

# Planning for Urban Change in the Inner & Middle (Greyfield) Suburbs of Melbourne

Presentation to: **U3A**

Swinburne University  
Friday 29 January 2016

**Professor Peter Newton  
& Dr Stephen Glackin**

Swinburne Institute for Social Research

# Overview of Presentation

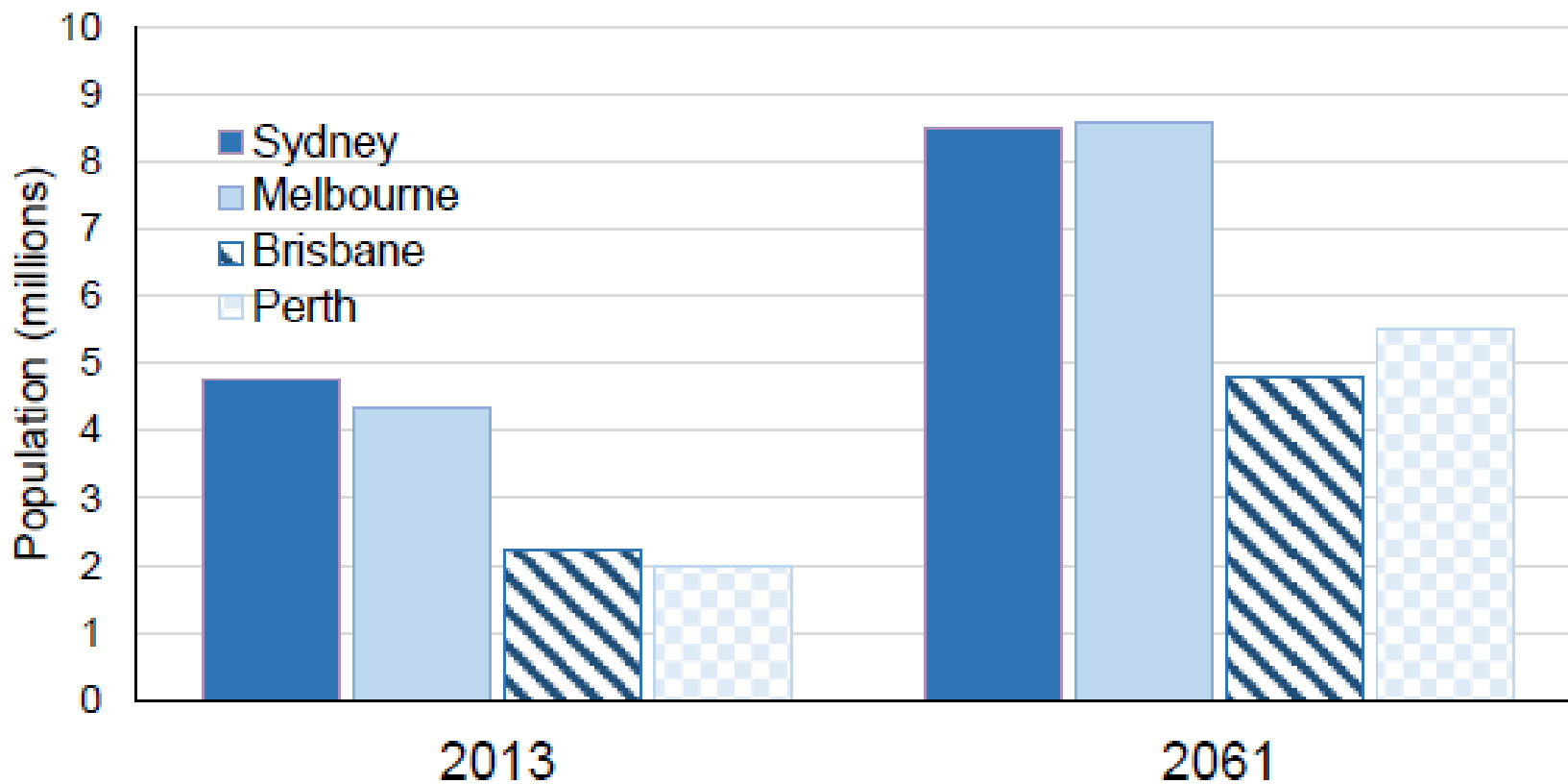
- 1. What's the problem?**
- 2. Models for urban infill transition in the 'greyfields'**
- 3. GtG Project: locating & engaging precincts**
- 4. Audience feedback**

## Metro [Melbourne] Challenges:

- Melbourne's current & forecast high **population growth + demand for housing**
- **Housing supply** lagging demand....increasing gap
- **Housing affordability**....capital city **housing prices** world leading.....  
Melbourne among least affordable globally
- **Housing mix**.....undersupply of **medium density housing**
- **High cost of delivering inner/middle suburban medium density housing**
- **Urban sprawl**...greenfield continues to be where most new housing built  
→ significant economic, environmental & social costs
- **Suburbanisation of social and economic disadvantage** (concentration of lower income h'holds; poor access to public transport, tertiary education, specialist health; concentration of social problems)
- Key **urban infrastructures ageing; retrofitting & greenfield** development lagging  
→ **developing hybrid urban infrastructures** for energy, water and waste
- **Ecological footprint** among highest globally (high resource consumption + CO2)
- *Plan Melbourne* .... **no strategy for regenerative intensification** in established, underperforming suburbs apart from activity centres (and transport arterials)

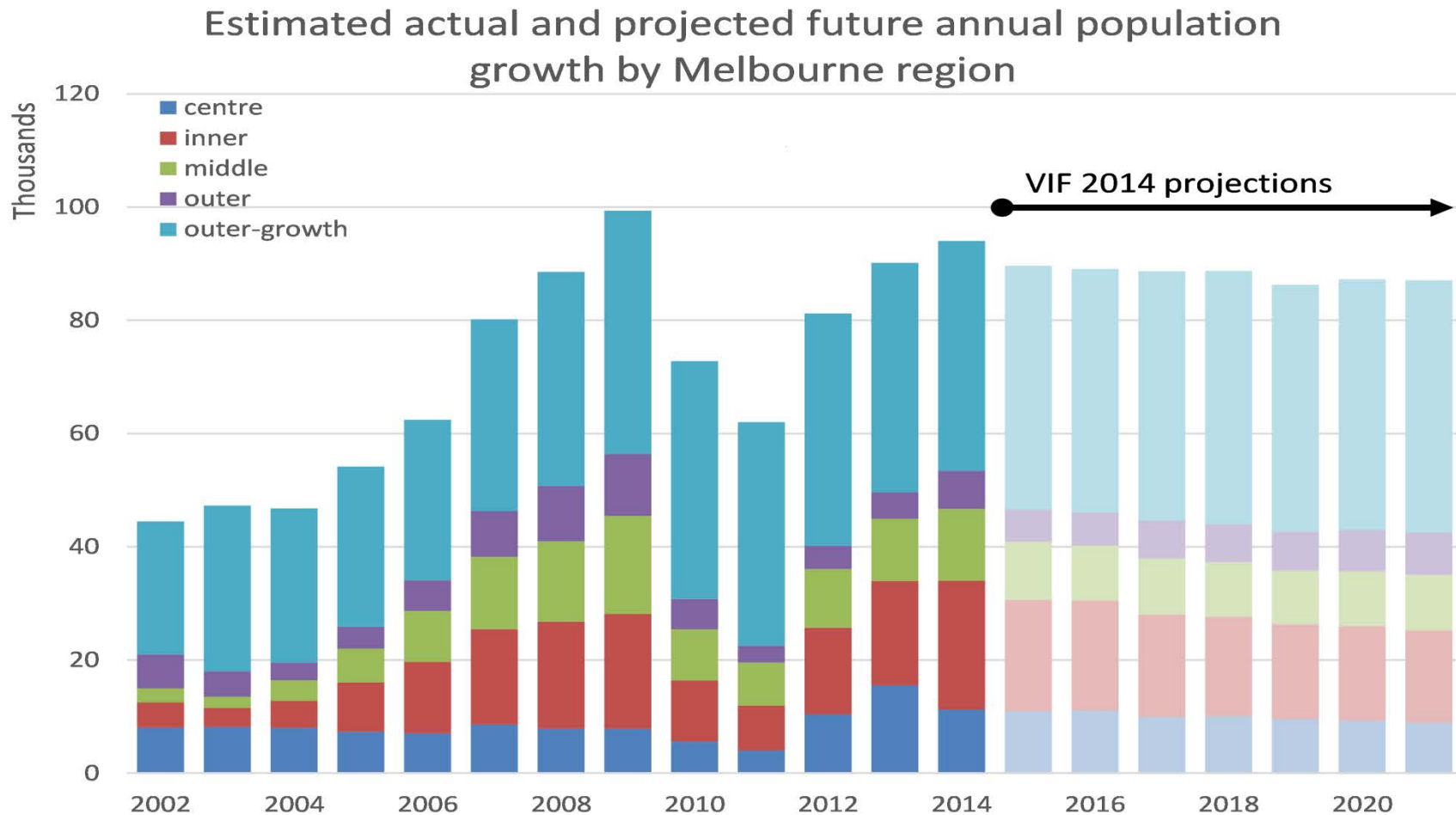
# Future Population Forecasts (ABS series B)

