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Ms Claire Hynes
Acting Executive Commissioner
Tasmanian Planning Commission

By email: tpc@planning.tas.gov.au

Dear Ms Hynes

Macquarie Point Multipurpose Stadium Project of State Significance Submission in accordance with section 21(1) of the *State Policies and Projects Act 1993*

Thank you for your letter of 26 September 2024 which, among other things, invited the Department of State Growth (State Growth) to make a submission setting out its views in relation to the Macquarie Point Multipurpose Stadium Project of State Significance (the project).

This letter sets out State Growth's high-level views on the project for the Macquarie Point Multipurpose Stadium Panel (the Panel). More detailed submissions are included at **Appendix A**.

Economic, community and social benefits of the project for Tasmania

The Macquarie Point Development Corporation (the Corporation) has provided reports (particularly appendices E through H) which address the project's economic, cultural and social impacts (the Economic Reports).

State Growth considers that the Economic Reports developed for the project are consistent with the planning stage of a large complex construction project, and the general principles and processes of Infrastructure Tasmania's Project Assurance Framework.

In reviewing the Economic Reports, State Growth understands that stadia are social infrastructure that provide benefits to society that are difficult to quantify. The qualitative impact of stadia and other similar sporting or event infrastructure are not easily measured through the standard economic modelling practices.

The Economic Reports outline that the project will add social and cultural value to the lives of the people that utilise the stadium, providing access to concerts, festivals, sports games and community events that often would not otherwise be available. The project will also create new jobs and boost the economy in the local area, particularly in the hospitality industry once operational, and in the construction sector during the stadium build phase of the project – this should be the focus of the integrated assessment and is a matter that State Growth would be available to discuss with the Panel as part of its assessment.

The measurable benefits to be delivered by the project go beyond the provision of an event calendar. There are a range of other activity drivers across the broader precinct that could deliver benefits to the stadium and support its ongoing viability. The assessment of the Economic Reports should consider that the project is to be activated as part of a broader precinct.

State Growth notes that the process for developing large complex construction projects generally require several 'business case' type documents to inform decision making at key stages of project planning, design and development. These documents also do not consider major urban renewal and city shaping benefits associated with the stadium development as well as its impact as a catalyst to open up transport corridors and further housing and development opportunities.

Further economic evaluation may be required as the project progresses and the service needs, function options, and benefit and cost estimates are refined. Other business case material may also need to be produced as part of requirements to satisfy internal governance considerations or conditions placed on the Australian Government funding commitment.

Further, State Growth remains unclear why the Commission would specifically need to assess or evaluate the financial impact of government spending decisions. There are existing statutory and established internal to government and external public scrutiny processes and pathways to review government budget processes. The integrated assessment of the Project should focus on the economic impacts, rather than the broader activity and mechanics of government.

Importance of the arts and cultural sector

The project is an exciting opportunity for the arts and culture sector given its ability to attract events and entertainment to Tasmania. The reports, including for example Appendix JJ (*Mac Point Precinct Plan – August 2024*), reinforce the role of the arts in developing social capital, and State Growth believes this should be considered a highly desirable aspect of the development. We also welcome the list of development opportunities in the Inkhorn Projects report and look forward to engaging on these opportunities as appropriate.

Well-designed public art components will be key to the visual amenity of this iconic, highly visible destination and State Growth welcomes the inclusion of a public art budget. Given there is a desire for Tasmanian Aboriginal work to be included as part of the project's public art portfolio, due attention will also need to be given to effectively building sector capability and capacity.

State Growth notes the detail for the arts and cultural component for the project is limited and it is therefore challenging to imagine what is being considered. However, no matter what is decided, it is likely that funding will be required to support the attraction of events to realise the potential social and cultural benefits from this project.

The Department of State Growth recommends that the Commission seeks the views of the arts and culture sector as part its integrated assessment process.

Urban renewal benefits

The project will play an important role in supporting urban renewal and development objectives in Tasmania and is consistent with the Australian Government's urban renewal agenda. The project plans to revitalise a long under-utilised area and, as part of the broader precinct, is expected to increase productivity, attract migration, help in meeting population goals, and improve liveability. In the context of the draft National Urban Policy, the project will also play a role in achieving the goals for our cities, such as being liveable, equitable, productive, sustainable and resilient. The Corporation's submission also notes the linkages between the development of the project, funding agreements with the Commonwealth, and the work of the Greater Hobart Committee.

