



DRAFT HOBART INTERIM PLANNING SCHEME 2013

CENTRAL AREA PROVISIONS LAND VALUE IMPACT REPORT BRIEF

1 Introduction

- 1.1 The draft Hobart Interim Planning Scheme 2013 (HIPS 2013) was endorsed by the Council for release for community consultation on May 13 2013.
- 1.2 This consultation is taking place at the same time as that for all the draft interim planning schemes in the Southern Tasmanian region.
- 1.3 The scheme is based on the model planning scheme as for the region, as well as the Planning Scheme Template for Tasmania (May 2011).
- 1.4 Hobart's central area is where most of the business activity and employment associated with Hobart's role and function as a capital city is located.
- 1.5 It is essential that the provisions in the HIPS 2013 for the central area incorporate an up to date policy direction and provides the appropriate framework for use and development of the central area over the next ten years or more.
- 1.6 That framework will need to reinforce and enhance both its capital city role as the primary activity centre in Tasmania and the quality of the city's built heritage and environmental amenity.

2 Background

- 2.1 A new draft City of Hobart Planning Scheme, based on the original Planning Scheme Template for Tasmania (2003) was released for a three month period of community consultation in July 2009.
- 2.2 A number of submissions were received in relation to the provisions for the central area (CBD and surrounds); including one from the peak development industry bodies the Property Council of Australia and the Royal Australian Institute of Architects.

- 2.3 The principal concerns expressed were:-
- 2.3.1 Any reduction in development potential will significantly impact the value of properties and the economic viability of future developments.
 - 2.3.2 A reduction in allowable floor area and property value will jeopardise further development prospects in the central area and would not encourage investment and would compromise Hobart's competitiveness in the national office sector.
 - 2.3.3 There is a view that the heritage and environmental (solar access) provisions embodied in the draft scheme are given too greater significance. The economic and associated social factors should be given equal consideration.
 - 2.3.4 The permitted height standards are too low and are inappropriate for the central city area.
 - 2.3.5 The permitted height standards are considerably lower than many examples of successful buildings in the central area.
 - 2.3.6 The building envelope standards proposed would encourage building forms that will increase the cost and compromise the functionality of future developments.
- 2.4 As a result of these submissions review work was undertaken of development standards proposed.
- 2.5 Background report setting out the review process, the recommended revised provisions and the rationale is Annexure 1.
- 2.6 The outcomes of that review work have been incorporated into the Draft HIPS 2013 as "local level" provisions for the scheme's Central Business Zone and the Commercial Zone.
- 2.7 The proposed listings in the Heritage Code of places in the central area are being supplemented to provide clarity as to the extent of a property that has heritage values.
- 2.8 The Draft HIPS 2013 itself has been the subject of a regional model planning scheme preparation process initiated to implement the Memorandum of Understanding between the State Government and the Southern Tasmanian Councils of December 2008.

3 Purpose of Report

3.1 The purpose of the report is to assess the impact on land values of the revised provisions now proposed for the Central Area of Hobart in the Draft HIPS 2013 compared with the provisions of the current City of Hobart Planning Scheme 1982 (CHPS 1982), having regard to the optimum market and operational site and building footprint size sought by developers for commercial development projects.

4 The Study Area

4.1 The approach to the report is to use a street block as a Study Area.

4.2 That selected is that bounded by Elizabeth, Melville, Argyle and Bathurst Streets (street block 19) as shown in **Annexure 2 and 2a**.

4.3 It is a block that currently falls within the two central area zones under the current CHPS 1982 – the Central Retail Zone and the Central Commercial and Administrative Zone.

4.4 Within the block there are currently 4 lots that are included within the Heritage Schedule F of the CHPS 1982 and a further 6 that are proposed to be listed in the Heritage Code of the HIPS 2013.

5 Key Outcomes

5.1 The Key Outcomes sought from the report are:

5.1.1 An analysis and conclusions on the relative value of the lots comprising the street block both individually and collectively under the provisions of:

- the City of Hobart Planning Scheme 1982;
- the Draft City of Hobart Planning Schemed 2009;
- the Draft Hobart Interim Planning Scheme 2013.

The analysis should clearly indicate and explain the contribution made to valuation by the development potential under the permitted and discretionary provisions respectively of each scheme and the resultant differences.

5.1.2 A quantification of the impact of heritage listing i.e:

- the difference between value of *existing* listed properties and their values if they weren't, and
- the difference between the value of additional properties *proposed* to be listed and their current unlisted value.

