

Dear Sir/Madam

RE: Draft Greater Newcastle Metropolitan Plan

Thank you for the opportunity to comment on the Draft Greater Newcastle Metropolitan Plan. By way of general comment, the plan does not address the very real risk of rising inequality in Greater Newcastle, does not proactively deal with climate change or management of critical environmental issues, and offers no framework for economic development beyond a hopeful assumption that two kilometers of light rail and a massive increase in apartments will stimulate tourism and start-ups.

The Plan's approach to "turbocharge" tourism and development threatens the very things that made Newcastle a Lonely Planet top 10 City in the World (2011). The cities identified as exemplars in the Plan are Bilbao, Cardiff, Gothenburg, Halifax, Malmo, Portland, and Waterloo. There appears to be no robust analysis of the similarities and differences between these cities in their wider context and the city of Newcastle, nor any analysis of the assumption that "starchitecture" and trickledown economics will deliver desired social or economic benefits.

It is noted that at present the Community is not included in any meaningful way in plans associated with the "revitalisation" of the city. Consultation is superficial and the negative consequences of this are seen and felt by residents and business owners, who are reporting 40 percent reduction in turnover. This is directly attributable to works associated with the current light rail construction; planning associated with this initiative has been neither smart nor deliberate.

The Plan proposes the establishment of a Committee for Greater Newcastle to advise on metropolitan-scale collaboration between community, industry and government, and suggests this the Committee will be led by the Hunter Development Corporation. The Hunter Development Corporation was established under the Growth Centres (Development Corporations) Act 1974. Under the Act, the Governor may "change the nature of a governance of a development corporation: (i) from board governed to chief executive governed by omitting the word "Board" from column 3 of the Schedule 1 and inserting the words "Chief executive", or (ii) from chief executive governed to board governed by omitting the words "Chief executive" from column 3 of the Schedule 1 and inserting instead the word "Board".

The Minister is requested to change the governance of the Hunter Development Corporation to a Board so that expert members and community members can contribute to these processes, and be assured of good governance and evidence-based decision making that is appropriately consultative.

The Plan identifies five elements shaping Greater Newcastle and twenty strategies to deliver the goals. Strategies are addressed individually below.

1. Create a workforce skilled and ready for the new economy

1.1 Reinforce the revitalization of Newcastle City Centre and expand transformation along the waterside

- Revitalisation of the Newcastle City Centre is producing a "Welcome to Everywhere" outcome. The businesses and architecture that make Newcastle distinctive are being destroyed in the haste to develop the rail corridor and adjacent lands, as well as through works associated with the ill-conceived light rail. *The rail corridor should be preserved for transport in the future and this should occur through appropriate management of any approved development.*

- Newcastle is a peninsula city and access from the Hunter Valley and suburbs to Newcastle's beaches can only be preserved through maintenance of access via Wharf Road, the transport corridor, Hunter Street and King Street. *Development of the rail corridor should only proceed on the basis that it can accommodate transport at a future time.*
- The Australian Higher Education sector like many industries is going through a period of significant reform. As well as a shift to blended modes of delivery, the sector is seeing a plateauing of domestic student numbers and challenges to the current export model arising from traditional international markets investing in their own education sectors. Given the Federal Government's capping of student numbers in MYEFO 2017-2018, *the projected need for "4000 dwellings and accommodation for students, as well as new hotel developments" needs to be reconsidered and a more realistic estimation of demand should be reached to inform planning.*
- An integrated transport plan that offers safe and convenient options for pedestrians, cyclists, and users of public transport would be very welcome. It's noted that promised access from Hunter Street to the foreshore east of Cottage Creek is unlikely to be delivered due to the fact that relevant land is privately owned. *An integrated transport plan is not currently available and should be developed as a priority.*
- The Draft Plan makes no reference to the Art Gallery and the need for investment in this important cultural resource in terms of residents or visitors. *The Plan should include reference to the Art Gallery as a cultural hub, and recommend significant investment.*
- Governance issues associated with the role of the Hunter Development Corporation are noted above. *The Plan needs a much more robust governance framework than is currently suggested.*

