MEDIUM DENSITY HOUSING IN MELBOURNE

**The management of sustainable and democratic local communities
under global pressure for increased urban efficiencies**

THOMAS ALVES

Institute for Social Research, Swinburne University of Technology, Melbourne
Email: talves@swin.edu.au

ABSTRACT   *This paper presents a study – currently still in progress – of the process of redevelopment at higher densities of an inner-metropolitan area of Melbourne hitherto characterised by low density detached housing. Policies of urban consolidation have, for better or worse, been in place in Australia's capital cities for some time. They have been controversial, but of the alleged benefits by far the most frequently cited are those which appeal to notions of "sustainability". As part of the ongoing implementation of urban consolidation initiatives, the development of medium density housing wherever it proves economically viable has been cast in the role of improving the sustainability of the urban environment in Australia. Whether or not this outcome can actually be observed to be taking place, medium density residential development has been a deeply divisive issue; highlighting the tensions and trade-offs between economic development, democracy and community which are largely ignored by existing approaches to urban governance; and straining existing systems for managing urban change and development. While a nexus between urban density and sustainability is widely believed to exist, the apparent focus on "sustainability" in recent Australian planning policy may in fact cloud the real issues which continue to have significant implications for local communities and democratic processes. Understanding conflict over medium density housing development is thus central to contemporary debates concerning the roles of both planning and local government in Australia.*

Introduction

Melbourne is Australia's second-largest city and the capital of its second-most populated state, Victoria. Founded in 1835, by the 1880s it had become one of the largest and most prosperous cities of the Victorian era. A dispersed pattern of development was well established by this early stage, continuing apace during the early twentieth century, to become firmly entrenched through extensive suburban housing development during the postwar boom. Melbourne currently has a growing population of around 3.5 million. The sprawling nature of the metropolis and its attendant automobile dependency was problematised in the early 1970s and has been the object of numerous policy responses and planning interventions since that time. The most recent such response overlays this recurrent theme with the problem of accommodating an increasing number of households within the metropolitan area. To this end a broad policy of "urban consolidation" - originally promoted as the means to provide greater housing diversity (Melbourne and Metropolitan Board of Works 1981), - continues to be presented as the best solution. The language used to justify this approach to containing "sprawl" while increasing the stock of dwellings has shifted from its earlier emphasis on economic efficiency and consumer choice (Victorian Government 1987) to the present focus upon "sustainability" (Department of Infrastructure 2002). Central to the consolidation strategy is the development of medium density housing, defined here as any form of attached housing, low-rise flats, and multi-unit detached housing on small allotments.

The provision of medium density housing in metropolitan areas is one of the most vexed issues confronting Australian state and local governments. It represents a challenge to the suburban ethos which has been so central to Australian identity, and it goes to the heart of the administrative, planning, management and political issues confronting urban municipalities at a time of rapid social and economic change. Since the mid-1990s there has been a veritable boom in medium density housing development, on a scale and of a

form not previously seen in Australian cities.[1] Given Melbourne's history of low density urban form and the suburban ethos that has developed along with this, these recent trends have not gone unopposed, nor have they been easy to plan for or manage. Local action groups have mobilised around the issue, contesting municipal elections and engaging in high profile protests. Local governments have been forced to go through the appropriate legal channels to challenge development deemed to be at odds with planning intentions, while developers have been hostile regarding the cost of delays and the uncertainty of the process. Fundamentally, these conflicts have raised questions about the contemporary role of both planning and local government, and the trade-offs between economic development, democracy and community – issues which have resonance across Australia and internationally.

This paper draws upon research currently being conducted by the author to investigate these issues at a local level by examining what the process of medium density housing development means for communities and the problems faced by government in trying to manage it. The aim of this paper is to explore what these issues might mean for understanding contemporary Australian debates about the role of local government and planning within the context of recent emphasis upon sustainability.

The Context of Urban Change in Melbourne

The changing face of the built environment in Melbourne – or more particularly its social, economic and political drivers and impacts – must be read and understood within the contexts of the governance system and the housing market operating within metropolitan Melbourne.

---

[1] There were very large numbers of medium density housing units constructed in Sydney and Melbourne in the late 1960s and early 1970s (Archer 1980) but the present boom has been over a longer period and exhibits a greater variety of dwelling forms.

Governance

The Melbourne metropolitan region is divided into thirty-two local government areas (LGA's) but is essentially governed by the State of Victoria. The task of metropolitan strategic planning is a state responsibility, as is the provision of most urban infrastructure: power, water, sewerage, public transport, roads, education and health facilities, etc. Local government has responsibility for the preparation and day-to-day administration of planning schemes, but lacking an independent constitutional basis has no real power to realise or develop its own agenda in this area. Frequently, and in dramatic fashion when the Kennett Liberal Government (1992-1999) sacked all Victorian Councils to institute a sweeping set of reforms and amalgamations, local government wishes on planning matters are unceremoniously overridden by the state. The complex relationship between the three tiers of government in Australia, particularly as it impacts upon metropolitan planning and the management of urban growth, has enormous implications for the process of medium density housing development that is the focus of our research.