Infrastructure and transport considerations

State Growth is supportive of the intent of the proposed transport plan that formed part of the project's submission, including reducing reliance on private car travel and encouraging greater use of public and active transport modes.

As part of the Transport Study, State Growth notes that major stadium event days and general stadium operations will require the completion of other transport projects to facilitate the safe and efficient movement of crowds and traffic. However, a concern for State Growth is whether the proposed transport plan can be successfully implemented by the time of stadium completion. There are a range of matters that need to be considered such as funding availability, responsibility, planning, and implementation. Further commentary on movement is provided in **Appendix A**.

State Growth notes that there are several initiatives that form part of the Corporation's submission that the Tasmanian Government will be required to deliver, including existing Tasmanian Government commitments. State Growth looks forward to working with the Corporation to ensure that the necessary initiatives within its remit can be planned for, prioritised, and delivered appropriately.

I trust that this submission has been useful to you and look forward to State Growth assisting the Tasmanian Planning Commission as it continues to undertake its integrated assessment of this important project.

Yours sincerely



Craig Limkin
Secretary

24 October 2024

Appendix A – Detailed submissions

The following detailed submissions are set out in accordance with the headings in the Guidelines for the assessment of the project as published by the Commission.

If required, State Growth could provide further input into to the Panel on these matters.

Economic development and social, cultural and community wellbeing

Economic impact

In terms of the Cost-Benefit Analysis, social infrastructure such as stadia rarely return a benefit-cost ratio (BCR) above 1.0 and usually the economic costs will outweigh the identifiable and quantifiable economic benefits. However, these BCRs can change significantly as project understanding advances through the development of the design, selection of the preferred contractor and completion of the planning approval process.

For example, the BCR for the new Bridgewater Bridge project varied by 50 per cent between March 2019 and October 2021, despite total project cost increasing by more than 50 per cent over the same period. State Growth considers the outputs of the Economic Reports should be carefully interpreted to understand the assumptions and modelling inputs used, and the specific scopes under which they were produced for this point in the project. State Growth also acknowledges the context in which the Economic Reports were prepared, and the limited purpose they are to serve. State Growth undertook the initial business case, titled 'Strategic Business Case', as part of the project initiation phase, in advance of the commencement of the planning and development phase of the project. This was the first gate in terms of project assurance and was required to secure project funding for the Macquarie Point Stadium. The Economic Reports, and the associated analysis incorporated within them, have been prepared as part of the Planning Phase to demonstrate sufficient justification to proceed to the project's Development Phase and into the Procurement phase. Further, State Growth notes that the economic modelling outputs, such as the Benefit-Cost Ratio, are based on the total project funding requirement, not just the Tasmanian Government's capped commitment of \$375 million.

State Growth considers there are further benefits to be gained from the project that are not captured in the Economic Reports. As noted in the letter, these benefits include major urban renewal and city shaping benefits and its impact as a catalyst to open up transport corridors and further housing and development opportunities.

State Growth considers there is an opportunity to develop specific training packages and to promote positive social outcomes, not currently captured in the Economic Reports, through encouraging a diverse labour market for the project including women, culturally and linguistically diverse (CALD) and disadvantaged cohorts, and young people.

These goals could be achieved using social enterprises and/or social impact organisations or through using social procurement methodology combined with supports available to the construction market to assist tender preparation.

Other comments

- The site will require significant terrestrial and mobile digital connectivity. Early consideration should be given to identify the range of stadium services that will rely

on multi-technology voice and data wireless and mobile connectivity solutions (eg systems operations, broadcast, security, commercial activities, public mobile coverage, wi-fi etc) as well as ensuring the necessary service footprint and capacity (including substantial surge capacity) required for major events held on site.

