



Parliament of the Commonwealth of Australia

Joint Committee on the Australian Capital Territory

Report on a proposal to amend the National Capital Plan

Amendment No.1

Sections 10 (part), 37 and 62 CITY

September 1991

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Murray Evans



**REPORT ON A PROPOSAL TO AMEND THE
NATIONAL CAPITAL PLAN**

AMENDMENT No. 1

SECTIONS 10 (Part), 37 & 62 CITY



Joint Committee on the Australian Capital Territory

September 1991

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MEMBERSHIP OF THE COMMITTEE

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Administrative Officer	Mrs Marlene Lyons
Adviser to the Committee	Mr David Wright

* The Hon. John Moore MP was replaced by Mr Bob Halverson, OBE, MP on 7 March 1991.

TERMS OF REFERENCE

On 23 April 1991 the Commonwealth Minister for the Arts, Tourism and Territories, the Hon. David Simmons MP, referred for the Committee's consideration the proposal to amend the National Capital Plan in respect of part of City Section 10 and City Sections 37 and 62.

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SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

1. The Committee's View

The Committee found considerable support from lessees and the broader business community for the land use policy changes included in the Amendment. Even those who opposed the introduction of more offices on Section 10, on the ground that such development would be inconsistent with Canberra's employment location policies, did not dispute that offices would, at some time in the future, be an appropriate land use for this area of Civic.

The Committee accepts that if a development proposal involving a major office component that is consistent with the employment location policies of the *National Capital Plan* were to emerge, then the land use policy and the amendment process should not inhibit such a development proceeding within Section 10, City.

Subject to the qualifications contained elsewhere in this report, the Committee supports the *Final amendment*.

The Committee's key recommendations are that:

- (a) 'Offices' be permitted on that part of Section 10 not presently occupied by the Amdahl Building;
- (b) 'Administrative Use' should be removed from the range of uses permitted on Section 37 and that such uses within the study area be confined to Section 10;
- (c) the Civic Pool and its landscape setting remain the dominant use on Section 37; and
- (d) the Development Condition requiring '*a strong built edge to Constitution Avenue*' be removed.

2. Employment Location

The Committee received a number of submissions which opposed the introduction of offices on the ground that their development at this time appeared to be in conflict with the basic principles and policies which have guided Canberra's growth for over twenty years.

The Committee noted that the 1984 *Metropolitan Policy Plan* favoured the dispersed employment option and that this has formed the basis for the employment policies of subsequent plans including the 1989 *Civic Policy Plan* and the 1990 *National Capital Plan*.

The Committee also noted that despite this essentially consistent policy position over many years, barely 20% of all office space has been located in the town centres.

The Committee endorses the main thrust of the metropolitan employment policies which limits offices in Civic to those for occupation by the private sector or by the ACT Government and which encourages Commonwealth offices to locate in the town centres.

The Committee believes the employment policies of the *National Capital Plan* should be simplified and strengthened to ensure that there are no expectations from Commonwealth Departments or agencies that their location or expansion in Civic will be supported. The Committee accepts, however, that allowance needs to be made for Commonwealth Departments or agencies which provide a direct service to the Canberra community (for example, the Department of Social Security) to locate those parts of their functions in Civic.

The Committee acknowledges that the emphasis given to office development in Civic during the 1980s was necessary for the revitalisation of Civic. The Committee believes that that process is essentially complete and that now is the time to give priority to bolstering employment levels in the town centres and to establishing a significant employment base for Gungahlin Town Centre early in the life of the new town.

The Committee recommends that:

- (a) the Commonwealth Government confirm its support for the principle of decentralising Commonwealth office employment to Canberra's town centres and instruct its Departmental secretaries and agency heads accordingly;
- (b) the employment location policies of the National Capital Plan be strengthened to ensure that new offices constructed in Civic are for occupation by the private sector, the ACT Government or local or regional service offices of Commonwealth Government Departments or agencies; and
- (c) the Commonwealth Government be encouraged to enter medium to long term commitments to occupy new office buildings in the town centres when such space is required.
(Paragraph 2.38)

3. Traffic and Parking

The Committee received submissions that raised concerns regarding the effect of the increased development permitted under the proposed Amendment on the metropolitan transport system and its costs. At the local level, concerns were raised regarding the increased potential for traffic to intrude into nearby residential streets and in terms of the effect new development would have on parking for both commuters and users of Civic Pool.

The Committee recommends that development proposals and applications for works approval be assessed in terms of their effect on the traffic, parking and public transport facilities and services in Civic and its environs at the time the application is made. (Paragraph 2.45)

4. Exhaust Emissions and Air Quality

The Committee heard evidence from the ACT Planning Authority regarding *monitoring and modelling of environmental conditions in Civic*. Evidence was presented on traffic related environmental impacts, especially the effect of vehicle emissions on air quality in Civic.

The Committee was advised that recognised health standards for lead in the atmosphere are currently being exceeded at certain locations in Civic and that if a significant increase in employment occurred in the short term in Section 10 these problems would be exacerbated. Although air quality in Civic should improve as more vehicles use unleaded fuel, the fact that recognised standards of acceptable lead levels are expected to become more stringent means that unsafe levels of lead in Civic are likely to continue for some time.

The Committee therefore supports the modification to the Draft Amendment that seeks to strengthen the environmental assessment requirements of the National Capital Plan.

In view of the current and likely future state of air quality in Civic, it is unacceptable that there is only one environmental monitoring station in Civic.

The Committee recommends that:

- (a) the extent of environmental monitoring undertaken in Civic be increased to provide sufficient accurate information which can be used to assess site specific development applications in Civic; and**

- (b) all future substantial developments in Civic not be approved unless the applicant can demonstrate that the proposal will not, when considered as an addition to other approved projects in Civic, result in an increase in the number of breaches of recognised environmental standards.
(Paragraph 2.59)

5. Heritage and Recreational Values

The Committee was advised that since the publication of the Draft Amendment the Civic Pool and its setting had been placed on the ACT Heritage List and that the National Capital Planning Authority had responded by removing potential development sites which, in their view, might compromise the Civic Pool and its setting.

The Committee was impressed by the evidence presented which stressed the value users of the Civic Pool placed on it as an **outdoor** recreation facility and the importance attached to the grounds and the landscaping as part of the recreation experience.

The Committee supports the modification to the Draft Amendment that no buildings be constructed between the entrance to the pool and the corner of Allara Street and Constitution Avenue but remains to be convinced that the land between the northern boundary of the Civic Pool site and the gazetted boundary of Constitution Avenue can be satisfactorily developed.

The Committee recommends that:

- (a) all development proposals for Section 37 take into account the heritage and recreational significance of the pool and its setting; and
- (b) development not be permitted along the northern boundary of the pool site except in the context of a comprehensive design for this section of Constitution Avenue.
(Paragraph 2.66)

6. Development Sites and Rights

The Committee does not consider it appropriate for the *National Capital Plan* to set out or allocate development rights, as proposed by the YMCA, on a site specific basis. This is more appropriately done in setting 'Conditions of Lease and Development' at the time sites are being defined and leases are being drafted.

7. Design Considerations

A number of respondents questioned the appropriateness of a six storey height limit, either in whole or in part, for this area of Civic. Other concerns related to the use of landscape elements rather than a 'strong built edge' to achieve a suitable design solution for this part of Constitution Avenue. A further concern related to the effect of the proposed building height on views from City Hill over the Parliamentary Triangle.

The Committee found the range and nature of arguments put forward to justify particular design solutions unconvincing. The basic proposal put forward by the National Capital Planning Authority that six storey buildings should be used to provide a strong built edge to Constitution Avenue has lost its relevance with the removal of development sites on the Constitution Avenue boundary of the Civic Pool site. All development on Section 37 needs to be considered in the context of a comprehensive design for this part of Constitution Avenue. The Committee recognises and supports residential uses, in their various forms, on the development sites remaining in Section 37.

The Committee recommends that:

- (a) consideration be given to a building height limit lower than six storeys on the London Circuit frontage of Section 10;
- (b) the height limit for buildings fronting Allara Street be reduced to a maximum of four storeys;
- (c) the Development Conditions in the Amendment be amended by removing the reference to a strong built edge to Constitution Avenue; and
- (d) ways of encouraging the development of residential uses in their various forms in Civic be investigated.
(Paragraph 2.77)

8. Landscape and Pedestrian Links

Concern was raised regarding the poor pedestrian links between Civic and Commonwealth Park by the Australian Institute of Landscape Architects who suggested that the problem might be solved by the development of a landscaped pedestrian corridor from the southern end of Allara Street to carry pedestrians over Parkes Way, in much the same way as the Acton Peninsula is linked to the Australian National University over the Acton Tunnel.

