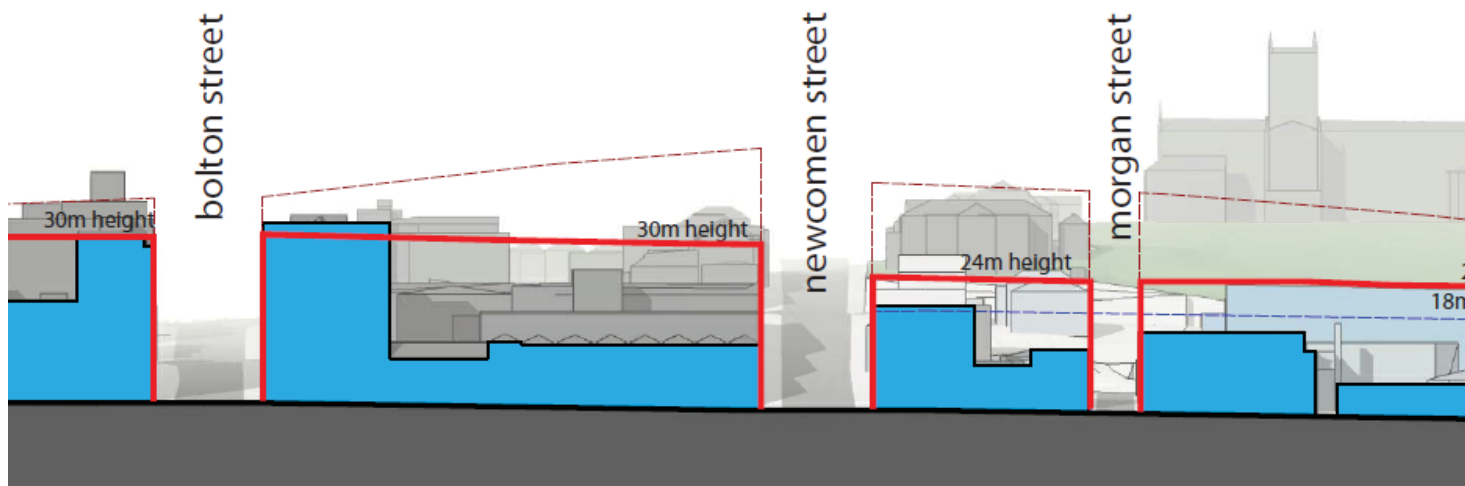


NURS indicative plan envelope for a residential high rise floor plate



Red shows area unrealised for residential floor space due to SEPP 65 considerations. Blue shows available opportunity.





## Building setbacks/ street frontage heights

**MERIT BASED APPROACH  
RECOMMENDED**

### Recommendation

The Co-Owners seek a more performance-based approach to this issue depending on:

- (1) the potential retention of existing buildings;
- (2) proposed new buildings; and
- (3) the objective of creating an interesting and varied streetscape, reminiscent of the current variation in street frontage heights.

Consideration should be given to:

- (a) adaptation of Sydney LEP 2012 requiring the preparation of a site specific DCP for the subject land – this clause could specify the subject site, identify the elements that the DCP should address; and/ or
- (b) adaptation of Clause 6.20 of Sydney LEP 2012 – following identification of alternative building heights, street frontage heights and setbacks above podium, and the preferred location of buildings.

Such approaches would open the opportunity for the site to be subject of separate detailed analysis by the Co-Owners, in conjunction with the Department and Council.

### Analysis

The NURS outlines new street frontage height provisions and setbacks above podium proposed to be introduced to the NDCP 2012. Figure 5.48 opposite illustrates the proposed heights in the area comprising the Co-Owners' land, with maximum street frontage heights of 18m.

It is noted that in the block immediately south of Market Street (between Thorn, Laing and Morgan Streets) that a maximum building height of 18m is proposed, to protect views of the Cathedral from the Market Street elevated and covered walkway.