Both sides of politics committed to a 'Big Australia'....and big 'cities'



Melbourne's population forecast to double in 45 years

# Population shares by zone, Melbourne



# Challenge = retrofitting Brownfield and Greyfield infill sites - at precinct scale

Capital City  
Metro Plans  
*Infill*  
**Targets:**  
*~ 50-70%*

Objective = redirect  
population +  
housing investment  
inwards  
rather than outwards

## THE AGE

Brumby expands Melbourne's boundary as population explodes  
**Go-ahead for urban sprawl**

**By MARC MONCRIEF**  
**LEADERSHIP COLUMN**

The Victorian Government has all but given up on a long-standing pledge to contain Melbourne's urban sprawl, announcing another 842 squares of the metropolitan boundary for new housing.

Six years after setting a "clear boundary" for the city in the Melbourne 2010 policy, the government has succumbed to a booming population, a housing shortage and resistance to high-density development in established suburbs.

It is a move that will hand would-be guides to big land owners on the urban fringe. Premier John Brumby said yesterday his Government would extend the boundaries to accommodate more than 134,000 new homes.

He said another 316,000 homes would have to be built in established areas and 100,000 in areas already released for development to meet demand.

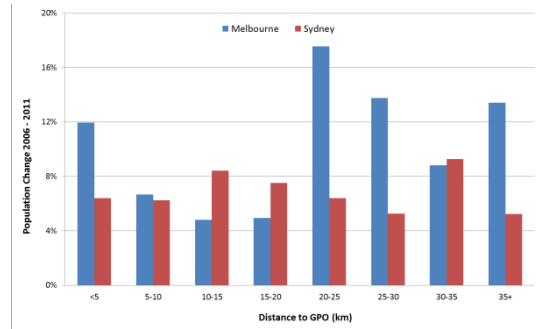
Under the new plan, the Government has also revised its controversial policy of promoting development in more than 200 "local activity centres", springing instead to focus mainly on big centres.

The move came as new figures showed Victoria's population growth outpacing most of the nation, adding 12,000 in the 12 months to June 30.

A separate analysis predicted that Victoria's population would grow by more than 40 per cent

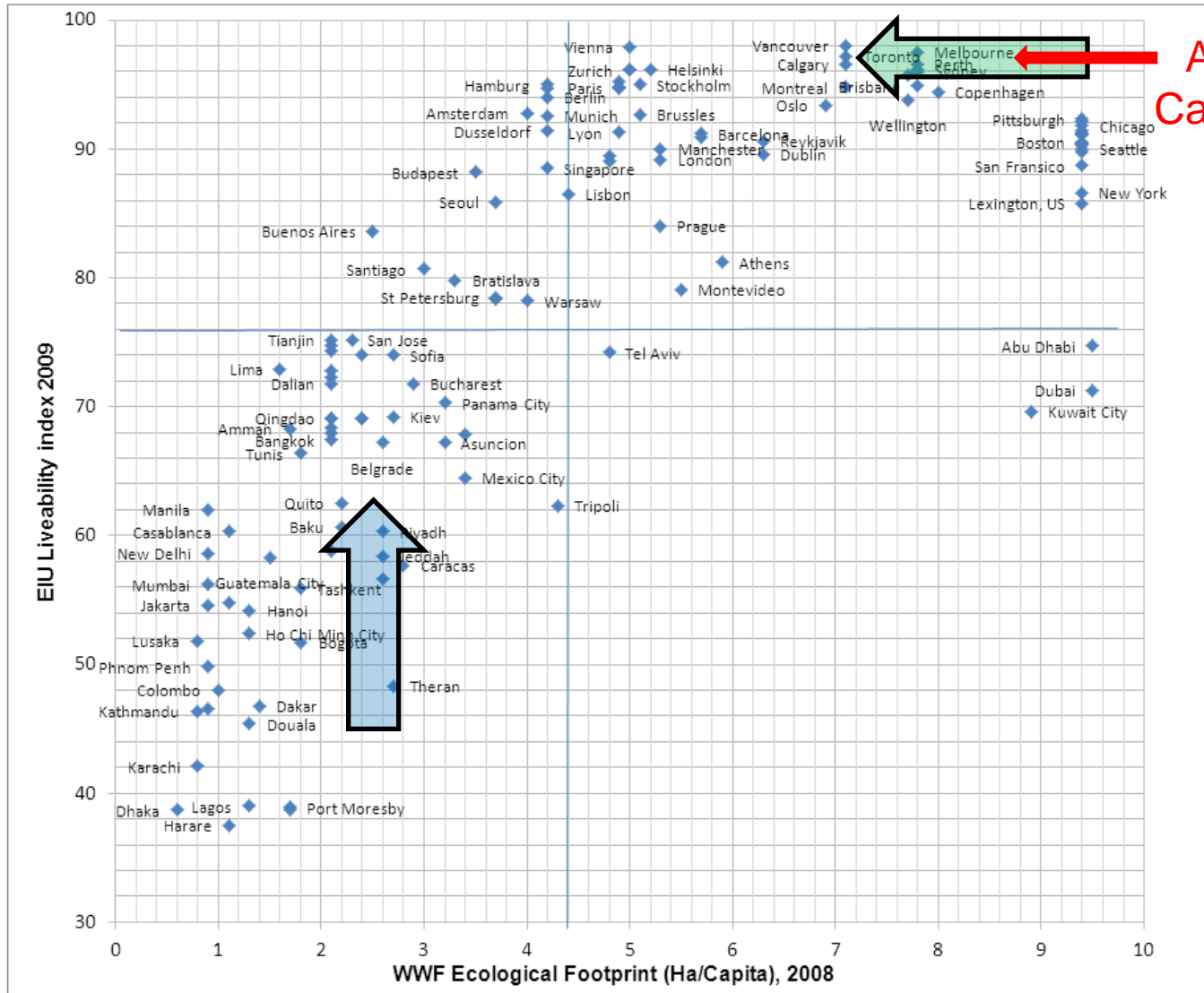


The Age, 3 December 2008



Objective = the established (middle) suburbs need to **better perform** as locations for accommodating additional population & new housing (and jobs)

# Liveability ≠ Sustainability: Melbourne's Large Ecological Footprint



Australian  
Capital Cities

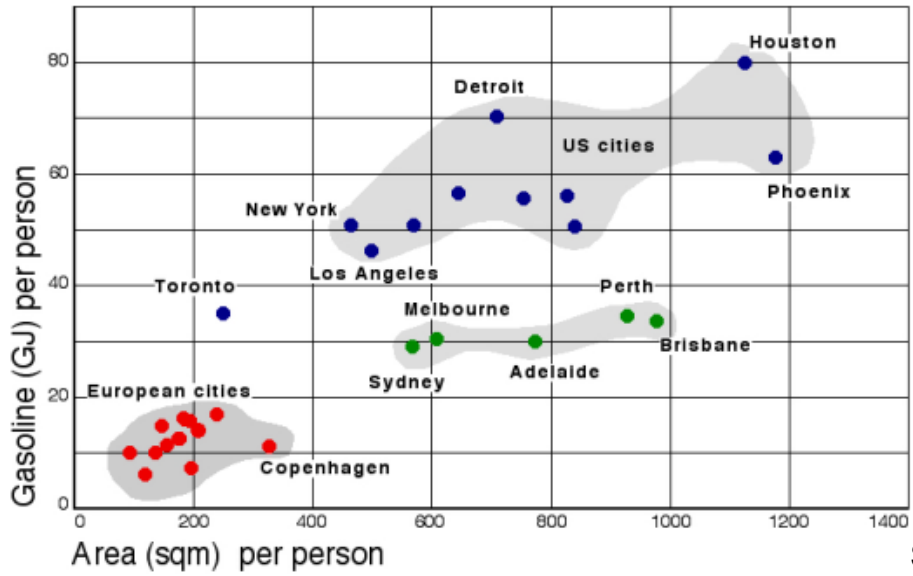
# Housing and Transport Contributions to Ecological Footprints in Australia, North America and Europe: a reflection of land use and transport planning

