

e udia@udiawa.com.au
t 08 9321 1101
f 08 9321 1102
w www.udiawa.com.au

Urban Development Institute of Australia
(Western Australia)
Level 5, 150 St Georges Terrace,
Perth, Western Australia 6000



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Southern Metropolitan and Peel Sub-Regional Structure Plan
Department of Planning
469 Wellington Street
Perth WA 6000

By email: corporate@planning.wa.gov.au

To whom it may concern

Southern Metropolitan and Peel Sub-Regional Structure Plan

The Urban Development Institute of Australia (UDIA WA) is pleased to provide this submission on the *Southern Metropolitan and Peel Sub-Regional Structure Plan* (the Structure Plan). UDIA supports development of the plan however it is industry's view that the document is flawed and does not meet the ideals of *Directions 2031*. UDIA is committed to working with the Department of Planning (DP) to progress elements of *Directions 2031* and the *Southern Metropolitan and Peel Sub-Regional Structure Plan* must be consistent with the final version of *Directions 2031*.

The key messages of this submission are:

- Population forecasts are underestimated and do not reflect recent rates of growth in the Structure Plan area.
- Dwelling forecasts are also underestimated which impacts on the amount of urban zoned land which will be required in the Structure Plan area.
- The need for adoption of criteria based assessment for rezoning in areas which are classified as 'Areas under Further Investigation'.
- Lack of consistency between *Directions 2031*, local planning strategies and the Structure Plan.

Population projections

The population projections appear to be underestimated and consequently the number of projected dwelling units falls short of what will actually be required. This has implications for the amount of urban zoned required to accommodate future development.

.../2

The Structure Plan reports the population has grown by approximately 74,600 in the past 11 years (page 17) yet it makes provision for an increase of only 93,100 for the period 2006 - 2031, a period of 25 years. There are significant discrepancies between the projections detailed in the Structure Plan and those undertaken by individual shires. For example, the Shire of Murray's projections indicate a population of 45,154 in 2031 which is double that reported in the Structure Plan report of 22,500.

UDIA recommends the Structure Plan establish sound population projections based on an agreed methodology that are consistent with *Directions 2031* and those of Shires in the Structure Plan area. UDIA anticipates that population growth projections and dwelling units over 5 year timeframes will be articulated in the Urban Growth Monitor; we strongly support continuous review of the projections over the life of the Structure Plan to ensure they reflect conditions current at the time. This will allow industry to be responsive to changes in the market and to adjust their development programs accordingly.

Dwelling projections

Dwelling projections in the Structure Plan area are similarly underestimated and are inconsistent with projections indicated by the Shires. For example, the Shire of Murray anticipates over 13,000 additional dwellings will be required by 2031 while the Structure Plan projects only 5,600 additional dwellings. The underestimation of dwelling units will result in a lack of suitably zoned land for residential development which will inevitably impact on housing affordability.

Dwelling forecasts should be updated in line with population forecasts and a sound methodology established to facilitate this happening at regular intervals of time. The projections should also take into account a relatively high proportion of unoccupied dwellings in the Structure Plan area, particularly in coastal areas.

The Structure Plan does not designate whether future yields will come from greenfields or infill sites. As a consequence there is a concern regarding the ability of infill lots to be developed due to issues associated with land fragmentation, lifestyle lots and the additional costs associated with land assembly. While the document recognises the need for Land Accumulation Strategies and Redevelopment Strategies (page 106), it makes no provision for timeframes or responsibilities, other than to state "The DPI will work closely with..." . Land Accumulation Strategies must be developed for the final *South Metropolitan and Peel Sub-Regional Structure Plan* if desirable urban outcomes are to be achieved and to provide greater certainty for landholders.

UDIA would like assurance that the Department of Planning is adequately resourced to develop the required strategies to facilitate the development of additional implementation mechanisms as cited in the document. We recommend the next steps be revised to confirm the scope, content, timing, responsibility and resources for implementation, making it clear for landowners the next steps to implementation.

Establish a suitable timeline

Coupled with the need for adequate zoned land to support future demand for residential development is the requirement for a sufficient timeline to identify major growth areas and to support key infrastructure planning. *Directions 2031* and the sub-regional structure plan are based on a 20 year time horizon which is insufficient for these purposes.

