

Thursday, 2 June 2016

The Hon. Andrew Constance MP
Minister for Transport & Infrastructure
52 Martin Place
SYDNEY NSW 2000

Dear Minister,

Re: Newcastle Light Rail Review of Environmental Factors (REF)

I am delighted to submit for your consideration, the Property Council of Australia's policy response and recommendations to the NSW Government's Newcastle Light Rail REF Report.

As you know, we have been actively engaged with the policy development process and the office of the Minister for Transport since the project was first announced in the 2013 NSW State Budget. That engagement has included;

- ✓ Establishing the Transforming Newcastle Taskforce
- ✓ Commissioning Independent Research
- ✓ Undertaking International Study Tours
- ✓ Preparing Ministerial Briefing Papers
- ✓ Developing Policy Submissions
- ✓ Supporting the Transport Administration Amendment Bill 2015
- ✓ iNSW Investor Assurance Review
- ✓ Leading Broad Industry Consultation
- ✓ Executing Community Awareness Campaigns
- ✓ Hosting Major Industry Events

OUR COMMITMENT

The Property Council of Australia acknowledges the infrastructure delivery period will hold challenges and will inevitably lead to some disruption of commerce and inconvenience.

You have my commitment that we will continue working cooperatively with the NSW Government and local community to highlight the merits of the Newcastle Light Rail Project, including the long term improvements to liveability and urban mobility.

SUMMARY OF KEY RECOMMENDATIONS

Above all else, the integration of light rail infrastructure within the cityscape must support urban transformation objectives and not constrain economic development.

Establish a Memorandum of Understanding (MOU) between Transport for NSW, UrbanGrowth NSW and Newcastle City Council to define how the parties will work together to develop policy options for active transport, car parking and urban amenity.

Supporting the MOU with a “*deep dive*” Community Engagement Program for consultation on those options.

Stage 1 of the Newcastle Light Rail Project should travel east from the new Newcastle Interchange to Pacific Park along the entire length of Hunter Street

The entire length of track in Stage 1 of the Newcastle Light Rail Project should be embedded and installed level with the surrounding surface, complimented by appropriate landscaping that promotes quality urban amenity.

Separated running is the superior operating model because it;

- Promotes service reliability, journey times and operational speeds
- Eliminates the risk of collisions

Park and ride facilities need to be provided on the City Centre fringes.

A pricing strategy for car parking in the City Centre is required as a critical lever for managing demand.

Transform the heavy rail corridor into an East-West City Centre Cycle Transitway.

At the nexus of Hunter and Darby Streets, establish a new public plaza (Darby Common) as a place of relief and meeting for cyclist commuters and joyriders alike.

Establish active transport infrastructure at Darby Common by developing a low-rise building with retail, hospitality, changing rooms, secure bike storage and a bike sharing station.

Find an alternative to the proposed site for the light rail maintenance facility – preferably westward of the new Newcastle Interchange.

Establish a governance framework that assures a high level of engagement between the Integrated Services Operator and Managing Contractor to optimise network operations.

Give planning priority to Corridor A – Wickham to Broadmeadow and Corridor D – Wickham to Mayfield for network extensions to be completed before 2020

Please be assured of the Property Council of Australia's unequivocal and unwavering support for the NSW Government's vision of Newcastle as Australia's first regional city of the Asia-Pacific.

I would be delighted to meet with yourself or your staff at any time to discuss these policy recommendations in detail.

