

Economic Development (Herston Quarter PDA) Amendment Regulation 2016

Explanatory notes for SL 2016 No. 204

made under the

Economic Development Act 2012

General Outline

Short title

Economic Development (Herston Quarter PDA) Amendment Regulation 2016

Authorising law

Sections 37, 38 and 176 of the *Economic Development Act 2012*.

Policy objectives and the reasons for them

The purpose of this regulation is to declare certain land at Herston Quarter as a priority development area (PDA) and to make an interim land use plan (ILUP) regulating development in the area.

The *Economic Development Act 2012* (EDA) section 3 provides that the main purpose of the EDA is to facilitate economic development, and development for community purposes, in the State. The EDA section 4 provides that the main purpose of the EDA is achieved primarily by establishing Minister for Economic Development Queensland (MEDQ) to plan, carry out, promote or coordinate activities to facilitate economic development, and development for community purposes, in the State; and providing for a streamlined planning and development framework for particular parts of the State (declared as PDAs under the EDA) to facilitate economic development, and development for community purposes, in or for the parts.

The EDA section 37(1) provides that a regulation may declare a part of the State to be a PDA. Section 37(2)(a) provides that in making a declaration regard must be had to the main purpose of the EDA. Under the EDA section 37(2)(b)(i) and (ii) regard must also be had to any proposed development for land in the area; and the economic and community benefit to the State that may be gained by the proposed development. Further, under the EDA section 37(2)(b)(iii) regard must be had to the impact the *Sustainable Planning Act 2009* (SPA) may

have on the delivery of the proposed development if SPA were to apply to development in the area.

Once a PDA is declared, the local government planning scheme and some triggers under SPA no longer apply to the area, unless otherwise stated in the ILUP. In order to regulate development from the time the PDA is declared until a detailed development scheme is finalised, the EDA section 38(1) provides that a regulation must make an ILUP regulating development in the PDA. Under the EDA section 38(2) the ILUP may provide for any matter mentioned in EDA section 57(2)(a),(3) or (3A), which outline the content of a development scheme.

The ILUP provides the MEDQ or delegate with a planning instrument against which to assess development applications while preparing the development scheme. The EDA section 38(3) provides that the ILUP has effect until the earlier of the following: a development scheme for the area takes effect; or the ILUP expires under the EDA section 39. The EDA section 39(1) provides that an ILUP for a PDA expires 12 months after it commences. The EDA section 39(2) extends the expiry period where a caretaker period occurs during the 12 months.

ILUPs are temporary planning instruments, intended to protect the future intent of a PDA from inappropriate development and enable appropriate development to occur in advance of adoption of a development scheme for the area. While an ILUP is in place, MEDQ prepares a development scheme for the PDA which is publicly notified under the EDA section 59. The EDA section 64 provides that the development scheme does not take effect until it has been approved under a regulation. Once approved it replaces the ILUP. All subsequent development applications are then assessed against the development scheme.

Achievement of policy objectives

To achieve the policy objectives, the *Economic Development (Herston Quarter PDA) Amendment Regulation 2016* (the regulation) amends the *Economic Development Regulation 2013* to declare the Herston Quarter PDA and make the associated ILUP.

The Herston Quarter site includes the former Royal Children's Hospital, in addition to significant heritage buildings and other existing and ageing hospital servicing and infrastructure. Queensland Treasury (QT) has responsibility for the competitive tender process for redevelopment of the site. On 14 August 2016, the Premier and Minister for the Arts announced the preferred tenderer for the Herston Quarter project.

Declaration of a PDA will ensure certainty and timing is met for the redevelopment of the Herston Quarter site as a mixed use precinct including health, biomedical, aged care, residential and retail uses. The site is currently zoned Community facilities (Major Health care) under the *Brisbane City Plan 2014* (City Plan) and is also a Community Infrastructure Designation (CID) under the *Sustainable Planning Act 2009* (SPA) for hospital and associated institutions. A CID means that a general approval exists for health-related development with the Minister for Health responsible for ongoing approvals.

The preferred proponent's proposal includes primarily health and health-related uses including the Specialist Rehabilitation and Ambulatory Care Centre (SRACC). The SRACC is a new model of care for Queensland that will reduce waiting lists and improve health

service efficiency. The proposal also includes a number of other uses in existing and new buildings across the PDA such as residential, student accommodation and aged care. The proposal delivers significant public realm outcomes including better connectivity to the Herston busway station and into the Royal Brisbane and Women's Hospital.

In declaring the Herston Quarter PDA and making the associated ILUP regard has been had to the matters listed in the EDA section 37(2)(a),(b)(i) and (ii). Declaration of a PDA for the Herston Quarter will:

- create jobs through construction and completed development;
- increase investor confidence and certainty to attract development and new business;
- unlock government land to help catalyse broader local investment especially in health, health-related and knowledge services; and
- deliver development with community benefit (e.g. community infrastructure, key services, rejuvenated heritage buildings and public realm improvements).

In accordance with the EDA section 37(2)(b)(iii) regard has also been had to the impact that SPA may otherwise have on the delivery of the proposed development if it were to apply. It is considered that the preferred proponent's proposal would not be viable under the existing planning framework for the site (for example, residential and student accommodation is not consistent with the CID or City Plan zoning). An alternative to a PDA declaration is a planning scheme amendment to the City Plan. This would be a lengthy process and could cause delays to the project. Declaration of a PDA will streamline plan making and development assessment including addressing key State interests (e.g. heritage) up-front in the plan making process.

The Herston Quarter PDA will be administered by MEDQ or the delegated entity under the EDA section 169 and the local government planning scheme will no longer apply, unless otherwise stated in the ILUP. The development scheme for the Herston Quarter PDA will be subject to approval under a regulation under the EDA section 64.

Consistency with policy objectives of authorising law

Declaring the Herston Quarter PDA and making the associated ILUP achieves the main purpose of the EDA to facilitate economic development and development for community purposes by providing for a streamlined planning and development framework for the proposed Herston Quarter development.

Inconsistency with policy objectives of other legislation

The regulation is consistent with the policy objectives of the EDA which is a unique piece of legislation and specific to the State of Queensland.

Benefits and costs of implementation

The EDA provides a coordinated and comprehensive framework for efficient delivery of appropriate outcomes with net benefit and potential flow on benefits to the community and broader area.

The competitive tender process for the Herston Quarter redevelopment considered how the site could most effectively be used to meet the government's requirements for a health-focussed precinct to be delivered at no net cost to the State. The project also aims to cement the broader Herston Health Precinct as a location for globally recognised health care, research, education, clinical trials and treatments. Declaration of a PDA will help facilitate these outcomes in a streamlined and timely fashion.

Consistency with fundamental legislative principles

The regulation has been drafted with regard to the fundamental legislative principles as defined in the *Legislative Standards Act 1992* and is consistent with the principles.

Consultation

Extensive consultation has been undertaken with Brisbane City Council and State agencies about the declaration and boundaries of the PDA and preparation of the ILUP. The Queensland Productivity Commission was also consulted.

A community engagement strategy will be prepared on behalf of the MEDQ to assist in the preparation and public notification of the development scheme for the PDA. The strategy is to address the consultation requirements of the EDA and other complementary activities associated with the development of the PDA. The strategy is to ensure issues and concerns in the PDA are identified and managed.

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