



**MACQUARIE
POINT**
DEVELOPMENT CORPORATION

Macquarie Point Development Corporation

Quarterly Summary Activity Report

for the Period ending 30 June 2022

In keeping with the *Macquarie Point Development Corporation Act 2012* (the Act) and the Ministerial Statement of Expectations 2021, the following update on activity is provided.

Performance expectations

As set out in the Ministerial Statement of Expectations 2021, the Minister expects the Corporation to:

- i. prepare and implement capital works identified in the Corporate Plan, in accordance with section 38 of the Principal Act, namely:
 - (a) Gateway remediation feasibility study;
 - (b) Hobart Main Sewer realignment;
 - (c) *The park* (Design and Investigation Phase);
 - (d) supporting site infrastructure;
 - (e) District Infrastructure Scheme (Design and Investigation Phase);
 - (f) Antarctic and Science Precinct Works (Part A);
 - (g) Cenotaph Stair links Stage 1 & 2; and
 - (h) Round House remediation
- ii. ensure public funding is used efficiently, effectively and is appropriately reported
- iii. progress activities in keeping with the Corporation's principal objectives and functions that support revenue raising to fund the full cost of the Corporation's administration costs
- iv. have a system to monitor and report on the range of individual, and frequency of engagement with, stakeholders
- v. have strategies in place to provide for the staged release and development of the site
- vi. comply with any reasonable requests for information from the Minister or other Government agencies.

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Activity update

Updates on activity undertaken in the reporting period is provided below.

(i) Capital works program

(a) Gateway remediation feasibility study – Audit Area 6 Cold Store Site (the former gasworks)

The presence of gasworks infrastructure and extensive sub-surface coal tar contamination in Audit Area 6 (the former gasworks) makes these works complex and expensive to remediate. However, using the additional funding allocated in the 2020-21 State Budget works have progressed in the reporting period, as follows:

- Environmental consultants AECOM conducted investigative drilling and trenching to determine the extent of the coal tar, contaminated soil and any infrastructure remaining in-situ underneath the former cold store slab.
- A pilot trial for in-situ solidification works has been undertaken by Wagstaff Piling and Spectran, which is on track for completion early in the 22-23 financial year.

The pilot involves the removal of a section of the concrete slab and the mixing of cement and other additives to create a solid concrete monolith with the intent of containing the contaminants and prevent their movement through the soil and ground water.

Next steps

Data of these works will be collected over the coming months to determine if in-situ solidification has been successful and is an appropriate technique for remediating the coal tar.

If the pilot is successful, tender documentation will be prepared to undertake remediation works at Audit Area 6. Works are expected to commence in 2023. Due to the cost of the project, the Corporation expects the works will require consideration by the Parliamentary Standing Committee on Public Works.

If the pilot is not successful or identifies further work is required, an alternative approach and timeline to complete the works will be prepared.

(b) Hobart Main Sewer Line

- Contractor Johnstone, McGee & Gandy Pty. Ltd. (JMG) in conjunction with the Corporation and TasWater have completed the design and associated tender drawings and specification for the sewer realignment.
- The project was advertised on the Department of Treasury and Finance Tenders website on 2 April 2022 and closed on 18 May 2022.
- Contract negotiations with the preferred tenderer are currently being finalised and are on

track to be finalised in August 2022.

Next steps

The Corporation is working with the preferred tenderer and JMG to obtain final TasWater approvals ahead of construction, which is scheduled to commence in October 2022. The project is expected to be completed by April 2023.

(c) The Park (Design and Investigation Phase)

- Two facilitated co-design workshops were held with members of the Aboriginal community on 9 March and 11 May 2022.
- Cumulus, the Corporation's architectural consultant, has developed conceptual ideas on cultural design elements, themes, materials, and aspirations for The Park.

Next steps

The Corporation will work with Cumulus to finalise the consultation and work undertaken to date and will develop a plan for the next stages of engagement and design.

(d) Supporting site infrastructure

Updates on the status of the key supporting site infrastructure is outlined in this quarterly report at (b) sewer realignment, (c) public open space works (e) district infrastructure scheme (g) public access infrastructure, such as the stair link.

Other works relate to providing utilities, including providing electrical conduits to service the Escarpment, which have been laid. The Corporation is also working with TasNetworks to progress the design to undertake modifications and upgrades to the site's key high voltage electrical supplies and reticulation routes through the site.