Yours sincerely,



ANDREW FLETCHER

NSW Regional Director - Hunter

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cc: The Hon. Mike Baird MP, Premier of NSW
The Hon. Rob Stokes MP, Minister for Planning
Mr. Scot MacDonald MLC, Parliamentary Secretary for the Hunter
Mr. Tim Crakanthorp MP, Member for Newcastle
Councillor Nuatali Nelmes, Lord Mayor, City of Newcastle
Ms. Anna Zycki, Newcastle Coordinator-General, Transport for NSW
Mr. Michael Cassel, Newcastle Program Director, UrbanGrowth NSW
Mr. Tim Robertson, Senior Adviser to the Premier of NSW

Submission to the NSW Government

Newcastle Light Rail

Review of Environmental Factors

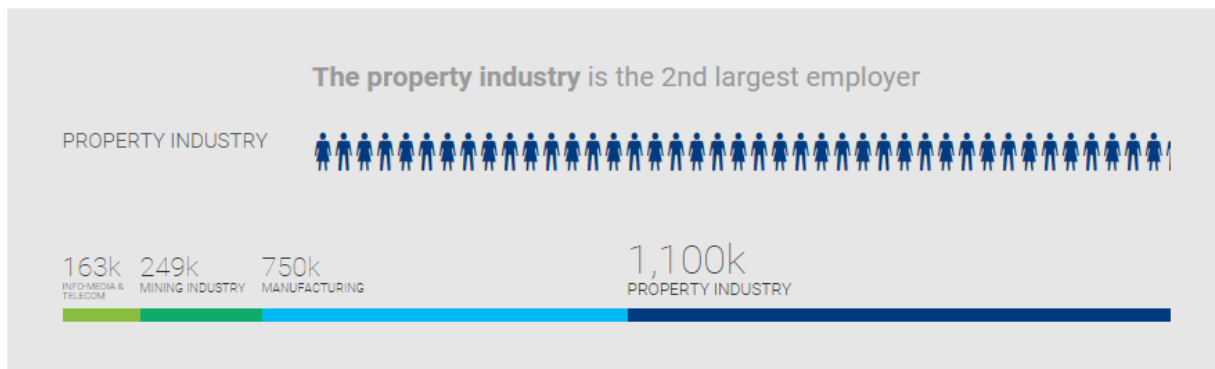
27 May 2016

WHO WE ARE

AUSTRALIA'S BIGGEST INDUSTRY



BIG JOB CREATOR



The Property Council of Australia is the leading advocate for Australia's biggest industry – property.

The Property Council champions the interests of more than 2200 member companies that represent the full spectrum of the industry, including those who invest, own, manage and develop in all sectors of property. Creating landmark projects and environments where people live, work, shop and play is core business for our members.

Our industry represents one ninth of Australia's GDP (the largest of any sector), employs 1.1 million Australians (more than mining and manufacturing combined) and generates \$72 billion in tax revenues to fund community services.

REGIONAL IMPACT

The Hunter is the seventh largest urban area in Australia and has the fastest growing population in NSW outside the Sydney Basin.

Between 2006 and 2013, the Hunter recorded the State's highest annual compound Gross Regional Product (GRP) growth rate (6.6% compared with 5.5% for the whole of NSW) and is Australia's largest regional economy.

By 2036, the Hunter will be a \$65 billion economy and home to an additional 117,850 people.

The property industry contributes \$3.6 billion to economic growth, pays \$1.4 billion in wages and generates 23,190 jobs in the Hunter.

Led by a powerful cohort of local professionals and backed by the strength of the NSW Division, the Property Council's Hunter Chapter is responsible for the most comprehensive industry submissions to Government on regional policy settings and hosts regional NSW's premier business networking events.

In 2015-16 our two key policy priorities are finding the best development solution for revitalising Newcastle's city centre and unlocking residential housing supply on the urban fringes to maintain the Hunter's current growth trajectory.

HOW WE DEVELOP POLICY

Following release of the Newcastle Urban Renewal Strategy (NURS) in December 2012, we immediately established the *Transforming Newcastle Taskforce* - a local industry brains trust - to advise government on the city centre's revitalisation.

The Taskforce has been resourced to commission independent research and consult widely with business and community leaders on strategic priorities for the City.

Over the past three years, the Taskforce has made comprehensive submissions to the NSW Government built on the intellectual capital and extensive experience of our membership. Each submission is validated by independent research and grounded in truth by the key market insights of our members. The Taskforce has made submissions on various policy proposals including;

- 2012 Newcastle Urban Renewal Strategy
- 2013 Newcastle Light Rail Project
- 2015 Mine Subsidence Remediation Fund
- 2015 Draft Plan for Growing Hunter City

Where appropriate, those submissions have been supported by an integrated marketing campaign plan to raise community awareness of the benefits of these new policy settings.

