



Planning &  
Environment

**MAJOR PROJECT ASSESSMENT:  
Concept Plan for a High-Tech Holistic  
Cancer and Medical Hospital Facility –  
Life City  
Warwick Street, Berkeley  
(MP10\_0147)**



Secretary's  
Environmental Assessment Report  
Section 75I of the  
*Environmental Planning and Assessment Act 1979*

May 2014

## ABBREVIATIONS

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CIV	Capital Investment Value
Department	Planning and Environment
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
Minister	Minister for Planning
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PPR	Preferred Project Report
Proponent	Delbest Pty Ltd
RCF	Residential Care Facility
RtS	Response to Submissions
Secretary	Secretary of the Department of Planning and Environment

Cover Photograph: Proposed Concept Plan overlaid onto an aerial photograph of the site (Source: Preferred Project Report).

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## EXECUTIVE SUMMARY

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This application seeks Concept Plan approval to develop and operate a High-Tech Holistic Cancer and Medical Hospital Facility in the suburb of Berkeley, in the Wollongong Local Government Area. The site is owned by Delbest Pty Ltd. The project as depicted in the PPR would be developed over six stages and includes:

- a medical centre, day surgery, respite care centre and specialist rooms;
- a child care centre for 70 children;
- accommodation for patients, visitors of patients, nurses, medical students and resident medical officers totalling 24 'Medi' hostel rooms and 18 apartments;
- a 320 bed hi-tech holistic cancer and medical hospital facility;
- construction of the proposed Nolan Street access road;
- independent seniors living accommodation;
- a residential aged care facility and hostel;
- a holistic health care course suitable for a range of healing therapies (yoga etc.);
- 580 car spaces; and
- landscaping and native bushland regeneration works.

The proposal has a capital investment value of \$287 million and would create an estimated 2,300 full-time operational jobs and 200 construction related jobs.

The proposal was declared a major project under the repealed Part 3A of the Environmental Planning and Assessment Act 1979, being a hospital development valued at more than \$15 million. The Secretary's Environmental Assessment Requirements were issued on 26 October 2010, prior to the repeal of Part 3A. Accordingly, the project is a transitional Part 3A project and has been assessed against the provisions of Part 3A, as if it were still in force.

The Environmental Assessment (EA) was publicly exhibited from 6 March 2013 until 12 April 2013. A total of 17 submissions were received comprising 12 public submissions (11 objections, including a petition with 61 signatures, and one letter of support), and five submissions from Local and State government authorities. Wollongong City Council (council) objects to the proposal.

Issues raised in the submissions included: traffic and access; amenity of the surrounding locality; overdevelopment of the site; inappropriate land use in the E3 Environmental Management zone; proximity of the proposal to electricity transmission towers/easement; clearing of vegetation, excessive cut and fill and landslip; flooding; noise and dust; visual impact; and ecological issues.

In response to the issues identified during the exhibition period, the proponent submitted a Preferred Project Report (PPR) in October 2013. Key amendments made in the PPR included:

- a 15,251.91 sqm reduction in gross floor area of the project (equivalent to 25 per cent of the original floor area proposed) from 61,889.54 sqm to 46,637.63 sqm;
- a reduction in the overall scale of the proposal, including a reduction in the number of development Stages from 8 to 6;
- clarification of the access arrangements, whereby Warwick Street would only provide access to the Stage 1, with the Nolan Street access being constructed prior to the operation of Stage 2 and servicing Stages 2-6;
- relocation of proposed building footprints and site layout to avoid a regenerating Endangered Ecological Community (Illawarra subtropical rainforest) and removal of all proposed buildings from the ridgelines so that the development is no longer visible from residential areas to the south and east;
- reconfiguration of the Concept Plan layout so that the footprints of all the proposed buildings are now contained within the R2 Zone, with only a small portion of the seniors housing and the residential care facility being located within the E3 Zone; and

- a reduction in excavation from 78,191 m<sup>3</sup> of cut to 14,000 m<sup>3</sup> of cut.

