

14th October 2011

A/Executive Director
Integrated Transport Planning
Department of Transport
140 William Street
Perth WA 6000

By email: itp@transport.wa.gov.au

Dear Mr. Wooldridge

Public Transport for Perth in 2031

The Urban Development Institute of Australia (WA) is pleased to make this submission to the Department of Transport on the draft **Public Transport for Perth in 2031**. UDIA (WA) is the peak body representing the urban land development industry in Western Australia. UDIA is a membership organisation with members drawn from the development, planning, valuation, engineering, environmental, market research and urban design professions. Our membership also includes a number of key State Government agencies and Local Government Authorities from across the state. Nationally, UDIA represents the interests of thousands of members and includes all the major land development companies, both public and private, and specialist consultancy firms.

UDIA is generally supportive of the Plan as it addresses the deficiencies of the existing public transport network and provides a sound basis for implementing future enhancements. UDIA also supports linking the Plan to *Directions 2031 and Beyond* and we would expect that the structure plans for the six sub-regional planning areas (under development) have been informed by the Plan and fully integrate land use and transport infrastructure. Sustainable urban planning and development rely on the provision of efficient public transport with benefits accruing to the environment through reduced traffic congestion and greenhouse gases and for the community through the opportunity for the development of affordable housing in locations that have easy access to public transport. The objectives of *Directions 2031 and Beyond* for a significant increase in urban density in both infill and greenfield areas will not be achieved without an efficient public transport network that allows the community easy access to their service, education, employment and recreation needs within a reasonable distance of their home.

UDIA objects strongly however to the proposal that transformational projects ought to be conditional on contributions from the private sector for the capital cost of these projects. The government cannot expect the industry to provide affordable housing in key locations where such costs are imposed. The government should be mindful that any cost imposed on industry is ultimately borne by the land or house purchaser at a time when they can least afford it. It is also inequitable for the new homebuyer to

bear the cost of infrastructure that clearly benefits the entire community. The imposition of an infrastructure charge would be counterproductive for the government as it will make growth areas less affordable, thereby limit the growth of the region and by extension limit patronage of the transport infrastructure. The Plan needs to give more serious consideration to other funding models to remove the burden from the new homebuyer.

The critical success of the Plan relies on its implementation and requires an ongoing commitment from, and the active engagement of, the Independent Panel responsible for development of the Plan. The Plan needs to be more explicit about the agencies responsible for delivery given that the strategic intent is to tie implementation to land use planning decisions. It should designate a lead agency as the Plan is unclear which agency will have carriage. Is it Department of transport, the Public Transport Authority, the Department of Planning or the Independent Panel?

The need for cross agency cooperation and decision making could not be stronger and we recommend that the Independent Panel continues to meet regularly to ensure the Plan is implemented effectively. It is critical that the respective agencies facilitate the provision of an improved public transport system by ensuring that policy conflicts and the duplication of approvals between the various levels of government are removed.

While UDIA generally supports the Plan we offer the following commentary for your consideration.

The impact of an integrated approach to land use planning and public transport provision in urban areas

UDIA's concerns lie with the timing of the provision of public transport, particularly rail infrastructure. The development industry needs certainty around the provision of public transport and once this is established, developers and their planning consultants are able to innovate and develop strategies for high density development and affordable dwellings close to the transport hubs and town centres thereby maximising its impact.

Directions 2031 and Beyond acknowledges 53% of growth in Perth going forward will be in outlying suburbs. A recent discussion paper from the Reserve Bank of Australia (RDP 2011-03) highlights the importance of transport infrastructure on the urban form of Australian cities. The report makes the point that where there is better transport infrastructure it is possible to live further from the city with reduced costs of housing. However, in the absence of such infrastructure households spend more of their resources on commuting and face higher land and housing prices.

Directions 2031 and Beyond also aims to reduce the rate of the expansion of the urban footprint of Perth through increased density and this can only be achieved where efficient public transport supports higher density development, particularly in greenfield areas. The government must confirm its commitment to the timing and funding of the extension of the rail line to Yanchep to support the huge growth projected for the area. There are long lead times associated with the planning of large master planned communities and without the certainty of the infrastructure it is difficult to plan, design and deliver development that meets the objectives of the planning framework.

