

24 November 2023

Simon Scott
Committee Secretary
Parliamentary Standing Committee of Public Accounts
Parliament House
Hobart TAS 7000

Re: Inquiry into Tasmanian Government's process into the proposed Arts, Entertainment and Sports Precinct in Hobart

Dear Mr Scott,

I am writing on behalf of Federal Group to provide a submission to the above inquiry. Federal Group is an interested and impacted stakeholder with significant business holdings adjoining the Macquarie Point site.

This submission is most relevant to item 2 of the Inquiry terms of reference:

The suitability of Macquarie Point as the site for a proposed Arts, Entertainment and Sports Precinct.

The detail of this submission is also somewhat relevant to items 4 and 6 of the Inquiry terms of reference. However, we do not make any comments in relation to items 1, 3, and 5 of the Inquiry Terms of Reference as these are not matters related to our specific interests in the future of the Macquarie Point site.

Federal Group has made significant investments in the Hobart waterfront, operating high profile and successful businesses with plans to develop further exciting opportunities in the future.

The company owns and operates the **Henry Jones Art Hotel** and a number of associated tenancies. The hotel currently offers 56 luxury rooms devoted to art and heritage and is the number 2 ranked hotel in Hobart on the influential global travel site Trip Advisor. In addition to accommodation the company operates the Landscape Restaurant, the Long Bar, and function facilities including the Atrium, Packing Room and Jones and Co Room. The hotel is a popular venue for meetings, weddings, small conferences, and functions. In addition, the company operates the Henry Jones Design retail outlet, leases out the Jam Packed Café and will soon be reopening an exciting hospitality concept in the previous Peacock and Jones restaurant site.

The company also owns and operates the **MACq 01** hotel and is the leaseholder of the site that includes a number of high-quality restaurant tenancies (including Frogmore Creek, Black Footed Pig, Fellini). The hotel is the world's first storytelling hotel and provides a unique experience for guests that supports and builds on the Tasmanian brand. MACq 01 offers 114 luxury rooms with each room devoted to a Tasmanian character and tells their story. The hotel is the number 1 ranked hotel in Hobart on the influential global travel site Trip Advisor. In addition to accommodation the company operates the Evolve Spirits Bar, the Story Bar, and the Old Wharf Restaurant. The hotel is an extremely popular venue for interstate and overseas leisure guests seeking to engage with the story of Tasmania and stay right on the beautiful Hobart waterfront.

The company also owns the former **Retlas Bronze** site on Evans Street that has been identified as a future site for a boutique, luxury hotel. While the site is currently unoccupied, the company had started developing plans for a small-scale luxury, arts-focused hotel to complement the experience at the Henry Jones Art Hotel. As a former industrial site, the building is well suited to an arts based boutique hotel. The site is directly opposite the section of Evans Street where the stadium proposed for Macquarie Point is planned to be located.

As the owner and operator of these significant tourism, hospitality and retail businesses in the Macquarie Point precinct, we believe that the company is a significant and directly impacted stakeholder in the future of Macquarie Point. We have been disappointed with the lack of engagement and consultation in relation to the future of the Macquarie Point site and its impact on our businesses. The current stadium concept being pursued by the Tasmanian Government will be located directly adjacent to our assets and operations and we would have expected to be directly engaged and consulted, rather than learning about developments through the news media.

Related to the concerns about a lack of consultation, we have noted a lack of detail in relation to the proposed stadium and broader plans for the Macquarie Point site. We have a range of concerns and questions about the stadium operation and construction that are not able to be answered. The areas of interest to which there are no details at this point include:

- Noise during stadium construction and operation
- Loss of access and amenity to Evans and Hunter Streets during construction and operation (especially prior to, during, and after major events) for guests, visitors and suppliers to our businesses
- Reduced customer experience during construction and operation
- Impact on sightlines and shadowing from the proposed stadium on our current and future businesses
- Impact on the “maritime heritage” visitor experience, feel, and sightlines on the waterfront from a new stadium in the proposed location
- The scale and look of the proposed stadium in terms of height, bulk, and outer “skin”
- Impact on parking availability for guests and visitors to our businesses during major events

The above issues are a concern for our company. While there is limited detail available, the concept of a very tall and bulky stadium on the Macquarie Point site that goes to the edge of Evans Street (as the current proposal seems to) will have significant implications for our business and the waterfront precinct.