The PPR was publicly exhibited from 13 November 2013 until 12 December 2013. A total of seven submissions were received comprising two public submissions in the nature of objections and five submissions from local and State government agencies. Issues raised in the public submissions included traffic and access. The submissions from the State government agencies indicated that their concerns identified in submissions to the EA have been substantially addressed by the PPR. The submission from council acknowledges the significant changes outlined in the PPR in response to previous issues raised by council. However, council still objects to the proposal and has a number of concerns including:

- the suitability of the site for the proposed development;
- the height of the proposed hospital and the visibility of the proposed development from nearby residential areas; and
- issues relating to the main access road through the E3 Environmental Management zone.

In assessing the proposed Concept Plan (as amended in the PPR), the department has identified the following key issues:

- ecological issues;
- height, bulk and scale;
- site suitability;
- access car parking and traffic; and
- residential amenity.

The department has assessed the proposal on its merits and is satisfied that the identified impacts have been addressed in the EA, PPR, the Statement of Commitments and the department's recommended terms of approval. It is therefore recommended that the Concept Plan be approved subject to the recommended modifications specified in the Instrument of Approval pursuant to the transitional provisions of the repealed Part 3A of the *Environmental Planning and Assessment Act 1979*.

In accordance with the Minister's delegation of 14 September 2011, the application is forwarded to the Planning Assessment Commission for determination as Wollongong City Council has objected to the proposal.

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## 1. BACKGROUND

### 1.1 Site Description

The site is located in the suburb of Berkeley within the Wollongong Local Government Area and is located approximately 11 km south of Wollongong town centre. The site is irregular in shape and has an area of 16.9 hectares, comprising the following allotments:

- Lot 4 in DP 258635;
- Lot 2 in DP 534116; and
- Lots 2 in DP 249814.

The F6 Southern Freeway adjoins the north-western boundary of the site. The rear boundaries of dwelling houses fronting Hopman Crescent adjoin the north-eastern boundary of the site. Residential development fronting York Street and Nottingham Street is located to the south and east of the site. The eastern boundary of the site adjoins council community land fronting Nolan Street (Lot 21 DP 1008877 and Lot 2 DP 860917).

Access to the site is available from the western termination of Warwick Street, close to the intersection of Warwick Street and Hopman Crescent. The location of the site is shown in **Figure 1**.



**Figure 1:** Project Location (Source: Planning & Infrastructure GIS).

### 1.2 Site Features & Existing Development

The topography of the site varies from steeply sloping (10 to 20 degrees) to gently sloping (3 to 8 degrees) with no naturally flat land. A dominant vegetated ridgeline runs across the southern and western portions of the site forming a roughly north-facing 'amphitheatre' to the F6 Freeway. The

dominant vegetated ridgeline of the site is a high point in the locality and the site is visually prominent in the surrounding landscape.

Distant western views to the Illawarra escarpment and south-eastern views towards Lake Illawarra and coastal waters can be obtained from the ridgeline and high points of the site.

To the south of the dominant ridgeline, the site is vegetated and falls steeply to the rear of residential properties fronting York Street and Nottingham Street. To the north and west of the ridgeline, the land falls towards the F6 Freeway. The south-eastern portion of the site, including the ridgeline and high points of the site is densely vegetated. The remainder of the site is covered by grassland.

Electricity transmission towers are located on the ridgeline of the site and are contained within a 24 metres wide easement. With the exception of the electricity transmission towers, the site is undeveloped. There are no sealed roads on the site. There are a number of dirt tracks, including an informal unsealed access road linking the site with Nolan Street, in approximately the same location as the proposed access road. **Figures 2 to 5** below shows photographs taken across the subject site.



**Figure 2:** Looking south-west from the ridgeline over the central part of the site. The Unanderra Industrial Estate on the opposite side of the F6 is visible



**Figure 3:** Transmission towers on the site. Looking south-west along the main ridgeline.



**Figure 4:** Looking north-west towards the entrance of the site from Warwick Street and the site of the Stage 1 Buildings.



**Figure 5:** Looking south-west along the main ridgeline of the site, over the F6, towards the Illawarra Escarpment.



### 1.3 Surrounding Development

The site is located within the suburb of Berkeley and surrounding development is dominated by low density housing development. The Unanderra Industrial Estate is located to the west of the site on the opposite side of the F6 Freeway.