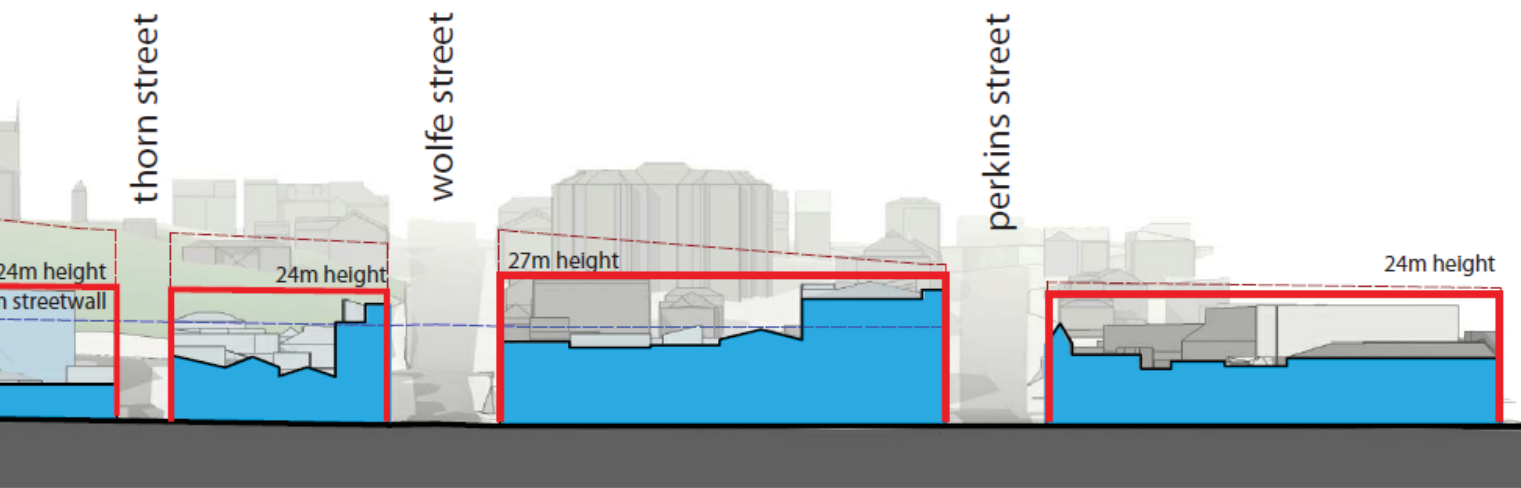
To minimise overshadowing impacts on properties south of King Street, there are proposed DCP provisions for a setback to the southern side of this block (NURS, p. 147).

It should be noted that Figure 5.48 does not reflect the street frontage height required for King Street in the vicinity of the former DJS building which is indicated with a street frontage height of 16m shown on the section diagram at Figure 5.15 of the NURS.

