



Mr Simon Scott
Committee Secretary
Parliamentary Standing Committee of Public Accounts

Via Email: pac@parliament.tas.gov.au

Dear Mr Scott

As you are aware, the Macquarie Point Development Corporation has not previously made a submission in response to the Public Accounts Committee's Inquiry into the Tasmanian Government's process into the proposed Arts, Entertainment and Sports Precinct in Hobart.

After reviewing the terms of reference for the inquiry, the Board resolved not to make a submission, as the matters being considered were not specific to the Corporation's role and responsibilities. However, the CEO and I have previously appeared at a hearing of the Committee, as requested by the Committee Chair, and we subsequently provided requested information.

I note the Public Accounts Committee has since amended its terms of reference to include, among other things:

- the suitability of Macquarie Point as the site for a proposed the Arts, Entertainment and Sports Precinct; and
- matters related to the financing and delivery of the entire proposed Arts, Entertainment and Sports Precinct.

As these matters relate to the role of the Corporation, the Board has resolved to make a submission and to provide the following factual information to inform the inquiry.

Suitability of the site

I note that the Corporation has previously provided the Committee with detailed information on the geotechnical work that has been undertaken across the site, which appears to have subsequently prompted suggestions that the site is unstable and not suitable for development. This is not the case.

A key part of the post-settlement history of the Mac Point site is its industrial role as part of the early European settlement. This included the reclamation of land, as is the case for much of the developed area around the waterfront in Sullivans Cove. This is not an impediment to development.

Immediately across the road from Mac Point on Evans Street are a number of multistorey developments. These include the six-storey IXL apartments at the city-end of the street, and five-storey IXL Jam building at the western-end of the road. Across the cove there are a number of multistorey developments on reclaimed land, such the Marine Board Building which is 11 storeys.

Rather than being a barrier to development on the site, the geotechnical analysis that has been undertaken provides useful information to inform design work.

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The site offers a number of advantages to support development. One of these is land tenure. As a Crown-owned site, the location does not require land acquisition processes with third parties that could complicate or impede development.

Another advantage is the work that has been undertaken to date. This includes collecting nearly 2,000 soil samples, the removal of over 69,000 tonnes of contaminated soil and 2.3M litres of contaminated ground water. A map illustrating the sample sites is attached.

Over 200 years, Mac Point was used as a farm, an abattoir, lumber yard, a gas works, cold store, goods storage, for heavy industry, rubbish disposal, the military, freight, and rail. As a result, the sites soil and ground water required remediation.

Contaminants found in the ground at Mac Point included: Asbestos pipe, spent fuel, coal tar, phosphorus and sulphur, and heavy metals (arsenic, copper, lead, zinc, etc.). Contaminants found in the groundwater included: heavy metals, ammonia, cyanide, E. Coli, and spent fuel.

In addition to removing contaminants, almost one kilometre of ageing oil and diesel pipelines, once used by industry and the navy over 50 years ago, have been removed.

In parallel to this work, redundant infrastructure has been removed and the Corporation has developed a detailed understanding of the site. This includes learning about the site's history.

The third stage of a series of archaeological digs on site is currently in progress. These are to identify potential Aboriginal and European history and to map out areas where development should be avoided to protect largely undisturbed foreshore areas and remanent materials and structures.

Collectively these site investigations and works are important to consider as part of site selection, as the work completed to date streamlines the development of the site, as the material site investigations and preparation works are already complete. As noted in the Committee's interim report, the development of a stadium at Regatta Point was estimated by Aurecon to impose costs in the order of 40% more, as these works, investigations, approvals, heritage, site preparation and land tenure resolutions, have not been undertaken at that site.

Earlier this year the Corporation developed a draft precinct plan for the site, which along with supporting consultancy reports are available at macpoint.com/precinctplan. This included identifying a footprint for the proposed multipurpose stadium.

This work was informed by the requirements set out in the agreement between the Tasmanian Government and the AFL, and discussions with Stadiums Tasmania as the future operator of the proposed development. Benchmarking was used to inform the area required for key operational requirements such as access for truck and pantechs, media facilities, player and official facilities, seating capacity and corporate spaces. Flexibility in field size was also considered, allowing for the option to include a MCG-sized field if required.

This work identified that a multipurpose stadium will fit within the site's boundary and as part of an integrated and mixed-use precinct. It will not impede on Evans Street.

The precinct plan work was informed by a transport mode study that considered access points and travel model types. The report outlines targets for transport modes – such as active (walking and cycling), public transport (bus and ferries), and private vehicles including chartered buses and cars. This early work considered walkability and connecting areas, active transport routes, planned ferry network and bus expansions as part of the Keep Hobart Moving transport strategy, and the ability to provide transport services and access in a way that supports the effective operation of the road network.

The walkability of the site and close proximity to Sullivans Cove and the Hobart CBD, and existing transport, accommodation, hospitality and proximity to local businesses is another advantage of the location.

Matters relating to the financing and delivery of the broader precinct

The development of parcels across the site are the Corporation's core business, which was the case prior to the proposed multipurpose stadium. As noted above, the Corporation has had an important role in preparing the site for redevelopment and making it safe for use.

The investment to date has provided for the remediation of the site, the removal of redundant infrastructure, and plans to install infrastructure to support the development of the site. The individual projects and development areas will be managed on a case-by-case basis, with the majority of these anticipated to be taken to market as private-sector-led developments, informed by the site and zone requirements set by the Corporation.

The Corporation has already allocated funding for the development of the Aboriginal culturally informed zone. Should other instances be identified where there is a community-requirement or need that is outside of what can feasibly be delivered as part of privately funded developments, the Corporation can apply for funding through the annual budget process. This would be subject to the normal internal and external budget processes and scrutiny.

The estimated value of the collective developments on the site as set out in the precinct plan will be determined as part of the more detailed master planning process to guide the development of the site.

I note the Committee has requested that the CEO and I reappear before PAC on Tuesday, 28 November 2023. We will be available to attend that hearing and respond to further questions either in that session or through queries taken on notice.

Sincerely



Brian Scullin
Board Chair

24 November 2023

Attachment – site map illustrating sample sites

