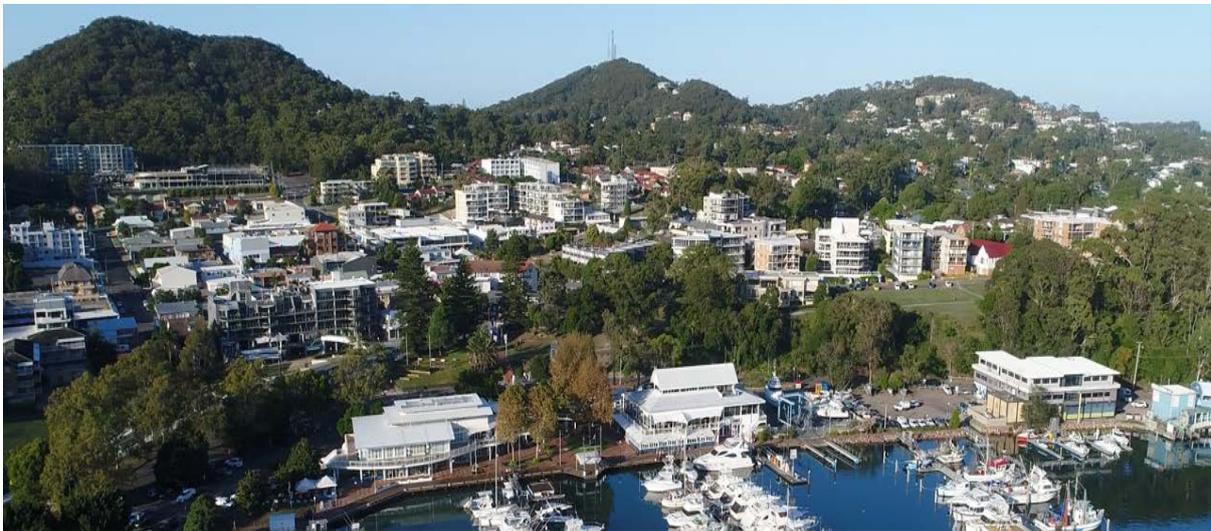


PERSONAL SUBMISSION ON DISCUSSION PAPER – PROGRESS OF THE NELSON BAY TOWN CENTRE & FORESHORE STRATEGY

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Time to take your pick



1. Objectives and vision for the Strategy

The 2012 strategy which was adopted by Council, as to be expected, was based on a clearly stated broad vision for the future character and function of the Nelson Bay town centre. This vision informed recommendations on the scale, appearance, land uses, environmental outcomes and infrastructure which were detailed in that strategy.

A fundamental flaw of the 2017 Discussion Paper is the absence of any comment or evaluation of the vision and objectives which underpin the existing Strategy. In recent discussions with the authors of the Discussion Paper it was stated that the initiative had no intention to revisit every aspect of the 2012 Strategy and that the vision and objectives were not up for review. The focus has been to examine the reasons for the “very limited redevelopment within the town” under the guidance of the strategy and to propose “ideas for a better strategy”.

The 2012 Strategy was prepared over a period of 5 years with the assistance of consultants and its proposals were thoroughly tested at numerous stakeholder forums. Council engaged the Hunter Valley Research Foundation to conduct an independent survey of views on the Draft Strategy. Opinions were sought from a sample of 440 including a range of stakeholders comprising residents, visitors, young people and business owners.

The characteristic of Nelson Bay most liked by community respondents was “**its sense of place and atmosphere and lifestyle**”. There was a high level of community agreement on maintaining clear views of the ridgeline, and limiting the Town Centre to 5 storeys in height.

Visitors felt that “**the marina area and low townscape should be maintained, and that the atmosphere of the town, small size and access to the water make it more appealing than other tourist destinations**”.

These preferences informed the recommendations in the final 2012 strategy.

The Hill PDA consultants in advising Council on the feasibility of residential developments in 2016 stated that Council was seeking optimal development guidelines which included “varying building heights across the town Centre increasing from the foreshore to maximum height around the Southern periphery near Dowling Street.” This correctly reflects the vision in the original strategy.

The discussion paper, in my view, largely ignores the accepted vision and objectives and too readily accepts the proposition that the absence of new development in the town centre is due to “development standards such as heights are not informed by development feasibility”. This leads to a number of “**ideas**” for **Improving the**

strategy relating to increased building heights and development incentives which are in contradiction of the Vision and Objectives in the base strategy.

All the recent public consultation and local reaction through the press have demonstrated a high level of support for the original vision and objectives.



2. Stalled development and the reasons for this

The Discussion paper quite rightly raises concern in relation to the fact that there has been little development across the Nelson Bay CBD in recent years. The restrictions on building height are cited as a major reason for this situation and this is cited as justification for recommendations that would incentivise the construction of residential apartment developments. The main initiative proposed is an increase in maximum heights for most of the CBD to 7 storeys together with a right to apply for additional storeys (not capped) to be judged on “merit,” namely design excellence and contribution to the public good.

