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Your Ref: 06R197

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Mr John Ellis  
Executive Director  
Armadale Redevelopment Authority  
PO Box 816  
Armadale WA 6992

Dear John

**WUNGONG URBAN WATER REDEVELOPMENT PROJECT  
WUNGONG PLACE CODES – SUBURBAN ZONES**

The Urban Development Institute of Australia (UDIA WA) is pleased to provide comment on the *Wungong Place Codes Suburban Zones*, May 2009 (the document). UDIA (WA) is the key representative body of the land development industry in Western Australia with members engaged in a range of disciplines including land development, planning, architecture, urban design, infrastructure and engineering.

UDIA has a keen interest in the document as its requirements will impact on the activities of members with landholdings within the Wungong Urban Water Redevelopment Area (Wungong). We are aware that these highly experienced, award winning development companies have serious reservations about particular components of the document which we anticipate will be addressed in their individual submissions. UDIA supports their positions and trusts that the ARA will give due consideration to the solutions they provide to successfully meet the design principles stipulated in the document. The purpose of the UDIA submission is to highlight to the ARA two key messages:

1. The impact this document will have on industry's ability to deliver accessible housing;  
and
2. Inefficiencies in the use of a hybrid place code model.

**Impact of Wungong Place Codes on Housing Accessibility**

One of the principal objectives of UDIA is to promote innovation in the creation of sustainable communities in Western Australia and we endeavour to ensure that requirements placed on development are feasible without compromising desired outcomes.

Housing accessibility remains a critical issue for the Western Australian government with the global financial crisis exacerbating an already precarious situation for an increasing number of WA households. UDIA is concerned that the development standards in *Wungong Place Codes Suburban Zone* will render development unviable and result in land and housing that is beyond the reach of the market segment that is most likely to be attracted to the area or it will fail to attract newcomers to the area.

The most significant impact of this document on the land development industry will be the inability of the housing industry to deliver accessible housing to the market. UDIA is alarmed by the apparent disengagement of the building industry in Wungong which will compromise ARA'S ability to achieve its built form objectives given the limited range of dwellings the building industry is able to develop in Wungong. This will ultimately impact on Wungong's market appeal and the prices achieved in the area.

Under the requirements of the Place Codes, the building industry is unable to respond to the various market segments that are required to create a sustainable community in Wungong. They have indicated to UDIA that they cannot provide product to suit the accessible home buyer market that meets the development standards cited in the document and the reduced range of housing that does meet the standards is just a fraction of the range available in other areas. Reduced choice will push buyers away from Wungong.

#### **The Cost of Solar Orientation**

It is imperative that the ARA consider and understand the total cost to the purchaser of land and housing in Wungong. Ideal solar access for housing is most easily achieved on lots that are orientated in line with the cardinals; however in Wungong the land development cost to achieve such orientation exponentially outweighs the additional cost of modifying the built form. This is because the non-cardinal alignment does not respect local drainage patterns or the natural landform which requires large amounts of fill, giving high development costs and a less than ideal drainage solution. This increase in development costs results in significantly higher land costs to the purchaser as they are passed on by the developer. Purchasers are discerning and will make their purchase elsewhere if the total land and housing package is not competitive with other suburban developments.

#### **Development Application**

Housing accessibility will also be negatively impacted by the requirement under the Place Codes for a Development Application (DA) for all single dwellings to be submitted prior to application for a Building Licence. The DA imposes a \$500 fee payable to ARA which when coupled with builder's licence fee from the City of Armadale (\$1,200) adds a considerable cost impost on purchasers. This will be compounded by the requirement for a Sustainability Audit and in some cases shadow drawings which will require professional services, at a cost, to deliver.

#### **Cost of Delays**

UDIA is very aware of the cost of delays on land and housing waiting for development approval and has empirical evidence to show that a delay of up to one year adds 13.3% to the cost of development. We anticipate that delays are inevitable where there is a variation from the Place Codes standards and a performance review at ARA's discretion is required. Performance criteria will take time to assess and it will be incumbent on the ARA to expedite approvals efficiently to avoid costly delays which will further decrease housing accessibility which will be a further disincentive to the housing industry to do business in Wungong.

## Place Codes

The Place Codes have had a number of iterations to the point where development within Wungong is governed by Place Codes, the R-Codes and Liveable Neighbourhoods. While UDIA is not proposing that Place Codes be abandoned, we do submit that this hybrid of Place Codes and conventional planning will result in delays and cost blowouts. The need to revert to the R-Codes and Liveable Neighbourhoods where there are gaps in items covered by the Place Codes is confusing at best and serves to dilute the objectives and outcomes of form based codes. The need to address the Place Codes standards and eleven underlying ARA policies will lead to confusion and add a level of complexity to the approval process that may discourage proponents from developing in Wungong.

The Council of Australian Governments (COAG) has a keen interest in form based codes with the announcement last week that reform in the housing development assessment process will be streamlined by increasing use of **code-based assessment** with performance to be measured against length of Development Application. It is therefore imperative that the ARA demonstrates its approach to form based codes is efficient and economically viable by facilitating approvals and getting housing on the ground in a cost effective manner. The WA government is unlikely to be pleased if a Western Australian form based project in a lower socio-economic area does not succeed in achieving improved outcomes in development timelines and subsequently contain development costs.

## Summary

This submission underlines a number of areas in which housing accessibility will be negatively impacted by the approach of the ARA in applying the Wungong Place Codes in the Suburban Zone. The non-cardinal alignment of lots for solar orientation is expensive to achieve; the lack of timely engagement of the building industry and the reduced range of housing options available to purchasers could make Wungong an undesirable destination for homebuyers looking for choice. The DA fee and Sustainability Audit are additional cost imposts that will impact on accessibility as will delays caused by the performance review of non-conforming applications. The hybrid Place Codes/R-Codes/Liveable Neighbourhoods approach to planning has inherent inefficiencies that are also likely to result in delays and increased costs.

UDIA trusts that ARA will give due consideration to this submission and we are available to discuss it in greater detail if required. We would encourage the ARA to make all submissions publicly available as is usual practice in government agencies.

Yours sincerely



**Debra Goostrey**  
Chief Executive Officer