**Housing:** Large dwellings require more energy to heat & cool household; Trojan horse for household consumption



Note: data for 2009 builds, \* China figures urban only, assumes average national household size  
Sources: CommSec, RBA, UN, US Census shrinkthatfootprint.com

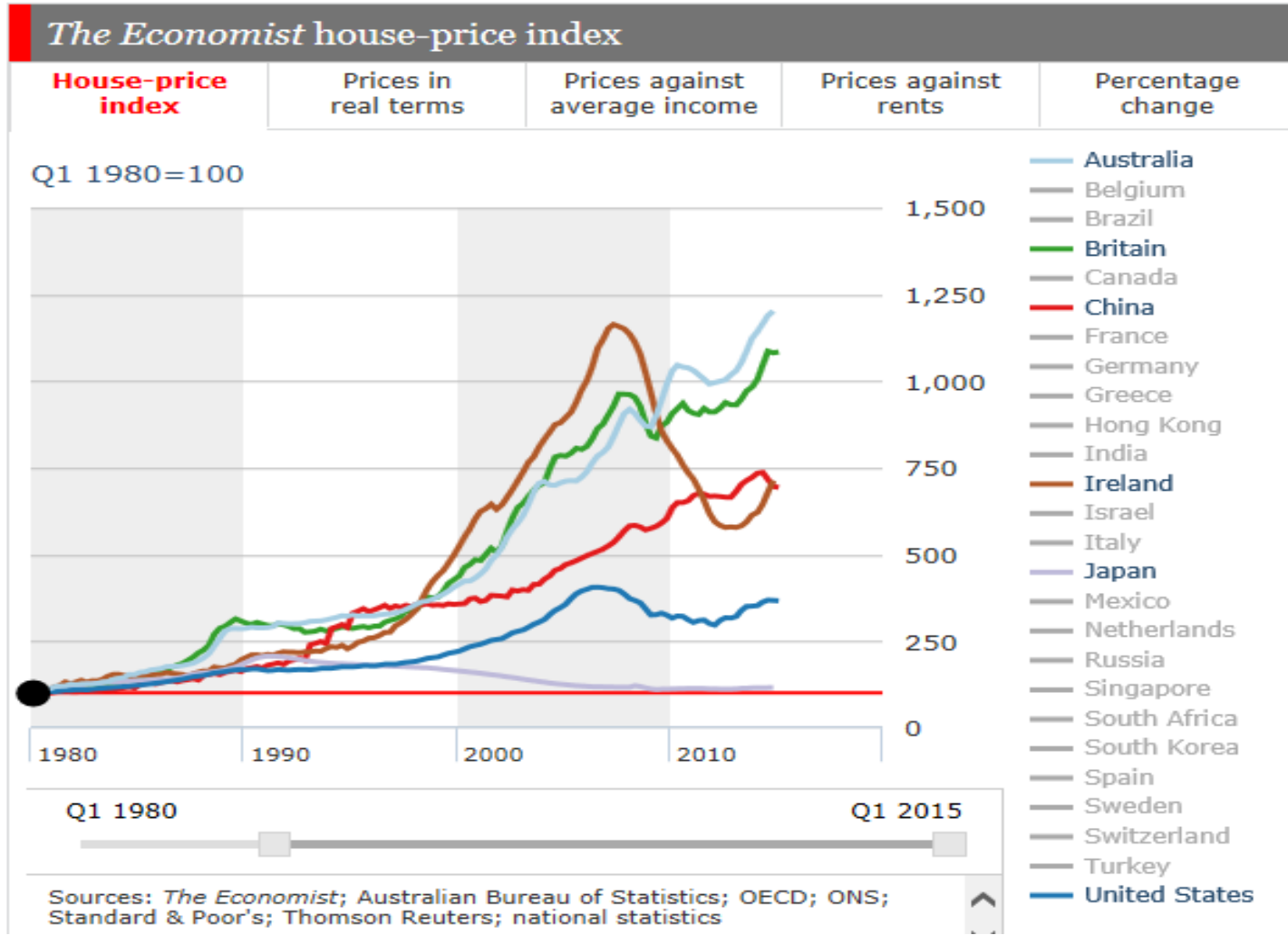
**Transport:** (ICE) Car Dependency; High VKTs; High Consumption of Petroleum / Fossil Fuels



Source: Townsend (2006)

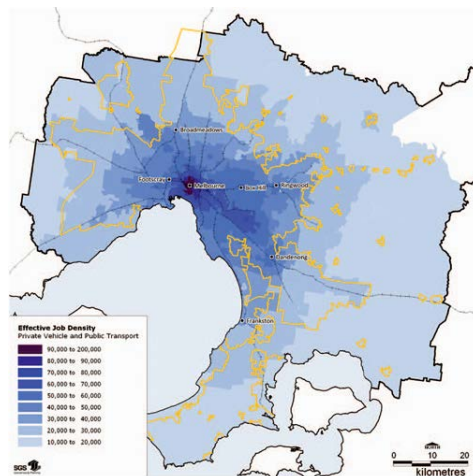
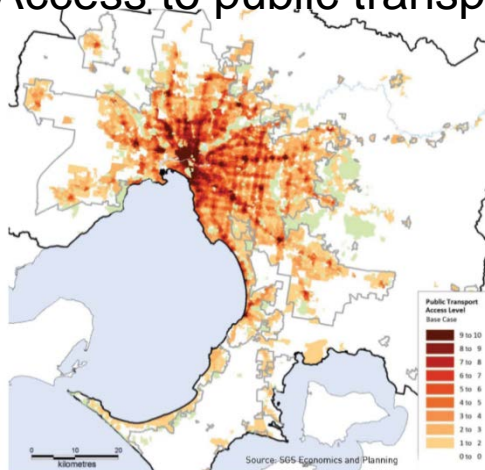


# Australia: Global house-price leader – a reflection of land use rules?

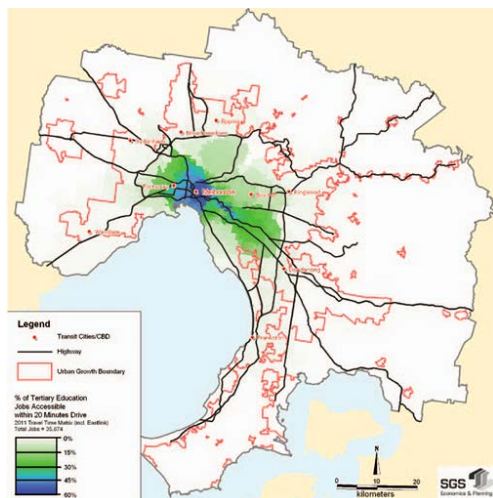


# Landscapes of Relative Accessibility: Melbourne

## Access to public transport

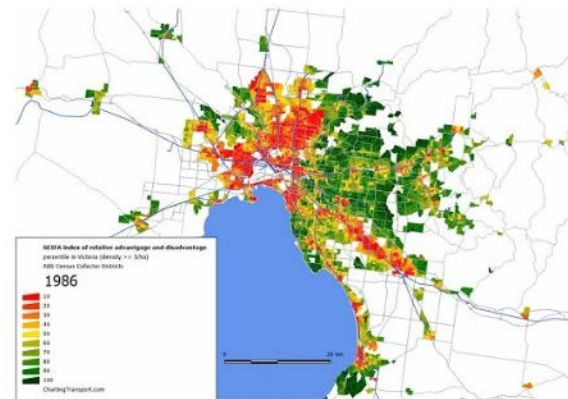
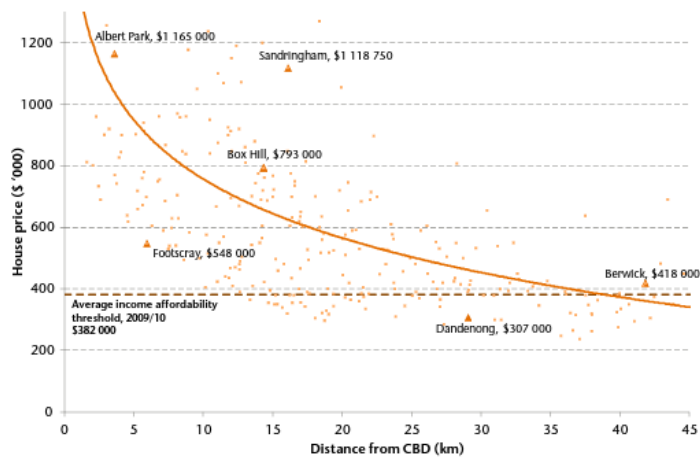
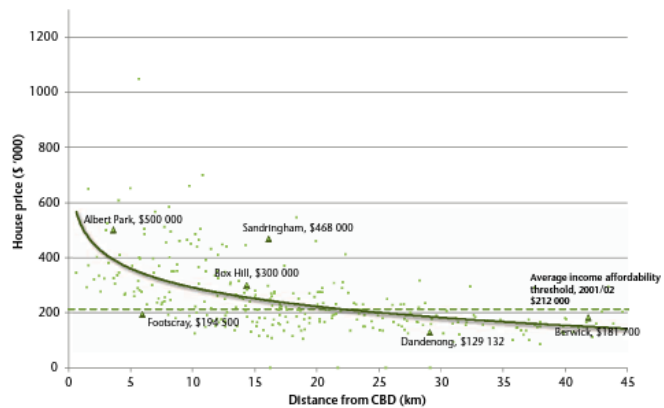


