



Australia's property industry

Creating for Generations

15 March 2020

Chief Executive Officer
City of Newcastle
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Dear Mr Bath

Draft Local Strategic Planning Statement

The Property Council of Australia welcomes the opportunity to provide comments on City of Newcastle's Draft Local Strategic Planning Statement.

The Property Council champions the interest 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.

Property is the nation's biggest industry – representing one-ninth of Australia's GDP and employing more than 1.1 million Australians. Our members are the nation's major investors, owners, managers and developers of properties of all asset classes. The property industry shapes the future of our cities and has a deep long-term interest in seeing them prosper as productive and sustainable places.

The property industry contributes \$3.4 billion to economic growth, pays \$1.48 billion in wages and generates 23,287 jobs in the Hunter.

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Background

We acknowledge that the Local Strategic Planning Statement (LSPS) is City of Newcastle's (CN) response as to how it intends to direct land use planning over the next 20 years. This is intended to complement the State Government's strategic direction for the region as outlined in the Hunter Regional Plan 2036 and the Greater Newcastle Metropolitan Plan 2036.

The Property Council acknowledges the CN's intent and direction in identifying 16 Planning Priorities aimed at achieving a solid land use planning vision which should inform decisions on any changes to the planning rules in Newcastle Local Environmental Plan 2012 (LEP) and the Development Control Plan 2012 (DCP).

City of Newcastle – draft Local Strategic Planning Statement

This LSPS is proposed to be Council's local response to State-set directions and, once finalised, will become the preeminent document for Council in relation to decisions that affect land use and development throughout the LGA. It will sit alongside Council's LEP, making it a material consideration in rezonings, for example. It also plays a role in assisting with prioritisation of the various initiatives Council undertakes through its work program.

As such, we would expect it to consolidate the directions set out in the Hunter Regional Plan 2036, Greater Newcastle Metropolitan Plan 2036, and Council's local planning framework. Council has referred to several of its own long-term plans and strategies, throughout the LSPS. There is no obvious reference to CN's Local Planning Strategy, and several elements of this are missing (described below). We would like to see the relevant elements of CN's Local Planning Strategy reflected in the final document.

We would further encourage CN to assign timeframes or service delivery teams/programs to all of the actions outlined. This would offer those looking to invest in the LGA a higher degree of certainty that improvements to controls and processes will be undertaken in a timely manner. A more tangible implementation plan that is publicly available would assist transparency in this regard.

Delivering areas of change

The 'Areas for Change' section has potential to be re-named to 'catalyst areas' or expanded to talk about all the areas of change, as described below.

The GNMP also identifies several urban renewal corridors and directs Council to review the planning controls within these in stages:

- 'Stage 1' includes Mayfield, Islington, Hamilton, Broadmeadow, and Adamstown renewal corridors. There are already guidelines in Council's DCP that are intended to create more density. These were originally established in 2012 and amended in 2017. They should be reviewed as a priority again in light of recent decisions and should be supported with public domain plans to start directing public investment in these areas - noting private investment will follow.
- 'Stage 2' corridors – there are three of these, that Council has been directed to investigate and, where relevant, identify mechanisms to encourage greater densities. These are indicated on the attached map, and include areas around Waratah, New Lambton, and The Junction. These are already popular areas, so should be investigated sooner rather than later to ensure change occurs in a coordinated and positive manner.

As Council's local response to State-set directions, this section also needs to describe the areas of change that are a local priority. These are already in Council's Local Planning Strategy, including a whole series of 'Major Centres' which Council either intends to grow, or grow around. These are indicated on the attached map and include centres outside the Catalyst Areas and Renewal Corridors, such as Jesmond, Wallsend, Cooks Hill, Stockton, Minmi, and Fletcher.

CN also has a productive area of greenfield development on its western frontage, which spills over into Lake Macquarie. More work could be done jointly with Lake Macquarie City Council to create a seamless series of communities there.

Strategic planning for Areas of change as per the priority catalyst areas within the Newcastle Metropolitan Plan 2036 should be a priority within the LSPS and the order of priority should be considered as follows:

1. Broadmeadow
2. Kotara
3. Callaghan
4. John Hunter Health Precinct
5. Others

The justification for this is that land within Callaghan and JHH are almost entirely controlled by single institutions or a handful of occupiers that can readily collaborate with each other and Government. Change within Broadmeadow and Kotara is more reliant on government resources to establish a planned course of action for a much higher volume (and diversity) of private investors to work towards.

