



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES
Ms Jo Clay MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Mr Mark Parton MLA

Submission Cover Sheet

Inquiry into the Territory Plan and other associated documents

Submission Number: 010

Date Authorised for Publication: 9 November 2023

[REDACTED]

27 October 2023

RE: Inquiry into the Territory Plan and other Associated documents – Changes to Phillip Precinct

Dear Standing Committee,

My family purchased [REDACTED] in June of 2021 and we own no other commercial property in the ACT.

This investment is my superannuation and the investment has been challenging to date. In August 2021 the ACT went into lockdown and rental support was given to my tenants. This has been followed by huge increases in interest rates and expensive replacements to old and failing infrastructure such as old heating and cooling.

We were OK with these setbacks as we were comfortable with the longer-term prospects for the property, including possible residential mixed-use redevelopment in the future.

I am alarmed that the proposed amendments to the Territory Plan will take those opportunities away. That is, the proposed change to the PD3 boundary within the Phillip Services Trades area is as follows:

1. The 1st image at the bottom of this letter is the current Phillip Precinct Code, with Residential use allowed in the trades area, in the middle of the "PD3" horse shoe around Melrose and Athlon Drives. Residential is currently prohibited in PD3.
2. The 2nd image below shows the proposed new territory plan, which includes the whole area as PD3, meaning there would be no future mixed use development with upper level residential use in the area.

My property was built in 1983. Being 40 years old, it will be at the end of its functional life within 10 years. Market rents in this area do not support the costs of redevelopment, particularly if the area stagnates and remains primarily populated by dirty automotive workshops and similar trades. Many buildings in the area are already showing signs of age and under-investment, and are having difficulty attracting desirable tenants. The empty shops and less desirable tenants are further dragging down the area.

Increasing the NLA by adding one or two additional levels of office space is not feasible, and the economics would not support a building with appropriate basement parking to take pressure off the area's growing parking pressures. Whereas a residential mixed-use development would be


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feasible, include basement parking for residents and workers, and commence renewal in this decaying area.

Many investors have made large investments and taken on significant risks based on the Territories published and long-standing plans, and removing current rights is unconscionable in the circumstances.

Having reviewed the proposed changes to the Precinct Plan, we strongly urge the Committee to reconsider its proposal to remove residential use as an allowable use for that area. The primary reasons for advocating for Residential use to remain as an allowable use are:

1. The ACT Government has publicly stated on multiple occasions that it wants to increase housing supply and housing options within the ACT (<https://www.act.gov.au/homes-housing/act-housing-strategy/vision-and-goals/goal-1>). This includes a key opportunity to “enable large urban renewal projects”. The removal of Residential use from this precinct is in direct contradiction to this policy and will stop any potential urban renewal of a tiring Phillip precinct.
2. The Phillip services trades area includes a very vanilla range of 2 level buildings generally built in the 1970’s with most buildings having periodical minor upgrades during the last 50 years. Some of these buildings are now reaching a point where they are getting towards the end of their functional lives and would benefit from demolition and potential re-development of the sites. This redevelopment would bring a broader range of commercial users and introduce residential use to the area, adding vibrancy to the precinct and all the Woden Town Centre.
3. The revitalisation of Phillip is reliant on redevelopment of buildings, to allow for more residential opportunities and higher quality ground and level 1 commercial offerings. These will accommodate the changing business and residential needs in the area. The completion of the new Woden CIT and the continuous expansion of the Canberra Hospital will generate a greater need for residential use in the Woden area and the Phillip Precinct is the ideal place to accommodate some of this expansion.
4. The Phillip Service Trades area should be seen as a “future Braddon” of the southside, where mixed use buildings blend with existing businesses to create a vibrant hub of employment and residential options. Residential development activates an area outside of traditional business hours. That is, people living in the area and frequenting coffee shops, restaurants and other businesses creates positive movement within an area. This would replace the Phillip ghost town after hours where the only traffic is for the growing number of massage businesses.