It is important, in the view of the Committee, that the link between Glebe Park and Commonwealth Gardens be attractive. To achieve this it may be necessary to limit building heights on the Allara Street frontage and improve the quality of the streetscape. A comprehensive design scheme is required which should incorporate that portion of Allara Street, outside the study area, between Constitution Avenue and the entrance to Glebe Park.

The Committee recommends that:

- (a) ways of improving the pedestrian links between Civic and Commonwealth Park be jointly investigated by the NCPA and the ACT Planning Authority;
- (b) the feasibility of a landscaped link across Parkes Way be investigated as part of that study;
- (c) a comprehensive urban design scheme be prepared for Allara Street which pays particular attention to landscaping, building heights and street furniture and their effect on the pedestrian environment;
- (d) implementation of the Allara Street scheme be jointly funded by the Commonwealth and ACT Governments, aided by contributions from lessees to both on-site and off-site works; and
- (e) the future treatment of Constitution Avenue and the northern surface car parking areas on Section 37 be re-examined. *(Paragraph 2.81)*

9. The Leasehold System

The Committee acknowledges that with the advent of self-government the Commonwealth's interest in leasing and land administration in the Territory is considerably diminished. However, the nexus between the leasehold system and planning in the ACT is such that the Commonwealth's ability to give effect to its planning intentions in Designated Areas is dependent on lease administration.

The Committee was presented with evidence that suggests the leasehold system has not always been used to its maximum potential to support planning policies. In Designated Areas, which includes Territory Land subject to redevelopment pressures, the Committee believes that, it is imperative that the lease purpose clauses and conditions of lease and development be used effectively to ensure both local and strategic planning policies are actively pursued.

The Committee believes that the beneficiary of added value brought about by changes in land use policy should be the ACT community rather than individual lessees. The Committee also considers that following the issue or re-negotiation of a lease, the provisions of the lease should be monitored and enforced.

1. BACKGROUND

Introduction

1.1 This report considers a proposal to amend the planning policies which prescribe permitted land uses and control the development of an area of land in central Canberra.

The Affected Area

1.2 The area of land affected by the proposal is located in Civic and is enclosed by London Circuit, Constitution Avenue, Coranderrk Street, Parkes Way and Commonwealth Place. It is described in various planning documents as Sections 10 (Part), 37 and 62 City.¹ A map showing the general area and identifying each Section is at Figure 1.

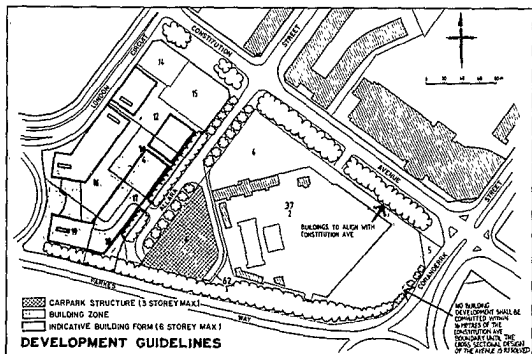


Figure 1 - The National Capital Planning Authority's proposed Development Guidelines for Sections 10, 37 and 62 (City).

1.3 The area described as Section 10 includes the Amdahl Building - an office building of 20 000m² - the YMCA recreation facility, the now disused Olympic Bowl, an Army training centre and an ACT Government engineering depot.

¹ See National Capital Development Commission, *Civic Centre Canberra Policy Plan* (1989).

1.4 Section 37 encompasses the land occupied by the Civic Pool, the open space in front of the Pool and the surface carparking to the east and west of the Pool. The roadway that runs from Aflara Street along the south western boundary of the Pool is described as Section 62.

1.5 The proposed Amendment takes in all of Sections 10, 37 and 62 with the exception of the northern part of Section 10 which is occupied by the Amdahl Building.

1.6 The area lies within the Parliamentary Triangle - which is a key element of Canberra's National Capital character. As described by the National Capital Planning Authority, Sections 10, 37 and 62 are in a strategically important location in the Triangle:

Flanking the southern side of the City Hill end of Constitution Avenue, [this area of land] is the most immediate development interface between Civic and the Triangle. Buildings in the precinct and its vicinity, of a scale equal to or greater than the Amdahl Building, are in the foreground of views to Civic from Parliament House. The precinct is also in the immediate foreground of views from Commonwealth Avenue Bridge, from City Hill and Constitution Avenue.²

1.7 The area is also part of Canberra's main business centre and has a special role in recreation and tourist terms, forming part of the link between the main shopping area in Civic Centre and another two key elements of the National Capital, Commonwealth Park and Lake Burley Griffin.

Current Planning Policies

1.8 The prime responsibility for planning and guiding the development of this area, and all areas in Canberra of national significance, rests with the National Capital Planning Authority (NCPA). The NCPA is required by the *Australian Capital Territory (Planning and Land Management) Act 1988* to prepare and administer a National Capital Plan, the object of which is 'to ensure that Canberra and the Territory are planned and developed in accordance with their national significance'.³

1.9 The *National Capital Plan* was published in December 1990. The policies which currently guide development in Sections 10, 37 and 62 are described within Part C of the text that follows figure 10 in the *National Capital Plan*. These policies are the same as those published in the *Civic Centre Canberra Policy Plan of 1989*.

² NCPA and ACT Planning Authority, *Draft Amendment No. 1*, p9.

³ See Section 9 of the *Australian Capital Territory (Planning and Land Management) Act 1988*.

1.10 The National Capital Plan describes the policy objectives and range of permitted land uses for Sections 10 (part) and 37 as being:

Objective

The main objective of the land use policy for the tourist and recreation area is to ensure that the area in Civic is reserved for the provision of commercial recreation facilities to serve the health, fitness and leisure needs of the workforce, Canberra residents, tourists and visitors to the Centre. Complementary to this main objective it is also intended that the area accommodate tourist facilities and accommodation which can benefit from a location close to the Convention Centre.

Land Use Policy

The primary land uses for the Precinct are: *tourist facility; indoor recreation facility and outdoor recreation facility*. Other land uses permitted [in the Precinct] are: retail (ancillary to the primary use); cafe, bar, restaurant; personal service establishment; club; cultural facility; place of assembly; administrative use; community protection facility; residential; hotel; motel; park; public utility; car park.⁴

The Joint Study

1.11 Shortly after the publication of the *National Capital Plan*, the NCPA and the then Interim Territory Planning Authority commenced a joint study to review the range of permitted land uses on Sections 10 (part), 37 and 62. The reason for undertaking the study was that:

the previous redevelopment of one part of the study area for offices [that is, the construction of the Amdaht building on part of Section 10]... raised the possibility that additional office development in this area may be appropriate.⁵

1.12 Some of the key findings of the joint study were that:

- . the precinct contains a mixture of intensive urban development, some historic landscaping of high quality and a series of low scale buildings set on generally large blocks. There is no consistent urban design theme, and large areas of land are under-developed - a state reflected by their use as surface car-parking areas;
- . the YMCA facilities are old and inadequate for current recreation and fitness training needs. Minor refurbishment of the existing building has been carried out but the somewhat run-down appearance of the building and site remains;
- . the Olympic Bowl has been closed for some time and the recent lack of building and grounds maintenance has rendered the site virtually derelict;

⁴ NCPA, *National Capital Plan*, Figure 10 and accompanying text.

⁵ NCPA and ACT Planning Authority, *Draft Amendment No. 1*, p3.

- the surface car-parking around the periphery of the Civic Pool site, despite its important function, detracts from the visual quality of the area and gives it the appearance of a vacant site when viewed from most directions; and
- the major pedestrian link connecting Civic via the overpass over Parkes Way to Commonwealth Park passes through the study area. However, it is poorly defined in terms of identity, landscape and facilities, and currently serves as neither a legible nor an attractive connection.⁶

1.13 The study concluded that the landscape and buildings within the area at present do not make the most appropriate use of what is a key area of land. In their present state of development, Sections 10, 37 and 62 do not either:

- adequately emphasise or define the northern apex of the Parliamentary Triangle;
or
- provide an appropriate and attractive link between the commercial heart of Canberra and the community activity and recreation areas around Lake Burley Griffin.

1.14 The study concluded that the *National Capital Plan* should be amended to encourage development that reflects more accurately the national and local significance of the area.

The Proposed Amendment to the Plan

1.15 The findings of the planning study and a specific proposal to amend the *National Capital Plan*, designed to encourage re-development of the area, were published together in April 1991.