Nolan Street is classified as a sub arterial collector Road. Hopman Crescent and Warwick Street are local access roads. Berkeley West Public School is located on Nolan Street, approximately 1 km south-east of the site.

The Nan Tien Temple is located approximately 1 km to the north-east of the site. The northern shores of Lake Illawarra are approximately 2 km to the south-east of the site. A number of recreational areas, including the Berkeley netball courts and Macedonia Park are located within 2 km of the site.

### 1.4 Site History

The site has a history of rural land use prior to the construction of the F6 Freeway. In 1991 the site was purchased by Delbest from the then Roads and Traffic Authority. The site was rezoned R2 Low Density Residential and E3 Environmental Management as part of Wollongong Local Environmental Plan 2009.

## 2. PROPOSED PROJECT

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### 2.1. Project Description

Delbest Pty Ltd seeks Concept Plan approval to develop and operate the site for the purposes of a High-Tech Holistic Cancer and Medical Hospital Facility.

#### 2.1.1 Environmental Assessment (as exhibited)

The proposal as exhibited in the Environmental Assessment (EA) sought Concept Plan approval for a hospital development across 8 stages comprising the following:

- a medical centre, day surgery, respite care centre and specialist rooms;
- a child care centre for 70 children;
- ancillary on site accommodation for patients, nurses, medical students and resident medical officers;
- a library, lecture theatre, auditorium and conference facilities together with a 40 room hotel;
- a 320 bed hi-tech, tertiary teaching, referral, inpatient holistic cancer and medical hospital facility;
- construction of the proposed Nolan Street access road;
- independent senior's living accommodation in the form of 60 one, two and three bedroom apartments;
- a residential aged care facility and hostel with 167 beds to cater for dementia care, high care and low care;
- a 350 student healthcare technical high school; and
- an outdoor holistic health care course integrated into the broader landscaping of the site suitable for a range of healing therapies (yoga, meditation, reiki etc.), and containing outdoor structures for these activities.

The proposal had a gross floor area of 61,889.54 sqm and a total of 820 car spaces. The capital investment value was \$310 million.

Following the exhibition of the EA, the department advised the proponent that a number of issues required further consideration, and requested the submission of a Preferred Project Report (PPR). The main issues identified were in relation to: traffic and access; amenity of the surrounding locality; overdevelopment of the site; inappropriate land use/ development in the E3 Environmental Management zone; proximity of the proposal to electricity transmission



towers/easement; clearing of vegetation and development footprint within a regenerating Endangered Ecological Community (Illawarra Subtropical Rainforest); excessive cut and fill; landslip; flooding; construction phase noise and dust; and visual impact.

### 2.1.2 Preferred Project Report

The PPR was submitted on 28 October 2013 and responded to the issues identified by the department. The PPR also addressed community, council and public authority concerns identified in submissions on the EA. Key amendments made in the PPR included:

- a 15,251.91 sqm reduction in gross floor area of the project from 61,889.54 sqm to 46,637.63 sqm, equivalent to 25 per cent of the original floor area proposed;
- clarification of the access arrangements, whereby Warwick Street would only provide access to the Stage 1 medical centre, day surgery, respite care centre, and child care centre, with the Nolan Street access being constructed prior to the operation of Stage 2 and servicing Stages 2-6;
- a reduction in the overall scale of the proposal, including a reduction in the number of development stages from 8 to 6, achieved through deletion of the Stage 8 Healthcare Technical High School, removal of the convention centre, auditorium, library, and lecture theatre components from Stage 4 and combining the remainder of the original Stage 4 (i.e. ancillary accommodation) with the Stage 5 medi serviced apartments within one building known as the Stage 2 medi hostel and medi serviced apartments;
- relocation of proposed building footprints to avoid a regenerating Endangered Ecological Community (Illawarra subtropical rainforest);
- construction of the Nolan Street main access road in Stage 2;
- redesign of the site and building layout so that all proposed buildings are removed from the ridgeline and southern catchment of the site, and are now contained within the northern catchment, with buildings no longer being visible from residential areas to the south and east; and
- a reduction in excavation from 78,191 m<sup>3</sup> of cut to 14,000 m<sup>3</sup> of cut;

The project as outlined in the PPR would be developed over six stages and includes:

#### Stage 1

- A medical centre, day surgery, respite care centre and specialist rooms; and
- A child care centre for 70 children.

