

26 November 2010

Central Metropolitan Perth Sub-Regional Strategy Public Submission  
Western Australian Planning Commission  
469 Wellington Street  
PERTH WA 6000

Dear Sir

### Central Metropolitan Perth Sub-Regional Strategy

Name: Marion Fulker, CEO  
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Interest: Community and Business Representation

This submission has been prepared by the Committee for Perth (CFP) to provide comment on the Central Metropolitan Perth Sub-Regional Strategy.

We congratulate the Department of Planning (DoP) on preparing the sub-regional strategy in a timely manner.

The strategy makes some very significant steps forward in strategic planning for Perth. Most importantly it provides for positive action by the state government to facilitate high quality infill development as a formal part of the strategy to meet Perth's future growth needs. It is also the first time that formal state government lead strategies have been prepared for Perth's existing urban areas and this is a very positive step for the future of Perth.

The majority of actions in the strategy are excellent initiatives which will have a positive impact on planning and development outcomes in Perth and will assist in overcoming impediments to high quality infill and higher density development in the Perth metropolitan region.

In particular the approach to focus infill development into identified nodes rather than blanket up-zoning large areas is welcomed and the approach of developing profiles for proposed urban growth areas within each local authority area which provides clarity about the proposed infill areas is applauded. It would be excellent to see this approach extended to all potential infill sites within local government areas (see comments under heading 1 below).

The proposed implementation mechanisms to assist in overcoming existing impediments to infill development are strongly supported, specifically: proposed amendments to existing planning policy to enable increased housing diversity; funding support programs, joint ventures; underwriting specific aspects of development projects; enabling local government to undertake redevelopment projects; and enabling the aggregation of sites so that development can occur on a suitable scale.

I have attached a document outlining our four primary concerns along with specific additional comments on the actions and other sections in the document which are outlined under the relevant action number or section heading.

Should you require any additional commentary, please do not hesitate to contact me.

Yours sincerely



Marion Fulker  
**CEO**

## Central Metropolitan Perth Sub-Regional Strategy

The Committee has four primary issues/concerns in regard to the strategy:

### 1. Infill Targets and Planned Urban Growth Areas

Directions 2031 and the sub regional strategy have been prepared using the WAPC growth projections prepared as a part of WA Tomorrow (2005). These appear to be the most conservative current estimates and are significantly more conservative than possible high growth scenarios identified by the Australian Bureau of Statistics.

There is therefore a need for this strategy to be flexible enough to accommodate increased growth scenarios if they occur and this means that the strategy should ensure that it identifies and incorporates all the infill opportunities (planned growth areas) identified (which it states identifies opportunities for approximately 250,000 dwellings) in the sub region, not only those that will meet the estimated 121,000 dwelling target.

This should also occur for the following reasons:

- If urban consolidation occurs that surpasses the target this will be positive for Perth.
- The document states that infill sites have been identified to accommodate 250,000 dwellings (these could be identified as short medium and long term potential infill sites). Including all of these sites in the strategy will provide a real picture of where infill is heading both up to 2031 **and beyond**; will enable better long term planning for infrastructure and facilities; and will signal long term intentions to the community. It will also provide a consistent strategic direction which will remain across political cycles.
- It would be easier for stakeholders and community members to provide feedback on potential redevelopment sites if all of the potential sites identified were included in the strategy; and there is likely to be increased political will at a local and state level to make infill projects happen if the community is extensively consulted about possible and identified sites. Recent research has shown that successful cities around the world have tended to consult with residents *early* and *extensively* to build political will to make tough choices and cities such as Vancouver and Portland which are consistently rated among the top 5 most liveable in the world have both achieved very high levels of infill, transit oriented development and reduced urban sprawl using highly participatory planning approaches while maintaining a consistent long term vision ([http://www.grattan.edu.au/publications/052\\_cities\\_who\\_decides.pdf](http://www.grattan.edu.au/publications/052_cities_who_decides.pdf)).
- The majority of planned urban growth areas identified are exactly that – already planned. This strategy would be more relevant as a strategic document if it also provided some guidance as to where new infill development should be located.

It is noted that the document does make reference to the need for consultation with the community and local authorities and for consideration of the new transportation plan which is currently being prepared before finalising the planned growth areas. We therefore request that, when these processes are completed, the final document incorporates all of the potential infill sites that have been identified to 2050.

