Project Outline
Illawarra International Health Care Precinct
City of Shellharbour

June 2007

Cardno Forbes Rigby Reference 107024-01 Report 002 Rev 0
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Final Report
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1. INTRODUCTION

1.1. BACKGROUND

In late 2005, La Vie Developments Pty Ltd (Dr Brett Gooley) purchased 18ha of land fronting the Illawarra Highway and Tullimbar Lane with the aim of developing a major private hospital and health care campus. The purchase was the culmination of two years of investigation of alternative sites within the Illawarra.

During 2006, La Vie approached the Department of Planning and Shellharbour City Council regarding the proposed development. Both authorities advised, amongst other things, that La Vie should undertake preliminary feasibility analyses and proceed to lodge a rezoning application to allow the proposal to be formally assessed.

In June 2006, La Vie commissioned Cardno Forbes Rigby to provide an objective review of key environmental factors relevant to the development of a hospital and health precinct within the subject site. That report entitled “Preliminary Rezoning Assessment - Illawarra International Health Care Precinct” (Cardno 2006) found that there was strong demand for a facility of that type, that the subject site is an appropriate location for the proposal and it is physically capable of supporting the proposed development. Copies of the Cardno (2006) were presented to the relevant authorities who again restated their earlier advice that a formal rezoning application was necessary to commence the development assessment process.

Location of subject site adjacent to West Dapto and Calderwood Urban Release Areas
In February 2007, La Vie commissioned Cardno to prepare the necessary rezoning documents, including concept designs and artist’s impressions of the proposed development. That report entitled “Rezoning Application - Illawarra International Health Care Precinct” (Cardno 2007a) found that the proposed rezoning could proceed under the category of a Spot Rezoning LEP to a SP1 Special Activities zone as it relates only to the subject site and its context. An SP1 zone would allow the full range of uses to occur, would be less likely to result in a precedent being set for the surrounding sites, and would be less likely to prejudice Council’s intentions for the wider precinct. The rezoning application is currently before Shellharbour City Council for assessment.

This current report entitled “Project Outline - Illawarra International Health Care Precinct” (Cardno 2007b) summarises investigations to date.

1.2. SITE DESCRIPTION

The subject site is located west of the Albion Park Township with direct frontage to the Illawarra Highway in the Shellharbour Local Government Area. The site located adjacent to the developing Tullimbar Village and in close proximity to the proposed Calderwood Valley and West Dapto Release Areas. The subject site is also in close proximity to the Draft Urban Fringe lands which presently under review by Council for their residential development capacity. It is also close to the proposed Australian Ling Yen Shan Temple, which is located on Green Mountain.
1.3. CONSULTATION

Professor Don Iverson the Dean of the Faculty of Health and Behavioural Science, University of Wollongong has supported the project because the addition of the hospital will allow residents of the Southern Illawarra to access private health care services in a timely fashion, it will reduce the burden on already stressed public hospitals and will increase the likelihood of being able to attract new physicians and surgeons to the area. Professor Iverson also commented that the new facility would provide much-needed clinical training places for medical students attending the new Wollongong’s new Graduate School of Medicine.

Letter of support from Professor Don Iverson the Dean of the Faculty of Health and Behavioural Science University of Wollongong

The Minister for Planning that the development is not presently considered a major project under the criteria for state significant development. The Minister has suggested that the rezoning process be pursued with the close cooperation of Council.

More recently, La Vie (with Cardno) has had preliminary discussions with Council senior planning staff regarding this rezoning application. Council officers have requested supporting information concerning the potential impacts associated with the development and its capacity to satisfy the criteria for spot rezoning. Council Officers also suggested a local environmental study (LES) may be required under the provisions of the EPA Act. The Department and Council have noted traffic generation as a key consideration in their recent meeting with Hon. David Campbell Minister for the Illawarra and Leader of the House.

Council officers have also emphasised that the relationship of the subject proposal to, and impacts on the heritage listed ‘Toongla’ property being an important consideration.
2. ILLAWARRA INTERNATIONAL HEALTH CARE PRECINCT

2.1. PROJECT VISION

The stated project vision is:

“To develop a major private hospital and health care precinct to service the growing regional population as well as providing a high quality medical resource of national and international standard”.

The Illawarra International Health Care Precinct is envisaged to be the Johns Hopkins of the Southern Hemisphere. Its format and technology should exceed the Epworth Private Hospital at Box Hill in Melbourne, with touch screen control of all theatres and the most up to date technology. It will have intra-operative MRI attached to the neurosurgical theatre. It will provide in excess of 3,000 jobs for the Illawarra and it is hoped to have ongoing strong links with Wollongong Hospital. To this end, Dr Gooley has liaised with Professor Debora Picone.