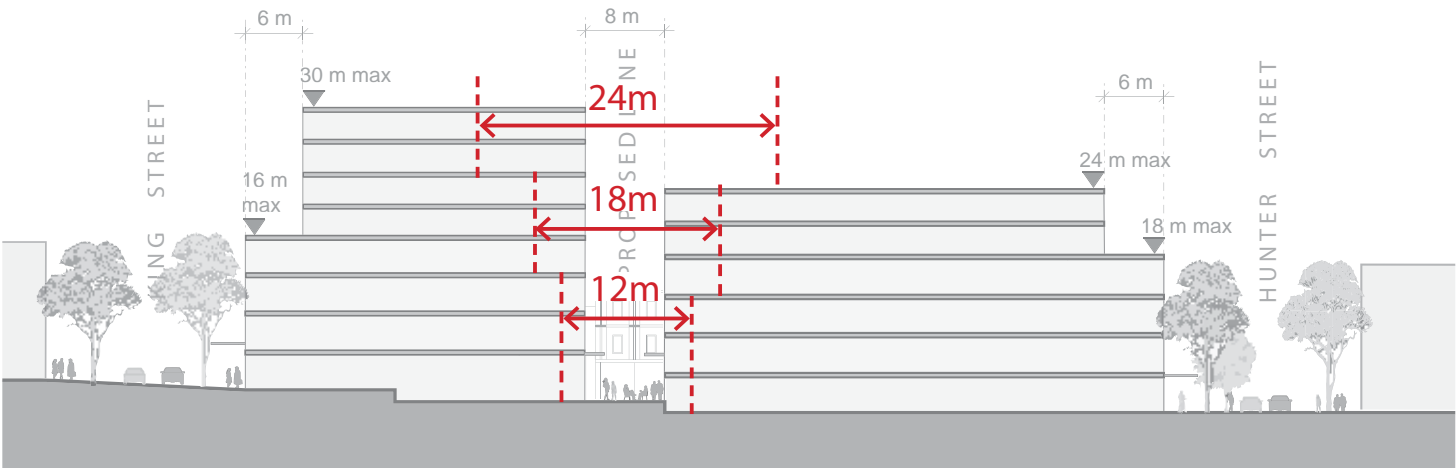
Figures 5.14 and 5.15 of the NURS illustrate the proposed laneways, building footprints, street frontage heights, setbacks above podium, building separation, based on the indicative plan at Figure 5.12.

An analysis has been carried out of the sections illustrating the street frontage heights based around the indicative plan. As submitted elsewhere the building footprints, sections and building separation have been found to be unrealistic and unworkable for a range of mixed use developments likely to occur within the Co-Owners' land holding. The figure opposite show the buildings separation requirements for residential buildings under SEPP 65 overlaid on Figure 5.15 of the NURS.

The elevational cross-section figure above (over 2 pages) illustrates the difference between the existing Hunter Street elevation and the uniformity that would result from the proposed heights along Hunter and King Streets.



SEPP 65 - Residential Building separation requirements



Laneways would not conform to SEPP 65 setbacks between residential buildings

## Laneways, shareways and through site links

**MERIT BASED APPROACH  
RECOMMENDED WITH SITE  
SPECIFIC REVIEW**

### Recommendation

As with the issues of the indicative plan for this precinct and the building heights, the Co-Owners propose a more performance-based approach to the location of laneways using mechanisms adapted from the Sydney LEP 2012 discussed above. This could comprise an adaptation of Clause 7.20 which relates preparation of a site specific DCP (see Appendix B), prepared in conjunction with the Department and Council.

### Analysis

The NURS proposes new north-south and east-west pedestrian-only linkages, new pedestrian/ vehicle shareways and improved existing lanes within the area comprising the Co-Owners' land (Figure 5.13 reproduced opposite (top)). This strategy is based on retention of the existing street pattern.

New connections include:

- (1) a new, minimum 3 m wide pedestrian-only connection between Newcomen and Laing Street along the Laing Street alignment;
- (2) improvement of the existing stair connection between Morgan Street and King Street;
- (3) transforming Laing Street into a shareway;
- (4) a new east-west pedestrian link or arcade between Thorn Street and Wolfe Street; and
- (5) a new east-west shareway within the DJs site between Wolfe Street and Perkins Street orientated generally towards the Victoria Theatre on the western side of Perkins Street.

The location of laneways and the permeability within the Project Area is closely aligned to the historic vision of the Co-Owners to ensure appropriate connections between the precinct and the Newcastle waterfront.