## **2. Public Transit and Transit Oriented Development**

In our submission on Directions 2031 and beyond, the Committee for Perth advocated for the preparation of an outline transit strategy for Perth. The preparation of the public transport plan for Perth is welcomed however it is disappointing that this draft strategy document has not been able to incorporate the findings of the transportation plan to date.

It is imperative that the public transportation plan is completed with urgency and that the final Central Sub Region Strategy and Transportation Plan are integrated and complimentary.

In relation to public transport, there is a need to enhance the choice of transport modes open to both residents and visitors to Perth. In this regard both the public transport plan and the sub regional strategies need to consider light rail for Perth in order to enable the development of a high quality, sustainable city in the long term.

## **3. Need for Long Term Vision**

Associated with the comments above, there is some concern that the strategy lacks long term vision for growth, change and enhancement of the region **beyond 2031**. While the proliferation of actions to be undertaken or implemented in the short term is refreshing, we believe that additional attention needs to be paid to identify medium and long term actions to ensure that this is a document which is implemented and retains its relevance up to and beyond 2031, and importantly remains the strategic direction for Perth across political cycles.

## **4. Implementation**

The strategy relies heavily on implementation at a local government level however we have some concern as to whether there is sufficient political will within some Councils to make the tough decisions that will be needed to facilitate higher density infill and redevelopment.

There is therefore significant onus on the DoP to ensure that local planning strategies and schemes are updated and implemented in accordance with this strategy. There is also a need to ensure that the DoP and local authorities continue to work together in the long term to ensure that infill opportunities are identified and realised.

Of major concern is whether or not the DoP and local councils will be sufficiently resourced to enable active implementation of this strategy.

The CFP supports the implementation methods identified in Section 11, however there needs to be additional detail provided on the role of the proposed metropolitan region redevelopment authority which could be an effective body to enable the implementation of infill projects that are of strategic importance to the region.

There is also a need for the strategy to identify some additional innovative mechanisms to enable infill development, in particular, the implementation of infill projects involving relatively large areas of property in multiple ownership, that are of strategic importance to the city. This could involve state government initiated acquisition of strategic sites through both public funding and private investment. The redevelopment of these sites could then be facilitated by the metropolitan region redevelopment authority.

### **Specific Comments**

The CfP welcomes and supports the majority of the strategies and actions identified in the document. Specific comments are provided on the actions identified below:

#### **Actions 5.4 & 5.5**

Positive actions which are welcomed however there is a need to ensure that these actions are integrated and that the outcomes from action 5.5 are directly integrated into the final version of this strategy.

#### **Action 7.6**

This action is an anomaly in this strategy. The CfP has been a primary advocate for the development of a Vision for Perth and strongly supports the implementation of this action, however it needs to be undertaken as a high level collaborative exercise and enable the preparation of a vision for the community as a whole – not just the city’s urban form. Therefore while we support the preparation of the vision we do not think that it is appropriate as merely an action of the strategy, rather it should be a stand - alone project facilitated at a high level of government.

#### **Actions 8.1 & 8.2**

If there are opportunities for ‘surplus’ state land to be redeveloped for higher density housing, these areas should be identified in this strategy to enable integrated strategic planning for the long term.

#### **Action 8.7**

The CfP supports the creation of a metropolitan wide redevelopment authority and would welcome this authority having a direct role in facilitating the provision of affordable housing in the same way that EPRA has enabled the development of affordable product in East Perth.

### **SECTION 6: Current Planning Framework**

The CfP welcomes the identification of the ‘activity centres hierachy’ and believe that understanding the role and interaction between these centres is imperative to enable the development of high quality planning strategies for Perth.

#### **6.2 Movement Network**

We have some concerns that the strategy does not put a greater emphasis on the need for improved public transit in Perth to meet the needs of the future population and ensure an urban form meets the strategic priorities identified on page 15 of the strategy document. The CfP concurs that there is a specific need for improved public transport links between activity centres however there is also a need for the strategy to consider where new transit routes may run and how these will affect urban form (by creating opportunities for new TOD nodes); as well as identify potential infill development nodes (which may not be considered regional activity centres in their own right) and consider the public transportation needs that this development will generate in the short, medium and long term.

## **6.4 Current Housing Stock**

While we appreciate the difficulty in obtaining up to date statistics, it is evident that there has been significant changes in Perth since the 2006 Census in terms of household income and employment trends and it would benefit the relevance of the strategy if additional new statistical information could be obtained.

