

MINISTER FOR PLANNING
AND
MINISTER FOR HOUSING

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15 MAR 1993

Mr David Le Marchant
Chairman
Honeysuckle Development Corporation
Level 2
251 Wharf Road
NEWCASTLE NSW 2300

Dear Mr Le Marchant

I reply to your letter of 10 March 1993, I wish to convey to you, and the Honeysuckle Board, my full endorsement of the "Scheme" and business plan which you sent me, as required under Section 14 of the Growth Centres (Development Corporations) Act 1974. I now instruct the Honeysuckle Development Corporation under Section 17 of the Act, to implement the "Scheme".

I would also like you to pass on my congratulations to the other Board members and the Property Services Group team in Newcastle, for their efforts to date and in recently winning a national planning award from the Royal Australian Planning Institute.

My best wishes for the future.

Yours sincerely

Robert Webster, MLC
Minister for Planning
and Minister for Housing



THE NEW SOUTH WALES GOVERNMENT
Putting people first by managing better



HONEYSUCKLE
NEWCASTLE

"The Scheme"

March 1993

1.0 PREFACE

The Honeysuckle Development Corporation (HDC) operates under legislation provided by the Growth Centres (Development Corporations) Act 1974. Under Section 14 of the Act the HDC Board is required to present to the Minister a "Scheme" to be implemented. Once approved, Section 17 of the Act requires the Development Corporation to "cause the scheme to be implemented by the exercise of its powers under this Act".

The approved Scheme will be the basis for Steering the on-going implementation of the project and provides direction for the HDC annual Business Planning. Under the Annual Reports (Statutory Bodies) Act 1974, the HDC is also required to provide an Annual Report to the Minister. This will include a report on the progress made in implementing the "Scheme".

The proposed Scheme which follows is the culmination of extensive research and planning undertaken by the Property Services Group (PSG) over the last two years, with direction provided by the Honeysuckle Board, in co-ordination with Newcastle City Council.

The attached Scheme is the basis from which annual business plans will be formulated and sets the direction for the HDC to implement the Project.

A Business Plan will be provided to the Minister at least on an annual basis to set out the specific implementation strategies, funding, works programs and specific outcomes to achieve the successful implementation of the Scheme.

The HDC will use the PSG as Development Managers to implement the agreed Scheme and annual programs.

2.0 INTRODUCTION

- The Honeysuckle Project presents an unparalleled opportunity to revitalise Newcastle's CBD and to underpin the economic restructuring of the local economy which could bring State wide economic benefits. The scheme is the culmination of six years of Local and State Government investigation and planning and is strongly supported by the local community and business.
- Honeysuckle is a project with significant social, economic, physical, environmental and financial impacts for the local community, Region and State. Its planning, management, financing and benefits are considered to be a shared responsibility and a partnership between all levels of government, private sector investors and the local community.
- Over a period of two years the Property Services Group on behalf of the Honeysuckle Board and in conjunction with business, community, local Council and other Government Departments, has co-ordinated the development of a concept landuse plan for the redevelopment of 45 hectares of surplus Government land adjacent to Newcastle's CBD and Harbour.
- A Concept Masterplan has been formulated to provide a flexible framework to ensure the planned and staged release of surplus Government land, and the success of the Project. The Concept Masterplan will need to be reviewed and updated as the project progresses and as such should not be considered to be "fixed" as part of the "Scheme".
- Broadly, the proposed mix of landuses on Honeysuckle could include: entertainment and cultural areas, hotel with a convention centre, commercial office, specialty retailing, markets, restaurants, fisherman's wharf, cultural community, medium and high density residential accommodation, marina, public squares, open spaces, promenade areas and passive and active recreation areas.
- Honeysuckle is the most important element in a City wide strategy to reverse the decline of Newcastle's CBD. It will be the catalyst for wider changes in the City's economic base.
- The Government will be required to contribute infrastructure in the first few years, in order to encourage private sector participation and risk taking associated with developing commercial opportunities.

- The Honeysuckle Project is an important opportunity in a local and State context which will enable the government to demonstrate to the private sector and the community its commitment and initiative in addressing the following issues:
 - inner city urban consolidation
 - innovative design and mix of residential, employment and recreational areas
 - recycling of surplus and underutilised government land and heritage buildings in an inner city area
 - long-term commitment to a major regional city to assist with its rejuvenation and ensure its future growth and vitality, and
 - alleviating some of the urban sprawl pressures already affecting the Sydney region

3.0 PROJECT SIGNIFICANCE

The Hunter's economy is important in the State context in terms of its strategic industries, its above average contribution to output and exports, its infrastructure and growth potentials.