## Access to jobs

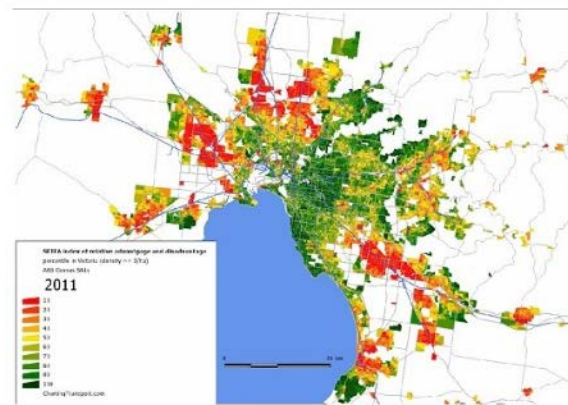


## Access to tertiary education

# Housing market: constrained inner/middle city housing supply increasing costs and suburbanising social disadvantage

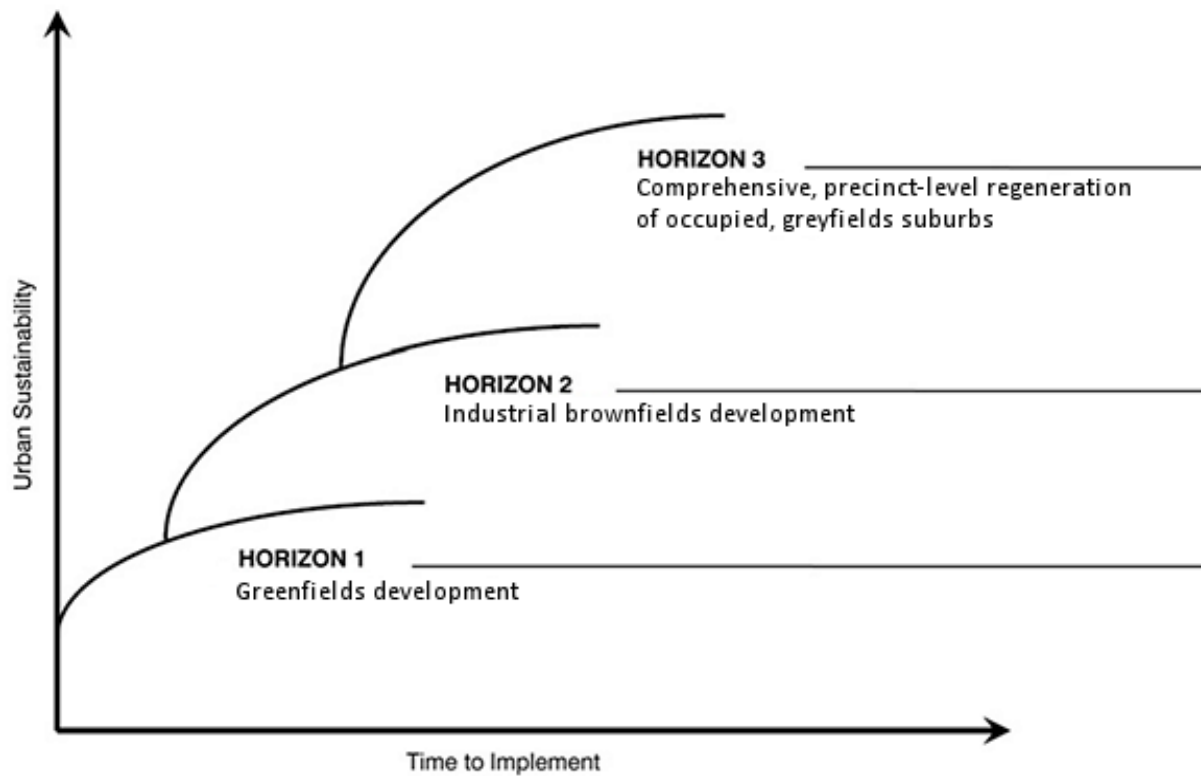


1986: Relative socio-economic disadvantage and advantage in Melbourne (source: Charting Transport)



2011: Relative socio-economic disadvantage and advantage in Melbourne (source: Charting Transport)

# PATHWAYS TO MORE SUSTAINABLE CITIES: 3 HORIZONS OF URBAN DEVELOPMENT AT **PRECINCT SCALE**



Development Model ?

x:NRZ,  
GRZ

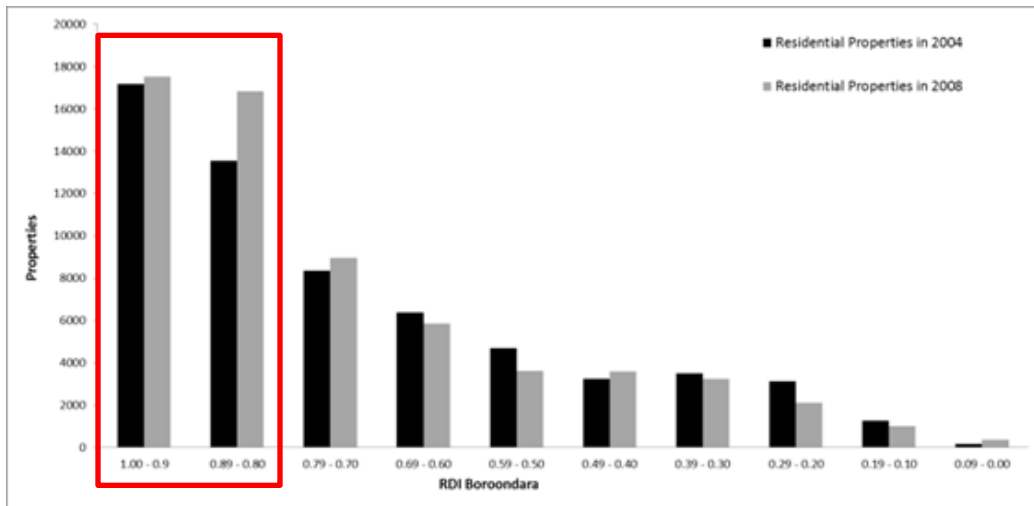


**Greyfields** are characterised by occupied residential areas that are physically and technologically obsolescent, environmentally poor performing and where the asset value resides in the land rather than the building (Newton, 2010; *Built Environment*)