With very few exceptions federal governments have avoided developing clearly articulated urban policies; yet many areas of federal policy exert a strong influence upon state urban policy and development. This issue has drawn considerable comment from Australian urban scholars over the last decade (Hayward 1993; Stilwell and Troy 2000; Gleeson 2001) where it is frequently linked to the dominance in Canberra of economic rationalism – and especially the National Competition Policy adopted by COAG in 1995 – which aims for marketplace deregulation and the reform of public administration in accordance with a global agenda set by organisations like the WTO. This economic agenda has also been linked to the dominance in state metropolitan strategies of the policy of urban consolidation (Searle 1999; Gleeson 2000) – a central plank of the Victorian state government's metropolitan strategy, *Melbourne 2030: Planning for Sustainable Growth* (Department of Infrastructure 2002) which has been subjected to considerable academic criticism on this account (Mees 2003; Dodson 2003).

Spatial changes to Melbourne's housing market

The growth of medium density housing in Melbourne must also be situated in the context of recent structural changes to Melbourne's housing market. Part of the economic argument put forward in the 1980s for pursuing a policy of urban consolidation was the belief that a greater provision of medium density housing would introduce a wider variety of choices to the housing market and thereby make housing more affordable generally. This argument has been convincingly refuted (Burke 1991; Yates 2001) yet is still used in contemporary formulations of the consolidation agenda. On the contrary, a strong correlation has been noted between medium density construction starts and rising property values for Melbourne suburbs (Burke and Hayward 2001: 61). The increasing spatial differentiation in Melbourne's housing market, evidenced by substantial increases in house values for inner suburbs compared to a relative fall in demand for almost all areas more than ten kilometers from the CBD, has manifested spatially in the spread of medium and high density housing. This can be seen most clearly in the colonisation of the commercial business centre and its surrounds as a high density residential precinct through the conversion to residential or mixed use of ex-industrial and commercial land and buildings, and in the gentrification of nineteenth century workers' housing in the inner suburbs.

Of particular interest to us is the next ring of municipalities whose proximity to the city centre makes them economically attractive for redevelopment[2] but whose land use traditionally has been predominantly low-density residential. The growth of medium density housing in these middle ring suburbs – instead of demonstrating the success of state metropolitan planning to simultaneously achieve greater urban and environmental efficiencies through urban consolidation (albeit with a few hiccups in implementation) – may simply represent the spatial outcome of an agenda originating at national level to pursue global economic advantage through administrative reform and the deregulation of the economy.

---

[2] In the period 1990-1999, against the backdrop of a slight fall in the real median house price for Melbourne as a whole, the real median house price in the Boroondara suburb of Balwyn increased by 53%!

Sustainability in Urban Management Strategies

Initially, the key focus of debate about urban consolidation concerned the environmental, social, and economic effects of "urban sprawl" and sought to reduce the demand for new housing at the urban fringe (The Parliament of the Commonwealth of Australia 1992; Government of Victoria 1991; Department of Health, Housing and Community Services 1993; Commonwealth Environment Protection Agency 1993; Hillier, Yiftachel, and Betham 1991). Recently, discussion has centred on the more general notion of "sustainability" (House of Representatives Standing Committee on Environment and Heritage 2003; Department of Infrastructure 2002) which has also been a feature of the international debate (Burton, Williams, and Jenks 1996).

This present focus on the sustainability of cities has been described as the return of the "big idea" to fill the lacuna of planning visions which had followed in the wake of failed modernist utopias (Breheny 1996). The sustainable city concept has, however, been closely but perhaps uncritically linked with the ideal of the compact city in a way that often fails to take account of the historical contingencies in the debate. While some good, comprehensive research has recently been done on the sustainable nature of compact urban environments (Perkins 2003), the primary empirical evidence used initially to link the concept of sustainability with urban density concerned automobile dependence (Newman and Kenworthy 1989) and little attention has been given to the process of achieving compact urban form where it doesn't presently exist. Australian critics of urban consolidation policy have argued that it has been a smokescreen for the absence of good urban policy and sound governance (Searle 1999) and a covert means of implementing a neo-liberal "anti-planning agenda" (Gleeson 2000).

In Victoria, the metropolitan strategy, *Melbourne 2030*, has been clearly identified as the means for achieving sustainability at a regional level (Department of Sustainability and Environment 2003: 13), in particular through the implementation of its first two "directions": "A more compact city" and

"Better management of metropolitan growth". Other than for municipalities on the urban fringe (where a growth boundary applies), this means a policy of urban intensification which local government is required to manage and deliver, yet at the same time to "mediate its impact on communities by maximising liveability and amenity outcomes" (Department of Sustainability and Environment 2003: 22). This tension is the specific focus of our research.