The Property Council has significant concern regarding the second principle under Planning Priority 8, which states that Proposals to rezone land holdings within a Catalyst Area will need to undertake holistic strategic planning of the whole Catalyst Area or limiting this principle to specific Catalyst Areas. If applied to Catalyst Areas where substantial planning has already occurred (e.g. Newcastle City Centre), or is controlled by government/institutional uses (e.g. Callaghan), this principle would require individual landowners to undertake holistic strategic planning to an unreasonable scale, given the size, significance, and context of these areas. The cost of technical studies that would be required to undertake this level of planning would be prohibitive to the extent that any re-development potential would be unviable. In short, it would sterilise growth in most Catalyst Areas until Council (or the State Government) finalise long-term plans, which will take years.

Council either needs to specify which Catalyst Areas this would apply to or identify an interim policy that describes the locations and circumstances where rezonings would be considered.

Leading the charge

A collaborative approach is required for these areas with CN to take the lead. Strategic planning could be informed through GIS data gathering and enquiry by design workshops which can then inform changes to the LEP and DCP.

Other Planning Priorities should centre on initiatives, led by CN, in the identified Urban Renewal Corridor Stage 1 area first. Planning Priorities should be practical and fill gaps in policy if state legislation is silent. Biodiversity and waste management are heavily governed by existing legislation and hence duplication should be avoided. The Action 5.4 to Investigate development of a local biodiversity off-setting policy is an action that should be removed. Focus could instead be on the identification of strategic environmental corridors, consistent with existing state plans, for conservation perpetuity. Current actions seem to be an over reliance upon amendments to the LEP and DCP.

Funding of future investigations

It is recognised that Strategic Planning, if based upon a CN led approach, on the priority catalyst areas and the Urban Renewal Corridor Stage 1 areas is more likely to attract external funding as well.

Transcending boundaries

CN is the centre of a metropolitan area. It needs to establish a clear priority to work in collaboration with its adjoining LGAs to create a seamless environment for regional investment. This is particularly relevant:

- At Beresfield-Black Hill, which is a GNMP Catalyst area at the convergence of CN, Maitland, and Cessnock's LGA boundaries.
- In the Western Growth corridor it shares with LMCC.
- Along the Stockton Peninsula up to Fern Bay, with Port Stephens Council.

Specific Actions – A People-Oriented city

Planning Priority 8 – Plan for growth and change in Catalyst Areas, Strategic Centres and Urban Renewal Corridors

Action 8.1 – Supported.

Action 8.2 – The Property Council acknowledges CN will review the planning controls for the Newcastle City Centre contained in the Newcastle LEP. Further comments on specific proposals will be made when any new planning controls are placed on exhibition.

Action 8.3 – The Property Council acknowledges CN will review the Newcastle DCP provisions for each Urban Renewal Corridor. Further comments in respect of any amendments will be made when any new provisions are placed on exhibition.

Action 8.4 – Supported.

Planning Priority 9 – Create inclusive streets and spaces in our neighbourhoods and local centres

Action 9.1 - The Property Council acknowledges CN will review planning controls for local centres. Specific comments will be provided in respect of any changes to planning controls when they are finalised and released for comment.

Action 9.2 – Supported.

Action 9.3 – Supported.

Planning Priority 10 – Development responds to the desired local character of our communities

Action 10.1 – This action is supported in principle; however the implementation of local character provisions should not become the basis for a reduction in current development potential of a location or restrictive planning controls.

Action 10.2 – See above.

Action 10.3 – The Property Council notes CN is looking to extend the application of SEPP 65 to boarding house and serviced apartment developments. We do not oppose efforts to ensure that these types of development exhibit a high standard of architectural design and provide good internal amenity. However, directly applying the requirements of SEPP 65 and the Apartment Design Guide to these developments should be avoided.

Planning Priority 11 – Protect and celebrate our heritage

Action 11.1 – Supported.

Action 11.2 – Supported.

Action 11.3 - Supported.

Planning Priority 12 – Sustainable, accessible and inclusive housing

Action 12.1 – The Property Council supports CN finalising its Housing Strategy and its implementation. We welcome the opportunity to provide comments on the draft strategy at the appropriate time.

Action 12.2 – The Property Council supports implementation of short-term actions in Council's Affordable Living Plan.

Conclusion

The Property Council and our members are grateful for the opportunity to provide feedback to the City of Newcastle on its draft Local Strategic Planning Statement.

We would welcome any further discussion and future engagement regarding this document.

Should you have any questions, please do not hesitate to contact me on 0439 253 710 or ahugo@propertycouncil.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anita Hugo'.

Anita Hugo
Regional Director Hunter
Property Council of Australia