

**Submission  
No 375**

**INQUIRY INTO PLANNING PROCESS IN NEWCASTLE  
AND THE BROADER HUNTER REGION**

**Name:** Mrs Margaret Ostinga

**Date received:** 27/10/2014

---

**RE: BIASED PLANNING PROCESS REGARDING THE SPOT REZONING**

the spot rezoning of Newcastle's Mall and East End heritage area to facilitate the development application **Newcastle East End Project DA2014/323**.

**RE: GPT/URBANGROWTH NSW HIGH-RISE DA2014/323**

I wish to raise concerns with the NSW Legislative Council (or Upper House) Inquiry into *Planning Process in Newcastle and the Broader Hunter Region*. Specifically with reference to inadequate community consultation, probity, a lack of transparency and perceived conflict of interests and excessive developer influence on planning decisions surrounding the spot rezoning of Newcastle's Mall and East End heritage area to facilitate the development application **Newcastle East End Project DA2014/323**.

These matters are especially concerning given their proximity to those recently investigated by the Independent Commission Against Corruption (ICAC) during 'Operation Spicer', regarding illegal developer donations at the state government level, specifically relating to

UrbanGrowth/GPT in a public/private partnership lodged DA2014/323. The DA proposed three towers in the historic centre of Newcastle. The heights of the towers breached existing planning laws (Newcastle Urban Renewal Strategy 2012). To accommodate the DA, the Department of Planning passed Amendment 2014 State Environment Planning Policy to increase height limits to 17 floors with further potential to increase heights to 20 floors within the designated development area.

I believe the Minister of Planning has a conflict of interest because in her capacity, the Minister of Planning made and approved the amendments to existing State Environmental Planning Policy and is also the minister to whom UrbanGrowth NSW is accountable. In this case, the Minister is both the developer and the policy maker of planning.

I understand from an article written by Michelle Harris in June 2014 that UrbanGrowth paid \$20 million for assets valued at \$100 million. Why such a small price? It raises all sorts of questions. Were GPT promised the increased height limits as compensation? Were they promised that the rail corridor would become available for development? Ever since GPT bought into this project they have canvassed the position that for their project to be viable the rail needed to be truncated at Wickham. This is a rather surprising position for someone building a residential development where one would have imagined good public transport was essential.

It raises issues of perceived conflict of interest and perceived developer influence.

When the DA was lodged, the community was given four weeks to digest and respond to DA2014/323, and the three towers proposed in the development. An extension was granted for the community to consider the planning policy amendments but there was no community consultation. Nonetheless 265 submissions were lodged with the Department of Planning arguing to retain the existing State Environmental Planning Policy 2012 and objecting to the proposed development. Yet the Department of Planning pushed ahead and passed amendments with little regard to the communities' real and genuine concerns. I recently received a letter from the premier advising me of the enquiry. It was as if he had never read any of my previous submissions.

I am in agreement with the NURS 2012 that suggests high-rise be kept in the West End of Newcastle. I have no idea why, or how, the proponents of the towers changed that strategy and how the height of the towers was determined. I believe there are strong grounds for a Probity Audit, as suggested by the MHR for Lake Macquarie, Greg Piper, into decisions relating to this and other development proposals in Newcastle (including, for example, the decision to route the proposed light rail down Hunter St rather than along the current rail corridor).

The ICAC investigations into the acceptance of illegal developer donations during the Liberal Party election campaign in the Hunter region confirm my concerns. Our local representatives Tim Owen MP, Andrew Cornwell MP have left parliament after admitting to taking illegal donations. The Newcastle Lord Mayor Jeff McCloy, has admitted to making illegal donations to the Liberal party election campaign in Newcastle and Hunter region.

As a resident of Newcastle and the Greater Hunter I have grave concerns about accountability, transparency and the flagrant disregard our local representatives and the Newcastle Mayor have for our democratic process and the planning processes.

I ask you to consider the following issues in an inquiry into the planning processes of DA2014/323:

- Is there adequate separation of interests between the Department of Planning and UrbanGrowth NSW
- Was there adequate time for the community to understand and respond to DA2014/323?

- Did the government undertake fair and genuine consultation with the community in respect to the DA2014/323, and all amendments to planning polices to allow for three towers in the historic centre of Newcastle?
- Has there been a proper and thorough assessment of the environmental impact of such a large-scale development?
- Has there been a proper and thorough assessment of the impact of such a development on existing infrastructure?
- Has there been proper and thorough financial assessment of the UrbanGrowth NSW/GPT Group development proposal DA2014/323?

Please take the following actions

- revoke the Amendment 2014 State Environment Planning Policy and reinstate the 2012 Newcastle Urban Renewal Strategy and the Newcastle Local Environment Plan 2012 be reinstated.
- In the public interest ensure government accountability. Private/public partnerships demand particular treatment. The Minister for Planning should not hold the dual ministerial duty for the Department of Planning and Urban Growth NSW. Appoint two new ministers not previously involved in the discussions and decisions relating to the Newcastle CBD. This would be a step towards restoring public confidence in the planning process.

Yours sincerely

Margaret Ostinga