### **7.1.1 A City of 3.5 Million**

While we appreciate that the role of this strategy is to accommodate the dwelling targets identified by Directions 2031 and that this strategy has been completed, the CfP now has some concern regarding the adoption of the lowest infill scenario given that investigations have indicated that the capacity of the area is actually significantly higher. We therefore believe that this target should be considered a minimum.

## **7.2 Projected Housing Demand**

The demographic data relied upon by this document is substantially out of date and may not be an appropriate basis on which to formulate new policy. We have specific concern that the 10 year housing demand figures presented in the document (Figure 42 HIA demand forecast) are vastly different to current ABS projections however it is not clear which of these projections this strategy has relied upon in preparing its strategies and targets. If the strategy relies on projections outlined in the Directions 2031 document this should be stated although it is noted that these targets are also significantly lower than current ABS projections and therefore risk a scenario of the strategy significantly underestimating the scale and pace of redevelopment in the region.

### **7.3.1 Development of Targets**

See comments under above under *Infill Targets and Planned Urban Growth Areas*.

### **7.4.1 Housing Affordability**

Affordable housing is a critical issue in the Central Sub Region. According to statistics compiled by Shelter WA:

- In March 2010, the median house price in Perth was \$500,000, up 16.3% from 2009. The annual income needed to afford a house at that price is estimated to be \$144,500, substantially higher than the actual median household income in WA of \$72,800.
- In June 2010, in order for someone earning the casual hourly wage rate of \$17.99 per hour to afford a median rental unit in Perth at \$350/week, they would have to work 65 hours per week. Someone earning the minimum hourly wage of \$14.99 would have to work 78 hours a week to afford the same unit. A full-time worker earning the minimum weekly wage of \$570 would have to spend 61% of their income on housing for a median rental unit in the Perth metropolitan area.

This is supported by the the Bank West Key Worker Survey (2007):

- The vast majority of nurses, police officers, teachers, fire-fighters and ambulance officers trying to buy a house in Perth cannot afford to live in the communities they serve due to a 158% increase in Perth property prices since 2002, compared with an average 31% rise in their incomes.

- 90% of key workers can't afford to live in the communities they serve.

In addition, recent research published by the Australian Housing and Urban Research Institute (AHURI) has examined the economic effects of affordability on cities. This research has shown that for the functional efficiency and growth of the urban economy, an important prerequisite is an adequate supply of highly skilled workers, key workers and lower skilled, lower paid workers. However, as affordability declines in an urban area, a mismatch can develop between where lower paid jobs are located and the location of affordable housing stock. The implication here is that the more successful a city-economy is in the current global environment, the more its success is likely to be undercut by a growing spatial mismatch between housing and job opportunities for lower paid workers.

There is evidence that this mismatch is starting to occur in Perth where, according to 2009 FactBase research, there has been a 'shifting geography of economic stress'. Rather than being confined to the inner and middle ring suburbs which was traditionally the case, economic stress is now increasingly concentrated in outer suburbs, particularly north of the river. This is because of the redevelopment and subsequent gentrification of inner and middle ring suburbs which has 'pushed out' lower income earners to the outer areas.

In this context ensuring a supply of affordable housing in the Central Sub Region is critical to enabling an efficient urban economy in the long term.

The Cfp supports the proposed initiatives to enable greater housing diversity in the region however it is our view that there is also need for initiatives such as the provision of a proportion of affordable lots or product as a proportion of every development to be applied beyond just the state land development agencies. We see the establishment of the metropolitan redevelopment agency as an opportunity in this regard to implement metropolitan wide initiatives for affordable housing in redevelopment areas, similar to initiatives implemented by the East Perth Redevelopment Authority.

#### **7.4.6 Innovations in design and construction**

The Cfp strongly supports initiatives to promote innovation in design and construction in Perth.

#### **8.4.3 Transit Oriented Development and Urban Corridors**

The Cfp strongly supports the focus of the strategy on transit oriented development (TOD) however we believe that care needs to be taken in making transportation corridors a key focus for higher density housing product. It is our view that higher density housing on transportation corridors should be focussed in well planned nodes around public transportation rather than providing for linear high density development because there is substantial evidence that higher density is most successful in areas of high amenity and where there is a focus on high quality architecture and urban design.

There is therefore a need to ensure that there is an equal focus on higher density development in areas of high amenity. In this regard the Cfp supports sections 8.4.4 and 8.4.5 of the strategy.