Additionally, we conduct regular briefings with senior public sector executives, elected representatives and relevant Ministers to share our latest market intelligence.

Led by Hunter Chair Edward Crawford and coordinated by NSW Regional Director Andrew Fletcher, Taskforce members are appointed to provide expert advice and guidance to distinct Government submissions based on relevant skills and experiences.

TRANSFORMING NEWCASTLE TASKFORCE



*Edward
Crawford*

DIRECTOR

Organisation
Crawford Robinson
Speciality Role
Investment

**CRAWFORD
ROBINSON**



*Richard
Anderson*

GENERAL MANAGER

Organisation
Stonach Property
Speciality Role
Residential

STRONACH



*Peter
Macadam*

DIRECTOR

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Colliers International
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Commercial

**Colliers
INTERNATIONAL**



Mark Hocking

NEWCASTLE MANAGER

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RLB Rider
Levett
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Angus Rose

SENIOR ASSOCIATE

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Glen Spicer

DIRECTOR

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Urban Design

EJE architecture



Monica Gibson

REGIONAL DIRECTOR

Organisation
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Speciality Role
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**CITY
PLAN
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*Neil
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DIRECTOR

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NORTHROP



Paul Muir

PROJECT DIRECTOR

Organisation
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Speciality Role
Environment

coffey



Murray Evans

PARTNER

Organisation
PwC
Speciality Role
Finance

pwc



Andrew Fletcher

NSW REGIONAL DIRECTOR

Organisation
Property Council
Speciality Role
Advocacy

**PROPERTY
COUNCIL
of Australia**

WORLD'S BEST PRACTICE

The Property Council has invested significant resources to experience world leading multi-modal transport networks in North America, France, the Gold Coast and Melbourne.

The Taskforce analysed each network according to;

- Design
- Financing
- Delivery
- Engagement

And central importance was given to meeting with and learning first-hand from the community leaders, city officials and private developers that made those transport projects happen.

In developing this submission, the lessons and experiences of world's best practice have been complimented by independent research, design workshops and broad consultation.



BROAD CONSULTATION

In April 2016, the Taskforce convened the Newcastle Light Rail Summit to bring together regional industry bodies and professional associations – as well as the major investors, property owners and developers in the city centre.

While some points of difference remained at the summit's conclusion, participants found consensus on the vast majority of policy settings and design elements associated with the Newcastle Light Rail Project:

- Strong support for the establishment of the Newcastle Coordination Office.
- Strong support for the establishment of the Newcastle Coordinator-General role.
- Fast-tracking development of park and ride facilities on the City Centre fringes that promote interchange and multi-modal integration.
- Fast-tracking a planning proposal to transform the old heavy rail corridor into an active transport link and repurpose as a Cycle Transitway.
- Fast-tracking deployment of resources to begin planning for network expansion to Broadmeadow and Callaghan.
- Establishing Darby Common as another North-South connection and showcase of bicycle urbanism; a public plaza and low-rise building with change facilities, secure bike storage and a bike sharing station.
- Creating a Memorandum of Understanding (MOU) between Transport for NSW, UrbanGrowth NSW and Newcastle City Council to define how the parties will work together to develop policy options for active transport, car parking and urban amenity.
- Supporting the MOU with a **“deep dive”** Community Engagement Program for consultation on those options.

WHAT WE BELIEVE

For more than a decade, the Property Council of Australia has believed in a core set of advocacy priorities for Newcastle:

1. Targeting distinct precincts as the building blocks for revitalising the city centre;
2. Reconnecting the city back to its waterfront; and
3. Connecting it all with an integrated transport network.