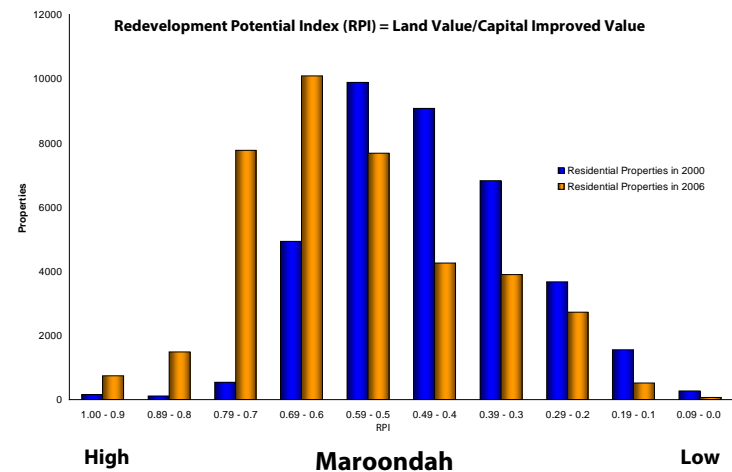
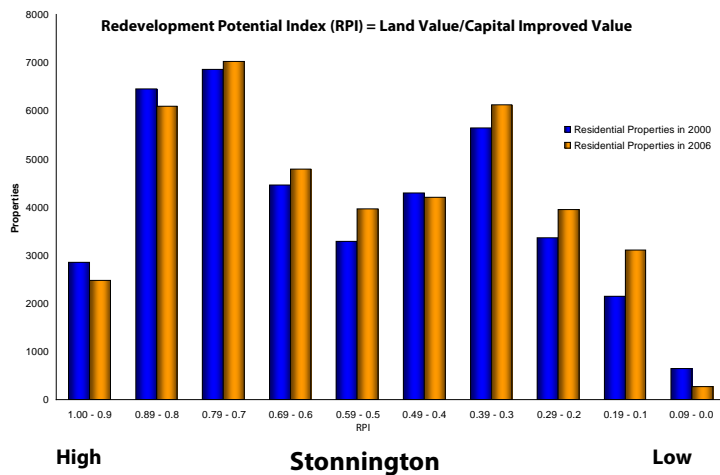
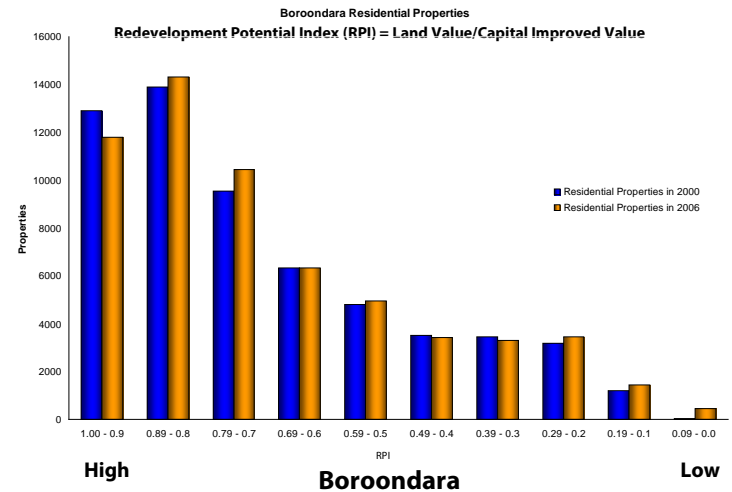
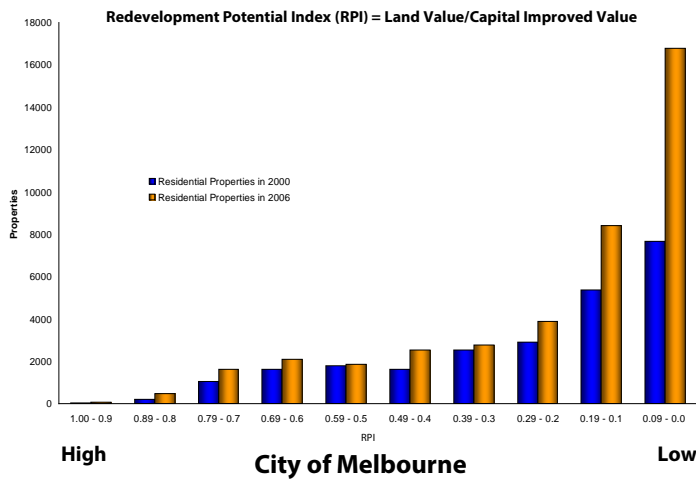
>30% housing stock in established inner / middle suburbs represent “Greyfield” built environments:

- physically, technologically and environmentally poor performing (but occupied) dwellings
- economically under-capitalised/under-utilised asset

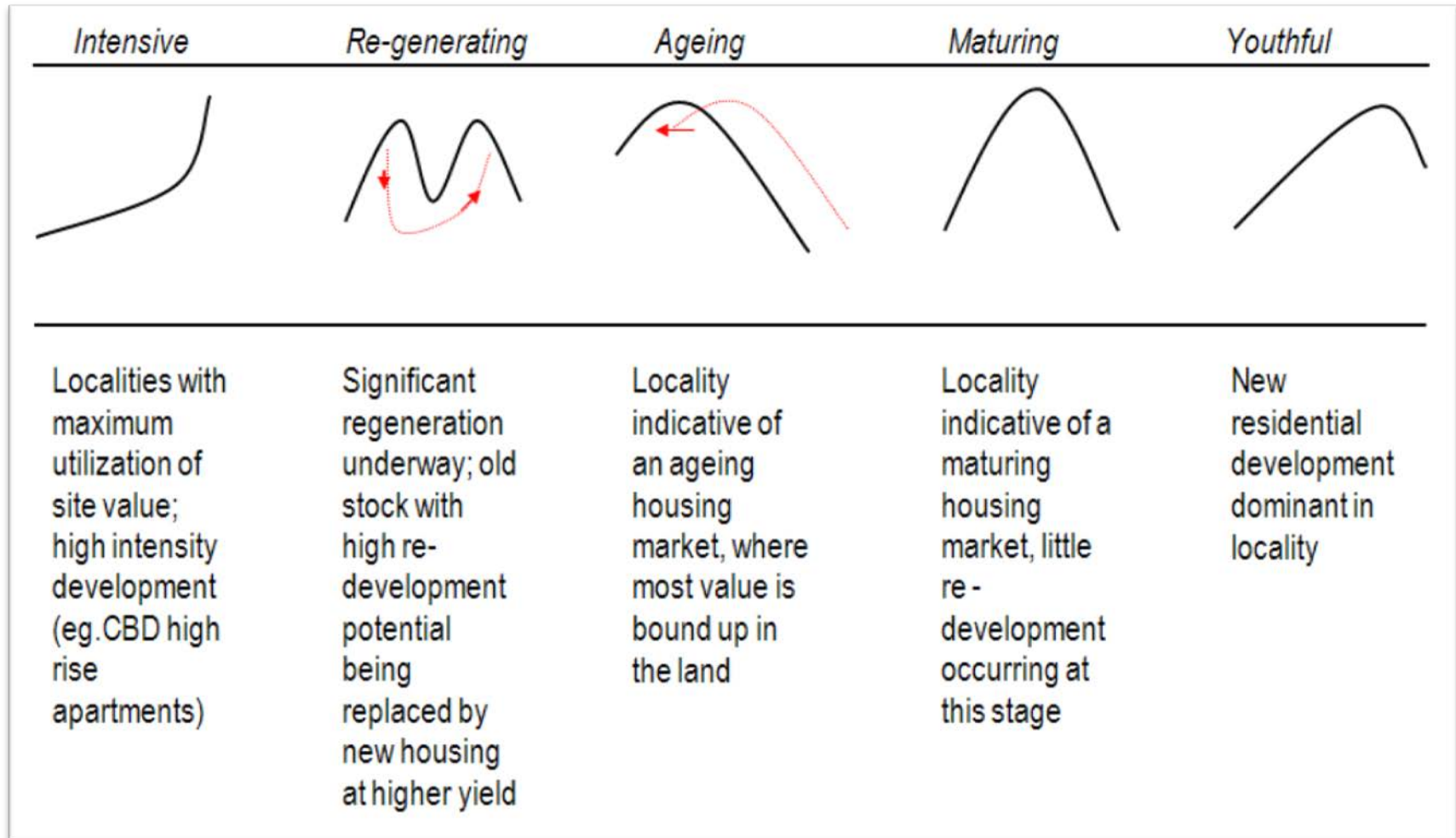


- where > 80% total property value is vested in the land; indicating high redevelopment potential

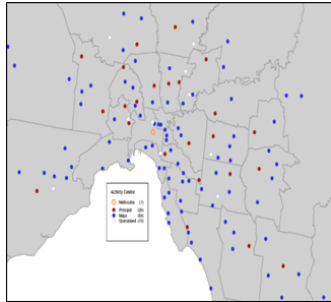
# RESIDENTIAL REDEVELOPMENT POTENTIAL BY MUNICIPALITY



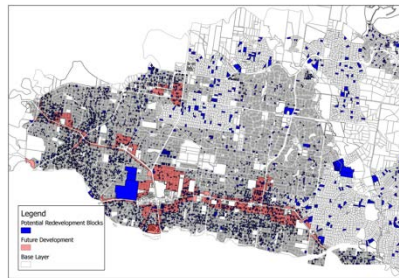
# Stages in the housing life cycle of a metropolitan region



# Arenas for Greyfield Infill Development



**Activity centres** and **transport corridors** are both **necessary but not sufficient** instruments for meeting infill targets and delivering more compact cities. They are not acting as the ‘twin magnets’ planning policy has articulated.



