

Statement of Reasons

LANDBRIDGE GROUP – DARWIN LUXURY HOTEL

PROJECT

Landbridge Group (the Proponent) notified the Northern Territory Environment Protection Authority (NT EPA) of its intention to develop a luxury hotel (the Project) on 10 March 2017. The luxury hotel is proposed to be located on the western portion of the Darwin City Waterfront, bounded by Kitchener Drive and Anchorage Court.

The Darwin City Waterfront Redevelopment project was assessed at the level of an Environmental Impact Statement (EIS), with Assessment Report 43 being provided to the Minister in January 2004. The Proponent of the Darwin City Waterfront Redevelopment project was the Department of Infrastructure, Planning and Environment. The Darwin City Waterfront precinct has been developed in stages following its assessment under the *Environmental Assessment Act*.

Assessment Report 43 Recommendation 2 stipulates that in the event that the Department of Infrastructure, Planning and Environment does not remain the Proponent, the obligation to meet all safeguards and commitments identified in the assessment report would fall to the developer.

The luxury hotel project aims to deliver an iconic tropical hotel connecting the city to the water. It involves the construction of a multistorey accommodation and restaurant venue accessible by the public and a revetment wall. The revetment wall is to be constructed along approximately 220 m of the coast abutting Bicentennial Park on the western-most boundary. The proposed works will move the current land water interface in the order of 25 m seaward of the existing revetment wall.

It is anticipated by the Proponent that the hotel design will be finalised during April 2017 and construction will commence in the second half of 2017.

The project area adjacent to the centre of Darwin encompasses a highly modified site as a result of its past industrial and related land use. The site has no natural habitat value for flora or fauna due to its highly modified state as a corollary of past land reclamation activities and revetment wall construction. Past land uses have resulted in some contamination across the site. The adjacent marine environment is similarly not pristine as it is contiguous with marine habitat modified during the construction and use of wharf and port infrastructure affiliated with past industrial and related land uses. The cultural heritage value within the project area includes Goyder Camp, a dedicated park as of February 2016, and a Sacred Site at Stokes Hill.

Since 2004 a number of developers have completed various projects consistent with the Master Plan for the Darwin City Waterfront, providing a convention and exhibition centre, residential accommodation and commercial, entertainment, tourist and recreation facilities. Completion of the project will see the area of exposed contaminated land significantly reduced and a contiguous revetment wall at the land water interface from the western boundary of the Darwin City Waterfront from Bicentennial Park east to Stokes Hill Road.

CONSULTATION

The notice of intent (NOI) was reviewed in consultation with the Department of Environment and Natural Resources, Department of Tourism and Culture and the Department of Infrastructure, Planning and Logistics as required by clause 14A(3) of the EAAP.

JUSTIFICATION

The NT EPA is satisfied that the development of a luxury hotel and associated revetment wall on the western portion of the waterfront site is an alteration from the Darwin City Waterfront Project assessed in 2004, as outlined in the Proponent's notification and summarised above.

The NOI submitted by the Proponent was accompanied by a *Comparative Environmental Impact and Mitigation Analysis* that details the environmental risks identified in the assessment of the Darwin City Waterfront Redevelopment project, notes changes to site conditions since 2004, considers the environmental impacts as described in the EIS in comparison to the Project and provides a preliminary view on any additional potential environmental impacts or risks that have become apparent since the completion of the EIS in 2004. The environmental risk assessment identified fifteen environmental risk aspects of which four were deemed low, seven as medium, two as high and two as critically significant. Following application of mitigating management measures all were reduced to low or very low risk of significant environmental impact.

Site contamination

Contaminants have been identified in soils and/or groundwater on the project site as a corollary of past industrial and related land use resulting in an initial critical risk rating for urgent management. Site investigations have confirmed the potential for impacts from elevated zinc, arsenic, copper, lead, perfluorooctane sulfonate (PFOS) and benzol(a)pyrene levels, asbestos, and hydrocarbon impacted soil and groundwater. Assessment Report 43 recognised significant land contamination as a result of past land use with the remediation of existing soil contamination falling outside the scope of the EIS. The matter was addressed through a Remediation Action Plan (RAP) developed in accordance with the National Environment Protection (Assessment of Site Contamination) Measure (NEPM).

Ongoing management actions will be incorporated into a RAP developed in accordance with the NEPM, with the requirement for independent auditing to determine whether the site is suitable for the intended land use. The NT EPA considers that the risks associated with site contamination can be appropriately addressed through implementation of the RAP.

Acid Sulfate Soils

Coastal engineers addressed design specifications for the proposed revetment wall to accommodate inundation anticipated in the event of secondary storm surge conditions corresponding to a storm tide with a 1000 year average recurrence interval.

Works associated with the proposed revetment wall have the potential to disturb Acid Sulfate Soils (ASS). While land investigations undertaken by the Proponent detected no significant deposits of ASS, should detailed engineering identify an increased likelihood of encountering significant quantities of ASS during construction of the revetment wall, the Proponent has committed to develop an ASS Management Plan. While the NT EPA agrees that risks relating to ASS are low, it has recommended that early detection contingency measures are included in the Construction Environmental Management Plan (CEMP).

Water quality

The project will result in rising water table and groundwater levels that will require control by drainage and/or groundwater pumping. Both ground water and surface waters have the potential to interact with contaminated sediments. The Proponent has identified that local and off-site run-off must not cause an impact from flows or quality and has committed to implementing a range of measures to maintain water quality during construction and operation of the project. Stormwater management measures include:

- redevelopment of the onsite drainage system to prevent flooding by accommodating water volumes anticipated to occur at a 100 year average recurrence interval
- employing appropriate soil conservation techniques
- management of stormwater flows
- the use of sediment traps
- detailing mitigation measures and monitoring in the Erosion and Sediment Control Plan (ESCP).