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5. There are currently two redevelopment applications in train within Phillip, these developments and others that are in pre-planning phase would be severely impacted by any decisions to remove residential use from the precinct. Not to mention the economic impact on owners who have already spent considerable sums based on the current planning rules.
 6. Residential use has been an allowed use (I believe since 2015) and a series of investment decisions have been made by owners on the basis that a future use for their land could include residential / mixed use. Any removal of this option creates serious distrust in Governments and discourages investors or developers from investing or developing in Canberra.
 7. We also raise a significant consultation issue with this proposed change. I understand that not one property owner in Phillip has been contacted by the ACT government to advise of the potential significant change to the land uses on the land they own. I only became aware of this issue with 24 hours notice of the deadline for submissions. This not only creates a level of distrust but has not given those land owners a reasonable opportunity to comment on the proposed changes.
 8. On reviewing the District Strategy for Woden (https://www.planning.act.gov.au/data/assets/pdf_file/0010/2280844/district-strategies-2023-volume-2-woden.pdf) we can not find a single mention of the removal of residential use from the precinct.
 - a. The ACT Government has a planned future Light Rail to Tuggeranong, running up Athlon Drive parallel to Phillip, a higher residential population in close walking proximity will be beneficial to the future light rail and would provide potential carless travel options from Phillip to Town Centres along the Light Rail Route.
 - b. Figure 21 of the District Strategy discusses a range of improvements and upgrades to the Phillip Trades area, it is extremely difficult to achieve these upgrades without redevelopment of the current aging buildings. Redevelopment into mixed use would be the catalyst for the public infrastructure upgrades required to achieve these principles.
 - c. Page 54 of Volume 3 (https://www.planning.act.gov.au/data/assets/pdf_file/0006/2280795/district-strategies-2023-volume-3-implementation.pdf) states "Plans for the future of Athlon Drive as a multimodal transport and urban corridor featuring integrated potential future light rail, active travel, urban infill and redevelopment opportunities."

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- i. The potential removal of Residential use in Phillip directly contradicts this initiative. There will not be any/minimal urban infill or redevelopment of ageing Phillip buildings unless Residential use is allowed above level 1.
 - ii. The district strategy has many initiatives to maintain the employment capacity of the Phillip area. The current planning rules state that Residential use can only occur above level 1, meaning the lower two floors of each building would remain Commercial uses. All current buildings in Phillip are 2 levels, so the employment opportunities in Phillip would be maintained at a minimum or expanded with increased site coverages on lower levels.
 9. On then completing further review of the proposed Territory Plan 2023 (<https://www.legislation.act.gov.au/ni/2023-540/Current>, Part D District Policies for Woden), the and Use table has “Residential use” listed as a Prohibited Use. There is no evident reasoning or justification of this proposal and it appears to be in direct contradiction to a significant number of other Government initiatives listed in the District Strategy and the Governments stated intention to “All Governments agree that housing supply needs to increase to improve affordability, increasing supply will lead to lower rents and more affordable home purchases”.
 10. The only reasoning that we could locate, was on page 26 on the explanatory notes (https://www.planning.act.gov.au/_data/assets/pdf_file/0011/2279990/ACT-Territory-Plan-Explanatory-Report.pdf), which stated “Uses have been amended in the CZ3 Services zone to remove Residential as a permitted use. This is to protect the service trade uses in the area from being impacted by residential use.” There are no details of what impacts Residential use would have on service trades uses. We would dispute this argument as:
 - a. The potential mixed use / residential redevelopment of blocks in Phillip will provide more Commercial space for a larger group of Service trades operators to operate in the area.
 - b. A large number of businesses in Phillip are retail (bike shops, Indian grocers, charity outlets, paint shops, mechanical parts)
 - c. Hospitality (restaurants, cafes)
 - d. Personal or medical services (dental, GP practice, veterinary, hairdresser, massage)
 - e. Health (gym / dance schools / martial arts etc)
 - f. Office / business (builders offices, real estate agencies, accountancy, law firms, job services)
 - g. All the businesses above will benefit from a greater population base and higher quality business premises in the area.