1.16 The Amendment, which was published in draft form, proposed that the Plan be amended to:

- (a) allow for the construction of office buildings on that part of Section 10 not presently occupied by the Amdahl Building; and
- (b) prevent the construction of office buildings on Section 37 by removing 'Administrative Use' from the range of permitted uses on Section 37.

⁶ From NCPA and ACT Planning Authority, *ibid.*, pp5-8.

1.17 As well as making these changes to the range of permitted land uses in the area, the Draft Amendment proposed a Development Control Plan which included the following specific development guidelines:

General Provisions

Substantial buildings generally of six storeys should front London Circuit and Constitution Avenue while elsewhere in the precinct buildings would generally be of less than six storeys.

Action under the Commonwealth Environment Protection (Impact of Proposals) Act 1974 will be undertaken for developments of a scale and sensitivity likely to impact significantly upon the environment.

The continuation of currently operating recreation uses is required.

Individual proposals will be assessed in terms of their potential micro climatic effects on the Olympic Pool site.

Buildings on the Constitution Avenue frontage of Section 37 should be constructed parallel to Constitution Avenue with the front building line on the gazetted boundary of the Avenue.

Design Guidelines

In addition to the above, the following design guidelines shall apply to ensure that the layout and form of development in the precinct responds to its setting and the planning objectives:

A strong built edge to Constitution Avenue to further define the road corridor and emphasise the importance of the avenue is essential. Minor breaks into small parks are acceptable as long as the experience of the avenue is not weakened.

Either a built or landscaped edge is necessary to Allara Street to strengthen the link to Commonwealth Park.

An overall building form and massing which emphasises the horizontal plane rather than the vertical, consistent with the Amdahl Building, is required.

Buildings which exceed the mature tree canopy height (i.e. greater than four storeys) need to be placed in a manner which reinforces the geometry of the Griffin Plan for the Parliamentary Triangle when viewed from a distance.

Colonnades shall be provided on London Circuit, Constitution Avenue and Allara Street building frontages to provide all-weather pedestrian protection.

A building line on Coranderrk Street which matches the Convention Centre setback is necessary.⁷

1.18 After seeking public comments and conducting a public hearing on the draft Amendment, the NCPA prepared a final version of the proposed Amendment. The final version differed from the original draft in only two respects. First, a diagram showing possible building forms and permitted building zones was altered to prevent buildings

⁷ *Ibid*, pp23-4.

from being constructed in that area of open space on Section 37 between the entrance to Civic Pool and the corner of Allara Street and Constitution Avenue. Second, the final version included an additional requirement that applicants seeking approval for commercial developments in excess of 5 000m² floor space must submit an environmental assessment report as part of their application.⁸

The Committee's Review

1.19 The Committee has been asked by the Minister for the Arts, Tourism and Territories, the Hon. David Simmons MP, to inquire into and report on the proposed Amendment.

1.20 This Report considers a range of matters which have been raised in submissions to the Committee's inquiry and which are considered by the Committee to be central to any assessment of the appropriateness of the proposed Amendment.

1.21 In particular, the Report considers the potential effect of the proposed Amendment on:

- . employment levels in Civic;
- . traffic levels and demand for car parking space;
- . pollution levels in Civic; and
- . the landscape, buildings and general character of the area.

1.22 The Report also comments on various aspects of the operation of Canberra's leasehold system.

⁸ See NCPA, *Public Consultation Report and Recommended Draft Amendment*, pp18-21.
NOTE: The development guidelines are presented in a different format in the final version of the Amendment. Rather than being described as a 'Development Control Plan', they are listed as 'Development Conditions'.

2. REVIEW OF ISSUES

The Scale of Possible Developments

2.1 The Amendment would, if approved, allow for a major increase in the level of office accommodation in Civic. The scale of office development which would be allowed by the Amendment and its significance is indicated by the following:

- the proposed maximum floor space of 35,000 square metres is larger than the Defence Department's Campbell Park office complex;
- smaller office developments have been used to establish an employment base in new town centres. For example the Department of Social Security's office complex in Tuggeranong is only 30,000 square metres;
- 35,000 square metres of additional office space could result in the location of between 1400 and 1750 additional jobs in this area of Civic (this would represent an increase of 6% on the number of people currently employed in Civic); and
- as shown later in this Chapter (paragraph 2.13), 35,000 square metres of additional office space would represent about 3 years demand from the private sector.

2.2 Developments of the scale proposed by the Amendment could, therefore, have a very significant effect on traffic and parking in Civic; on traffic generated pollution levels; and on the amenity of the existing recreational facilities in the area - particularly on the Civic Pool. These effects, and a number of specific urban design issues, are considered later in this Chapter. The first matter addressed in this Chapter is, however, the relationship between the proposed Amendment and the operation and integrity of Canberra's employment location policies.

Employment

Employment Location as an Issue

2.3 The potential impact of the Amendment on the location and distribution of employment in Canberra was raised frequently during the Committee's inquiry. A number of submissions argued that the Amendment should be opposed because it seeks to allow further office development in Civic. These submissions said that to allow such development in Civic would be inappropriate because:

- it would be inconsistent with the employment distribution policies described in the *Metropolitan Canberra Policy Plan Development Plan (1984)*, the *Civic Centre Canberra Policy Plan (1989)* and with various court judgements in relation to an application to vary a lease of the former site of the Canberra Times newspaper;

- . many private companies have made commercial decisions on the basis of Government policies which favour the location of employment in town centres rather than Civic;
- . there are significant additional transport costs, both capital and recurrent costs, associated with locating employment in Civic;
- . other town centres (Tuggeranong and Belconnen in particular) are at present under-developed and would benefit from the location of additional office employment. The new town of Gungahlin would also benefit from the location of office employment over the next 5-10 years; and
- . the rent charged for office space in Civic is estimated to be more than 20% higher than in Belconnen, and the Commonwealth Government, as the principal employer of office workers in Canberra, should not be spending taxpayers money on such rent premiums.¹

2.4 The Real Estate Institute of the ACT argued that any office developments on Sections 10 and 37 would be unlikely to attract private sector tenants, as these areas are perceived to be within an administrative precinct. This means that the potential demand for office space in this area is likely to arise only from Government agencies.²

Employment Location Policies

2.5 The policies governing the location and distribution of employment in Canberra were first enunciated in 'The Future Canberra'³ (1965) which set out the proposal to develop Canberra as a series of separate towns. That idea was further developed in 'Tomorrow's Canberra', (1970)⁴ which described the 'General Plan Concept', or as it came to be known the 'Y-Plan'. The 'Y-Plan' proposed that Canberra be developed as a series of new towns, radiating out from central Canberra in three arms. Each town was to have a population of between 80,000 and 120,000 based around a town centre offering a range of employment, retailing, recreation and community services for its resident population.

2.6 To date, three towns have been substantially completed beyond central Canberra: Woden-Weston Creek, Belconnen and Tuggeranong. Construction has commenced in a fourth town, Gungahlin, to the north of central Canberra.

2.7 Both Woden and Belconnen town centres have relied very heavily on the catalytic effect of the location of major Government offices to get the town centres underway. Although the town centre in Tuggeranong was started with the development of the main retail complex, it is only recently, with the occupation by the Department of Social

¹ See a joint submission from Michael Moore MLA and Ed Wensing, and submissions from Mr C Dunstan and NDH Constructions Pty Ltd.

² Real Estate Institute of the ACT, *Submission*, p1.

³ NCDC, 'The Future Canberra', Angus & Robertson, 1985.

⁴ NCDC, 'Tomorrow's Canberra', ANU Press, 1970.

Security of a major office complex, that Tuggeranong can be said to be on its way to fulfilling its planned role in employment terms.

2.8 In the late 1970s attention focussed on the declining fortunes of central Canberra, in particular Civic. The planning authorities had intended that Civic should retain its prime metropolitan status in the provision of retail, commercial, tourist and entertainment services, but the development of the town centres in Woden and Belconnen had tended to undermine Civic's dominance. The viability of retail outlets in Civic was particularly affected.

2.9 Throughout the 1980s policies were designed to encourage investment in Civic and a period of rapid development ensued. By the late 1980s concerns were being expressed about the rapid rate of development in Civic and its effects on traffic congestion and air pollution, and the increasing costs associated with the provision of roads and public transport services. As a result a new series of policies for Civic, which sought to manage any future growth, were developed. The *Civic Centre Canberra Policy Plan*, gazetted in January 1989, gave priority to private sector office employment, which had demonstrated a preference for locating in Civic, and to the offices of the ACT Administration and later the ACT Government, which were also thought to be appropriately located in Civic. A key element in managing the growth of Civic was to divert to the town centres any development which did not need to be in Civic, such as most Commonwealth office employment.