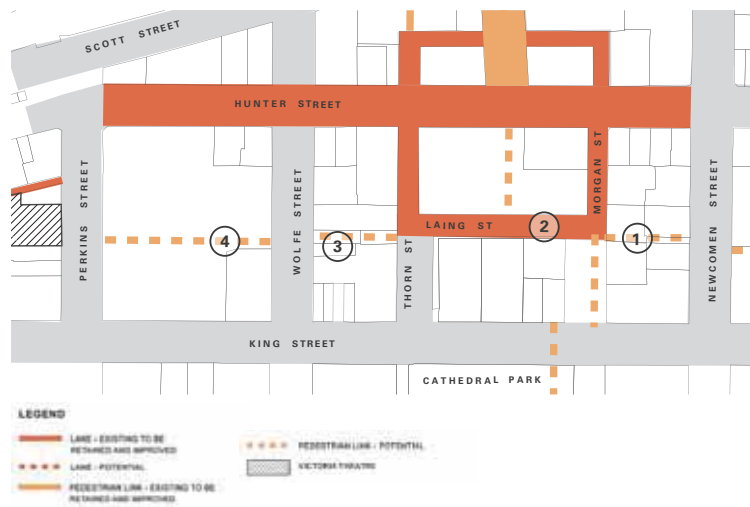
The objective of creating additional permeability and connectivity throughout this precinct is supported.

However, the retention of existing streets and lanes may not deliver the best redevelopment opportunities. The figure opposite (centre) illustrates some of the level changes throughout the precinct, which present a challenge for accessibility.

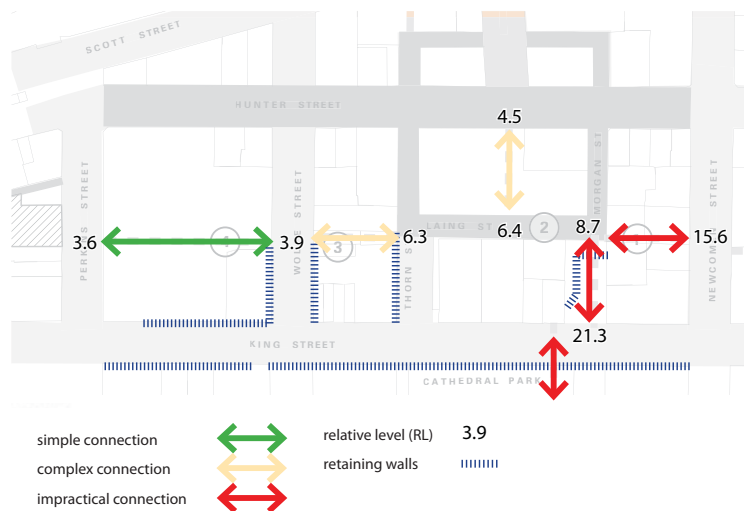
There are opportunities for creating additional permeability, connectivity and a finer grain local street/ laneway character, and public domain areas which will assist with creating improved building placement and urban form.

Development of a mix of building footprints, providing a finer grain of accessibility and built form, and providing appropriate service vehicle access arrangements warrants further detailed assessment.

The analysis drawings opposite, illustrate that suitable alternative arrangements are available, and that there should be an opportunity to provide as much flexibility and variation as possible to create an interesting fine grained urban environment.



Hunter Street Map Connections and Access Plan



Site levels indicate need to address accessible connections throughout



Alternative connections reinforce an east west connection and warrant flexibility

## Views and vistas

### MERIT BASED APPROACH RECOMMENDED

#### Recommendation

Given the benefits of generating additional development in the City Centre, alternative arrangements for additional height that maintain key views and vistas should be explored further by the Co-Owners, the Department and Council.

The Co-Owners seek a more performance-based approach to building heights structured around maintenance of key views and vistas to/ from the waterfront and the Cathedral.

The opportunity exists to structure this approach around planning Clauses similar to those contained in Sydney LEP 2012 – specifically Clauses 6.1-6.8 (bonus height and floor space in return for public benefits); Clause 6.20 (site specific alternative building height); Clause 7.20 (site-specific DCP) (see Appendix B).

#### Analysis

The NURS recommends new view lines and view corridors which are to be included in a revised DCP. This will rationalise view corridors shown in the current DCP.

The focus is on views of the Cathedral spire that terminate street vistas (NURS page 190), as well as views of the waterfront down key streets. The NURS acknowledges that nominating corridor dimensions for street vistas is redundant in that these views are framed by existing street widths of 10-20 m (page 190).