Next steps

A whole of site Development Application will be prepared in 2022-23 to resolve remaining whole of site infrastructure and planning, including people and traffic movement to and through the site, and car park capacity and allocations.

(e) The District Infrastructure Scheme (DIS)

- A Preferred Proponent has been selected for the DIS following submission of their Request for Proposal (RFP) on 13 August 2021.
- A Memorandum of Understanding (MoU) has been prepared which establishes the next stages for the project: the base case, the terms sheet, the detailed feasibility study, and the project transaction documents.

- The Preferred Proponent has completed the first stage of the MoU, with the Corporation accepting the preliminary base case, which sets key principles and performance criteria. The Corporation and the Preferred Proponent are currently negotiating the second stage of the MoU - the term sheets.

(f) Antarctic and Science Precinct – Enabling Works

Initial planning has commenced for the scope of works, which include the remediation works, demolition of the SeaRoads Shed, and pack-down and removal of the heritage-listed Red Shed.

Next steps

Demolition of the SeaRoads Shed has been deferred while the Corporation continues to support the Department of Health's COVID testing clinic. Planning is underway to progress the demolition of the SeaRoads Shed in early 2023.

(g) Cenotaph Stair links

The first pedestrian stairlink between Macquarie Point and the Cenotaph was completed on 26 November 2021.

Next steps

Design work is currently underway between the Corporation and Milieu Property (developers of The Escarpment) for the second pedestrian stair link as part of the development of The Escarpment.

(h) Roundhouse Remediation and bulk earth works

Synergy Resource Management Pty Ltd completed all required site remediation works in early April 2022 and the site area has been formally handed back to the Corporation. Remediation finalisation reports by the Corporation's consultants are currently being finalised.

The Corporation completed the project under budget. This saving was the result of two factors:

1. A change in scope to remove the bulk excavation component of works. The scope was changed so that the hardstand area could be retained for future projects.
2. The levels of contamination and remediation technique employed, meant the material removed could be disposed of at a reduced cost.

(ii) Fiscal responsibility

The careful management of capital and operational funds remains a focus for the Corporation. Any savings that are achieved are held to provide contingency funding for .

(iii) Revenue raising activities

The Corporation continues to support interim activity on-site where feasible to encourage public engagement with the site and raise revenue.

(iv) Systems to monitor and report on stakeholder engagement

The Corporation maintains a stakeholder register for consultation and engagement activities and is also developing a project management tool which will capture key stakeholder interactions.

(v) development of the site

The Escarpment

- The Corporation is progressing contract negotiations with Milieu Property regarding the development of The Escarpment.
- Engagement has occurred with the Hobart City Council throughout the process to inform the development.

Next Steps

It is anticipated that Milieu Property will submit its Development Application in August 2022.

The Goods Shed and Yard

- Following the then-Minister for State Development, Construction and Housing, Michael Ferguson's approval, the Corporation and Hobart Brewing Company Pty Ltd (HBC) reached agreement on a commercial lease arrangement for the Goods Shed.
- The Corporation commenced the lease with HBC on 1 April 2022.
- HBC's new commercial operation will see up to a dozen producers and event organisers co-locate in the redeveloped Goods Shed to create a unique tourism offering for locals and visitors alike.

Next steps

HBC is currently finalising its design. HBC expects to submit a development application to the City of Hobart in late-2022 for approval.

The redeveloped Goods Shed is scheduled to open to the public by July 2023.

The District

While a Pre-Registration process has occurred, it is not proposed to progress to the Register of Expression of Interest stage until the development of the proposed Antarctic and Science Precinct is resolved, as this is likely to provide greater clarity and appeal to potential developers.

Next steps

Works to progress supporting site infrastructure and remediation works will continue in the interim.

Royal Engineers Building

Repair works have commenced on the Royal Engineers Building. This includes progressing stonemason repair work:

- a Request for Quotation to undertake essential stone repair works was released on 17 January 2022
- The works are required to address safety concerns with decaying stonework and include refacing 22 delaminating stones; refacing the 10 worst cracked stones; repointing stonework; and installing tension bars and ties inside the building.

Next Steps

Works will begin from mid to late-2022.