It will not threaten the public system but instead will take those private patients away from Wollongong Hospital, which has the highest bed occupancy of any public hospital in New South Wales. Illawarra International Health Care Precinct will relieve the overload and work burden, which should also ensure that the public system develops in parallel with this site.

The proponent, Dr Brett R Gooley M.B., B.S., (U.N.S.W.) Dip.(Obs.), D.C.H., F.R.A.C.G.P. is an experienced physician with over 30 years of work in Australia, England and America as a General Practitioner. Dr Gooley has visiting medical officer (VMO) status at various Sydney hospitals including Princes of Wales and St. Vincent’s Hospitals.

2.2. DESIGN PHILOSOPHY

In terms of design considerations, the site’s primary frontage is to the Illawarra Highway, which faces north. The site slopes upwards from the northeast to the south-west corner, with a total rise of approximately 39m at the highest point. The topography dictates the logical positioning of the various buildings on site. Another important factor was to respect the position and significance of the existing cultural heritage item known as “Toongla” Homestead located on the roll of the hill on adjacent lot 82.

A concept design has been prepared showing the main body of buildings incorporated into five x two level buildings. These will accommodate the following uses:

- School of General Practices, Pharmacy and Casualty
- Radiology Unit
- Specialist Medical Centre and Day Procedure (Surgicentre)
- Obstetrics Unit
- Pathology Unit

These buildings will have direct access from the external and internal parking areas, will interconnect with each other and will have direct access to the Private Hospital building via glazed walkways through a central enclosed rainforest walk. The main building will
constructed over four levels and will house a 350 bed Private Hospital, with Serviced Apartments and Conference Facilities on the top level.

The levels of the buildings respect the topography and will be treated to reduce their mass and scale by the use of a high degree of articulation varying colours and textures and appropriate landscaping. The 280 bed Nursing Home (Residential Aged Care Facility) is proposed for the eastern section of the site, with adequate parking facilities available adjacent to the entry. The building will be primarily three levels in height and will have large courtyards between each wing.

Concept design showing the main body of building incorporated into five x two level buildings

The Nursing Home will be screened from the Private Hospital by a well-landscaped buffer zone that creates a physical separation between the two buildings of approximately 50m. All buildings have been sited to allow for safe and easy pedestrian access between them and to provide generous landscaped buffers between them and adjoining roadways and properties. The buildings will be contemporary in style with varying footprints, heights and colours to provide a high degree of visual integrity while respecting the natural attributes of the surrounding area.

An internal road system will provide access to external public parking areas, basement-parking areas and pick up and drop off points for taxis etc. The road system provides access to all parts of the buildings for maintenance, servicing and emergency situations.
2.3. STAGED DEVELOPMENT

The proposal will develop over the next 10-15 years matching growth in the adjacent West Dapto and Calderwood release areas. Aside from the private hospital itself, all other components of the development can proceed under an appropriate zone with likely support from NSW Health and aged care bed allocation from the Commonwealth Government. NSW Health has generally approved all licence applications for Day Procedure Centres of the type described above and are not counted in their bed quota or rationalization.

At final development, the Illawarra International Health Care Precinct will comprise:

- 350 tertiary referral hospital
- 280 bed aged care facility including separate facilities for youth needing care
- School of aged care
- State of the art surgical and day procedure centre
- 24 hour medical centre and extended hour pharmacy
- School of pharmacy research
- Pathology and radiology centres
- School of general practice, casualty and obstetrics
- Dedicated Ambulance Station
- Serviced apartments for relatives of patients, education and convention centre and sporting facilities
- Ancillary car parking and open space.
3. ENVIRONMENTAL ANALYSIS

3.1. SUMMARY

The subject site can support the proposed development based on a review of physical land constraints. A composite map of these constraints is included below.