2.10 The policy of encouraging the development of town centres was endorsed in the *Metropolitan Canberra Policy Development Plan* which was published in 1984. The *Metropolitan Plan* re-stated the advantages of a decentralised city structure and established a range of employment targets for Civic and each of the town centres. At a Canberra wide population of 400,000, the *Metropolitan Plan* considered that an employment limit of 27,000 would be appropriate for Civic.

2.11 The policy of limiting the location of Commonwealth offices in Civic was given further impetus by the Commonwealth Government's decision in 1988 to adopt an *Employment Location Strategy for Commonwealth Offices*. This strategy sets out a clear preference for Commonwealth office employment to be located in the town centres, rather than in Civic.⁵ This strategy was reflected clearly in the *Draft National Capital Plan* which was unequivocal in its endorsement of the decentralisation policy. The employment location policies in the final and current version of the *National Capital Plan* are neither as clear nor absolute. As can be seen in the following panel, the Plan's policies for employment location as they relate to Civic offer a number exceptions to the rule. This has meant that property developers and managers and Commonwealth Departments and agencies have felt justified in approaching the NCPA with proposals to locate further Commonwealth offices in Civic. While it is desirable that the policies are sufficiently flexible to provide for a range of circumstances, it is important that the principles underlying the policies are not diminished in their application.

⁵ NCPA, *National Capital Plan*, p30.

AN EXTRACT FROM THE NATIONAL CAPITAL PLAN'S EMPLOYMENT LOCATION POLICIES

Land use and development projects in Civic shall not result in increased Commonwealth office employment in Civic, except within the context of a program agreed by the NCPA or unless the increases are minor and within Commonwealth Departments or agencies already located in Civic AND it can be clearly demonstrated that such increases are in the interests of functional efficiency.

Any Commonwealth Department or agency seeking to place additional employment in Civic shall consult the NCPA.

Commonwealth employment will be encouraged to locate in town centres (other than Civic), Parkes, Barton and Russell. The NCPA will also assist any Commonwealth efforts to encourage the private sector to invest in such projects.

Only key Commonwealth policy departments, with Commonwealth Government approval, may be located on National Land in Parkes and Barton within the limitations imposed by local and overall transport and environmental considerations.

Source: NCPA, *National Capital Plan*, p31.

The Value of Employment Location Policies

2.12 The employment location policies described above have, over the last two decades, contributed significantly to Canberra's pattern of development. With the establishment of Gungahlin and the need to consolidate development in some of the established town centres, policies to direct the location of employment can be expected to continue to play an important role in shaping Canberra's growth. These policies will continue to be relevant not only because they contribute to Canberra's metropolitan structure, but also because, by promoting decentralisation, they can lead to shorter journeys to work and generate two way traffic flows at peak times. As community concern increases about the need to use energy more efficiently and minimise greenhouse gas emissions, policies which promote decentralisation may find new supporters.

Office Employment - the Current Situation

2.13 The Committee has been told that the additional 35,000m² of office floor space that would be allowed by the Amendment would represent approximately one year's demand for office floor space in Canberra.⁶ Information provided by the ACT Government shows that the proportion of all offices in Civic occupied by the private sector is in the order of 30%. The application of this percentage to the total annual demand suggests that the demand for offices to accommodate private sector users would be in the range of 10-15,000m² per annum. The proposed Amendment would thus make provision for approximately 3 years private sector demand. Projects already approved in Civic would appear to provide for a further four years demand at the same rate of occupation.

2.14 The following Table shows that total office space in the major centres amounted to 1.2 million square metres at June 1990. It is notable that, despite the existence of planning policies which aim to decentralise employment to the town centres, the total office floorspace that has located in the three town centres (excluding Civic) amounts to only 20% of the metropolitan total.

TABLE 1: DISTRIBUTION OF OFFICE ACCOMMODATION, JUNE 1990

LOCATION	FLOOR SPACE (square metres)	%
CENTRAL BUSINESS DISTRICT	542,900	43.7
City	464,100	
Braddon	44,700	
Turner	34,100	
WODEN TOWN CENTRE	131,800	10.6
BELCONNEN TOWN CENTRE	96,200	7.8
TUGGERANONG TOWN CENTRE	25,700	2.1
PARKES/BARTON	207,600	16.7
CAMPBELL/RUSSELL	122,200	9.8
DEAKIN	38,100	3.1
BRUCE	19,800	1.6
KINGSTON/GRIFFITH	19,100	1.5
OTHER	37,700	3.0
Dickson	24,800	
Lynham	8,000	
Mawson	4,900	
TOTAL	1,241,100	100.0

Source: Building Owners and Managers Association and Policy and Research Branch, Chief Minister's Department, ACT Administration.

(1) All figures quoted are net lettable floorspace as calculated by BOMA and the Policy and Research Branch.

(2) Offices in industrial estates and local centres are excluded from these figures.

⁶ Real Estate Institute of the ACT, *Submission*, p1.

2.15 The significance of Government office employment in Canberra, and in particular that of the Commonwealth Government, is shown in two ways in Table 2. First, the overall significance is evident in the metropolitan totals which show that the Commonwealth and ACT Governments occupy 75% of the total office floorspace. Second, the importance of the public sector in decentralising employment to the town centres is shown in the figures for Woden and Belconnen Town Centres, where government offices account for 86% and 94% of total office floor space respectively .

TABLE 2: DISTRIBUTION OF OFFICE ACCOMMODATION BY TYPE OF TENANT AND PERCENTAGE OF FLOOR SPACE, JUNE 1990

LOCATION	m ²	PUBLIC %	PRIVATE %
CENTRAL BUSINESS DISTRICT	542,900	69	31
City 464,100			
Braddon 44,700			
Turner 34,100			
WODEN TOWN CENTRE	131,800	86	14
BELCONNEN TOWN CENTRE	96,200	94	6
TUGGERANONG TOWN CENTRE	25,700	58	42
PARKES/BARTON	207,600	85	15
CAMPBELL/RUSSELL	122,200	96	4
DEAKIN	38,100	31	69
BRUCE	19,800	10	90
KINGSTON/GRIFFITH	19,100	22	78
OTHER	37,700	84	16
Dickson 24,800			
Lyneham 8,000			
Mawson 4,900			
ACT AVERAGE	1,241,100	75	25

Source: Australian Property Group, Department of Administrative Services, and ACT Property Group, Department of Urban Services, ACT Government.

2.16 Table 3 sets out the range of rents payable for office space in each centre. It shows that, at the higher end of the range of rents payable, rentals in Civic are approximately 20% more than rentals in other centres.

TABLE 3: RENTAL RANGES BY GEOGRAPHIC LOCATION, JUNE 1990

LOCATION		RENTAL RANGE (\$ per square metre per annum)	
CENTRAL BUSINESS DISTRICT		180	350
City	290 - 350		
Braddon	180 - 340		
Turner	280 - 315		
WODEN TOWN CENTRE		220	290
BELCONNEN TOWN CENTRE		190	230
TUGGERANONG TOWN CENTRE		200	220
BARTON		235	315
DEAKIN		240	275
BRUCE		265	290
KINGSTON/GRIFFITH		150	230
OTHER		150	260

Source: Colliers

2.17 Table 4 shows the office projects 'Under Construction', 'Approved' and 'Proposed' at June 1990. This information, which includes the YMCA proposal at 25 000m² but not the Constitution Gardens Project, shows that almost half a million square metres of offices are anticipated. This would satisfy demand for more than 12 years at the assumed rates of occupation.

**TABLE 4: OFFICE PROJECTS UNDER CONSTRUCTION,
APPROVED AND PROPOSED, JUNE 1990**

	Number of Projects	Gross Floor Area (sq.m)
UNDER CONSTRUCTION	15	55,200
APPROVED	9	49,500
PROPOSED		
North Canberra		
City	7	67,200
Braddon	5	13,600
Belconnen	3	28,100
Bruce	2	5,000
Other North Canberra	5	6,700
South Canberra		
Barton	8	92,600
Deakin	15	18,600
Phillip	1	20,000
Greenway	1	35,000
Other South Canberra	6	3,800
Sites To Be Determined	3	51,000
TOTAL	80	446,300

Source: Land Division, Department of Environment, Land and Planning,
ACT Government Service.