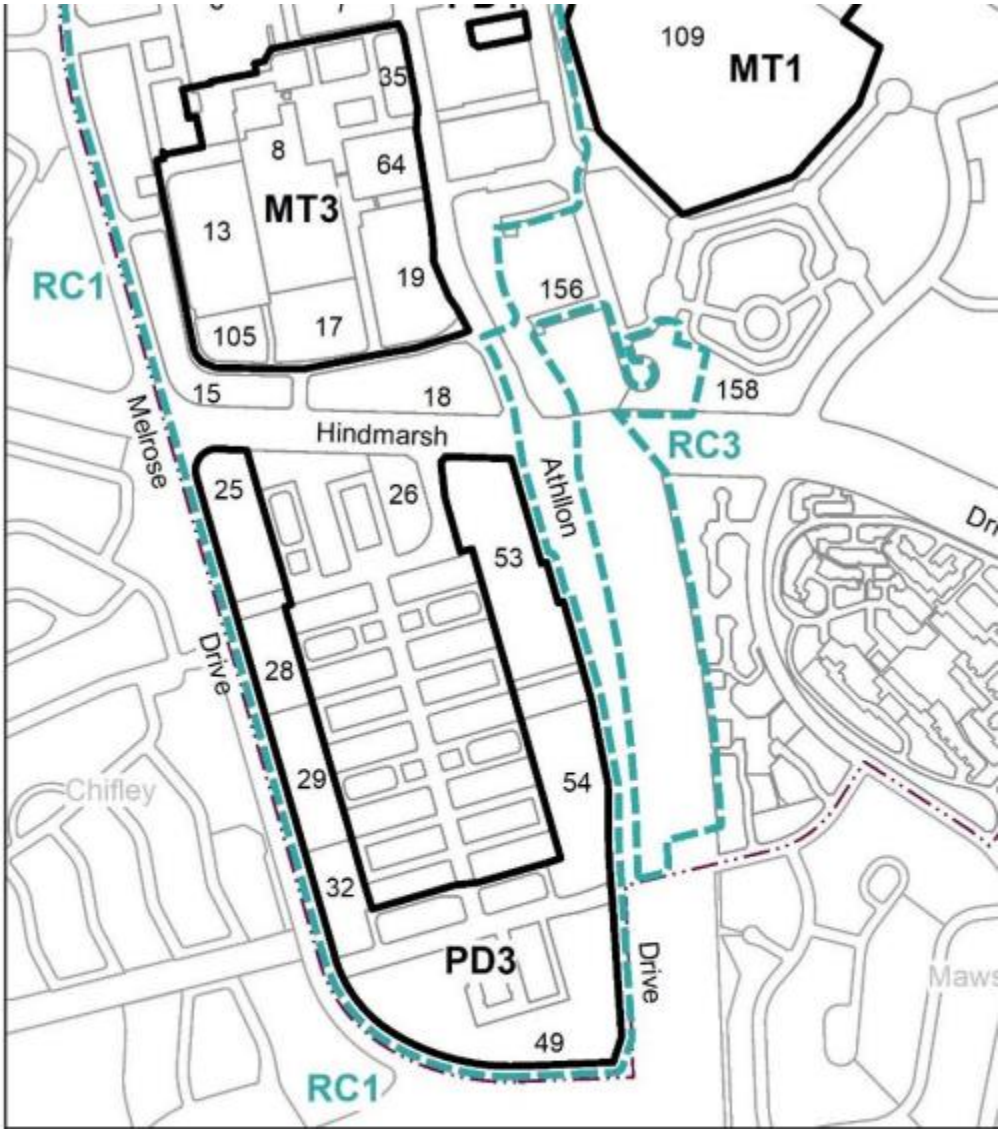
- [REDACTED]
11. The proposed change is inconsistent with a move to a smart and clean Canberra, including use of the Light Rail. Many Phillip businesses are Internal Combustion Engine (ICE) automotive workshops and related trades. Hindering redevelopment will prolong the tenure of these businesses in the area and slow the transition to a cleaner Canberra that embraces EVs and Light Rail patronage.
 12. There is also significant loss of future income for the ACT Government, through future stamp duty, lease variation charges and rates that could be generated from redevelopment in the area.
 13. The ACT Government and it's representatives have historically strongly supported Residential and mixed use development in the precinct, including DA support through the design review panel as recently as early this year. The proposed changes brings into question the validity of that previous support. In particular, the design review panel made the following comments in Dec 2022, for a proposed Townshend St redevelopment:
 - a. "The proponent is commended for the aspirations to deliver a high quality development that is considered by the panel to contribute to the evolving nature of the Phillip Trades Precinct"
 - b. "The Panel notes that the proposal will play a significant role, as a catalyst project in defining the future possibilities for the revitalisation of the area. "
 - c. "The proponent is also commended for a highly articulated proposal that is considered by the Panel to be an appropriate response to the future desired character envisaged for the Phillip Trades Precinct"
 14. Higher density residential development in Phillip would not affect the amenity of the existing residential properties in the surrounding suburbs as appropriate buffers areas are in place.