A summary of the constraints review is provided below:

- The subject site is not constrained by contamination, instability, significant vegetation, bushfire impacts, riparian corridors and existing easements.
- The subject site has a considerable frontage to the Illawarra Highway and Tullimbar Lane which offer flexibility in the location and design of access.
- The majority of the subject site is relatively level and appropriately designed structures will not impact on existing views and vistas.
- The subject site is unlikely to support future viable agricultural uses and lends itself to alternative land uses within a developing locality (e.g., Tullimbar Village, Draft Fringe Urban LEP Areas and the Australian Ling Yen Shanku Proposal).
- The subject site is located within 5km from the Albion Park railway, which provides current services that will enable interstate and intrastate patient arrivals.
- The location of the subject site is ideal to service the emerging growth corridor of West Dapto and the Calderwood Valley. Existing and immediate populations in the Illawarra, Shoalhaven and Southern Highlands are also conveniently serviced by the proposal.
- The proposal is consistent with the objectives of the Draft Illawarra Regional Strategy and provides needed health services and employment within the Region over time.
- The proposal can be incorporated within Shellharbour Council Principal Local Environmental Plan (LEP) and satisfy the new planning criteria of the LEP Review Panel.

3.2. STATUTORY PLANNING

The subject site is located within the Albion Park West Release Area under the Metropolitan Development Program. It is anticipated that some stage in the future, the precinct surrounding the subject site may develop for urban use. It also directly adjoins land being considered for urban development under the Draft Urban Fringe LEP. The proposal is consistent with the objectives of the Illawarra Regional Strategy and provides needed health services and employment within the Region over time. Similarly, the proposal can satisfy the sustainability criteria and the general objectives of the Regional Strategy.

The proposal can satisfy the government's requirements for inclusion as a State Significant Site under Schedule 3 of the Major Projects SEPP and further assessment under Part 3A of the Environmental Planning and Assessment Act.

The proposed rezoning can proceed under the category of a Spot Rezoning LEP as it relates only to the subject site and its context. However, other paths may involve the preparation of a precinct LEP or the insertion of the proposal into a comprehensive LEP undertaken as part of State Government requirement for Council to produce a LEP under the Standard Instrument (Local Environmental Plans) Order 2006. While the range of uses may be
accommodated under another zoning, an SP1 Special Activities zone would be most appropriate, as it is less likely to result in a precedent being set for the surrounding sites and less likely to prejudice Council’s intentions for the wider precinct.

3.3. PHYSICAL CONSTRAINTS

The following conclusions can be drawn from the previous Cardno (2006 and 2007) investigations:

- **Landuse** - the subject site is a vacant parcel of land surrounded by smaller residential sized lots and other smaller parcels of non-productive rural land. Some limited grazing of cattle still presently occurs on the subject site. The subject site has not been actively used for intense agriculture in the recent past and nor has any interest been shown for use of the land in this manner. The subject site is too small to support productive agricultural uses and there is very little opportunity to amalgamate with adjoining properties to create a suitable parcel for agriculture. Moreover, the subject site directly adjoins a number of smaller residential sized allotments including two heritage items (Toongla Homestead and the former Tullimbar School house).

- **Terrain and Stability** - the majority of the subject site is relatively level (2% - 10%) slopes with upper slopes approaching more than 25% to the south and west. In terms of stability, the site is generally divided into very low, low, low-medium and medium risk. The bulk of development can be sited on the lower to mid slopes adjacent to the Illawarra
Highway. The steepest sections of the subject site are generally avoided and similarly areas of existing flooding will be considered under a future concept for development of the subject site.

- **Bushfire** – the majority of the site would be free of bushfire risk. This supports the results of the terrain and slope analysis above in terms of development restrictions.

- **Ecology** - the Tongarra – Stockyard Mountain Core Conservation Area adjoins the western boundary of the site. This is outside of the proposed development areas and provides and opportunity for nature conservation in the northern Illawarra. There is the opportunity to develop a habitat corridor along Yellow Rock Creek to the east. These local creeks are important *Supplementary Conservation Areas* that could be protected by appropriate conservation measures such as the erection of fences to exclude stock.

- **Flooding** – several flood studies have been undertaken on Macquarie Rivulet and its tributaries but these are quite old and would need to be upgrade to reflect Probable Maximum Flood (PMF) and the requirements of the NSW Government’s Flood Plain Management Manual. Notwithstanding, the proposed development can be sited outside of the likely flooded areas with safe evacuation routes for visitors and patients.

- **Visual** – a contextual analysis of visual impacts measured the potential loss of views to ‘Toongla’ from the surrounding countryside. The analysis map shows a larger area more visible than is in fact the case because the terrain contains numerous items such as vegetation and buildings, which have not been factored in by the GIS model. These items would in reality screen many of the views shown on the map.