During the excavation of the basement level for the development, the excavated pit may fill up with turbid sediment laden stormwater. The Proponent has been reminded of its obligations under section 16 of the *Water Act*, that it must not cause water to become polluted. As such the Proponent must ensure that any pit-water to be discharged from the development is sufficiently treated to ensure that any receiving waterway (including any underground stormwater system) is not polluted.

A trade waste agreement may be required for the disposal of waste water to sewer from the appropriate authority/Power Water Corporation.

The NT EPA considers that the development and implementation of the ESCP in combination with actions in relation to contaminated land prescribed in the RAP is likely to result in acceptable quality of water entering Darwin Harbour.

Noise and air quality

Construction noise and dust has the potential to impact social amenity on residential and commercial sites in close proximity to the project site. Consistent with the Proponent's general duty obligations under the *Waste Management and Pollution Control Act* and adherence to the NT EPA *Noise guidelines for the development sites in the Northern Territory* a Noise Management Plan will be a component of the CEMP and Operational Environmental Management plan (OEMP) incorporating findings from recent noise impact assessments. Day to day construction noise reduction actions including selection of low noise equipment; adequate maintenance of plant, vehicles and equipment; implementation of noise treatments such as acoustic barriers, louvres and enclosures and silencers; are to be implemented in combination with engineering solutions relating to façade material selections, acoustic ventilation paths and sound transmission paths designed to minimise noise during operation.

The Proponent will implement dust suppression measures including wetting of exposed surfaces during windy conditions, minimising areas of exposure as a result of clearing, speed limits to minimise dust generated by vehicle movements, minimisation of drop heights when moving excavated materials and training of operators regarding the importance of minimising dust generation for on-site work health and safety and off-site impacts. Monitoring and management of air quality parameters will be detailed in the CEMP.

The NT EPA considers that adherence by the Proponent to guidelines and general duty obligations under relevant legislation in combination with the proposed mitigation measures is likely to result in acceptable noise and air quality.

Flora, Fauna and Conservation species

The project site does not include any marine or terrestrial habitats of value, reflecting the site's highly modified and disturbed state and past industrial and port related uses. Existing flora and fauna on the adjacent escarpment and Jervois Park are to be protected from construction activity influences through limitation of vehicle access, the installation of temporary fencing and adherence to vehicle and site hygiene consistent with effective weed management detailed in the CEMP.

The project has the potential to impact the adjacent marine areas if dredging is found to be required for the construction of the revetment wall. In this event, the Proponent will be required to develop a Dredge Management Plan, and may require additional approval under the *Planning Act* as outlined in the *NT EPA Guidelines for the environmental assessment of marine dredging in the Northern Territory*.

Given the historically impacted nature of the marine environment in the vicinity of the proposed revetment wall, it is unlikely that the proposed actions will have a significant impact on the adjacent environment.

Taking into consideration the original modified state of the site the NT EPA considers the proposed actions will adequately address the potential impacts on remnant flora and fauna.

Aboriginal and historical heritage

The potential impact on the cultural heritage of the project site was assessed as high. A comprehensive archaeological assessment of the project site conducted in conjunction with the NT Heritage Branch of the Department of Tourism and Culture identified specific areas on the site likely to have cultural significance. The Proponent has modified the project to avoid high value sites including Goyder Camp, which has been excised and protected in a dedicated park. Additional areas have been identified in which extra caution is to be exercised during earthworks. The mitigation and management actions are to be detailed in a Cultural Heritage Management Plan subject to approval by Heritage Branch prior to the commencement of works.

Consistent with the 2004 EIS and Master Plan the design of the project is promoted as enhancing the visual amenity of heritage sites adjacent to the Darwin City Waterfront with landscaping and built form through preservation of view lines from the escarpment, and from and to existing heritage places on the escarpment.

Summary

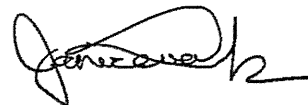
The Proponent has recognised all relevant commitments and additional studies described in the EIS, Supplement to the EIS and Assessment Report 43 and has detailed the proposed approach to honouring these in the *Comparative Environmental Impact and Mitigation Analysis*. Furthermore the Proponent has committed to developing a series of environmental management plans to control the remediation, construction and operational elements of the project incorporating issue specific environmental management plans.

Consistent with previous developments at the Darwin City Waterfront site, the project will require approval under the *Planning Act*. To minimise or mitigate potential environmental impacts and risks, the NT EPA recommends that construction consistent with a detailed CEMP be a condition of any approval issued under the *Planning Act*.

In considering the above, the NT EPA concludes that the alterations have not resulted in the identification of new potential environmental impacts and risks. The environmental significance of the altered project is such that a Public Environmental Report or Environmental Impact Statement is not required.

DECISION

The Darwin City Waterfront Redevelopment project has been altered in such a manner by the Darwin Luxury Hotel Project that its environmental significance has not changed and, subject to clause 14A of the Environmental Assessment Administrative Procedures, the administrative procedures are at end with respect to the proposed action.



JANICE VAN REYK
ACTING CHAIR

NORTHERN TERRITORY ENVIRONMENT PROTECTION AUTHORITY

16 MAY 2017