The following primary visual connections that intersect the area containing the Co-Owners' land are identified on the Proposed DCP map views and vistas diagram (Figure 5.46):

- View toward Hunter River northwards along Wolfe Street its intersection with King Street (west of cathedral);
- View toward Hunter River north along Newcomen Street from its junction with King Street (east of cathedral);
- View toward Christchurch Cathedral down Market Street (pedestrian walkway) from Queens Wharf; and
- View toward Cathedral down Morgan Street from its intersection with Hunter Street.

It is noted that the view lines/ corridors are linked to street frontage heights and overall building heights within the Co-Owners' land.

An analysis indicates that vistas and views of the waterfront and Cathedral can be maintained while increasing height in selected/ strategic locations.

The assessment indicates that the opportunity exists to treat building height and street frontage heights on performance-based grounds, enabling variations to heights where performance outcomes can be achieved.

Building height enables additional value to be generated, encouraging additional dwellings, potentially greater dwelling choice, wider affordability, improved retail viability, and added street activity from an increased population.

It should also be noted that the image of the view corridor down Morgan Street towards the Cathedral, illustrated on page 161 of the NURS, does not accurately depict the likely view down Morgan Street when the height controls are implemented (see images opposite).



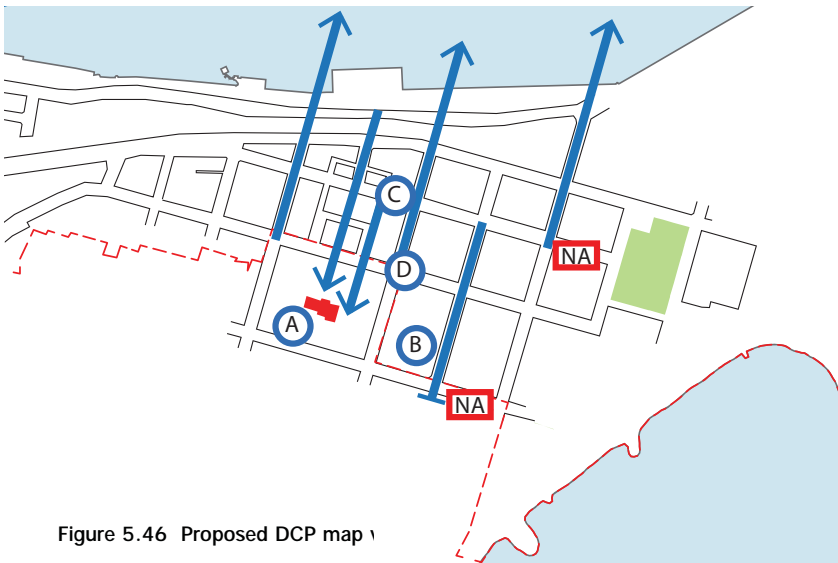


Figure 5.46 Proposed DCP map

NURS plan showing primary visual connections; letter relevant to the site



View south on Morgan Street from Hunter Street toward the Cathedral (NURS p. xxviii and p. 161)



Likely view down Morgan Street towards the Cathedral under the proposed height arrangements in the NURS.

## Other Issues

This section of the submission addresses a number of other miscellaneous issues discussed in the NURS relevant to the Co-Owners' land, including:

- Sustainability
- Transport initiatives
- The implications of mine subsidence and the assumptions under the NURS
- Groundwater/ water table
- Development contributions
- Mapping anomalies

## Sustainability

Interwoven between the three themes of People, Place and Purpose are the dynamic and competing drivers, goals and aspirations of each. Successful communities and developments drive through the apparent contradictions and competing interests to deliver end product and outcomes that enhances both the collective community made up of people, purpose and place as well as enhancing the individual experience of each.

A holistic approach to sustainability where the social, economic and environmental impacts are collectively considered can provide a robust and strong framework to enable the apparent contradictions of people, purpose and place to be drawn together and resolved in a manner that benefits all stakeholders.