- **Heritage** - the subject site directly adjoins two heritage items under Shellharbour Rural LEP being Toongla Homestead (item of Heritage under SRLEP 2004) and also the Tullimbar School House and Residence. The siting, bulk, height and scale of this proposal pose no significant or adverse impact on ‘Toongla’. The proposed development gives this unique item of Historical and Cultural significance an assurance to its preservation. The loss of view of ‘Toongla’ has been quantified and is limited to immediate vantage points.

### 3.4. INFRASTRUCTURE AND SERVICES

The site will be a significant traffic generator in the area, however, the staging of the development and other mitigating factors such as the timely construction of the Tripoli Way bypass or proposed Calderwood urban release area and active promotion of TravelSmart programs by administrators of the site will lessen impacts.

The fully developed the site will produce approximately 7,000 vehicles per day feeding into the local traffic network at Albion Park. With increased traffic volumes from Tullimbar Village Estate and possible Calderwood Valley Release Area there will be an increased need for a bypass of the main Albion Park City Centre. Half of the total traffic volume from the site will occur five years after the start of construction, with the fully developed site being completed in ten years. The full completion the medical facility is expected to increase the existing traffic volumes in Albion Park City Centre by 33 percent. With the increase in traffic volumes, the medical facility and Tullimbar Village Estate; the demand for a bypass will increase. The introduction of a bypass at either Tripoli Way or through the proposed Calderwood urban release area would allow the medical facility to function without having a negative impact on the Albion Park Centre traffic network.
Electricity can be provided by either an 11KV feeder from the Albion Park Zone Substation or by a new zone substation in reasonable proximity to the site. The latter will cater for the future expansion of Calderwood and the West Dapto Release Area. Sewer is available approximately 1.5km to the east of the site and will need to be connected via a lead-in sewer to the existing 750mm carrier main. Potable water can be provided based on the planned upgrade of services and installation of a new water reservoir in Marshall Mount. Connection to the local network is possible as well as an existing optical fibre cable terminating at the intersection of the Illawarra Highway and Yellow Rock Road. It is also possible to provide natural gas from the nearest SRS station to cater for the demand for a hospital/aged care development.
4. PROJECT JUSTIFICATION

4.1. SOCIAL

Cardno (2006) found that Illawarra Region and adjoining regions such as the Southern Highlands, South Coast Region and parts of South Western Sydney have an undersupply of hospital beds and bed occupancy levels that indicate hospital overcrowding. Existing private hospital bed numbers have not increased significantly over the last 16 years, despite increased private health insurance (47.6% of residents in Illawarra) and increased private hospital procedures. Improved health services are needed to meet existing and future demand for the additional 107,000 people being planned for the Illawarra and South Coast Regions. The Illawarra has the lowest number of GPs in the SESIAHS. The proposal will attract and retain general and specialist practitioners and provide ongoing opportunities for graduates in medicine from University of Wollongong.

Cardno (2006) found that the proposed development would result in a number of significant public benefits, including:

- Provision of 280 needed aged care places (high dependency care) including separate care facilities for youth and dementia.
- Proposed aged care facilities and research will increasing help address the issue of an aging population and Region as a retirement destination.
- Creation of strong links with the University of Wollongong for training of graduates in its new medical degree.
- Educational resources as part of the proposed health precinct will ensure the proposal remains at the cutting edge of medical care.
- State of the art technology and procedures can be accommodated and further improve the range and quality of health services in the region.
- Provision of a private referral hospital that lessens the burden on the public system which is also coping with private patients.
- Provision of an additional casualty and emergency facility with a dedicated ambulance facility.
- Residents, leaving the region for specialist care will have a local and high quality option.
- The proposed facilities will provide services to increasing numbers of people with private health care insurance and seeking a quality private health service.
- The proposal will reduce overcrowding in public hospitals and work to meet increasing demands through significant population growth.
- Opportunity to meet private health care demands as the region expands and numbers of people health care insurance increases.
- Helps reverse the trend of health care provision in metropolitan areas as opposed regional provision where it is required.
4.2. ECONOMIC

The proposed development will generate approximately 3,000 direct jobs and significant numbers of other support service roles including upfront construction and ongoing maintenance roles. It will rank as one of the region’s most significant employers and be the largest single employer in the Shellharbour LGA.

It has a Capital Investment Value of more than $200 million and will be one of the most significant health care developments in the Illawarra. A large consumer of food and other supplies and services, making a major contribution to the regional economy.

4.3. ENVIRONMENTAL

The proposed development will be designed in accordance with the principles of environmental sustainability. All roof water will be stored and harvested for use in garden irrigation. Water will also be recycled for use in toilet areas.