2.18 What is particularly significant about the 15 projects under construction at June 1990 is that one major project accounts for over half the total floor space and that 12 of the remaining projects are for offices of 2 000m² or smaller. The major project is the Department of Social Security complex in Tuggeranong. This tends to confirm the view that offices of the scale proposed to be allowed by the Amendment are only likely to be occupied by major government departments.

2.19 The information contained in Tables 5 and 6 below illustrates that a very high proportion of employment in Civic is office based employment (more than 80% of total employment in Civic), and that Civic's share of employment has remained relatively stable over the last decade and is within the policy guideline of 20% established in the 1989 *Civic Centre Canberra Policy Plan*.

TABLE 5: OFFICE AND TOTAL ACT EMPLOYMENT 1990

	CIVIC	ACT	CIVIC SHARE (%)
OFFICE EMPLOYMENT	21,094	52,713	40.0
TOTAL EMPLOYMENT	25,405	147,000	17.3
OFFICES' SHARE OF TOTAL EMPLOYMENT (%)	83.0	35.9	

Source: NCPA, *Public Consultation Report and Recommended Draft Amendment*, p10.

TABLE 6: CIVICS EMPLOYMENT GROWTH RELATED TO METROPOLITAN EMPLOYMENT GROWTH 1981-1991

	CIVIC	ACT	CIVIC SHARE
1981	17,600	106,600	16.5%
1986	21,000	136,500	15.4%
1991	26,700 est	152,300	17.5%

Source: NCPA, Public Consultation Report and Recommended Draft Amendment, p10.

The Effectiveness of Employment Policies

2.20 There is limited discretion available to influence the location of most types of employment - it is said to be 'location specific'. For example, most education and retail related jobs are located in the particular suburbs they serve. Similarly, if industrial areas are to be located on the periphery of urban areas for transport, environmental and other reasons, then most jobs related to the provision of industrial services will be located in these areas. One major employment sector which is not tied to a particular location is the construction industry. Employment in this industry is not permanently located at one site but is itinerant and simply goes where the opportunities dictate. Other than the construction industry, the employment type which is least site or location specific is office based employment.

2.21 By allowing private sector and ACT Government office employment to locate in Civic, the opportunity to influence employment location is essentially restricted to Commonwealth Government office employment. When allowance is made for key policy departments to locate within the Parliamentary Triangle, the discretion available to implement the metropolitan office policies becomes even more limited. If the benefits of the employment location policies are to continue, it is vital that the policies are clear, simple and unequivocal.

2.22 As well as simplifying and strengthening the employment location policies, it is essential that Commonwealth departments and agencies act in accordance with these policies.

2.23 As an incentive to encourage private sector investment in the town centres, the Commonwealth should consider allowing Departments and agencies to enter into joint ventures or pre-construction commitments to take up office space.

2.24 The construction of 35,000m² of offices in the Belconnen or Woden Town Centres, rather than in Civic, would represent an increase in office floorspace in those two centres of 35% and 28% respectively. The benefits of encouraging such decentralisation would be that:

- existing road, parking and public transport infrastructure could be used, thus avoiding new capital expenditure and increasing revenues from parking and public transport fees;
- the resulting increase in employment within a town centre would contribute significantly to the retail expenditure in the centre; and
- private benefits will accrue over time as a result of shorter average journeys to work.⁷

2.25 The metropolitan arguments about the location and distribution of employment are not, nor should they be, prescriptive. That Canberra is now approaching the 'limit' of employment set for Civic in the *Metropolitan Plan* does not invalidate that Plan nor does it auger any particularly dire consequences if the limit of 27,000 is exceeded.

2.26 The *Metropolitan Plan* gave some substance to the proposed metropolitan structure by identifying a distribution of employment which, in turn, related one centre to another. In providing these 'employment targets' the Plan provided a clear statement of intent. The decentralisation argument does not succeed or fail in terms of achieving these specific targets. Nor is the policy of decentralising employment invalidated if the targets are not achieved. The argument is rather one of 'the more employment that is decentralised the greater the benefits of such decisions.'

Conclusion

2.27 The concentration of office development in Civic over the last decade has achieved the objective of revitalising a depressed central business district. The growth of offices has seen an attendant expansion of City Centre retailing and the re-establishment of the primacy of Civic - also a consistent goal of metropolitan planning in Canberra over the last two decades. Now that this goal has largely been achieved the key issue is where should the new priorities for the location of offices lie. In short, where will the location of the next major office development achieve the greatest public benefit?

2.28 The benefits of decentralisation are only fully realised when the resulting employment contribution generates two way flows on the metropolitan transport system. To date barely 20% of all office floorspace has been located in the town centres. Much of the balance is in central Canberra. Rather than contributing to decentralisation this indicates a tendency towards a centralised city structure. This is of particular significance in terms of Canberra as the National Capital. What spare capacity there is to absorb further employment in central Canberra, particularly in the Parliamentary Zone, needs to be conserved for uses which add to Canberra's status as the nation's capital. Similarly,

⁷ This is dependent on the existing home-work relationship and the adjustments made by individuals in response to the relocation of their jobs.

what spare capacity exists in Civic needs to be reserved for occupation by the private sector and, as the centre of territorial and municipal administration, for the central offices of the ACT Administration.

2.29 Civic is Canberra's central business district. It has a legitimate claim to be the prime location of a number of functions, many of which generate substantial office employment. The existing employment policies allow for the continuing development of Civic but argue that it is in the public interest if functions which do not need to be in Civic are decentralised selectively to the town centres where their presence can do much to support the viability of those centres and contribute to the overall efficiency of the city.

2.30 Even those who argued in submissions to the Committee that the Amendment should not be approved because of its effect on employment location, do not claim that offices are an inappropriate land use on Section 10. They argued instead that the Canberra community would be better served if office development were, for the time being, located outside Civic.

2.31 The Committee recognises that there are considerable advantages in maintaining policies which seek to encourage employment to locate in the town centres rather than in Civic. One of the most effective ways for the Commonwealth to pursue this policy is for the Commonwealth to influence, or direct, the location of its own offices.

2.32 In its 1987 review of the *Metropolitan Plan*, the Committee discussed the serious nature of traffic and parking problems in and around Civic and recommended that, to avoid compounding these problems, the relevant authorities should:

...provide greater impetus for the development of other town centres by locating Government departments and authorities not already placed in central locations in the new town centres.⁸

2.33 The Committee considers that such action is still essential.

2.34 The Committee believes it is appropriate for Commonwealth offices which provide a local or regional service - for example, social security or health services - to be located centrally so that people have convenient access to these services.

2.35 It is unnecessary, however, for Commonwealth departments or agencies to locate their national or head offices in Civic. The Commonwealth should seek to locate national offices in the town centres.

⁸ Joint Committee on the ACT, *Metropolitan Canberra*, p85.

2.36 Application of these principles would not prevent the construction of offices on Section 10 in Civic. They would in fact speed up the approval process associated with any development proposals. For example, should the ACT Government commission a new building for its own purposes, or should a major private sector organisation seek to locate a major part of its administrative or clerical functions in Canberra, they could be accommodated on Section 10 without facing any delays which may be caused by the process involved in amending the *National Capital Plan* or the *Territory Plan*.

2.37 At a time when urban issues are being re-instated on the national political agenda, the Commonwealth Government has a unique opportunity to emphasise Canberra's decentralisation policies and demonstrate the contribution they can make to maximising energy efficiency and promoting more convenient cities.

2.38 The Committee recommends that:

- (a) the Commonwealth Government confirm its support for the principle of decentralising Commonwealth office employment to Canberra's town centres and instruct its Departmental Secretaries and agency heads accordingly;
- (b) the employment location policies of the National Capital Plan be strengthened to ensure that offices constructed in Civic are for occupation by the private sector, the ACT Government, or local or regional services offices of Commonwealth Government Departments or agencies; and
- (c) the Commonwealth Government be encouraged to enter medium to long term commitments to occupy new office buildings in the town centres when such space is required.

Traffic and Parking

2.39 The main traffic related issues raised in submissions to the Committee's inquiry concerned the possibility of increased levels of through traffic in nearby residential areas and increased pressure on existing car parking facilities.

2.40 The Reid Residents Association expressed concern about the possibility that the additional traffic generated by additional offices may seek to travel through or park in the residential streets of Reid. The Save the Civic Pool Committee and other users of the Civic Pool sought assurances about the retention of sufficient short stay parking to meet their needs.