- State Growth supports the mitigation measures outlined by the proponent to work with local businesses to ensure that any disruptions, including noise, vibration or accessibility issues created by the construction of the Multipurpose Stadium are minimised. Once the Multipurpose Stadium is operational, ongoing efforts to minimise disruption will be undertaken by Stadiums Tasmania.
- We also welcome that the stadium construction will provide a significant economic boost for the local economy through use of Tasmanian service providers and materials.
- State Growth supports the Corporation's plan to include of locally sourced materials, with work underway to develop a workforce strategy to maximise local participation of the jobs generated by the project. State Growth will work to maximise support for supporting small businesses, including through utilising existing communications channels through Business Tasmania.
- It is noted that the Corporation's reports in response to the Macquarie Point Multipurpose Stadium Guidelines consider the operation of the Port of Hobart, including landside transport connections to support logistics operations and resupply within the port.
- State Growth considers that the measurable benefits to be delivered by the stadium go beyond the provision of events and entertainment. There is a range of other activity drivers that could deliver activity at the stadium and support the ongoing viability of the stadium. The total number of events should not be the key component in assessment of the Economic Reports, as the project is to be activated as part of a broader precinct.
- State Growth looks forward to finding out more about how arts will be integrated into the project during the assessment process, particularly any specific sites identified for art installations or similar uses.
- State Growth notes the Economic Reports found that there are significant social and cultural benefits that will accrue to the Tasmanian community through the project. The arts are an important provider of those experiences and benefits from other forms of passive and active recreation.
- There is substantial evidence of the benefits of arts engagement on the social health and wellbeing of communities that goes beyond the Economic Reports. State Growth considers that expanding the arts usage of the site and project could improve social and cultural benefit. Many references can be provided that clearly demonstrate the role of the arts to develop social capital and improve social health and wellbeing.
- State Growth notes that there will need to be appropriate event attraction support for the potential social and cultural benefits to be realised from this project.

Planning assessment

Landscape and urban form

State Growth believes the project will support urban renewal and development objectives in Tasmania. It will revitalise a long under-utilised area and it is expected to increase productivity, attract migration, promote population goals and improve liveability.

In considering the Corporation's submission, it is useful to consider the multipurpose stadium proposal in the context of the draft National Urban Policy (NUP), which Tasmania has been involved in developing. While the policy remains in draft form, it nevertheless provides useful high-level guidance on urban development objectives at a national level.

The goals defined in the NUP are for our cities to be liveable, equitable, productive and sustainable, and State Growth submits that there is clear alignment between these goals and the project:

- **Liveable** – the proposed stadium will enhance liveability in Greater Hobart by creating a public space that is safe, attractive, accessible to people with disabilities and provides a high standard of amenity through public transport, well designed open spaces and recreational opportunities. The stadium will add to the unique identity of Greater Hobart by contributing to cultural development, urban design, and developing the local economy.
- **Equitable** – the location of the development which is at the intersection of the three major inlets to the city will facilitate connection to the venue promoting equitable access.
- **Productive** – the development of the stadium and its interface with Greater Hobart will increase productivity in Greater Hobart from the co-location of jobs and housing, the attraction of visitors and additional expenditure, potential for greater housing densification, and new employment opportunities.
- **Sustainable** – the plans show a commitment to sustainable and responsible design, development and management of the stadium, with associated goals and measures.
- **Resilient** – the stadium will contribute to economic and social resilience across Greater Hobart.

The project also aligns with many of the principles that underpin the NUP, including through purposeful place-making and a focus on equitable access.

The reports note the linkages between the development of the stadium and the objectives of the Hobart City Deal and Greater Hobart Committee. These linkages are important and valuable. The development proposal supports the objectives set out in the Greater Hobart Committee's 30-Year Greater Hobart Plan which aims to facilitate liveability across Greater Hobart through the coordination of transport, housing densification and diversity and precinct planning. The location of the proposed stadium, the accessibility of the stadium, the job opportunities created by the stadium and the cultural and community activities that will be supported by the stadium will all contribute to liveability in Greater Hobart.

Movement

Travel scenarios and management options

State Growth notes that construction traffic impacts will need to be carefully considered and mitigated, with more detailed traffic management plans prepared in advance of the construction phase.

State Growth also considers that the project's transport plan is ambitious given there are several initiatives to be delivered by different entities and that a number of planning and implementation deliverables will be subject to funding, potentially hindering the ability for the transport plan to be operational when the stadium is complete.

State Growth notes that the following items may need clarity:

- The overlap of event car parking in the Hobart CBD with everyday use of car parks;
- The crowd number thresholds for needing event buses and site traffic management plan; and
- The operational impacts of trying to accommodate large traffic volumes inbound during PM the afternoon peak (when signal operations are focussed on outbound capacity)

Operational impacts of trying to accommodate large traffic volumes inbound during the afternoon peak (when signal operations are focussed on outbound capacity) are not clear, noting that event scheduling will influence/mitigate management approach/strategy.