Appropriate shading will be provided to exposed glazed surface to minimize heat gain. Solar panels with gas boosters will provide heating, while energy efficient lighting, tapware and appliances will be utilized throughout the project. Night purging of internal heated air will be utilized to maintain thermal equilibrium, while appropriate thermal mass will be delivered in the external fabric. A combination of active and passive ventilation will be incorporated to maximize the efficiency of the various building uses.

The site will be well landscaped to project a park-like atmosphere. The frontage to the roads will be planted with white magnolias, which provide an aesthetic canopy and a buffer between the roadways and development. Appropriate tree and shrub planting will be used around the site, with water features incorporated to add to the visual integrity of the grounds. The central area between the front two level buildings and the main private hospital buildings will be planted to reflect the ambiance of a rainforest linked by elevated glazed walkways.

A high level of amenity will be provided to patients, occupants, visitors and staff through the provision of a group of buildings which will not appear institutional in a park-like setting. Appropriate passive and active recreational facilities will be provided, along with beautiful vistas of the surrounding area and the escarpment from many parts of the development.

The natural setting, the aesthetic of the buildings and grounds will provide a pleasant and comforting environment for all who live, work and visit or be treated in this unique development.

4.4. ALTERNATE SITES

In terms of alternative sites, Cardno (2006) found that the majority of suitable sites were located in either the West Dapto Release Area, Calderwood Release Area and Shellharbour Draft Urban Fringe LEP area. Competition for this land, its availability and resulting land prices further reinforce the suitability of the subject site.

Despite having purchased the subject site, La Vie Development commissioned Cardno Forbes Rigby to undertake a preliminary review of all land within the Wollongong and Shellharbour Local Government Areas (LGAs) to identify what other land that may
accommodate the proposal. The criteria for site selection addressed the following key parameters:

- Minimum site area of 15 hectares
- Distance from proposed population centres (4km distance)
- Proximity to a main road (2.5km distance)
- Proximity to industrial sites (increased distance for improved amenity)
- Land zoned primarily environmental protection (including Crown Land).

The subject site is not constrained by environmental matters and is well placed to serve the emerging growth corridor of West Dapto and the Calderwood Valley. Existing and immediate populations in the Illawarra, Shoalhaven and Southern Highlands.

The subject site is one of only 25 sites within the Illawarra that can satisfy more than 50% of the above criteria. The subject site is the fourth best site for a private hospital with 73% consistency with the selection criteria.
ILLAWARRA INTERNATIONAL HEALTH CARE PRECINCT

PROJECT SUMMARY

Economic Benefits

- Generate more than 3,000 direct jobs, plus other service supporting roles.
- Cost exceed $100 million, and considered as the most significant health care development in the Illawarra.
- Rank the region’s most significant employer and the largest employer in the Shellharbour LGA.
- A large consumer of food and other supplies and services, making a major contribution to the regional economy.

State of the Art Facilities and Technology

- State of the art surgical theatres and other specialist units such as Obstetrics, Casualty, Radiology, Pathology and Dialysis Services providing the innovative medical care service for the Illawarra population.
- Potential to establish the Illawarra at the forefront of health delivery in NSW and in Australia.

Strong Support from the University of Wollongong

- Mr John Hogg, the Foundation Dean of the Graduate School of Medicine of the University of Wollongong, described the proposal as “a very exciting venture”. Mr Hogg, on behalf of the Medical School of the University, strongly supported the initiative to expand the health facilities in the region.
- The education resources will provide training for students and graduates and support the new medical degree of the University.

Address Demand from Growing Population

- Additional 280 aged care places for youth and dementia to service the ageing population in the region.
- Provide local services to the existing 8,800 plus Illawarra residents leaving the region for treatment elsewhere.
- Reduce overcrowding in public hospital to meet the increasing demand.

Strategic Location

- Ideally located in the heart of Illawarra growth centre, servicing the growing population of the Illawarra, Shoalhaven and Southern Highlands and the planned development of the West Dapto-Calderwood corridor.
- Only 1.6 km west of Albion Park Township and 600m west of Tullimbar Village.
- It is 5 km from Albion Park Railway Station and 4.6 km from the Illawarra Regional Airport. The close proximity to the established transport network will facilitate interstate and intrastate patients.

Suitability of the Site

- Physical conditions of the site are ideal. It is relatively flat and is not affected by contamination, instability, significant vegetation, bushfire impacts, riparian corridors and existing easement.