1.2 Grow the airport and aerospace and defence precinct at Williamstown

- Reference to a rail link between Williamstown airport and the City is a welcome inclusion in the Plan, however, this should not be at the expense of fragile habitats and green space. *The Plan should make more robust commitments to environmental conservation and sensitive development, and green corridors should be enhanced.*
- Expansion of the defence precinct should be subject to a thorough consultation process. *Increased investment in defence should be subject to genuine community consultation and not at the expense of the environment, or regional peace and security.*

1.3 Increase domestic and global trade capabilities at Newcastle Port

- The NSW Government and Newcastle City Council would be well aware of the problems at White Bay associated with air and water pollution caused by cruise ships that keep their engines running while berthed at the terminal. *It is essential that the development of a cruise ship terminal at Carrington incorporates provision of on-shore power to minimize the impact of exhaust emissions to ensure that problems at White Bay are not replicated in Carrington.*

1.4 Grow health precincts and connect the health network

- Employment in healthcare, construction, education and professional services are identified as Hunter growth industries in Productivity Commission’s report on “Transitioning Regional Economies”. *This strategy is supported.*

1.5 Expand education and innovation clusters

- The Plan seems to make a number of assumptions about the Australian higher education sector on the basis of outcomes in a very different model (the US) and suggests that they can be easily replicated. *Universities Australia and other stakeholders should be consulted on the proposed strategy to increase the number of institutions in the region. The Plan should also make positive reference to TAFE and vocational education.*

1.6 Respond to the changing land use needs of the new economy

- The way in which “emerging creative industries and new start-up manufacturing opportunities” develop and succeed is not well understood and this is reflected in the Plan. *A more sophisticated analysis of the direction and value of public investment to support is innovation is required. This should also reflect a commitment to renewable energy and high skilled, high value jobs in areas like renewables manufacturing.*
- Assumptions about innovation and “innovation ecosystems” appear to be somewhat undeveloped and would be enhanced by an understanding of the work of economists such as Mariana Mazzucato, who has analysed the role of public spending in relation to innovation. Mazzucato notes that whereas it is typical for government to be considered as in the “background creating the basic conditions (skills, infrastructure, basic science)” for innovation, the truth is that government typically funds the “massive risk taking” required “along the entire innovation chain: basic research, applied research and early stage financing of companies themselves.” Elon Musk, for example, has benefited from almost \$5 billion US in public investment. State and local government should be lobbying Federal government for patient targeted investment in identified priority areas, and government should also retain equity in firms that arise from government investment in basic research. *Professor Mariana Mazzucato, Head of the Institute for Innovation and Public Purpose at University College London should be consulted in a review of the Plan and this should occur as a priority to ensure that valuable public funds are used to their best advantage.*

1.7 Attract major events and sporting teams and increase tourism opportunities

- The Plan’s focus on high impact, high cost tourism does not acknowledge the risks or negative consequences arising from this approach. Newcastle City Council announced 27 February 2018 that renewal works required to support the Super Cars in Newcastle East in 2017 cost significantly more than the amount that had been budgeted. An audit of the event has been requested of Council, however it has been widely observed that any financial benefits arising from the event did not accrue to local businesses, which were in the main excluded from event. The NSW Auditor General has previously reported that Supercars events at Homebush Bay delivered nearly 25% fewer benefits than expected and cost \$10 million more than planned. *The Plan should take a more measured approach to events such as Supercars until the Community can be assured that there are quantifiable benefits arising from the investment of scarce public funds.*
- The focus on major events and tourism as sources of economic growth appear to be underpinned on privatization of valuable public assets so that corporations can extract as much profit as possible. *Residents were not – and have not been – consulted about*

the shift to a “visitor economy”: this should be subject to a strong business case and robust consultation.

- As a source of jobs growth, a focus on tourism offers residents insecure, low quality, low wage employment and also imposes high environmental costs. *The visitor economy promoted by the Plan will not deliver the smart sustainable outcomes the city deserves and should be reconsidered in the context of proper evaluation.*

2. Enhance environment, amenity and resilience for quality of life

2.1 Create better buildings and great places

- Councils are highly dependent on Section 94 contributions and rates and in the context of State and Federal funding priorities, this leads to perverse outcomes where excessive development is supported at the expense of the urban environment. *The Plan and its implementation should ensure that there are disincentives for Councils when various strategies, guidelines and plans are ignored.*
- It's noted that heritage listed buildings such as the Newcastle Store have been slated for demolition, when all previous plans have flagged its retention. *The Plan should commit to maintaining Newcastle's natural and built environment.*
- Claims about the success of the Newcastle Urban Renewal Strategy, the Light Rail, and the Market Street Lawn are premature. *Recent initiatives referenced in the Plan should be subject to evaluation before the Plan is finalised.*

