



UNIVERSITY of
TASMANIA



City of HOBART

Thursday 19 December 2019

An agreement for the future of Hobart

The University of Tasmania and City of Hobart today signed a 10-year Heads of Agreement, through which the University will pay the equivalent of rates on its recently acquired CBD sites.

This payment will be in the order of \$350,000 in the first year of the agreement.

The agreement has been delivered through a senior working group, formed following the University's decision earlier this year to develop an inner-city campus.

The group includes Lord Mayor Councillor Anna Reynolds, Deputy Lord Mayor and City Planning Committee Chair Councillor Helen Burnett, and Finance and Governance Committee Chair Alderman Marti Zucco, as well as University Vice-Chancellor Professor Rufus Black.

The agreement covers the following points:

- Council will assess any application for exemption by the University under s87(1)(d) of the Local Government Act 1993 and, subject to the exemption applying, will grant the exemption.
- The University will make ex gratia payments in respect of Rateable Land and Student Accommodation Land and the quantum of the payments will increase by CPI annually (the rates equivalency payment).
- Should the University purchase any additional land which is exempt, it will also attract the rates equivalency payment.
- In addition to the rates equivalency payment, the University has agreed to pay development contributions in situations where Council intends to undertake works near land owned by the University and those works will directly benefit the University.
- The parties will meet annually in March to discuss:
 - The frequency of instalments of the rates equivalency payments;
 - The application or distribution of the rates equivalency payments;

- The identification of works Council intends to undertake to improve and enhance public areas adjacent to or in close proximity to land owned by the University.

Cr Reynolds said the agreement was a sign of the strength of the relationship between the Council and the University.

“It’s a clear signal that we will work together to deliver a shared vision for the future of Hobart,” she said. “This deal is a good one for the Hobart public’s interest, as it will see both rates equivalent payments and developer contributions to public infrastructure in the city.

“The University has been great to deal with – from the moment we flagged that we needed them to pay the equivalent of rates and to contribute to city improvements, they understood and worked with us to reach a good deal.”

Universities nationally are exempt from paying local government rates, as they have charitable status.

Professor Black said the University was committed to ensuring that its move to the city – which would take place over the next 10 to 15 years – would be profoundly positive in the way Hobart develops.

“We want to preserve and protect those things which people love about Hobart now and listen carefully to the things people would like to improve,” he said.

“We understand investment will be required to deliver the community vision which is developing around our campus proposal.

“This agreement also includes additional infrastructure contributions and is a sincere gesture that we intend to work in partnership and share the cost of those things which will benefit both the University and broader communities.

“We approach our campus transformation ever-mindful that these are complex and important considerations and we will take the time needed to create a vision befitting Hobart, which we deeply value as a distinctive and very special place.”

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