Crucial to underpinning the Hunter's economic growth is the revitalisation of Newcastle's CBD. Honeysuckle is the key to this revitalisation - it provides the opportunity and impetus to strengthen the City's tourism, administration, retail, recreation, commercial and cultural functions. Moreover, many indirectly related projects such as the Hunter Ports Authority Basin redevelopment, inner City residential intensification, Williamtown Airport and other facilities, will be made viable through the success of Honeysuckle.

4.0 HONEYSUCKLE DEVELOPMENT CORPORATION

In December 1990 the Honeysuckle Advisory Board (HAB) was announced by the then Minister for State Development. The role of the Honeysuckle Advisory Board was to oversee concept planning of the Honeysuckle Project, ensuring that local, community and business interests were taken into consideration.

In May 1992, the Honeysuckle Development Corporation was formally established under the "Growth Centres (Development Corporations) Act 1974" (As amended 4 May 1992).

5.0 MISSION STATEMENT

The Mission of the Honeysuckle Development Corporation (HDC) is to:

Co-ordinate the redevelopment of surplus Government rail and port related land and, through professional management and community input, create at Honeysuckle a world class project which will act as a catalyst for the revitalisation of Newcastle optimising social, economic and environmental benefits for the community.

6.0 PROJECT PHILOSOPHY

The Honeysuckle Project philosophy is to use the redevelopment of surplus Government land as the catalyst for Newcastle City's economic and social rejuvenation. The Honeysuckle Development Corporation's aims are:

- To optimise returns on the early provision of infrastructure by encouraging private sector risk taking on commercial opportunities to optimise returns to the local community.
- To ensure that in the medium to long term the project become self funding.

The HDC will not be the developer but act as the catalyst and co-ordinate the provision of up-front infrastructure. The planning, management, financing and benefits of the Project are considered to be a shared responsibility and a partnership between all three levels of Government, the private sector and the local community.

7.0 OBJECTIVES

Objectives

The HDC has formulated six key objectives for Honeysuckle Project:

<i>Economic</i>	<i>To act as a catalyst for the economic revitalisation of the City by creating a focus for investment, new business and employment which will have maximum economic benefit to the wider City and the state as a whole.</i>
<i>Social</i>	<i>To bring life into the City by making Honeysuckle a vibrant, people friendly, community place where people will want to live, work and recreate. To improve the quality of life by providing employment, entertainment, cultural and recreational facilities for the people of the region.</i>
<i>Political</i>	<i>To maximise commitment to implement the project by all three levels of Government, and develop strong local community support for Honeysuckle by ensuring the benefits and returns are distributed to all stakeholders.</i>
<i>Environmental</i>	<i>To contribute to the environmental sustainability of urban development both locally and in the wider State context by reducing the demands for urban sprawl in Newcastle and Sydney and ensuring environmentally sensitive planning and design within the project.</i>
<i>Transport</i>	<i>To facilitate the development of a more effective and efficient public transport system which better links the CBD and the suburbs and provides a more comprehensive CBD network for commuters.</i>
<i>Financial</i>	<i>To optimise the long term returns on surplus Government land in a way which maximises the economic and social benefits in the widest sense to the local and regional community.</i>

8.0 THE CONCEPT MASTERPLAN

The HDC in co-ordination with Newcastle City Council has provided the direction, planning objectives, local knowledge and experience which guided the masterplanning process. Management of the masterplanning team was provided by Property Services Group. The current Concept Masterplan represents the co-ordination and development of a comprehensive range of inputs provided by specialist consultants, business, the local community and specific interest groups and Newcastle City Council. It was a collaborative effort and has been well documented with unique community support.

8.1 Masterplan Summary

The current Concept Masterplan (Refer to Attachment A) is based on the understanding that the future of Newcastle as the Regional capital and the success of Honeysuckle are inextricably linked. For Newcastle to reinforce its position as a regional capital and for Honeysuckle to become an economic success the City must:

- reduce escape expenditure and functions
- increase demand for CBD services and facilities
- increase the City's catchment area
- improve and market its visual and lifestyle appeal, and
- encourage Government and private sector service functions back to CBD

Having taken into account the technical, market, financial and planning constraints and opportunities of the site the Concept Masterplan seeks to provide for a combination of uses and an environment which will:

- accommodate new and appropriate functions
- develop niche and specialist commercial functions
- house an increased population
- raise the competitive advantage of the inner suburbs as places to live
- extend the City's workforce and service catchment to include the Central Coast
- improve the physical, social and lifestyle attractiveness of the City
- generate employment and economic wealth
- build on the unique heritage and harbour side location of the City
- encourage both private and public sector investment and
- achieve financial, economic and social benefits