In terms of the visitor experience, we know from our guests how important the “maritime heritage” look and feel of the Hobart waterfront is for visitors to the city. The views and sightlines from Victoria and Constitution Docks towards the Henry Jones Art Hotel are iconic and one of the most identifiable Hobart scenes. The proposed stadium to the edge of Evans Street will loom above the Henry Jones building and completely alter these sightlines, and therefore have a negative impact on the visitor experience.

The potential impacts of the proposed stadium on Federal Group’s current businesses in the precinct are significant. A stadium of this scale and in this location will have a lengthy build time that is likely to cause significant disruption to neighbouring properties and the enjoyment of guests to our businesses. While these impacts are unknown at this stage, they are likely to include noise, road closures and reduced access, reduced parking, and significantly reduced amenity and enjoyment for our guests. Our businesses also require regular deliveries from suppliers and convenient access and amenity will be critical.

There is a similar lack of information about how any proposed stadium will impact on our businesses and the experience of guests when operational. Impacts on our guest experience through noise, reduced access and amenity, changed vistas and sightlines, as well as parking are all assumed to be significant – but the limited information available does not allow us to assess how significant they will be and the extent to which any can be mitigated.

The proposed stadium to the edge of Evans Street is very likely to have an impact on our decision to invest in another luxury and arts-based hotel on Evans Street. Our company has owned the former Retlas Bronze Foundry on Evans Street for several years, with the intention of – at the right time – developing a luxury hotel with an arts theme that will complement the experience at the Henry Jones Art Hotel and MACq 01. However, it appears that the edge of the massive stadium structure could be within 20 metres of this site, and it would therefore be unlikely that the company would now consider developing this site.

It is worth comparing the current proposed stadium to the edge of Evans Street, and the lack of detail and consultation with this proposal, with the Dean Coleman designed proposal at the Regatta Grounds recently released (Stadium 2.0). The proponents of Stadium 2.0 have undertaken extensive consultation with us as an interested stakeholder (and other stakeholders), presenting the concept and addressing our feedback, questions, and concerns. Similarly, the proponents have a detailed design and have considered the raft of issues that we consider critical and remain unknown with the Macquarie Point proposed stadium.

Our assessment is that Stadium 2.0 would meet our concerns about the Macquarie Point stadium and therefore represents a much-improved outcome. Noise, access, amenity, vistas and sightlines, parking, and guest and visitor experience under Stadium 2.0 will ensure minimal negative impacts on our existing tourism, hospitality and retail businesses and investments. The location of Stadium 2.0 will have little negative impacts on our existing businesses and guest experiences. Importantly, the proposed stadium 2.0 location and design will allow our proposed hotel development at Evans Street to proceed as originally planned.

In addition, there also appear to be other public benefits that could result from pursuing the Stadium 2.0 proposal. The incorporation of significant private sector investment could also reduce the level of public investment and reduce the financial risk to the Tasmanian Government and taxpayers. We would encourage the Tasmanian Government to engage meaningfully with the proponents of Stadium 2.0.

Should the Tasmanian Government decide to pursue the location and design put forward by the proponent of Stadium 2.0, then it opens a range of other interesting and more appropriate uses for the Macquarie Point site. The inclusion of a reconciliation park and other public access would enliven the site and provide an interesting and appropriate link between the city, the cenotaph, and the new stadium. Similarly, the Macquarie Point site could also be the home for low rise facilities dedicated to Antarctic and Southern Ocean research.

Thank you for the opportunity to provide a submission to the inquiry. I am available to answer any questions in relation to this submission or provide further input to the Committee. I can be contacted at [REDACTED]

Yours sincerely,

A black rectangular box redacting the signature of Dr Daniel Hanna.

Dr Daniel Hanna
Executive General Manager, Corporate & Regulatory Affairs
Federal Group