2.2 Create more great public spaces where people come together

- Waterfront parkland has been dramatically altered – not protected – for events such as supercars. *It is essential that public assets such as Civic Park – home to Anzac memorials, and major celebrations of achievements as with the Newcastle Knights – are retained and this should be reflected in the Plan.*

2.3 Enhance the Blue and Green Grid and the urban tree canopy

- This strategy is disingenuous when there are key habitats for native species that are not actively protected through the Plan eg. Expansion of Williamstown DAREZ zone into remnant coastal koala habitats, and the recent approval of sand mining in this same area. *There is no evidence that biodiversity offset mechanisms protect native forest communities and native species from extinction. The Plan should support development away from all remnant bushland and habitats, and focus on urban core.*

2.4 Protect rural amenity outside urban areas

- No comment

2.5 Improve resilience to natural hazards and climate change

- It is disturbing that the Plan takes a passive stance in relation to natural hazards and climate change when more decisive action could and should be supported. *The Plan should actively address climate change and other significant issues such as waste management in terms of economic investment and potential growth.*

3. Deliver housing close to jobs and services

3.1 Prioritise the delivery of housing supply

- The Plan identifies a target of between 50 and 75 people per hectare in catalyst areas and urban renewal corridors. This would be welcome but does not align with current practice in Newcastle City Council where rezoning in some neighbourhoods (not catalyst areas or urban renewal corridors) allow between four and five times this number (PP_2016_NEWCA_010_00). *There has been little to indicate that local Council or the State Government are serious about addressing alignment of planning or development approvals and this should be addressed in the Plan.*

3.2 Unlock supply in priority housing release areas and strategic centres

- Early indicators such as crime rates suggest inequality and attendant problems are on the increase in Newcastle. *There has been little to indicate that local Council or the State Government are serious about addressing issues of inequality and this should be addressed in the implementation of the Plan.*
- There is no evidence that biodiversity offset mechanisms protect native forest communities and habitat nor protect species from extinction. *The emphasis in the Plan should be toward urban housing stock and infill and no further incursions into 'new housing release' into native bushland.*

3.3 Prepare local housing strategies

- *The Plan should actively promote renewable energy and sustainable building codes.*

3.4 Deliver well-planned rural residential housing areas

- Rural residential is a high-intensity use of land for a low-yield in housing stock and generally leads to increased car travel and poor access to shops, facilities and public transport. It also sees incursions into native bushland, which is under extreme pressure in the lower Hunter. *The emphasis in the Plan should be toward urban housing stock and infill.*

4. Improve connections to jobs, services and recreation

4.1 Integrated land use and transport planning

- The delivery of better public transport, unobstructed, well-connected pedestrian paths and a network of off-road separated cycleways to key destinations would be welcomed. It is difficult to see how this can be achieved with the current light rail location. *An integrated transport plan based on robust community consultation and a sound business case is urgently required.*

4.2 Create higher speed connections to Sydney to encourage new employment opportunities

- This should be a priority and would be an ideal federal infrastructure project. *The Plan should support infrastructure investment first and iterative change and development in terms of employment and housing.*

4.3 Protect major freight corridors

- Major freight and transport corridors should be protected. Container terminals at Port Kembla and at the Port of Newcastle would be able to operate interchangeably and service the north and south of the State and create sustainable and essential jobs growth. *A major container terminal at the Port of Newcastle should be established to*

service all of northern NSW. Relatedly, the construction of freight rail that bypasses Sydney and services container shipping at Port Kembla and the Port of Newcastle should be supported. This would allow all container trucks to be removed from Sydney roads, and allow all of Sydney's current freight rail capacity to be used for passenger services.

4.4 Prepare for technology enhanced mobility changes that improve connectivity

- Given the report's acknowledgement of the need to prepare for technology enhanced mobility changes it is difficult to explain the expenditure on the light rail in the current location. *An integrated transport plan based on robust community consultation and a sound business case is urgently required.*

Open Newcastle Incorporated
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