Most residential redevelopment can be expected to continue to occur **OUTSIDE** current designated development zones ... as fragmented, sub-optimal ‘knock-down-rebuild’



Currently there is **no operational model** for medium density residential **precinct** redevelopment in the Greyfields [ in Neighbourhood and General Residential Zones]



# What's happening with urban infill in Melbourne?

- Net new housing infill below 50% [Plan Melbourne (PM) target 53%; PM Refresh 70%]
- Brownfields (BF):Greyfields (GF) ratio of new dwelling construction running approximately 45:55
- Types and scale (YIELD) of dwelling projects vary significantly between BF & GF:
 

GF: 27%	1:1	50%	1:2-4 units
BF: 17%	1:50-100	56%	1: 100+ units
- Public transport access level (PTAL ) is not a magnet for attracting higher levels of infill; households remain attached to cars and developers to offering car parking
- CBD is only activity centre attracting significant rate of new housing
- Type of infill housing varies by area socio-economic status:
  - Above ave. SES locations: 1:1 replacement; high rise apartments dominate
  - Average-to-Below ave. SES locations: 1: 2-4 and 1: 5-9 projects dominate

# Where is the medium scale residential precinct development?

Medium density **precinct scale** redevelopment significantly under-represented in urban infill projects

	Residential infill yields of Projects, Melbourne, 2004-2010 (% total infill)							
	1	2-4	5-9	10-19	20-49	50-99	100+	Total
Brownfield	1.3	0.5	0.7	2.8	4.1	5.9	<b>19.2</b>	34.4
Greyfield	<b>17.9</b>	<b>32.3</b>	6.3	2.3	3.2	2.3	1.3	65.6
Totals (%)	19.2	32.8	7.0	5.1	7.3	8.2	20.5	100.0
(N)	21,947	37,614	8,029	5,833	8,309	9,374	23,487	114,593

Source: Newton & Glackin (2014; *UP&R*)

# Cantankerous cities: intensification, neighbourhood change and resident reaction

The image shows the front page of the newspaper 'THE AGE'. At the top, there is a royal coat of arms. Below it, the title 'THE AGE' is printed in large white letters on a blue background. To the left, the price '\$2' and the date 'Tuesday July 2 2013' are listed, along with the text 'Published in Melbourne since 1854' and the website 'theage.com.au'. A central red banner reads 'They're knocking down this ... to build this'. Below the banner are two side-by-side photographs: on the left, a well-maintained, traditional Victorian-style house with a gabled roof and a front porch; on the right, a modern, multi-story apartment building with large glass windows and a dark facade. At the bottom, the headline 'Suburban War Z' is written in large, bold, teal letters, followed by the subtitle 'The battle of the zones' in a smaller, grey font.

\$2  
Tuesday  
July 2 2013  
Published in  
Melbourne since 1854  
theage.com.au

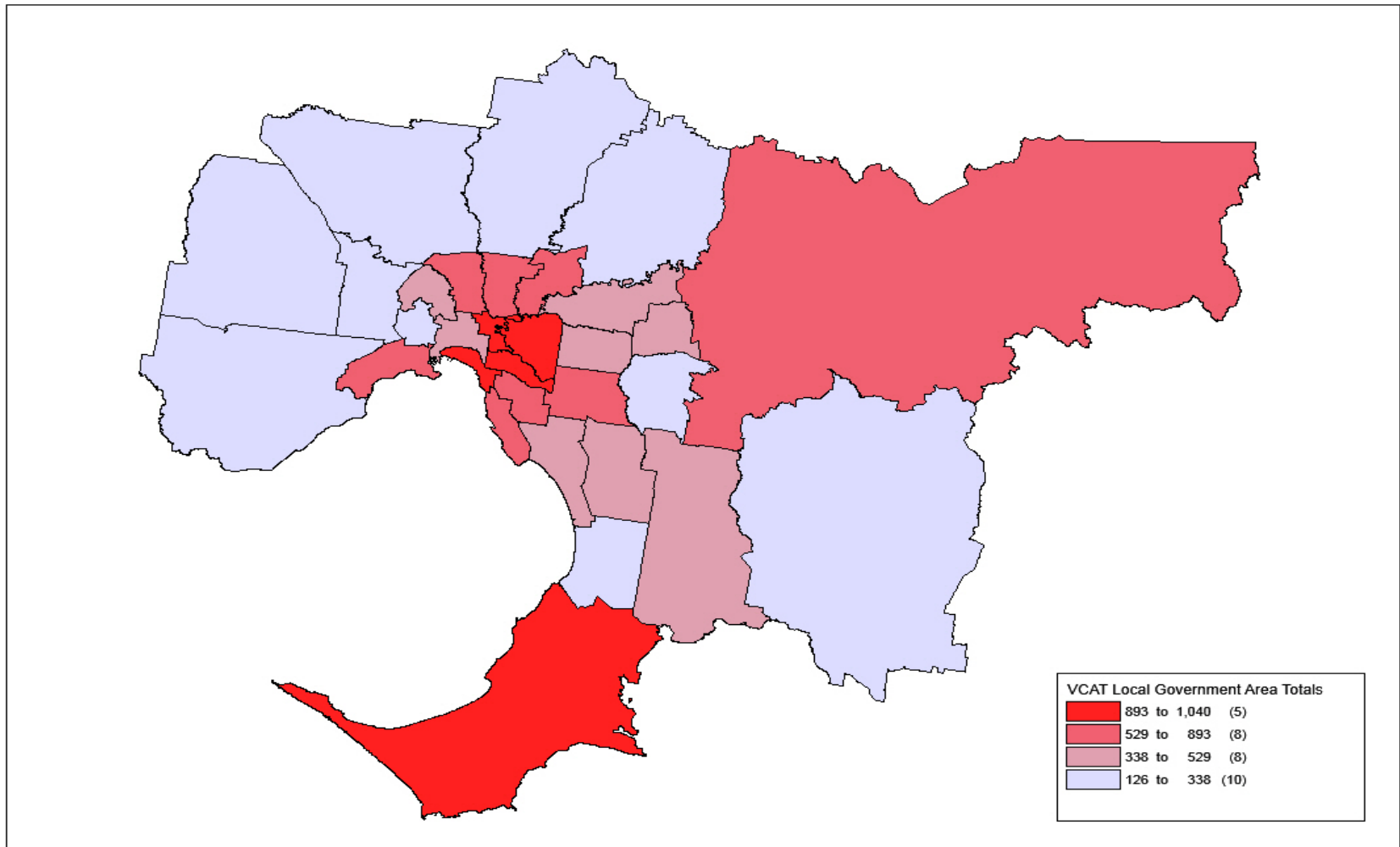
# THE AGE

They're knocking down this ... to build this

## Suburban War Z

The battle of the zones

# Appeals to VCAT, 2007–2012, by municipal council area, Melbourne: Planning needs to be better than this.....



## Why Precincts?

Performance assessment of urban precinct design: a scoping study



Peter Newton, David Marchant, John Mitchell, Jim Plume, Seongwon Seo and Rob Roggema

