

16 June 2014

The Hon Gary Nairn
Chairman
NT Planning Commission
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DARWIN NT 0801

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Dear Sir

Submission on Draft Concept Plan

The Property Council of Australia welcomes the opportunity to provide a submission on the Draft Concept Plan for **Kahlin Compound, Old Darwin Hospital site and Flagstaff Park** land (collectively referred to as the Old Darwin Hospital precinct in this submission).

The Northern Territory Division of the Property Council of Australia collectively represents billions of dollars of commercial investment in the Northern Territory. The value of the Property industry to the NT economy is second only to the Resources sector.

The Property Council's membership draws together key players from property development, owners of commercial office buildings and shopping centres, financial and legal institutions, and construction companies. Our membership also extends to those engaged in the professions, business or industry directly associated with the property industry (such as architects, engineers, financiers, consultants, suppliers, etc).

As an industry, we not only have a keen interest, but also a financial investment in the future development of the Northern Territory, and we appreciate and take seriously the opportunity to provide comment on strategic planning proposals for the NT.

We commend the Northern Territory Government and the Planning Commission for continuing its efforts to pursue strategic planning that will guide the long term land use, development and investment within the Darwin City Centre and the Greater Darwin area. Further, we understand that comprehensive and meaningful plans take time and we urge the Government to put the long-term wellbeing of Territorians ahead of short-term priorities that are tied to political cycles.

Overview

In general, the Property Council of Australia supports the need for a draft concept plan looking at the Old Darwin Hospital precinct as a whole and the intention to prepare a design brief for an Expressions of Interest process for the potential development of the land. Further, we consider the key elements identified in the draft concept plan to be a suitable basis for more detailed assessment in due course.

However, we consider the subject site to be an outstanding strategic, indeed iconic, site and believe that its future use should be very carefully planned. The Old Darwin Hospital precinct is the last parcel of CBD or near CBD land of significant size available for development and its public sector ownership adds to its significance. It would be short sighted to allow the subject land to be developed piecemeal, for a project that does not substantially benefit the general community or for a project that will not recognise the uniqueness and importance of this location.

In particular, we do not see any reason for the whole of the land to be developed immediately; rather, the land to the south of Kahlin Avenue should be retained for future development of a substantial nature, appropriate to its iconic location and importance. There should be no imperative for development of this land just because the land is there, has been vacant for some 20 years, and can be sold off to increase NT Government revenue at this time.

The Property Council is of the strong view that if there is not an appropriate proposal for a substantial and significant development or if the release of the land and resultant development is unlikely to be financially feasible, then the land south of Kahlin Avenue should not be released at this time. We consider that development of the land north of Kahlin Avenue is suitable for immediate development and that this should be appropriate high rise residential and an expanded heritage precinct as proposed.

We acknowledge that parts of the Old Darwin Hospital precinct are derelict and visually unattractive; we believe that there is an excellent opportunity to enhance the utility and presentation of the site through a number of interim uses (see further comments below) rather than undertaking full, long-term, redevelopment of the site at this time.

We make the following comments on some of the specific issues raised in the draft concept plan and consultation paper.

Master Planning

Master planning this strategic site is essential and should incorporate detailed traffic and car parking studies, a landscaping plan and consideration of bicycle paths and pedestrian linkages. Master planning should take into consideration the adjacent Cullen Bay and also the Smith/Mitchell Streets West precinct where there is increasing residential densities and minimal existing open space and recreational areas.

Pedestrian linkages to Cullen Bay, Skycity Casino, Mindil Beach, George Brown Darwin Botanic Gardens and the CBD are vital to any development of this site.

Open Space, Density and Building Height

The proportion of open (or community) space to developed space is arguable and should have regard to the financial feasibility necessary to support development of the whole precinct. We consider the proposed 40:60 ratio to be at an acceptable level.

Flagstaff Park has been underutilised for many years and there is a great opportunity to upgrade this park, making it more accessible and attractive, perhaps with the inclusion of small scale cafes, kiosks and/or retail carts.