In December 2012, these strategic priorities were announced as NSW Government policy with release of the Newcastle Urban Renewal Strategy (NURS), including;

- ✓ A world-class multi-modal transport interchange at Wickham
- ✓ Light rail from the Wickham Interchange to Newcastle Beach
- ✓ Activation of Hunter and Scott Streets linked to light rail
- ✓ Increasing the supply of new housing
- ✓ Additional public domain enhancements

CITY VISION

We believe in the NSW Government's vision of Newcastle as Australia's first regional city of the Asia-Pacific.



A vision for Newcastle and the region

Regional capital and longer term 'first regional city of the Asia-pacific'



SOURCE: UrbanGrowth NSW Community Engagement Forum

TRANSFORMATION OBJECTIVES

We believe in the NSW Governments objectives for the Newcastle Urban Transformation and Transport Program (NUTTP) and their alignment to Council's 2030 Community Strategic Plan.



SOURCE: UrbanGrowth NSW Community Engagement Forum

To achieve the transformation objective of creating great places linked to new transport, Newcastle needs a multi-modal network which offers the opportunity for mass transit.

PROGRAM IMPROVEMENT

We believe the NUTTP can be improved by adopting the recommendations that follow, identified through industry research, stakeholder consultation and policy development.

Above all else, the integration of light rail infrastructure within the cityscape must support urban transformation objectives and not constrain economic development.

LIGHT RAIL ALIGNMENT

Industry policy remains that Stage 1 of the Newcastle Light Rail Project should travel east from the new Newcastle Interchange to Pacific Park along the entire length of Hunter Street, to **maximise**;

- **Public safety** and operational efficiency.
- **Urban renewal** along the dominant axis of the city.
- **Door-to-door journeys** by delivering people directly to their destinations.
- **Commercial feasibility** of West End transit oriented development.
- **Multi-modal integration.**

Industry policy remains that using the existing heavy rail corridor for the light rail alignment between Worth Place and the new Newcastle Interchange is a mistake because it;

- Represents **marginal** change to the West End's urban design.
- **Impedes** the Government's strategic priority for establishing the West End as Newcastle's new Central Business District.
- **Hinders** future network extension towards Broadmeadow.
- Results in **poor** land use outcomes.

LIGHT RAIL TRACKS

During the broad consultation undertaken by the Taskforce, vehement opposition was encountered to proposals for track layout and materials that resulted in;

1. A raised kerb to support segregated running in Hunter Street
2. A ballast solution for the setting of light rail tracks within the former rail corridor

The taskforce found these proposals would;

- **Fail** the driving ambition for a more connected city by creating barriers to permeability.
- **Fail** the transformation objective to grow new jobs by constraining urban renewal opportunities.

The entire length of track in Stage 1 of the Newcastle Light Rail Project should be embedded and installed level with the surrounding surface, complimented by appropriate landscaping that promotes quality urban amenity.



LIGHT RAIL SEGREGATION

Industry policy is to support separated running as the superior operating model because it;