However, the objectives and subsequent themes within the NURS are limited in scope, not considering the opportunities for world's best practice sustainability.

World's best practice sustainability embraces the reality that in a constrained world people, the environment and the commercial activities that support them must work together in a manner that is mutually beneficial. Interlinked with this approach to sustainability is a similar philosophy to urban planning and design. Fundamental to

this philosophy is a systems approach to planning, design and operation where the performance of the overall outcome is the measure of success as opposed to the inputs that comprise it.

In a dynamic society where local and global economies are facing significant structural change it is important that the built environment, in particular strategic urban renewal projects, responds accordingly

One Planet Living is a holistic framework based on ten key sustainability principles that can be used to drive the quality and performance of the end outcome that truly integrates and addresses social, economic and environmental issues in a manner that enables people, purpose and place to flourish. The principles are closely aligned with a number of the key guiding principles of the Newcastle urban renewal strategy. As important as the principles that drive planning and design are the benchmarks and tools used to ensure that the principles have been successfully achieved. Bookending the One Planet Living principles is the application of quantitative benchmarks such as the ecological footprint and the potential use of the Green Star Communities tool to ensure that the community can have confidence in the outcomes delivered.

Use of the principles, benchmarks and tools as an integrated framework to measure success can be an alternate approach to planning and design where the quality of the product and the end outcomes it delivers are the determining factors in a project's approval as opposed to compliance with specific planning controls.

Planning and design responses that successfully fulfil the One Planet Living principles should be rewarded under the Newcastle Urban Renewal Strategy as they will deliver outcomes to the community that meet the strategy's key guiding principles through an integrated response that brings together People, Purpose and Place.

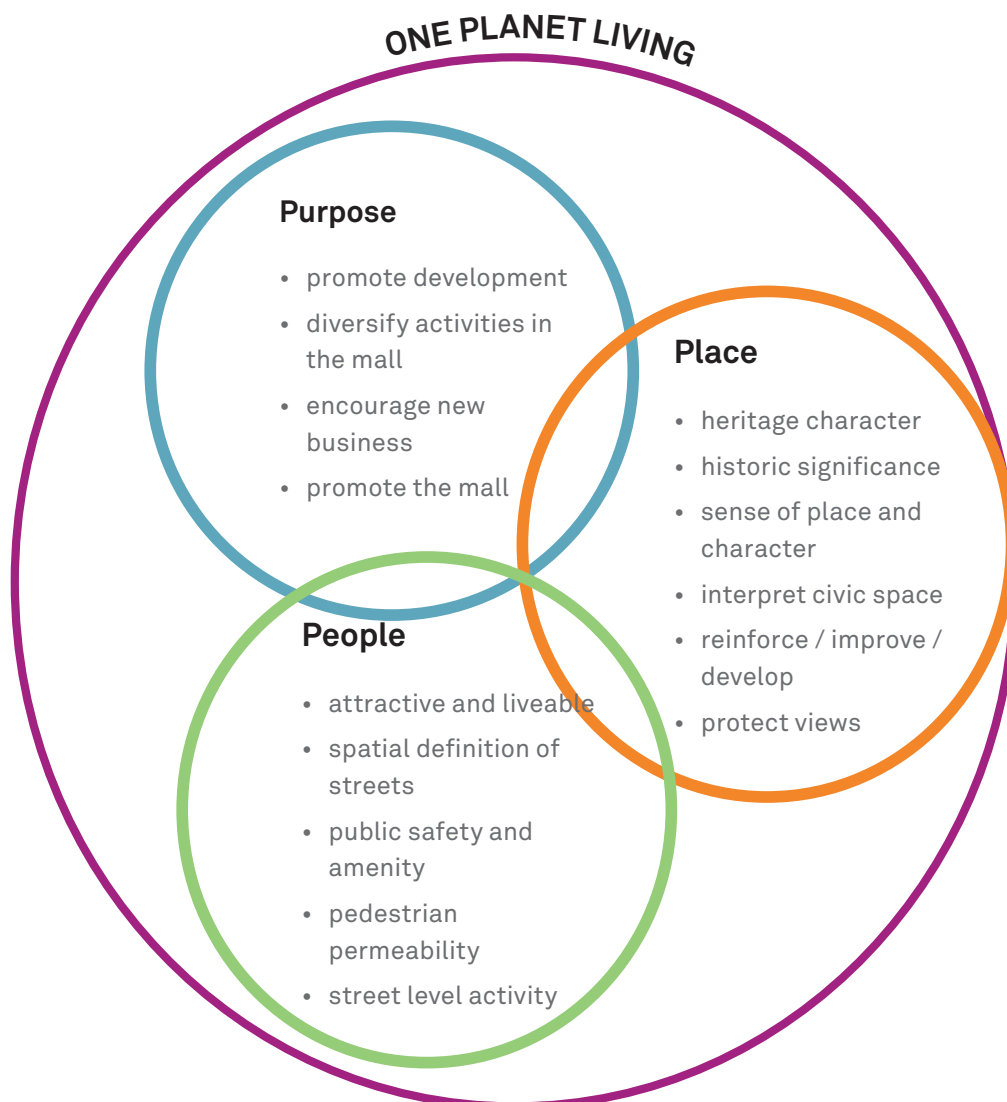
Planning and design outcomes that deliver on the One Planet Living principles will be embraced by the local community. Therefore, masterplans that deliver on such