Major infrastructure such as rail and light rail will attract further investment by industry and facilitate the growth of both greenfield and infill areas which has positive outcomes for the government by reducing the payback period of the State's expenditure. The early provision of public transport creates social

implications for household budgets and the reduction of greenhouse gases by removing cars from the roads. The commercial and development opportunities a light rail network creates is well documented and will facilitate the 47% infill target of *Directions 2031*. This target will be difficult to achieve without easy access to light rail or bus rapid transit.

Funding mechanisms

With the exception of the proposal for contributions from the private sector for projects, the Plan is quiet on funding mechanisms and there are two key issues which require greater clarity. Firstly, there is insufficient emphasis on the potential role of Infrastructure Australia. The Plan proposes that major projects could have cases developed for IA funding applications on individual merit. We believe it would be more effective to develop the key elements of the finalised 2020 and 2031 infrastructure plans into robust business cases by the State and submit these to IA for funding. Secondly, the Plan needs to be clearer on the likely value capture mechanisms that will be employed. If the State will not fund these projects alone and there needs to be a serious exploration of other mechanisms such as Public Private Partnerships, Tax Increment Financing or Infrastructure Improvement Levies. The Plan should also articulate that the intent of these mechanisms is not to simply introduce a greater tax burden but to ensure that the added value to the sector is part repaid to the government through appropriate processes. This could also be incorporated into a robust submission to Infrastructure Australia.

Clarity required on the definition of Bus Rapid Transit

A fundamental flaw of the Plan is branding links as Bus Rapid Transit (BRT) as it creates confusion regarding the level of priority that will be achieved. The proposed system does not appear to include segregated BRT on any route. The rapid transit service route in Alkimos-Eglinton is planned to have localised queue jump facilities but this does not make it a BRT and it should not be defined as such. Unless the Plan intends the nominated routes to be developed as BRT it would be more accurate to identify them as having higher order bus priority. The definition excludes a variety of routes where lower-scale bus priority measures are already in place or are planned. In our view the Plan needs to more clearly define where links are part of the second tier or third tier public transport network.

Reliance on feeder services

The Plan does not include all the district centres in the metropolitan area and our concern is the majority of residents will have to rely on feeder services to access centres, the rail or rapid transit services. Generally, feeder services are not a preferred alternative to cars given the circuitous routes they take and the risk is there will be low uptake by the community and a continuing reliance on Park 'n Ride which has a negative impact on the potential for TODs.

Summary

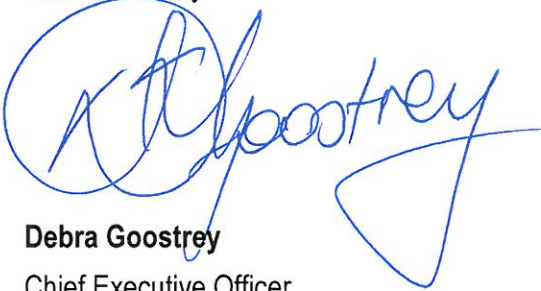
UDIA supports the Plan in principle as it proposes a range of improvements to the public transport network that are necessary to support the government's intention to contain Perth's urban footprint in the context of projected high growth. However, we object in the strongest possible terms to the

proposal that the private sector contributes to the capital costs of transformational projects. The Plan must give further consideration to other funding models and the potential for Infrastructure Australia to support these projects. The imposition of a developer charge would adversely impact housing affordability and is an inequitable approach to infrastructure provision.

The Plan will not succeed without a firm commitment by the government for ongoing budgetary support to implement the various projects that are required to deliver a sustainable, affordable future for Perth. Successful implementation will require a lead agency to coordinate and take responsibility for cross agency decision making and to ensure that policy and regulatory barriers are removed. Whether this is a continuing role for the Independent Panel or another body should be resolved quickly to facilitate decision making and to remove potential policy or regulatory barriers.

We trust you will find this commentary useful and we look forward to further development of the Plan.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Debra Goostrey', with a large circular flourish on the left side.

Debra Goostrey
Chief Executive Officer