2.41 In addressing these concerns, the ACT Planning Authority provided the Committee with a detailed assessment of the traffic implications of additional office employment in Civic. The Authority assessed traffic generation, parking demand, the access road system and the public transport system and concluded that:

- spare capacity exists on the internal road network in Civic and some streets such as Allara Street are likely to experience very little further growth in traffic levels irrespective of the employment level in Civic;
- spare capacity exists on most local bus routes into Civic even during peak periods. The express bus routes are operating at near capacity during peak periods but plans are in hand to augment these services shortly;
- a total employment level in Civic of 28 000 people would have little additional impact on the metropolitan road network - effects would be limited to the internal road network in Civic; and
- considerable spare capacity exists in public parking areas in Civic. The additional parking demand generated by the scale of development envisaged in the proposed Amendment would use less than 15% of the assessed spare public parking capacity in Civic. Much of the existing spare parking capacity is in close proximity to Section 10.

2.42 The effect of through traffic on inner city areas is a matter the Committee has considered recently in its report on Gungahlin's Transport Links. In that report the importance of local area traffic management techniques as a means of discouraging through traffic and commuter parking was emphasised.⁹ Along with the retention of adequate short term parking to service the Civic Pool, the Committee believes that these are matters to which the ACT Government should pay particular attention.

2.43 The available evidence indicates that in the short to medium term the local street system, existing parking provisions and existing and proposed bus services are sufficient to accommodate the demands which may arise from any development which proceeds as a result of the Amendment.

2.44 The Committee has noted the advice from the ACT Planning Authority that there are a number of major office projects in Civic for which approval has already been granted and that these amount to over 50 000m². It is important that future development of Civic be managed and that development applications are assessed in terms of their impact on traffic and parking provision in Civic. This would require the ACT Government to assess such impacts at the time an application is made. There is also clearly a need to exercise control over the implementation of redevelopment projects once development or works approval has been granted. In negotiating new leases the opportunity could be taken to introduce performance clauses or even place time limits on the approval.

⁹ Joint Committee of the ACT, Gungahlin's Transport Links, pp39-40.

- 2.45** The Committee recommends that development proposals and applications for works approval be assessed in terms of their effect on the traffic, parking and public transport facilities and services in Civic and its environs at the time the application is made.

Exhaust Emissions and Air Quality

2.46 While concerns about increasing traffic levels causing a deterioration in air quality did not feature highly in submissions to the inquiry, both planning authorities raised the matter as an issue in their appearances before the Committee.

2.47 The ACT Planning Authority advised the Committee that air quality in Civic is monitored by both direct measurement and computer modelling. Assessments are made using standards recognised by the National Health and Medical Research Council and the World Health Organisation. Monitoring of air quality involves measuring levels of carbon monoxide, nitrogen dioxide and lead in the atmosphere. The results of the most recent monitoring study are contained in *Civic Centre: Environment Monitoring Report No. 2*, which was presented as evidence to the inquiry. Some of the key results of this report are considered below.

2.48 Carbon monoxide concentrations are monitored at a single station in Civic at the corner of Alinga and Marcus Clarke Streets. Direct observations at this location have been made since 1983 and since then monitored carbon monoxide concentrations have been consistently reducing. While the observed levels at this location were higher in 1990 than in 1989, the levels were below half the guideline level of 40 milligrams per cubic metre.

2.49 Nitrogen dioxide concentrations are measured at the same location in Civic and monitored levels for one hour period and annual mean and median concentrations have been, over time, consistently within the recognised guidelines.

2.50 The ACT Planning Authority has acknowledged that monitoring carbon monoxide and nitrogen dioxide levels at one site only in Civic gives neither a representative picture of air quality in Civic nor an indication of where the highest concentrations of these pollutants occur. In an endeavour to develop a more complete understanding of pollution levels in Civic, the Authority has used a computer modelling system to extrapolate from the data collected at the measuring site.

2.51 This computer modelling suggests that 'carbon monoxide concentrations are stable and within the guidelines across Civic ... [and] are expected to continue to reduce over time as the vehicle fleet is replaced with new vehicles that meet stricter emission standards introduced in 1986.'¹⁰

¹⁰ ACT Planning Authority, *Submission*, p18.

2.52 This computer modelling also suggests that there are likely to be a number of locations in Civic - generally around the major intersections in Northbourne Avenue Constitution Avenue and Marcus Clarke Street - where the levels of nitrogen dioxide at present exceed the recommended guidelines. The projections for employment levels in Civic of 28 000 and 33 000 people show slight increases due to anticipated increases in traffic volumes but no new areas were shown to exceed the guideline. The Authority expects, however, that there will be a reduction in the level of nitrogen dioxide emissions as the vehicle fleet is renewed and the benefits of stricter emission standards for new vehicles introduced five years ago take effect.

2.53 Lead concentrations are measured at a different location in Civic, at the corner of Northbourne Avenue and Barry Drive (Graduate House). The analysis for 1990 show a mean concentration of 1.04 micrograms per centimetre well below the guideline of 1.5 micrograms per centimetre. Computer modelling for the rest of Civic indicates that several locations on the key access roads to Civic currently exceed the guideline. These include Northbourne Avenue-Commonwealth Avenue, London Circuit, Constitution Avenue and Ballumbir-Coranderrk Street. This is a disturbing finding.

2.54 Evidence presented to the Committee suggests that over the next three years, levels of lead concentration in these locations are expected reduce to within recognised guidelines. This reduction is expected to occur because it is anticipated that by the year 2001 almost 90% of vehicles on the road will be using unleaded fuel. However, the Committee understands that the guidelines which prescribe acceptable and safe levels of lead in the atmosphere may shortly be made more stringent. If this occurs it is possible that lead levels in the areas described above will not reduce to acceptable and safe levels for some years, even if present employment levels in Civic do not increase.

2.55 The final version of the proposed amendment acknowledges that a major injection of office development on Section 10 would, in the short term, exacerbate the current problems and delay the expected improvements in air quality in Civic. In an attempt to minimise any possible deterioration in the air quality around Sections 10, 37 and 62 the Amendment proposes to require that any significant development proposals in the area (defined as 5,000² in the case of commercial development), be subject to preliminary environmental assessment, including monitoring of air quality for an acceptable period. If the results are negative, the NCPA has indicated it will take action in accordance with the *Environment Protection (Impact of Proposals) Act 1974*.

Conclusions

2.56 The available evidence suggests that a number of sites in Civic, some of which are close to Sections 10 and 37, currently experience, and will for some years continue to experience, pollution levels in excess of recognised standards.

2.57 The Committee supports the conclusion drawn by the NCPA that environmental impact assessments which specifically address air quality issues should be conducted before any developments proceed. This type of evaluation should be standard for all major development proposals in Canberra.

2.58 The Committee is concerned at the paucity of air quality monitoring facilities available especially as the 1989 *Civic Centre Canberra Policy Plan* places such importance on environmental assessments as a means of regulating development in Civic and ensuring that environmental standards are not jeopardised.

2.59 The Committee recommends that:

- (a) the extent of environmental monitoring undertaken in Civic be increased to provide sufficient accurate information which can be used to assess site specific development applications in Civic;
- (b) all future substantial developments in Civic not be approved unless the applicant can demonstrate that the proposal will not, when considered as an addition to other approved projects in Civic, result in an increase in the number of breaches of recognised environmental standards.

Heritage and Recreational Values

2.60 One of the stated objectives of the proposed amendment is that 'the heritage values of aspects of the landscape and buildings in the area should be conserved'.¹¹

2.61 The heritage values of the area were not described in the report of the joint study but are taken to relate mainly to the Civic Pool and its surrounds. The Pool has been entered on the Heritage List of the Register of the National Estate. Its statement of significance was put as follows:

An Olympic swimming pool complex recognised by the Architectural Profession, soon after it was built, when the RALIA (NSW) awarded its architects the Sir John Sulman Medal, for its exceptional merit. The high integrity of the complex allows it to demonstrate characteristics of a recreational building in the international style, influenced by the Festival of Britain. The Complex is important for its associations with the interest in Australia in Olympic competitive swimming in the lead up to the 1956 Melbourne Olympics. It also has associations with the relatively modest development of Canberra near the end of the post World War Two period, before the rapid development after 1958 under the NCDC. The Complex is valued by the community for its social associations.¹²

2.62 The Committee is pleased to note that the original Draft Amendment has been changed to remove the possibility of buildings in the area between the front of Civic Pool and the corner of Allara Street and Constitution Avenue.

¹¹ NCPA and ACT Planning Authority, *Draft Amendment No. 1*, p13.

¹² ACT Heritage Committee, *Extract from the Heritage List of the Register of the National Estate*.