outcomes should be considered for a range of additional merit-based parameters for major redevelopment proposals such as the Co-Owners' site:

- Additional FSR;
- Flexibility on the mix of use;
- Appropriately discounted Section 94 and other planning and infrastructure contributions; and

- Faster planning and construction approvals.

The One Planet living principles will encompass the themes of 'PEOPLE', 'PLACE' and 'PURPOSE' within the Newcastle redevelopment.



## Transport initiatives

The Co-Owners are highly supportive of the draft NURS recognising the role public transport should play in the city's future development. We welcome the recognition that the public transport system should support the city's key precincts as they continue to develop and fulfill the NURS's objectives.

We also support the timely implementation of critical changes operationally and structurally to the public transport system to significantly improve connectivity.

## Development contributions

The Newcastle City Centre is subject to a 3% development contribution levy (flat rate) under the City of Newcastle's Section 94A plan for the City Centre. In response to a land economics review of the impact of developer contributions on development feasibility, the NURS flags the potential for the payment of contributions to be delayed from Construction Certificate stage to Occupation Certificate stage. We understand that consideration is also being given to a reduction of the contribution.

The Co-Owners are strongly supportive of the recommendation of the NURS to delay the timing of payment of contributions until the Occupation Certificate stage. The Department and the Council are to be congratulated for recognising that this is an important lever to stimulate redevelopment activity and renewal in the City Centre.

We recognise that the Section 94A levy payment also has a strong relationship with the mine subsidence issue. At present expenditure on remediating mine workings is included in the total construction cost to which the Section 94A levy of 3% is applied. This is a further inhibiting factor to redevelopment peculiar to Newcastle. In order to stimulate redevelopment this calculation matter needs to be addressed.

We strongly recommend that any costs associated with remediating mine workings be explicitly removed from the Section 94A levy calculation.

## Mine subsidence

The Newcastle Urban Renewal Strategy is to be congratulated for its recognition and inclusion of the issue of mine subsidence and its impact on the city's future renewal.

Publishing the maps that provide a first pass as to the likely extent and degree of difficulty former mine workings beneath the city is welcomed.

The Co-Owners wish to highlight the economic impact of remediating the mine workings on a development and its relationship with proposed height limits at a city wide level.

The Co-Owners agree that it makes sense to encourage height in locations with minimal or no mine subsidence risk. However, we submit that suitable solutions are available to achieve viable renewal, without unreasonably constraining building height.