The UDIA submission on *Directions 2031* proposes a 30 year land supply horizon and 50 year infrastructure horizon is required to preclude the possibility of a land supply crisis as occurred in 2006. The sub-regional structure plan sets out generic policies and principles but does not provide clarity on specific future land use planning proposals, for example proposed regional road improvements are based on a preliminary network assessment which is limited to current proposals in the 20 year time horizon. It is recommended that *Directions 2031* and the sub-regional structure plans be extended to at least a 30 year time horizon to facilitate the coordination of infrastructure planning to support future development

Criteria based assessment for rezoning

UDIA supports the draft greenfield rezoning criteria for future urban land release and proposes that rezoning should be permitted where performance based assessment based on sustainability criteria are met and should apply to residential and industrial development. UDIA is in discussion with DP on this approach and is considering the NSW criteria for rezoning which include:

- **Strategic Framework** – proposal is in accordance with approved metropolitan plans and sub-regional growth strategies
- **Infrastructure Provision** – mechanisms in place to ensure utilities, transport, open space and communication are provided in a timely and efficient way
- **Access** – accessible transport options for efficient and sustainable travel between homes, jobs, services and recreation to be existing or provided
- **Housing Diversity / Supply** – provide a range of housing choices to ensure a broad population can be housed
- **Employment Lands** – provide regional / local employment opportunities
- **Avoidance of Risk** – land use conflicts and risk to human health and life avoided
- **Natural Resources** – natural resource limits not exceeded / environmental footprint minimised
- **Environmental Protection** – protect and enhance biodiversity, air quality, heritage and waterway health
- **Quality and Equity in Services** – quality health, education, recreational, cultural

Further to the adoption of criteria based assessment, it was agreed at a recent meeting with DP that the following categories of land are required to ensure an adequate supply of land to mitigate against the potential of a land supply shortage in periods of high and sustained growth.

- Urban investigation land – this is locationally suitable and potentially developable within 30+ year timeframe
- Future urban land – that meets performance criteria for future urban rezoning
- Existing urban deferred land
- Existing urban zoned land

This approach will provide the strategic planning framework the flexibility to consider and implement new proposals against agreed criteria.

Need for consistency

There is an apparent lack of consistency between *Directions 2031* and the *South Metropolitan and Peel Sub-Regional Structure Plan* which needs to be rectified. *Directions 2031* identifies and defines a number of "Areas under Investigation" but in the Sub-Regional Structure Plan areas are included or excluded without any specific justification. UDIA queries why have some areas been included and others excluded without explanation when all share the same category description.

UDIA is also aware that the Structure Plan fails to recognise potential industrial sites despite these sites being designated for industrial uses in the Shire of Murray's local planning strategy. Such obvious inconsistencies throw doubt on the Commission's claim of collaboration with local shires in development of the Structure Plan and need to be rectified to better reflect local planning and to acknowledge the sustainability benefits of employment nodes close to residential areas.

There are also inconsistencies between the Urban Growth Management Strategy and the Peel Sub-Regional Structure Plan where future land use categories do not correspond. This also needs to be rectified.

Other issues

UDIA questions Keralup's status as a strategic landholding. The sub-regional structure plan identifies Keralup as a Strategic State Government landholding, however it is further described as an "Area under Investigation" and acknowledged as ".....zoned rural and has environmental and services-engineering constraints". There is nothing strategic about the site and land ownership is not a consideration in the structure plan. In this regard there are numerous other privately owned sites which are significantly less constrained than Keralup which as a consequence would be more appropriate for development. UDIA is concerned that the Department of Housing and Works has participated in all the workshops held during development of the structure plan in its capacity as a landowner (as reported by local government representatives) while private landowners have been excluded despite numerous requests to be consulted.

Development in the structure plan area is contingent on finalisation of the Murray Drainage and Water Management Plan, due for completion in late 2010. UDIA assumes that the feedback on the Southern Metropolitan and Peel Sub-Regional Structure Plan will inform and be consistent with the Murray DWMP and that the performance criteria approach for rezoning discussed in this submission will apply equally to the DWMP.

The structure plan makes no provision for affordable housing. The document should include an affordable housing strategy, negotiated with local government and industry that allocates targets for affordable housing.

Summary

Though the *Southern Metropolitan and Peel Sub-Regional Structure Plan* is fundamentally flawed, UDIA supports WAPC in their undertaking to review and update strategic metropolitan and sub-regional planning. We recommend that WAPC:

.../5

- Review population projections and housing demand with a methodology that can be updated readily as time progresses
- Review urban land requirements when a clearer understanding of required dwelling units is established
- Learn from the 2006 land supply crisis and reconsider the amount of urban zoned land required to eliminate the potential for land shortages
- Consider a longer planning horizon to support a larger allocation of urban zoned land and to facilitate the coordination of infrastructure planning to support future development
- Champion the performance based approach to development to ensure good development outcomes in areas that are sensitive and to communicate this approach to the Murray DWMP
- Articulate how affordable housing is to be addressed in the structure plan

We trust that you will give these comments due consideration and UDIA looks forward to working closely with DP and WAPC to further develop the structure plan.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Debra Goostrey', with a stylized flourish at the end.

Debra Goostrey
Chief Executive Officer