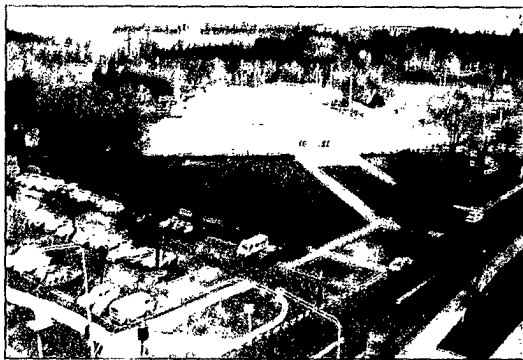
2.63 Two potential effects on the recreational value of the Civic Pool have been identified during the inquiry. The first relates to possible overshadowing of the Pool by nearby developments, and the second to possible encroachments by development on to land presently within the boundary of the Pool.

2.64 The proposed development conditions appear to make adequate provision against possible overshadowing by specifically requiring that individual development proposals be 'assessed, in terms of their micro climatic effects on the Olympic Pool site'.¹²

2.65 The Committee is concerned, however, about the possibility, indicated on the revised 'Development Guidelines' diagram prepared by the National Capital Planning Authority, that developments may be permitted to encroach on to the site of the Civic Pool. In the absence of any convincing reasons to the contrary, the Committee believes such encroachment would represent an unnecessary intrusion on the site of the Pool and would diminish the recreational amenity of the Pool and its surrounds.

2.66 The Committee recommends that

- (a) all development proposals for Section V7 take into account the heritage and recreational significance of the pool and its setting, and
- (b) development not be permitted along the northern boundary of the pool site except in the context of a comprehensive design for this section of Constitution Avenue.



Photograph 1 A view of part of Section V7 showing the Civic Pool and its basement

¹²

10 FV, Public Consultation Report and Recommended Draft Amendment, p19

Development Sites and Rights

2.67 The original Draft Amendment proposed by the NCPA included an Indicative Built Form Diagram to illustrate the operation of the basic development controls and to indicate how the use of the site may develop over time. The Diagram showed buildings lining London Circuit with a parallel series of buildings along the western side of Allara Street. Buildings were shown lining Constitution Avenue, a car parking structure was shown at the southern end of Allara Street and a substantial series of buildings were shown occupying a site at the eastern end of Section 37. Little of the study area was left free of major buildings.

2.68 During the inquiry the Committee received evidence on two proposals for large scale office and mixed use developments in the study area. One proposal, sponsored by a group including the YMCA, JGL Investments and Raine and Horne Commercial, is for the re-development of Section 10. The YMCA sought to secure an allocation of 25,000m² of the 35,000m² permissible under the Amendment for development on the site occupied by themselves and the former Olympic Bowl.

2.69 The other proposal, prepared by a group known as the Constitution Gardens Consortium, is for the re-development of Section 37. The Consortium is seeking access to virtually the whole of Section 37 as a major development site to accommodate a substantial commercial office development combining recreation facilities with commercial office space.

2.70 The Committee does not consider it has a role in assessing or commenting on individual development proposals or requests for specific development rights. Such matters are more appropriately considered by the relevant planning authorities at the time new or re-negotiated leases are being prepared or applications for works approval are made.

Design Considerations

2.71 Two related elements of the development guidelines which attracted comment during the Committee's inquiry were the provisions specifying:

- . that substantial buildings, generally of six storeys in height, should front London Circuit and Constitution Avenue; and
- . that a strong built edge to Constitution Avenue was essential to define and emphasise the importance of the road corridor.

2.72 The NCPA argued, in evidence before the Committee, that these guidelines were necessary to ensure a satisfactory urban design solution in an area that is important in both local and national capital terms. The Authority stressed that a strong built edge along London Circuit and Constitution Avenue would clearly define this corner of the Parliamentary Triangle in a way that is presently lacking.

2.73 A different viewpoint was expressed by the Australian Institute of Landscape Architects which submitted that Constitution Avenue could be effectively and more appropriately defined with landscape design elements, such as a formal tree plantings, rather than six storey buildings.

2.74 Concern was also expressed about the visual intrusion of allowing the construction of six storey buildings along London Circuit. It was pointed out that buildings of this height would restrict the views of Lake Burley Griffin and the Parliamentary Zone from City Hill and the lay-by on Vernon Circle.

2.75 The ACT Planning Authority argued in support of buildings of six storeys high by saying that even if buildings were constructed to this height on London Circuit a 'cone of vision' - from City Hill encompassing the Brindabella Ranges, Commonwealth Avenue and the major National Institutions on the southern shore of Lake Burley Griffin - would be retained.

2.76 The Committee accepts that it is desirable for buildings fronting London Circuit to have a substantial presence and to follow the line of the road as it heads toward Commonwealth Avenue - although it is by no means essential that these buildings be six storeys high. The Committee is not convinced either that a similarly substantial built edge is necessary or desirable along Constitution Avenue. The evidence presented by the Institute of Landscape Architects demonstrates that it should be possible to emphasise the importance of the Avenue and define the corner of the Parliamentary Triangle by landscaping rather than relying on substantial buildings. Even if buildings were to be constructed along some parts of Constitution Avenue, there is a strong case for them to be only three storeys high to match the height of the Convention Centre buildings on the opposite side of the road.

2.77 The Committee recommends that:

- (a) consideration be given to a building height limit lower than six storeys on the London Circuit frontage of Section 10 and to developments at the eastern end of Section 37;
- (b) the height limit for buildings fronting Allara Street be reduced to a maximum of four storeys;
- (c) the Development Conditions in the Amendment be amended by removing the reference to a strong built edge to Constitution Avenue; and
- (d) ways of encouraging the development of residential uses in their various forms in Civic be investigated.

Landscape and Pedestrian Links

2.78 A number of submissions suggest that the proposal to amend the *National Capital Plan* represents an opportunity to upgrade the pedestrian links between the City Centre and Commonwealth Park which are criticised as being generally inadequate and essentially uninviting.

2.79 The Institute of Landscape Architects, for example, propose that a 'green corridor' be created linking the City, Glebe Park, the open space in Section 37 and Commonwealth Park. One element of the Institute's concept is the construction of a wide pedestrian (and possibly a vehicle) overpass from Allara Street to Commonwealth Park, running over Parkes Way. The Institute referred to the road and pedestrian link between the Australian National University and Acton Peninsula as an example of the type of link they are proposing.

2.80 One way of enhancing the link between the City and Commonwealth Park would be to place a lower limit building heights on the Allara Street frontage and to improve the quality of the streetscape. A comprehensive design scheme, incorporating that portion of Allara Street between Constitution Avenue and the entrance to Glebe Park, is required.

2.81 *The Committee recommends that:*

- (a) ways of improving the pedestrian links between Civic and Commonwealth Park be jointly investigated by the NCPA and the ACT Planning Authority;
- (b) the feasibility of a landscape link across Parkes Way be investigated as part of that study;
- (c) a comprehensive urban design scheme be prepared for Allara Street which pays particular attention to landscaping, building heights and street furniture and their effect on the pedestrian environment;
- (d) implementation of the Allara Street scheme be jointly funded by the Commonwealth and ACT Governments, aided by contributions from lessees to both on-site and off-site works; and
- (e) the future treatment of Constitution Avenue and the northern surface car parking area on Section 37 be re-examined



Photograph 2 - A view along Allara Street toward the rear of the Amdahl building and the intersection of Allara Street and Constitution Avenue. Although Allara Street is the main pedestrian link between the City and the Lake, this photograph shows that it is not an attractive pedestrian environment.

3. ASPECTS OF THE LEASEHOLD SYSTEM

Introduction

3.1 In 1988 a joint sub-committee of the Senate and House Standing Committees on Transport, Communications and Infrastructure reported to the Parliament on Canberra's leasehold system of land tenure.¹ During the course of the Committee's current inquiry a number of issues were raised about the management and operation of the leasehold system which made it clear that many of the problems identified and solutions proposed in the joint sub-committee's report are still relevant today.

3.2 The leasehold system has been the cornerstone of land use planning in the National Capital from its inception. The principal benefits of the leasehold system lie in the definition of development rights through lease purpose clauses, the regulation and timing of development through performance clauses and the retention by the community of increases in land value over time.

3.3 There is considerable potential for the leasehold system to work for the benefit of the community but, as one recent study has concluded, mismanagement of the system has meant that significant sums of money, perhaps billions of dollars, have been:

... lost to the public purse both by the giving away of domestic leases and by the sale of commercial leases at considerably less than their real value ... It cannot be in the public interest for decisions which in principle should be made for the wider community benefit to result in substantial private gain in this way.²

3.4 The particular leasing issues which have arisen in the course of this inquiry concern the management of the leases granted in relation to various sites on Section 10.