8.2 Key Elements of the Concept Masterplan

The Concept Masterplan is based on current market analysis and provides a flexible framework for ongoing planning. This should not be considered as 'finite' as on-going research and planning will continue to refine the Masterplan as the project progresses. Within the Honeysuckle Site the Plan ultimately provides for:

- housing for between 3,000 to 5,000 people, in 1,500-2,500 dwellings on 20 to 25 hectares of land (50% of the site)
- office and other commercial and mixed use spaces accommodating a workforce of 5,000 to 8,000 people
- public open spaces, landscaped areas covering over 20% of the site
- site for a Marina for recreational and commercial boats
- sites for a quality hotel
- additional retail floor space, including produce markets, convenience stores, restaurants, cultural, entertainment and recreation facilities and specialty retailing
- a continuous foreshore 'promenade' linked to parks and open space integrated with civic and community spaces
- landscaping of the closed 'rail corridor' from Civic to Newcastle Station
- water features linking the City and residential areas to the harbour
- the relocation of Wharf Road and associated road network improvements
- adaptive reuse of heritage buildings, and
- infrastructure to underpin the expansion of the tourism, administration, commercial, culture/leisure, conference and retail industries in the CBD

Off-site, but within the City's CBD, the Honeysuckle could act as a catalyst and generate in the order of 7,000 additional jobs, additional housing for up to 5,000 people and additional CBD community and retail facilities.

The Concept Masterplan, in philosophy/objective and in content is compatible with, and indeed enjoys the support of Newcastle City Council, The Hunter Region Association of Councils, Hunter Economic Development Council and the Regional office of the Department of Planning, Newcastle Chamber of Commerce & Industry and the wider community.

8.3 Planning Principles

Planning will be undertaken within the existing environmental and development control legislation. This will include compliance with the Environmental Planning and Assessment Act 1979 and the Local Government Act, regulations and ordinances.

Planning will also be based on consultative processes where appropriate and have regard to strategies of the Newcastle City Council and wishes of the community generally.

The key planning principles to be considered are:

- Strengthen Newcastle's role as the commercial and tourist focus of the Hunter
- Increase the working population of the CBD
- Improve accessibility to the centre by public and private transport
- Increase recreation/cultural activity in the CBD
- Improve the attractiveness of Newcastle CBD in visual terms
- Increase the residential intensification on Honeysuckle and adjoining areas in the CBD
- Increase waterfront activity in the Harbour and Throsby Basin
- Strengthen the economic linkages of the Newcastle-Sydney-Wollongong conurbation
- Increase public access to the Newcastle waterfront
- Increase the international recognition of the Newcastle environment
- Demonstrate through the development process, an ability of the State Government and Council to organise the planning and subsequent development of a major inner city area
- Draw national and international attention to the importance of Newcastle to Australia's economy and the city's outstanding potential
- Demonstrate a harmonious partnership development by the public and private sectors
- Attainment by Government, through the private sector development of surplus Government sites, the creation of employment, recreation, and other community needs

- Encourage business opportunities as outlined in the Hunter Economic Development Council Strategy
- Provide an alternative location for employment and living to Sydney
- Strengthen the linkages between the Honeysuckle site and the Mall
- Provide links between the CBD and the water
- Improve the image of Newcastle CBD
- Retain and enhance the best of the 19th century built environment, and
- Create a sense of place and community focus

9.0 FOUR YEAR TARGETS

The following targets are based on the project continuing to receive ongoing commitment from the joint State/Federal Governments under the Building Better Cities Agreement. If this level of funding should change, the four year programme will need to be revised.

- Release of land for a mixture of housing to encourage inner City urban consolidation.
- Release of land for the private sector development of a Marina on Newcastle Harbour.
- The restoration of Heritage buildings within the Honeysuckle area, for a mixture of commercial, community and cultural uses.
- Provision of foreshore open space areas, parks and other public spaces.
- Design and construction of Civic Rail/Bus Interchange.
- Construction of a new Cowper Street bridge.
- Clearing parts of the site to provide areas for commercial and community uses on a short term basis, until required for redevelopment by the private sector.