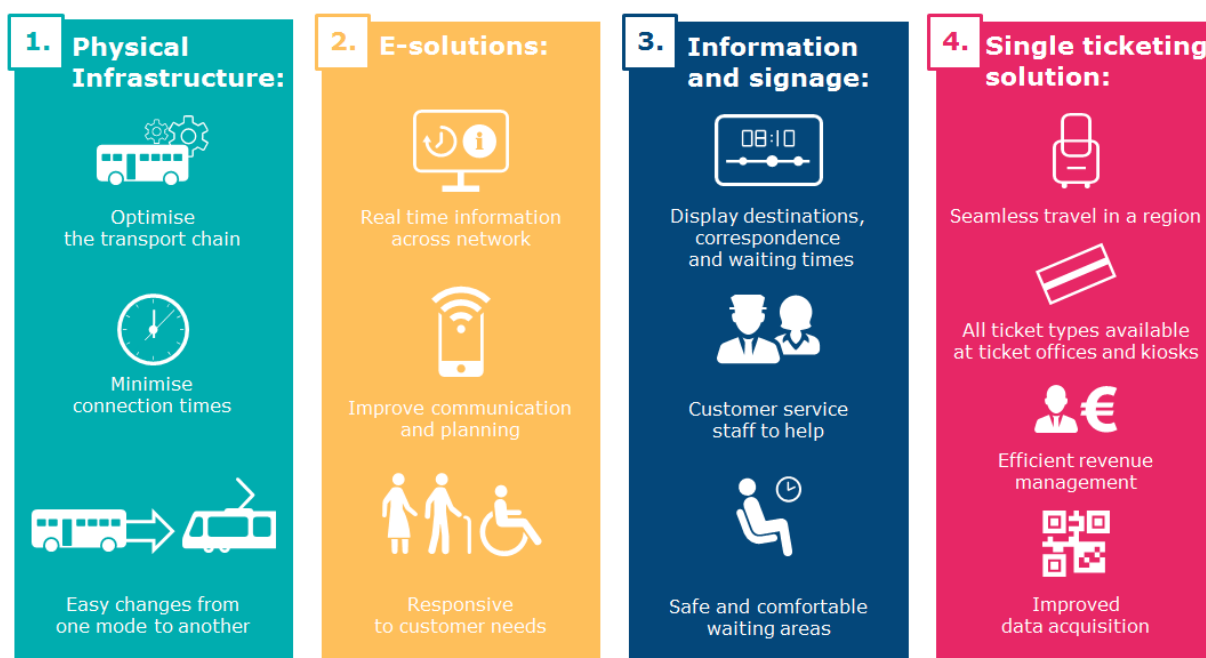
- **Makes light rail the first transport choice** by promoting service reliability, journey times and operational speeds
- **Eliminates the risk of collisions** between trams and road vehicles to deliver optimal safety outcomes.

CAR PARKING

Given the Hunter Street alignment will lead to a loss of vehicular lanes and car parking, the REF must have a strong focus on interchange and multi-modal integration.

The four pillars of multimodality

A successful multimodal system maximises these four elements



Incentives will be required to support the 2012 Newcastle Urban Renewal Strategy's (NURS) guiding principle to "prioritise a range of transport modes to reduce private vehicle use".

The REF should propose methods to reduce car based travel or risk rising traffic congestion and declining productivity.

Park and ride facilities need to be provided on the City Centre fringes.

A pricing strategy for car parking in the City Centre is required as a critical lever for managing demand.

ACTIVE TRANSPORT LINKS AND INFRASTRUCTURE

If the light rail alignment means that Newcastle City Council's ambition of dedicated cycle lanes in Hunter Street can no longer be delivered, the industry policy solution for active transport links and infrastructure becomes a City Centre imperative.

Preserve the heavy rail corridor as an East-West link across the City Centre and repurpose as a Cycle Transitway



West of Civic Square, opportunities exist to amalgamate sites for mixed use development and maintain up to 12 metres width of segregated road and landscaped cycleways for a safe and rapid bike commute.