I strongly recommend the change of the PD3 area in the Phillip Precinct is removed and the current areas and allowable uses remain.

I would be pleased to assist with any queries you might have. Please do not hesitate to contact me on [REDACTED] or by email at [REDACTED]

Yours sincerely

Peter Norton - Director
[REDACTED]



Additional prohibited development applies see Table 1

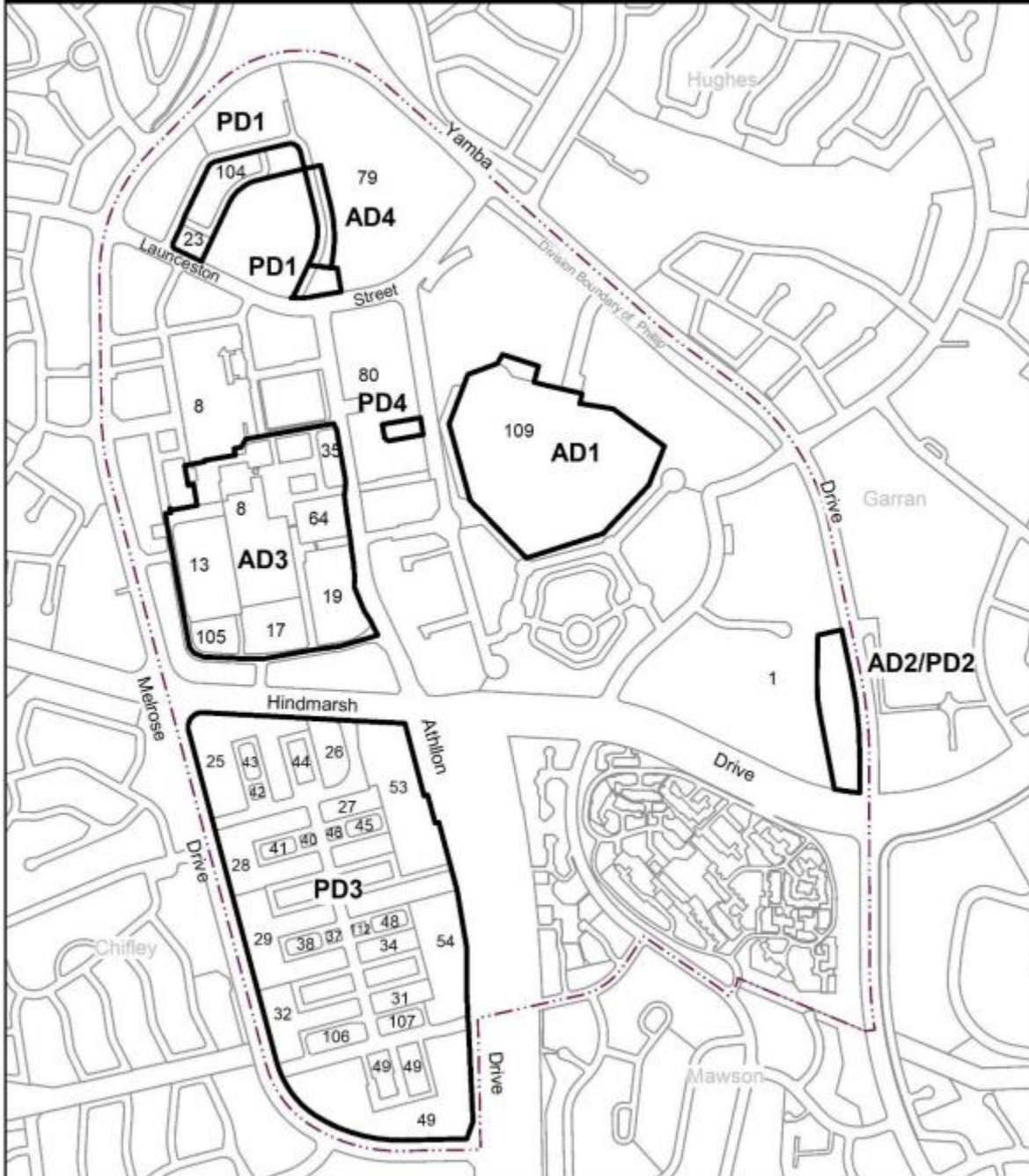


Additional merit track development applies see Table 2



Additional rules and criteria apply see Phillip Precinct Code

Phillip Division Map



ADn Additional assessable development applies

PDn Additional prohibited development applies