The YMCA Site

3.5 The YMCA was granted a lease in respect of Blocks 4 and 12 of Section 10 in 1958 by direct grant at no charge. Since then the YMCA has constructed and operated a community recreation facility on the site. Between 1969 and 1983 the Association made several attempts to redevelop the site to provide for a wide range of community, recreation and social facilities, including a 200 bed hostel. It proposed to fund these developments by selling part of its lease to a commercial property developer.

3.6 In 1983, the then Minister for Territories agreed to allow the Association to sell part of its lease to fund its redevelopment proposals. Following the Minister's agreement the YMCA sold the development rights for part of Section 10 to a commercial property developer and what was to become the Amdahl Building was constructed. The

¹ House of Representatives Standing Committee on Transport Communications and Infrastructure *Report on the Canberra Leasehold System, AGPS, 1988.*

² D Hall, *The Future Planning and Development of Canberra*, p38.

Committee understands that the YMCA obtained \$3.75 million dollars from the sale of part of its lease.³ The YMCA was required to surrender its original lease and a new lease was issued at no additional cost to the YMCA. In addition, the Minister agreed to waive the \$1.4 million betterment charge that was due to the community on the basis that the YMCA proposed to use all or part of its \$3.75 million to refurbish and expand its community and recreation facilities on Section 10 City.

3.7 The Committee understands that the second lease issued to the YMCA contained a specific requirement that the YMCA construct a building, carpark and landscaping works on the Section 10 land at a cost of not less than \$1.8 million. Under the terms of the new lease the Association was to have commenced the building and works within 12 months and have them completed within 24 months.

3.8 This lease was issued in 1983 and to date only a minor refurbishment of the existing YMCA recreation facility has been carried out. While the Association admits to having some funds available to redevelop its City site for its own purpose, it argued in evidence to the Committee that, 'it does require a commercial catalyst to develop new facilities of the size and standard that will benefit and serve the community now and into the future.'⁴

3.9 There are many similarities between the history of the Section 10 lease and a case study on the management of the lease for Section 22 City, referred to in the joint sub-committee's report on the leasehold system.

3.10 The Congregational Union of Australia (Uniting Church) sought commercial development rights for Section 22 City to fund their proposal for a mixture of office development, residential uses, a churches centre, community facilities and public open space. The Uniting Church approached the Minister for a (second) reduction in the level of betterment payable but 'the Government responded negatively given the inappropriateness of virtually full public financing of the Churches Centre from the sale of a site it was granted free.' The case study of Section 22 went on to recount that 'Early in 1985, a ministerial review of the practice of excusing payment of the betterment charge normally payable by leaseholders for certain charitable groups was undertaken. It was agreed that no waiver of land redevelopment charges would be approved in the future, given that such concessions confer advantages on particular organisations without regard to the co-ordination of Territorial social development or Government priorities.'⁵ Although there are similarities in the two cases in their current redevelopment proposal change, the YMCA are not seeking a waiver of betterment. Nevertheless, it is probable that the YMCA would make a windfall gain of 50% of the increased value of the site resulting from a change of land use policy. From this gain the YMCA expect to be able to fund \$10 million of recreation facilities and secure an equivalent return for their commercial partners.

³ See *The Canberra Times*, 11 August 1991.

⁴ YMCA, *Evidence*, p115.

⁵ Professor M Neutze, *The Canberra Leasehold System*, p40 (Appendix 1 to House of Representatives Standing Committee on Transport, Communications and Infrastructure, *op.cit.*)

The Olympic Bowl Site

3.11 Another leasing aspect of the proposed Amendment relates to the former Olympic Bowl site (Block 4, Section 10). The lease of this site was first issued in 1961 for 25 years for the purpose of an indoor bowling centre. In 1979 the lessee sought an extension of the lease term for 99 years and this was approved. In 1985 the lessee approached the Commonwealth with a proposal to redevelop the site for offices, presumably encouraged by the precedent set by the YMCA and Legacy House leases. The proposal was rejected by the then National Capital Development Commission as being contrary to the land use policy for this recreation precinct. An application for a lease variation made to the Supreme Court was withdrawn following advice from the then Minister that he would not support the change.

3.12 The site is still occupied by the original indoor bowling centre but the centre has been closed for some time. This means, as one witness put to the Committee, that:

Currently, the lessee (JGL Investments) is in breach of the lease conditions. The landlord, which now of course is the ACT Government, is really under a legal obligation to act, under the terms and conditions of the lease, to determine the lease for failure of the lessee to comply with the lease provisions.⁶

3.13 If the proposed Amendment were approved and the ACT Government decided to vary the relevant lease purpose clauses to allow the construction of office buildings on the site, JGL Investments would stand to make a windfall gain from the resultant increase in land value.

The Army Training Centre

3.14 The siting of the Army Training Centre within Section 10, City, no longer appears appropriate given its location in relation to the Civic Centre and the low intensity of use on what is potentially a valuable site. The Committee understands that the Army is willing to re-locate and negotiations are underway which could result in the gazettal of the site as Territory Land and its release for an alternative purpose.

3.15 It would be useful if the ACT Government could, through the surrender and re-grant process, include this site with Blocks 4 and 12 in order to obtain a comprehensive redevelopment of Section 10 along the lines proposed by the Amendment.

⁶ Ed Wensing, *Evidence*, p79.

Conclusions

3.16 The Committee acknowledges that with the advent of Self-government the Commonwealth's interest in leasing and land administration in the Territory is considerably diminished. However, the nexus between the leasehold system and planning in the ACT is such that the Commonwealth's ability to give effect to its planning intentions within Designated Areas is dependent on its expectations of the lease administration being realised.

3.17 The leasehold system is critical to the planning and development of Canberra. It seems to the Committee, however, that the way in which the leases in Section 10 City have been administered has not led to any significant advantage to the Canberra community. If the current situation is to continue unchecked it is conceivable that the community will be denied access to the increase in land value that would arise from a change in land use policy on Section 10.

3.18 The majority of sites within the study area are leased Territory Land. The redevelopment of such sites and the conditions under which redevelopment occurs are governed by the negotiations between the lessees and the ACT Government. The closed nature of these negotiations and their outcomes is unsatisfactory.

3.19 If the National Capital interest is to be secured in Designated Areas, it is vital that the responsible planning authority, in this case the NCPA, can be confident that the contents of leases and their administration will accurately reflect the planning intentions for the area.

John Langmore, MP
Chairman

9 September 1991

SUBMISSIONS TO THE INQUIRY

Submissions to the inquiry were received from the following individuals and organisations.

Individuals

Mr J Kershaw

Mr C Dunstan

Mr B Sutherland

Mr M Moore, MLA and
Mr E Wensing

Mr K McCombie

Organisations

The YMCA of Canberra Inc.

NDH Constructions

Physical Management Services

Concrete Constructions (ACT) on behalf of the
Constitution Gardens Consortium

Australian Institute of Landscape Architects (ACT Group)

Reid Residents' Association

The Real Estate Institute of the
Australian Capital Territory Ltd

Australian Labor Party,
Mt Rogers Sub-Branch

Governments and Government Agencies

National Capital Planning Authority

ACT Planning Authority

ACT Heritage Committee

WITNESSES AT PUBLIC HEARINGS

WEDNESDAY 24 JULY 1991

National Capital Planning Authority

- Mr L Neilson, Chief Executive
- Mr J Bolton, Director, Statutory Planning

ACT Planning Authority

- Mr G Tomlins, Acting Chief Planner
- Mr R Grose, Acting Assistant Secretary,
Strategic and Environmental Planning

Australian Institute of Landscape Architects (ACT Group)

- Mrs J Butt, President, ACT Group
- Mr R Pepper, Member

Save the Civic Pool Committee

- Ms M O'Donovan

Mr J Kershaw

Mr M Moore, MLA and
Mr E Wensing

The Constitution Gardens Consortium

- Mr D Hocking, Managing Director, Physical Management Services
- Mr R Pegrum, Director, Pegrum Ciolek Architects
- Mr R Phillips, Design Manager, Concrete Constructions (ACT)

The YMCA Consortium

- Mr L Goodwin, Vice President, YMCA
- Mr D Devlin, Acting Chief Executive Officer, YMCA
- Mr D Daverin, YMCA
- Mr P Whalan, Consultant to the YMCA
- Mr M Joffe, Property Manager, JGL Investments Pty
- Mr G Butterworth, Director, Geoff Butterworth, Armour and Partners Architects
- Mr M Watson, Joint Managing Director, Raine and Horne Commercial