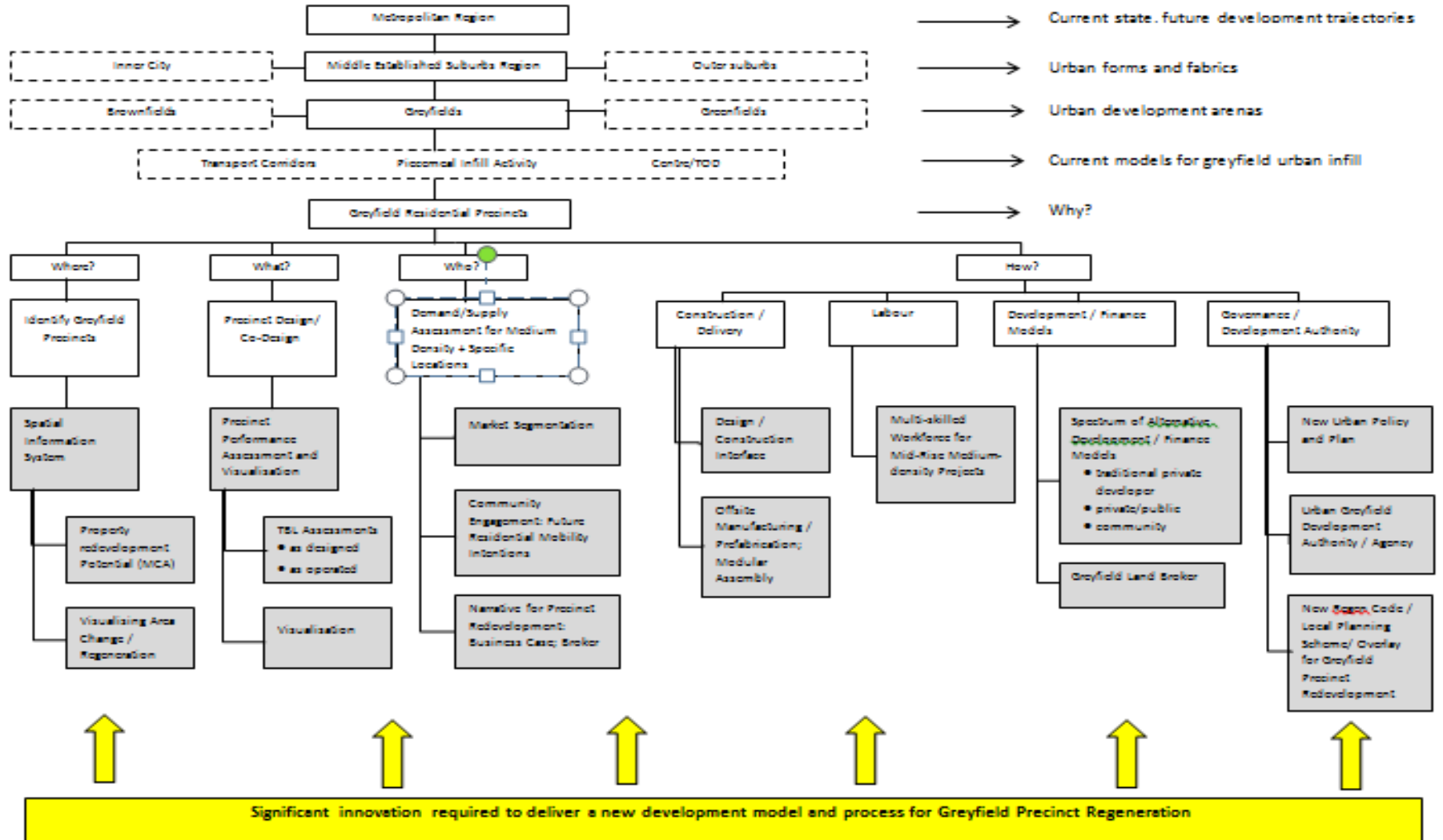


**Precinct** regeneration offers the prospect for the (re-)design of more sustainable, resilient, low carbon neighbourhoods:

- Housing (variety, affordability, yield)
- Energy (low/zero carbon; distributed generation)
- Water (integrated stormwater/ rainwater/ greywater; water sensitive design)
- Waste (optimise recycling, reuse, food composting)
- Mobility and health (more walkable)
- Neighbour contact (community spaces, gardens)

.....that mesh with an evolving transition in urban character from 'suburban' to 'urban' through better design

# Innovation Arenas for Initiating Greyfield Precinct Regeneration



# How all this works on the ground.

- Land is being redeveloped everywhere.
- In lots of instances its creating bad outcomes.
- People are starting to capitalise on this by selling their land together for more money.



Alan Taylor and his neighbours sold their homes to a developer for significantly more than what they would have fetched individually. Photo: James Boddington

## THE AUSTRALIAN BUSINESS REVIEW

Savvy neighbours are joining forces to sell their homes together, an approach that is yielding vendors millions of dollars in profit.

A group of six home owners on Wellington Road in Rowville in Melbourne's outer east have approached agents at Jones Lang LaSalle to market their properties as one.

The blocks, which range from 2500 to 6500 square metres and combined span 2.31 hectares, are advertised as "a prime infill development site" ideal for a residential project and other redevelopment opportunities.

Agents Joshua Tebb and Peter Sprekos are expecting more than \$16.5 million for the parcel, which has the capacity for between 40 and 60 lots on which to build a mix of houses and townhouses.

They said interest so far had been from residential developers and aged-care and retirement villages.

Residents in \$30m bonanza

## The Sydney Morning Herald BusinessDay

**AN extended family in Sumbury are on the brink of becoming multi-millionaires by cashing in on a huge tract of land they have owned for 30 years.**  
The family farm, made up of 10 blocks stretching across more than 108ha along Buckland Way, was bought for just \$300,000 but is now a prime housing development site with a \$70 million price tag.



Demand for apartments is good news for some homeowners. Source: News Corp Australia

**POCKETING \$3 million from the sale of an old brick bungalow at Lane Cove on Sydney's lower north shore should put a smile on the face of any resident, given the price is more than double the suburb's median \$1.44m value.**

Seventeen residents in two Lane Cove streets banded together to sell their houses to a developer for a combined price of at least \$60m having been paid about \$4000 a square metre for their property — regardless of whether their house was a dilapidated wreck or a contemporary triple-storey mansion.



Four neighbours along Katherine Place in Castle Hill are selling their properties in a row to attract higher price and interest from developers.

**HILLS residents are selling their homes together to maximise the potential profit in Sydney's booming real estate market.**

Agents say being friendly with your neighbours could triple the value of your property in streets zoned for redevelopment.

It follows a record \$20.5-million sale last December of five homes in Garthorn Cres, Castle Hill just a street away from the North West Rail Link.

## News Finance

July 24th 2015, 12:00 am

### Residents band together for multi-million dollar deal

Twenty home owners in Sydney's north are selling up in a single sale in the hope of securing a multi-million dollar deal with a property developer.

The agreement, made between residents of three streets in the Castle Hill area, has been described by a local real estate agent as "a goldmine", Domain reports.

## FINANCIAL REVIEW



Fiona Maher with dog, Fritz, admits she is relieved the process has come to an end. Photo: Peter Strag

by Samantha Hutchinson

It is every homeowner's dream. A group of eight residents in Sydney's Epping had their homes individually valued at about \$1.2 million in early 2012. This week they netted more than three times that amount when their homes sold in one line for a price believed to be higher than \$30 million.

How to double the price you - and your neighbours - get for your house



## Daily Telegraph

### Residents v developers: Castle Hill home owners band together to triple money by selling whole street

© August 13, 2015 9:18am  
The Daily Telegraph



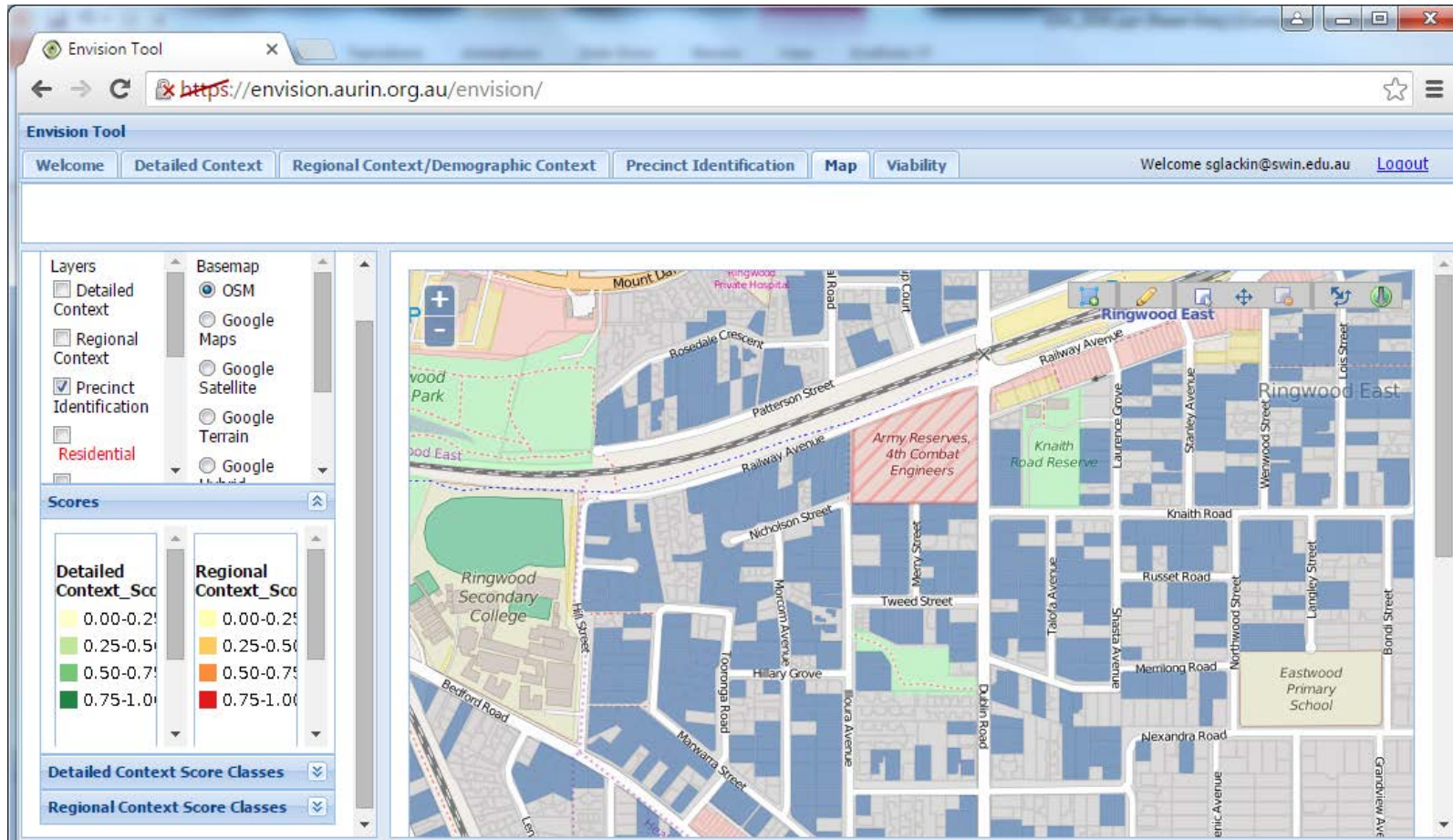
### Residents band together to cut 'exceptional' deals

### Herald Sun Bentleigh trio sell their properties together as one and strike it rich

### Family will become instant multi-millionaires in Sunbury property deal

- And now there is the potential to use lot amalgamation for all sorts of social and environmental benefit.
- The big questions is: "what NARRATIVE will drive people to work together?" or rather "what would YOU consider as a viable option for lot amalgamation?"