This solution to revitalisation is posed despite the advice from Council’s consultant HillPDA, that **“added density to existing building height will not of itself alone create project viability”**. Their feasibility testing largely confirms this conclusion.

Other factors are cited for the poor performance such as the small number of sites in Nelson Bay which can offer guaranteed water views, the relatively low prices which can be achieved, a weak market for high rise apartments compared with stand alone houses and the poor track record of developers and mortgagees in recent years.

The peer review by EPS supports the Market Commentary in section 6 of the Hill PDA report. Councillors and Council planners should carefully study this report’s conclusions, particularly Market Soundings on page 37. These identify a range of market driven and financial constraints which are beyond the control of Council and which are unlikely to be altered by changes to the planning controls affecting residential building in Nelson Bay. Comparisons with other similarly located coastal

tourist towns such as Foster indicate that they also have been retarded by these more “global” market forces.

3. Potential to attract Permanent Residents is the Answer

Councillors and the Mayor have often asserted that the solution to the future success of Nelson Bay CBD is to attract many more Permanent Residents to live in the centre. Additional permanent residents would certainly add to the viability of the retail and other commercial businesses and ensure more year-round activity in the centre.

This goal underlies the focus of the discussion paper on amendments to planning controls to encourage development of more up-market apartments in the town centre which will appeal to permanent residents such as retirees.

There is strong evidence that this thinking is misguided. The last 2 censuses showed that apartments with 4 or more floors in Nelson Bay had **around 76% of their units unoccupied**. **A recent local survey of apartment complexes (see table below) confirmed that there are very few permanent residents in our apartment buildings. Many remain empty for most of the year.**

Apartment Block	No. Units	Permanently Occupied Units
Vogue, Magnus Street, Nelson Bay	24	4
Seashells, Magnus Street	12	3
Breakwater, Messines St, Shoal Bay.	35	7
Nelson Towers, (excluding motel component)	22	8
3 Yacaaba Street	7	3
102 Magnus Street, above tackle Shop	7	1
Terambi Court, Magnus Street	15	4
Cote De Azure, Donald Street	54	5
31/36 Magnus Street	31	10
Oasis, Cnr. Government Rd and Laman St	12	2

“Permanently occupied” is defined as an Apartment which is occupied by the owner for most of the time as their main residence or which is leased to an occupier as their main residence.

It is recommended that the planners consult in detail with a sample of local real estate agents on:

- a) The market for high rise apartments including achievable prices, desired features (number of car parks, storage, number of bedrooms, views etc.).
- b) Time taken to sell new units.

- c) Their experience in occupancy of such dwellings (proportion of purchases for permanent residency, permanent rental, holiday rental, occasional weekend or holiday use or simply for investment with no intention to occupy).

My observation is that large apartment developments typically take 5-8 years to sell with many apartments remaining unoccupied in the interim.

Any amendments to the strategy which simply increase the number of unoccupied dwellings do not add to the level of activity in the town and are likely to be counter-productive especially if mortgage defaults also increase.

4. Council's ambitions for the Donald Street Car Parks

In the course of consultations and in Media statements, Council officers have stressed that the Council has not made any decision or commitment to developers who have emerged from the "Expressions of Interest" for these sites.

While this may be factual, the propositions which have been under consideration by the Property Services Section for these sites have been revealed in answers to questions raised in a GIPPA request and in statements at various forums and in the press. These leave no doubt that negotiations are continuing with proponents for very large high rise residential developments which include a component of public parking. The Hill PDA report on page 34 states: "Our modelling reflects preserved public parking for 140 cars (as instructed)..." and "This reflects Council transferring the property to a developer (at no cost) conditional upon a stratum with capacity for public parking being transferred into Council's ownership....."

Against this background it is not surprising that there is a public perception that Council is testing the development potential of the two car park sites in Donald Street and that this involves the possibility of high rise residential developments which significantly exceed current height limits.

The proposals for the two car park sites cannot be divorced from the current strategy review. Not only are these sites of extremely high strategic importance to the town's overall structure, but they offer an opportunity to provide a long term and incremental solution to the town's car parking requirements. Many argue that they are virtually the only solution to the town's parking requirements, having regard for the absence of conveniently located Council owned alternative sites.

Quite apart from the community and business opinion that there is a need to significantly increase parking capacity in Nelson Bay, the HillPDA feasibility testing demonstrates that the viability of the abovementioned proposals is extremely doubtful. In the case of the Donald Street West car park they excluded the public car park component from the modelling because the condition relating to transfer of a parking stratum to Council at no cost "would render all options unviable."

In the case of the Donald Street East car park only the 17-storey residential/ retail complex with above ground car parking for 140 cars achieves viability and that falls into the “marginal” category. However, the EPS Peer Review questions this result. Past experience indicates that all large-scale apartment developments face difficulties in selling their units when they come into the market in large numbers. The problem is a **lack of market depth.**

Against this background, it appears that the Council aspirations for these car park sites have a limited prospect of success. It would be most unfortunate if assessments of the heights required to achieve viable development proposals on these sites influences more general policies on desirable height controls across the entire CBD.