10.0 IMPLEMENTATION OF THE SCHEME

Once the Scheme is approved by the Minister, the role of the Development Corporation is to implement the Scheme. In practical terms this requires the Development Corporation to undertake with the Property Services Group the following:

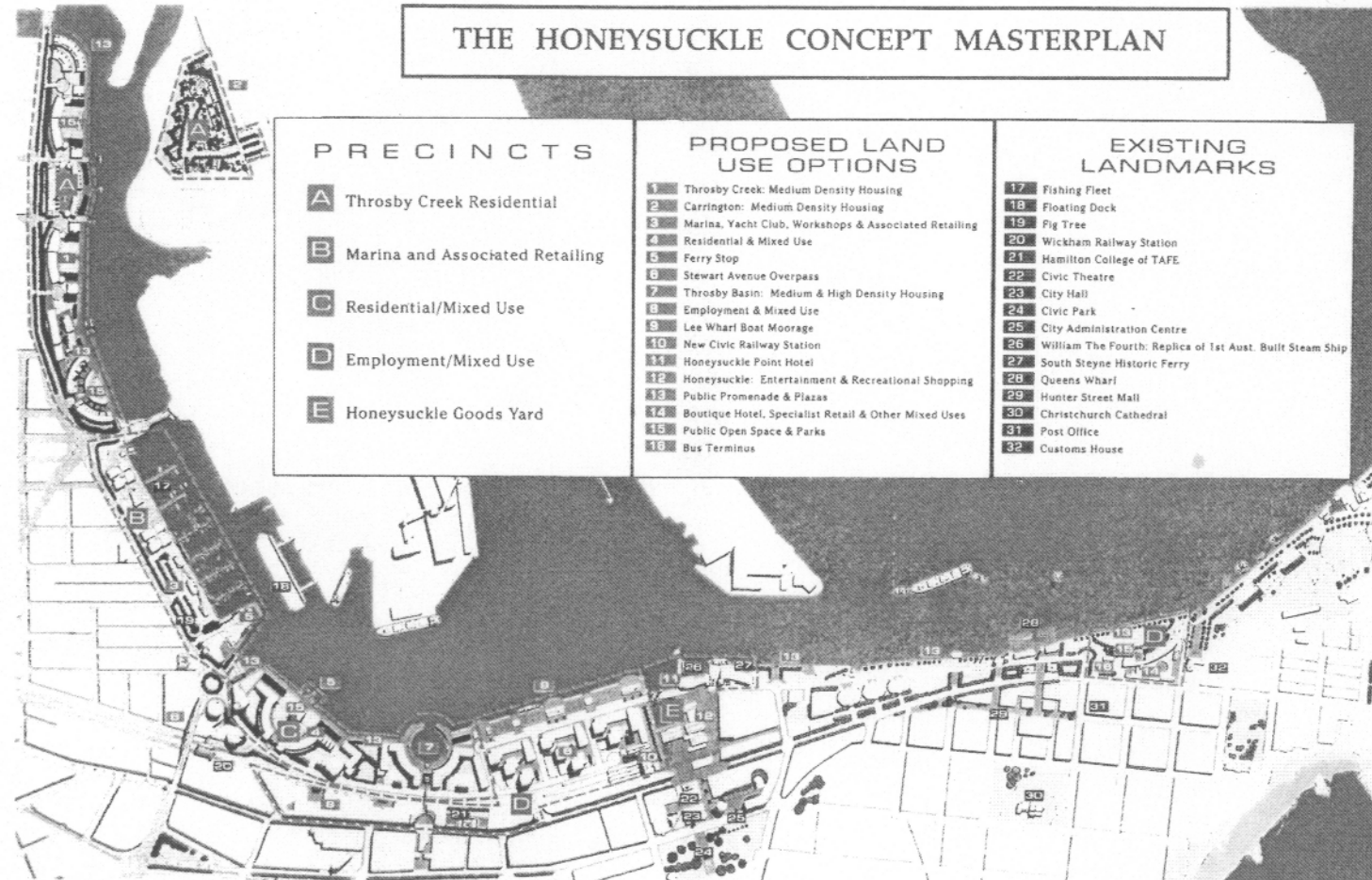
- Establishment of a Management Agreement with the Property Services Group
- Preparation of detailed designs for individual project components which are consistent with the concept design and can be implemented within the established timetable, both of which are set out in the approved scheme
- Preparation of detailed feasibility analyses with respect to the overall project and its individual components
- Prepare and issues requests for tenders, (e.g. for construction works) which clearly state the information to be provided in the tender and which the Development Corporation is seeking with respect to specific elements of the project
- Evaluation of the tenders in a manner which is, and is seen to be, completely independent, objective and in accordance with Government guidelines
- Following contract award, monitoring the progress of work with respect to the established timetable, the budgeted costs and the specified quality
- Consultation with local community representatives and other stakeholders to ensure environmental, social and other factors are appropriately addressed and to facilitate implementation of the approved scheme, and
- Providing regular progress reports to ensure the Minister is appropriately informed of the project's status on a timely basis

ATTACHMENT A

THE CONCEPT MASTERPLAN

AS AT MARCH 1993

THE HONEYSUCKLE CONCEPT MASTERPLAN



SW12strategy/the scheme