- 5.1.3 The impact of removing heritage discretion for properties that are not listed but are adjacent to an existing or proposed heritage site and will therefore no longer be subject to heritage discretion because of that adjacency¹.
- 5.2 The report should provide a summary of current optimum market preferences in respect of the factors that determine the value of the land in terms of its realisable development potential including:
- 5.2.1 The floorspace yield determined by the floor area of buildings of cultural significance on existing and proposed listed places and, the potential additional floorspace of development complying with the proposed acceptable solutions for development:
- 5.2.2 Lot size and configuration;
- 5.2.3 Building footprint;
- 5.2.4 'Typical' office level.

6 Reference and Background Documents

- 6.1 The primary reference or background documents are:
- 6.1.1 The City of Hobart Planning Scheme 1982 in particular:
- Principles of Development Control 7- 9
 - Schedule B Density
- 6.1.2 Schedule F Heritage (note this *does* apply to sites adjacent to a listed place).
- 6.1.3 The Draft HIPS (2013) in particular:
- 22.4 Central Business Zone, Development Standards for Buildings and Works and Figures 22.1, 22.2 and 22.3.
 - 23.4 Commercial Zone, Development Standards for Buildings and Works.
 - E.13.0 Historic Heritage Code (note this *does not* apply to sites adjacent to a listed place).

¹ In F.1.1 of the Heritage Schedule of the City of Hobart Planning Scheme 1982 'adjacent' is defined as: 'in relation to proposed development means sites alongside, behind, diagonally behind directly opposite on other side of the road from a place listed on the Heritage Register or in a Heritage Area'.

6.2 As a matter primarily of background information, the Draft City of Hobart Planning Scheme 2009 was the initial draft document for a revised zoning and standards for the development of land in the central area, based on a state-wide planning scheme template. The key components of that in relation to this brief are:

- S 4 Heritage Schedule (note this *did propose to* apply to sites adjacent to a listed place).
- S 6 Central Area Design Schedule.

7 Support to be Provided

7.1 The Council will provide the following support:-

7.1.1 The documentation related to the calculation of floor area yield for street block 19 under the proposed building envelope;

7.1.2 All base maps, including orthophotography and GIS cadastre and other data reproduction [by the Cartographic Draftsman of the Development and Environmental Services Division, City Planning Unit].

7.1.3 Good copy map work for inclusion in the report [by the Cartographic Draftsman].

7.1.4 Printing and reproduction of the report (if necessary).

7.2 Access to any relevant reports, files, documents, maps and plans in Council's possession will also be provided.

7.3 There may also be scope for some minor administrative and technical support if essential and subject to agreement.

8 Deliverables and Documentation

8.1 The deliverable required from this project is a report which contains the "Key Outcomes" set out in 5.1 - 5.2 above.

8.2 A presentation or simply attendance at an informal Aldermanic workshop or a meeting of the Development and Environmental Services Committee of Council may be required at the end of Stage 3 (see section 9 below).

8.3 Reporting is to be in digital format reproducible in A4, and one double-sided bound copy.

8.4 The report is also to be fully compatible with Council's Microsoft Word 7.0 for Windows 7 Enterprise, and if necessary Microsoft Excel 7.0.

8.5 The Council will not be responsible for any document conversion from other incompatible programs or systems.

- 8.6 Maps used for reference and explanation will need to be at consistent scale of 1:250, 1:500 or 1:1000.
- 8.7 Plans associated with individual properties should be at 1: 250 or 1:500 scales.
- 8.8 Photographs in the report will be in colour.

9 Timing

Stage 1

- 9.1 An initial report that provides a specimen output for an individual property is required within one week of commencement. There will then be one week for client feedback and consultation.

Stage 2

- 9.2 A draft report is required within a further three weeks, with a two week period for client feedback and consultation.

Stage 3

- 9.3 The final report will be completed within a further two weeks.

10 Fees and Payments

- 10.1 Payments, unless otherwise agreed, will be made in four instalments as follows:

- 10% on inception
- 15% on the completion of Stage 1
- 60% on the completion of Stage 2
- 15% on the completion of Stage 3

11 Management

- 11.1 The project will be managed for the Council by the Manager of City Planning, Barry Holmes, and is available on telephone 03 6238 2852 or mobile 0437 584 002 or e-mail holmesb@hobartcity.com.au .
- 11.2 Progress reporting meetings will be organised as required and involve the Council's advising Planning Consultant Frazer. Read of GHD Pty Ltd and other employees as appropriate.
- 11.3 There will be at least one formal meeting required at the end of each stage.