We believe that there is no reason to restrict development of the land north of Kahlin Avenue to eight stories. Allowing greater heights in this area would result in similar residential densities to that proposed in the draft concept plan but with a smaller number of buildings and a greater amenity and open space available at the street level.

We would suggest that the concept and design brief should encourage interesting buildings of varying heights and densities rather than a row of eight level apartment blocks as built on the southern side of Marina Boulevard.

Further, there needs to be a small amount of retail and perhaps boutique office space within the precinct to service the needs of future residents and other occupants – without duplicating facilities that are currently available or planned within or adjacent to the Darwin CBD or Cullen Bay.

We do not believe that the provision of public or affordable housing is appropriate within the Old Darwin Hospital precinct.

Car Parking

We strongly suggest that a future-needs car parking study be undertaken, noting the current situation at Cullen Bay where there is overcrowded on-street parking due to the residential density, commercial/hospitality developments and the Ferry Terminal.

Potential for an Iconic Public Facility

We strongly support the use of the land south of Kahlin Avenue – at some future or perhaps distant time – for an iconic public facility. Further, we would suggest that identifying an iconic public facility should be included in the master planning phase. Potential iconic facilities could include:

- Major sports stadium; we note the worldwide trend for such facilities to be relocated to or adjacent to city centres
- Performing arts centre
- University campus; we note that the site is of insufficient size for a full campus; however, a school or faculty could be located here that could complement, or contrast from, CDU's Business and Hospitality teaching facilities at Darwin Waterfront

Potential Interim Uses

As stated earlier, we believe that there is an excellent opportunity to enhance the utility and presentation of the site through a number of interim uses. Interim uses could be considered that may have a life span of 5 to 40 years and be secured by a lease from the NT Government.

Further, we would strongly support the immediate development of the greater part of the site as a recreation park to provide a user friendly, visually attractive community facility. Such an important site should not be left unattended for a further 20 years.

Infrastructure to support long term and interim uses could be provided by either the NT Government or a private developer as part of the development covenants attached to a Crown lease term convertible to freehold.

Staging of Development

We do not consider there is a strong justification either way to stage the potential development or to release the whole of the land to one party for development by that party or the partial on-sale of 'super lots' to a third party. More important is a requirement for high quality development that is appropriate to the uniqueness and significance of the site itself.

As stated above, we do not see any reason for its immediate development as a whole; rather the land south of Kahlin Avenue should be retained for future development of a substantial nature, recognising its iconic location and importance. The Property Council is of the view that if anyone is to 'land bank' this strategic site, it should be the NT Government and not the private sector.

Looking Ahead

We understand that Government intends to prepare a design brief for a subsequent Expressions of Interest process for the potential development of the land and that there will be further consultations with the community. Certainly there needs to be further consideration and resolution on the key elements identified in the draft concept plan and more detailed assessment undertaken. The Property Council would like to see clear timelines set for these studies, the future consultations and the EOI.

We believe input from the private sector during the concept and evaluation stage is important and that the body responsible for the implementation of these projects should have private sector representation.

The Property Council is the peak body representing the property industry in the Northern Territory and would provide invaluable input and support to the design and development process if it were represented on the body responsible for the project's design and EOI process.

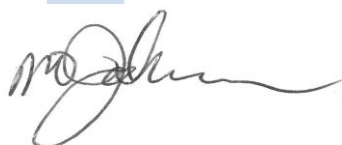
The Property Council of Australia appreciates the opportunity to comment on the draft concept plan for the Old Darwin Hospital precinct and looks forward to continuing to work with the Planning Commission on this and other strategic sites within the Northern Territory.

Should you have any queries or require elaboration, please do not hesitate to contact the NT Executive Director, Mark Johnson, (email: mjohnson@propertyoz.com.au).

Yours sincerely



Brendan Dunn
President



Mark Johnson
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