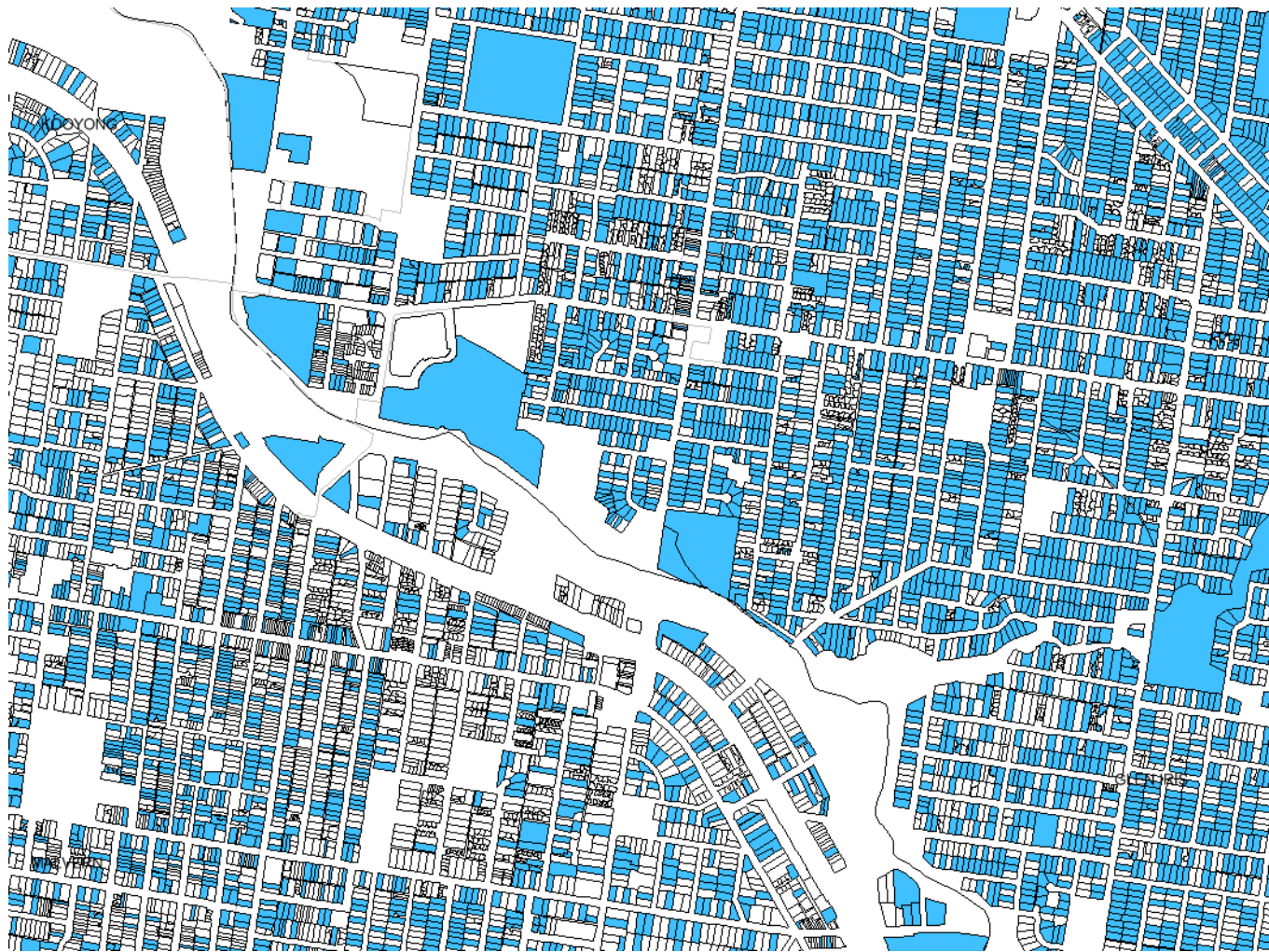
# We have tools to show WHERE it is practical and viable



High redevelopment potential in Maroondah, near train stations and hospitals, with low land slope.



# And here are the properties with high RPI around us NOW!



# We have tools to show WHAT can be developed - and its benefit



Redevelopment scenario in Maroondah to gain maximum: open space, walkability, stormwater capture and housing choices.

# We have numerous process to show HOW to develop precincts

**State commitment:** Senior partners in state government and local government who are committed to this process.

**Planning reform:** New statutory process (zones and overlays) that allow landowners to benefit from lot amalgamation.

**Legal frameworks:** Allowing landowners to work together fairly and equitably, as well as to protect the rights of all landowners.

**Choices and options:** Alternative funding pathways for precincts (sell land, hold land, joint venture, reverse mortgage, new dwelling + profit, etc.)

**Market Information:** Economic viability analysis tools to illustrate the cost and potential outcomes of different redevelopment models.

# Who? Identify key market segments; eg. Baby boomers



**Published:** 28 Jun 2013 **Author:** Kate Mills **Source:** Property Council of Australia



Developers of retirement living projects could be missing out on huge opportunities by ignoring the desires of the baby boomer generation.

Lynn Masson-Forbes, the founder of South Australian-based Seniors Real Estate Specialists, says that developers are focused on multi-unit retirement villages while what baby boomers want are smaller compounds that are situated in the wider community.

"The tsunami of baby boomers that are about to retire are looking for very different types of housing and at the moment their only options are a retirement village or a courtyard apartment," she told Property Week.

What the research shows, she said, is that "baby-boomers want to own the house, they want to be involved in the design of the house and they want to live in the general community, not necessarily in retirement villages."

In an ideal situation, she suggests that baby boomers could buy manageable blocks that could hold 6–8 houses suitable for their needs, which they could hold under community title "rather than living in retirement villages with over 100 units."

What's driving this is a change in perception by baby boomers. "They don't think that they are old at 65, instead they are looking to start a new form of life."

The opportunity for developers is to work alongside retirees to design more diverse types of accommodation with Masson-Forbes stating that developers that do this will reap the benefits.

## And this is where you come in.

- You are the land owners and control what happens on your land
- Individually you may not much say about your locality
- BUT as a group of landowners you could have far more say over developments on amalgamated lots.
- So the big questions are:
  - What do you think your housing decisions will be in the future, and
  - What would tempt you towards joining with your neighbours to regenerate your houses together?

# Housing decisions for older Australians - what are your plans?

- Age in place: Higher wealth/lower income? Draw down on home equity?  
Prospects for home care?
- Sell and move to a retirement village/hostel arrangement
- Sell individually and shift locally to smaller newer property (existing or from plan) in same municipality/suburb/area ; Q: similar price points for selling and buying (ie little extra cash after transaction)
- Sell individually and shift to smaller newer property (existing or from plan) in different municipality/suburb/area ; Q: different price points for selling and buying (ie gain a cash benefit as well as downsize)
- Sell with neighbours (double sale price) for precinct scale medium density and buy into new development in same neighbourhood
- Sell with neighbours (double sale price) for precinct scale medium density and move to another/different area

# Future design of your space and locality

Other than financial and housing security, what else would tempt you to join a project?

- Common space?
- Private space?
- Economic sustainability?
- Greater access to services and transport?
- Greater levels of passive surveillance?
- Shared resources?
- Less expensive water and energy bills?
- As a way to shape your locality for the better?
- Anything else?

# THANK YOU .....and Acknowledgements