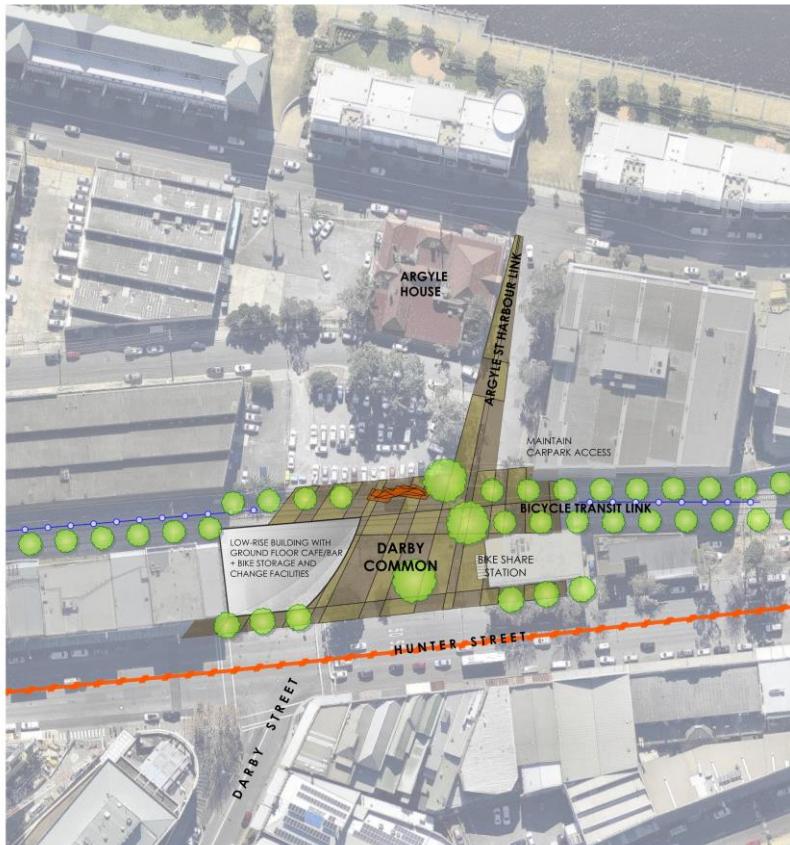
The Cycle Transitway has the potential to become a captivating urban environment that supports enhanced connections and access to and within the City Centre.

At the nexus of Hunter and Darby Streets, establish a new public plaza (Darby Common) as a place of relief and meeting for cyclist commuters and joyriders alike - with views and access to the harbour.

The Taskforce rejects UrbanGrowth NSW's proposal to market this land as a developable site. Not only is the site's feasibility marginal, it would sacrifice the opportunity for another physical and visual connection between the city and the waterfront.

Establish active transport infrastructure at Darby Common by developing a low-rise building with retail, hospitality, changing rooms, secure bike storage and a bike sharing station.

DARBY COMMON



LIGHT RAIL MAINTENANCE FACILITY

The current proposal, to locate a bulky industrial structure to the north of the old Wickham Train Station, will have the following impacts;

- **Sterilize** a large tract of prime, harbourfront land
- **Degrade** the visual amenity of the Cottage Creek Precinct
- Embed **sub-optimal** operational arrangements into the project design
- **Add capital cost** to future network expansion
- **Gift political opponents** of the Baird Government's vision for Newcastle with a stream of media opportunities that will last for years

Transport for NSW needs to find an alternative to the proposed site for the light rail maintenance facility – preferably westward of the new Newcastle Interchange.

LIGHT RAIL NETWORK OPERATION

The Taskforce has identified a range of deficiencies in the technical papers which give rise to operational concerns, including;

- Minimum service headways which are below international benchmarks, resulting in **less incentive to reduce car based travel**
- Not enough light rail stops along the route, resulting in **lost opportunities for ridership**
- Failure to provide Opal Card top-up machines at each light rail stop, resulting in **inconvenience to passengers and increased likelihood of fare evasion**
- No allowance for special event transport movements, resulting in **constraints on community events**

Transport for NSW needs to establish a governance framework that assures a high level of engagement between the Integrated Services Operator and Managing Contractor to optimise network operations.

LIGHT RAIL NETWORK EXTENSIONS

Industry policy supports light rail extensions as a pre-condition of network sustainability.

Give planning priority to Corridor A – Wickham to Broadmeadow and Corridor D – Wickham to Mayfield for network extensions to be completed before 2020.

CONCLUSION

Please be assured of the Property Council of Australia's unequivocal and unwavering support for the NSW Government's vision of Newcastle as Australia's first regional city of the Asia-Pacific.

We understand the delivery of light rail infrastructure will result in the loss of kerbside parking and some mature, ornamental trees from the corridor. It will also impact the street presentation of some businesses and the potential to offer alfresco dining. Moreover, the infrastructure delivery period will inevitably lead to some disruption of commerce and inconvenience.

The Property Council of Australia acknowledges these challenges and commits to working cooperatively with the NSW Government and local community to highlight the Newcastle Light Rail Project merits, including the long term improvements to liveability and urban mobility.



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