Traffic, freight and transport routes

State Growth considers that the impact of site traffic on the external road network, especially McVilly Drive interchange, Evans Street intersections with Davey St and Macquarie Street, and Brooker Avenue intersections with Tasman Highway and Liverpool Street warrant careful consideration by the Panel.

State Growth notes the proposed use of traffic flow (i.e. changing the direction of traffic flow on the middle lane) on the Tasman Bridge pre-event. This will need to be worked through carefully due to the impacts on outbound capacity, and flow-on implications for Macquarie Street.

State Growth acknowledges that the report highlights the need for Evans Street to remain accessible to Over Size/Over Mass (OSOM) vehicles. However, the report appears to focus on over height OSOM vehicles due to the vertical clearance constraints with the McVilly Drive interchange overpass. It is anticipated that Evans Street will need to remain the primary access route for OSOM vehicles that exceed the prescriptive length, width, height and rear overhang limitations for loads such as bridge machinery, piers/pillions and electricity generation components, as well as any other vehicles that cannot utilise the existing Tasman Highway/McVilly Drive interchange ramps due to the tight radius of paths, and steep grades.

Pedestrian/cycling movement

State Growth draws the Commission's attention to the fact that different crowd demographics, or other factors such as weather or time of day (e.g. a late-finishing event may not be attractive for cycling home), is an important consideration for Active Transport use.

State Growth would welcome an opportunity to discuss pedestrian path usage, especially after events, to further understand mitigating actions to address potential congestion impacts. This includes movement to/from Gate 2 of the stadium, Davey Street, Evans Street, Hunter Street, and the Tasman Highway.

It is noted that the Collins Street pedestrian bridge appears to play a significant role in pedestrian management but this initiative is not funded currently. Other comments

Modelling has focussed on a strategic-level view of Greater Hobart and has limited analysis on the immediate local area and key intersections and potential points of congestion, including:

- Tasman Highway / McVilly Drive / Northern Access Road interchange
- Davey Street / Evans Street intersection
- Macquarie Street / Evans Street intersection
- Tasman Highway / Brooker Avenue / Macquarie Street / Davey Street intersection
- Brooker Avenue / Liverpool Street intersection

State Growth notes that Wilkinsons Point is identified as a potential park and ride facility for the stadium and that the Government has identified the need to reserve land for a future park and ride/sail on the site as part of the master plan. Depending on the overlap between events at MyState Bank Arena, this facility may be available for use for stadium events (further consideration is required).

Activity and land use

State Growth notes the importance of port freight operations. Initiatives such as the Northern Access Road will provide solutions such as removing port destined/originated freight vehicles from Evans Street, and for use during stadium events relating to catering, service vehicles, buses, pedestrian/active transport, and access to the future underground carpark. The submission and Transport study both note the importance of strong collaboration between local government, state government, TasPorts and local partners on transport solutions. Given the intended use of the Northern Access Road, this will be critical.

The Northern Access Road will be a critical construction road for the stadium project, however it is currently unfunded.

Environmental quality and hazards

Noise and vibrations

State Growth recognises that the Tasmanian Symphony Orchestra is resident at Federation Concert Hall. The matter of noise and vibration impacts due to the stadium's construction and ongoing operation is a sensitive issue that requires careful stakeholder management and possible mitigation actions in place to ensure the TSO, as Australia's most heard orchestra nationally and internationally, can continue to perform, record and broadcast in accordance with community expectations.

Climate change

State Growth notes the following:

- that the overland flood assessment is primarily based on studies conducted in 2013 and 2019;
- the monitoring wells data is based on two days of data and may not capture the impacts of extreme weather events;
- that coastal erosion impacts are not easily identifiable, although, given port berthing surrounds the waterside of the site, it should be noted that these are actively considered by TasPorts in its wharf upgrade assessments; and
- other detailed impacts as a result of a changing climate have not been examined in the summary report, such as rise in temperature and increased windspeed.

Other planning matters

Construction management

On construction management, State Growth notes that ongoing consultation and liaison with local businesses will be important to adverse impacts on access, traffic, parking and noise.