#### Stage 2

- 'Medi' Hostel and Serviced Apartments providing ancillary on site accommodation for patients, visitors of patients, nurses, medical students and resident medical officers totalling 24 hostel rooms and 18 apartments; and
- Construction of the Nolan Street access road.

#### Stage 3

- A 320 bed hi-tech, tertiary teaching, referral, inpatient holistic cancer and medical hospital; and
- Parking for 260 cars and six ambulances.

#### Stage 4

- Independent senior's living accommodation in the form of 60 x one, two and three bedroom apartments.

#### Stage 5

- A residential aged care facility and hostel with 139 beds to cater for dementia care, high care and low care.

#### Stage 6

- Use of the land for a holistic health care course suitable for a range of healing therapies (yoga etc.) and associated outdoor structures and parking.

The proposal would have a gross floor area of 46,637.63 sqm and a total of 580 car spaces would be provided. Landscaping works, including native bushland (Illawarra Subtropical Rainforest) regeneration would be undertaken across all stages.

When it is fully operational, the facility would employ approximately 2,300 full-time staff. It is anticipated that there would be a maximum of 200 people residing on the site at any one time. Additional staff would be employed to maintain the buildings and landscaping on the site. It is also expected that the project will generate 200 construction related jobs once development approvals are obtained for the various stages.

The various components of the Concept Plan are shown in **Figure 6**, on the next page.



Figure 6: The Concept Plan showing the location of the various components of the proposal, and vehicular access (Source: PPR).

## 2.2. Project Need and Justification

### **NSW 2021**

NSW 2021 is a 10 year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability, and strengthen local environments and communities.

The project is consistent with Goals 12, 19, and 28 of the Plan as it will:

- provide world class clinical health services;
- invest in critical infrastructure;
- protect the natural environment; and
- provide additional resources to assist the state of New South Wales to deal with major emergencies and natural disasters.

The aims of *NSW 2021* include improving urban environments and promoting sustainable development. In this regard, the proposal will contribute positively and strengthen the urban environment south of Wollongong through the provision of regionally significant health and education infrastructure. The development has been designed to be sustainable. A regenerating area of Illawarra Subtropical Rainforest Endangered Ecological Community is proposed to be avoided and enhanced. It is also proposed to remediate areas of the site which have been contaminated through previous uses and activities.

### **Illawarra Regional Strategy**

The Illawarra Regional Strategy sets the context for development in the Illawarra region towards 2031. The Strategy anticipates an additional 47,600 new residents and 30,000 new jobs by 2031.

The proposal will provide a world class hospital, together with a medical centre, and child-care centre. The facility will strengthen the role of Wollongong as a competitive regional city. The provision of self-care seniors housing will also provide additional housing choice and housing availability for the older demographic of the region's population, in close proximity to health-care services. The proposed concept is a unique private sector development, which will support job creation and address the need for increased local jobs. In this regard, the proposed Concept Plan is set to produce an estimated 2,300 full-time jobs.

The strategy indicates that the healthcare sector, including hospitals, medical centres, clinics, and aged care facilities, is a major employment generator in the region. The strategy anticipates that this sector will continue to grow to meet the changing needs of the region, such as the upgrade of Wollongong Hospital to a teaching hospital. The proposed hospital facility entails a medical education component and would be complementary to the existing and anticipated future role of Wollongong Hospital and the aims of the strategy.

Accordingly, the proposal is consistent with the Strategy and will assist in the provision of health infrastructure and the achievement of identified job targets.

## 3. STATUTORY CONTEXT

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### **3.1. Continuing operation of Part 3A**

Although Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) was repealed in October 2011, the project is classified as a "transitional Part 3A project" under Schedule 6A of the EP&A Act. This means the project will continue to be assessed and determined under the provisions of the former Part 3A of the EP&A Act.