The Strategy document clearly recognises the functions that should be encouraged to occur in the city's three precincts. To constrain some sections of the city's ability to offset mine working remediation costs by limiting their heights is counterproductive. Development is even more unlikely to occur and the Government's vision for urban renewal thwarted.

Furthermore, it is noted that by constraining height a likely outcome is larger building footprints to achieve the floor space ratio. However, larger building footprints bring about a need for a wider mine remediation program. Encouraging efficient, smaller building footprints reduces the likely mine remediation works, increases the private / public open space in a development and improves pedestrians' awareness of place and space.

With the above points in mind the Co-Owners see added benefit to the request in seeking a change to the height limitations in our Project Area.



## Car parking and groundwater/ water table

Investigations undertaken on the Co-Owners' land indicates that the depth of the water table is expected to range from about 5m-6m below existing ground levels in the south-eastern portion of the site to approximately 1.5m-2m in the north-western parts of the site.

The water table has implications for excavation of basements for parking, with added cost and potential feasibility impacts.

Without relief given in height restrictions we have no option other than providing car parking at grade within the building envelope and at best sub-basement where there is some geographical relief.

This will produce an inferior ground plane experience for the public and is not in keeping with the Co-Owner's vision to deliver a high quality mixed use development for Newcastle.

Further investigations are warranted when development concepts and detailed proposals are progressed. The Co-Owners wish to ensure that where water table issues are encountered, which may limit the extent of excavation for basement car parking, alternative arrangements are considered for assessing car parking needs and the location and form of the parking.

## Mapping anomalies

The following additional mapping anomalies have been identified in the NURS:

- Draft new Floor Space Ratio map for the City Centre does not include existing public roads. Under the standard instrument it is understood that public roads are to adopt adjacent FSR notations; and
- Draft new Height of Buildings map for the City Centre does not include existing public roads. Under the standard instrument it is understood that public roads are to adopt adjacent HOB notations.





# Conclusions and next steps

## Summary

Conclusions	
Principles and objectives	✓
Zoning and permissible uses	✓
Truncation of the railway	✓
Floor space ratio	X
Height limits	X
Feasible redevelopment	X

Next Steps	
Floor space ratio	Minimum 4:1
Building heights	Site specific height plan
Precinct design	Site specific DCP
Flexible planning controls	Similar to other jurisdictions
Design competitions	Delete in favour of site specific DCP

This submission focuses primarily on the implications of the draft Newcastle Urban Renewal Strategy on the Co-Owners' land holdings in the central part of the Hunter Street Mall. We are highly supportive of:

- The key principles and objectives of the Strategy;
- The proposed zoning and permissible uses applying to our Project Area; and
- Truncation of the heavy rail line west of Stewart Avenue.

A review of the Strategy reveals that:

- The proposed Floor Space Ratio of 4:1 is not achievable when combined with the proposed height limits; and
- The height limits when combined with the high water table, mine subsidence, and the proposed Floor Space Ratio, are not conducive to delivering a commercially-feasible development or optimal built form and public realm outcomes.

We are seeking favourable consideration of alternative approaches to addressing these key issues given our strong desire to press forward with our Project program in a timely and effective manner:

- Ensuring that the proposed Floor Space Ratio of 4:1 is a minimum achievable outcome for our Project Area;
- A merit / performance based Development Control Plan is prepared working with the Co-Owners to ensure that the planning and design guidelines produce an optimal built form and public realm outcome;
- Alternative planning guidelines similar to those employed in other jurisdictions;
- Deletion of Design Competitions for our Project Area.
- Performance-based approach to building height, such as a site specific height plan, to enable a more varied and interesting approach to building height, and to ensure feasible renewal.

We look forward to the opportunity to working with the Department to further discuss our research and analysis on our Project Area, and the potential solutions outlined above.

We wish to assure the Department that the Co-Owners are firmly committed to employing best practice principles in the interests of delivering a world class development, and to creating a catalyst project that encourages further renewal in Newcastle's City Centre.