5. Suggested changes to the height limits and the use of Clause 4.6 to provide “development Incentives”

It is claimed that these changes will deliver increased certainty to developers when considering investment in Nelson Bay.

This is open to challenge as it may actually contribute to uncertainty as it would be open to developers of any site in zone C (blue) to apply for substantially more than 7 storeys. The Council itself could set the precedent on its Car Park sites. If such developments are permitted at the lower (northern) section of the CBD, all sites to the south of these buildings will, to a greater or lesser extent, be denied water views. A developer considering sites anywhere in the blue zone will be uncertain as to what might be approved to the north which could block views from their development.

Greater certainty can be achieved across the blue zone with planning controls providing for increasing heights on a graduated plan from north to south and towards the rim of the amphitheatre. This would optimise view sharing. This would necessitate sub-zoning within the Blue area with clearly prescribed maximum heights for all sites.

6. Linkage of the CBD to the Foreshore and Port

The original strategy placed much emphasis on the merit of strengthening the linkage of the CBD and the Foreshore and bay beyond. Recommendations were made for improved access ways from Stockton and Yacaaba Streets to the Foreshore and vice versa. The proposed Yacaaba Street extension was one recommendation directed to this objective. The improvement of Apex Park and the walkway north across Teramby Road was another.

Priority should be assigned to these works.



It is understood that the new owners of the D’Albora Marina may be considering substantial renovation of the entire Marina development.

Council should seek an opportunity to encourage the owners to consider reducing the height of the existing marina building or moving it some way to the west to open up the vista from Stockton Street to the harbour. As a minimum, any redevelopment should restructure the existing buildings to present an active and attractive facade to the town. The current configuration presents a partially inactive “back of shop” face with a large roof aspect, service and mechanical e.g. multiple air conditioning unit features.



7. Traffic and Parking

It is encouraging to hear Council Planners acknowledge the need for an update on the GHD study. As a regular user of existing parking spaces in the Nelson Bay CBD, I have found that it has become increasingly difficult to find a space in easy walking distance of my destination in both holiday and off season times.

An update should address the issues of provision for employee and business owner parking as well as visitor and resident parking. Comment on the appropriate number of car parks for future residential blocks is required especially given the observed problem of holiday lets having more than one car per unit and often a boat or trailer as well.

Separate consultation with tourist service providers is necessary in light of the special circumstances applying to coach operators feeding visitors to ferry and cruise operations. Australian coach operators frequently rely on drivers to double as guides which make it difficult to comply with short term parking provisions close to the foreshore.

Funding of replacement or additional parking spaces from paid parking needs to be approached with caution. Nelson Bay can be easily by-passed for Salamander Bay which has free car parking. Similarly, arguments that Council has no obligation to fund car parking in Nelson Bay are rejected on the grounds that much of the existing parking infrastructure was funded by past developer contributions and in any case, most councils have accepted at least some responsibility to meet the need for public parking.

The proposed "Primary Town centre By-Pass" via Dowling Street is a desirable means of reducing through traffic in the CBD itself, clearing the way for increased traffic calming on Victoria Parade via reduced speed limits and other physical constraints. The median strip barrier to pedestrians east of the traffic lights could become redundant. Its removal would encourage greater pedestrian interchange from the Waterfront and Information Centre and would revitalise the retail premises on the south side of Victoria Parade under Nelson Towers.

In the longer term, a by-pass route using Austral Street linking to Government Road Shoal Bay, would provide sufficient capacity to serve Fingal Bay and Shoal Bay communities. This route would replace the more costly long-standing Gan Gan By-pass proposal which is fraught with many obstacles.

The need for improved wayfinding across the entire CBD and surrounding precincts is a critical need. This should direct pedestrians and cyclists to departure points on the Marina and other attractions and facilities. The attractive walkways to major nearby attractions such as Dutchies and Fly Point should also be signposted.

Similar signing upgrades are required for motorists.

8. Potential Laneway Enhancement Development Opportunity

An existing laneway linking Donald Street to Magnus Street (exiting on Magnus St next to the jeweller's) has potential for upgrade to an attractive covered walkway with small scale boutique retail /eating strip insertions. The land title would need to be investigated as well as access for deliveries to adjoining premises. (See example in Fremantle W. A below)



9. Public Domain improvements (parks, landscaping, paving, presentation of the entire marina/fishermen's co-op precinct)

The business and general community have observed that there is urgent need for improved maintenance of many elements including paving, street furniture and lighting. Landscaping and street tree provision needs to be extended across the whole CBD following a strategy including minimum standards for plantings and tree species.

Many in the business community are convinced that these public domain improvements would be paramount in attracting investment in new property. development. The investment in upgrades to the townscape would engender confidence in the Community's and Council's commitment to the future quality and commercial success of the town.

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