Boroondara: A Municipal Case Study

The City of Boroondara is a local municipality where controversy over medium density development has had a high profile for at least ten years and where most of the key issues it raises clearly pertain. Middle ring municipalities like Boroondara have been subject to the redevelopment pressures caused by a booming inner-urban housing market (Buxton and Tieman 1999; 2003), typical of most cities in the developed world; yet their predominantly low density urban form is typical of subsequent residential development in the middle class suburbs of the postwar boom. Boroondara in particular has several iconic suburbs which epitomise the Australian suburban ideal and embody the "great Australian dream" of home ownership that has been so central to Australian identity (Davison 1978; Beer 1993). This key position within the urban geography of the metropolis makes Boroondara an ideal location to study how aspects of the debate surrounding medium density housing development are being worked out within a suburban environment.

Boroondara residents are at once the quintessential and the most atypical of suburbanites, exhibiting a strong and continuing preference for low density detached housing (King 1999) which they combine with a formidable capacity to oppose and stifle both the development and professional planning interests that would like to see more medium density housing developed in their and similar municipalities (Lewis 1999). Boroondara is the heartland of resident action group *Save Our Suburbs* (SOS)[3] and residents continue to be

---

[3] A graph depicting "SOS membership by residential address," published in Miles Lewis' insider history of the movement, *Suburban Backlash* (Lewis 1999: 243) shows Boroondara to

successful in getting high profile media coverage for their campaigns against developments deemed to be inappropriate for these traditionally low density residential suburbs. Resident opposition to any development which poses even the slightest threat to the predominance of low density detached housing has been so sustained and well organised as to attract a surprising degree of academic interest, including a history of the movement (Lewis 1999) and sociological interpretation (Huxley 2002) using Bordieu-ian theory to complicate the simplistic assessment of SOS being comprised of parochial, self-serving NIMBY reactionaries. This reading of resident action within the municipality is especially interesting as it supplies a possible theoretical basis for linking recent literature about local opposition to the adverse effects of economic globalisation (Mayer 1999; Burgmann 2004) with middle class opposition to development.

Equally high levels of both medium density construction starts and resident opposition to development make the City of Boroondara an important case study for how the process of medium density housing development is impacting upon a local community and being managed by government. Four specific medium density housing developments within the municipality and built in recent years have been selected for closer analysis. We have sought to select developments of differing styles and forms from a range of locations in Boroondara but which most importantly have highlighted specific issues pertaining to medium density housing raised by supporters and detractors of its development. All the developments were strongly opposed by local residents, all involved appeals to the state government tribunal (VCAT),[4] and all took a very long time to obtain planning approval. In these matters they are typical of medium density developments across the municipality.[5]

---

be home to 24% of all members – by far the highest representation (next is neighbouring municipality Stonnington which has only 13%).
[4] The City of Boroondara recorded the most appeals at the VCAT against local government planning decisions (827 out of 3702) of all municipalities in Victoria for the 2003/04 financial year (The Age, 20.8.04: 1).
[5] Boroondara was rated second among Victoria's "most distressed councils" for planning assessment processes by a Royal Australian Institute of Architects survey of its members. Only to the City of Yarra fared worse (Royal Australian Institute of Architects 2003).

For each of the four case studies, interviews are being conducted with all parties having an interest in the development: the neighbouring residents, the developer, the architect or designer, Council planning staff, elected Councillors, and the residents of the development itself where they have moved in. Access has also been obtained to the Boroondara planning department files pertaining to these and other medium density developments, which document the frequently lengthy planning process. The other primary source for this research is obviously the dwellings themselves. In analysing these, the more standard approach of reading the buildings from an architectural or urban design perspective will be supplemented by a particular interest in how the built outcomes may have been shaped through the development process; by the institutional structure of that sector of the construction industry; by the nature of the housing market (either real or as perceived by developers); and by the politics of the planning process (as distinct from statutory planning requirements).

The results obtained by examining all the above sources – especially the qualitative data from the interviews focusing on the four case study developments – will be used to assess the process of medium density housing development in Boroondara. The emphasis upon the *process* is important for several reasons. First, it will enable a deeper assessment of the impact upon the community than can be obtained from the attitudinal surveys which already exist (King 1999). For instance, might the experience of opposition to medium density development have enhanced local democratic participation or has it undermined community ties? Secondly, studying the process will also highlight problems faced by government in its management, and locate the points of tension within the institutional structures of planning and governance. The roles of local government and strategic planning are of particular interest to our study, as these have become deeply problematised in Australia's contemporary urban environment. Thirdly, a municipal case study will enable investigation of how development itself, both as process and outcome, is shaped by the complex interplay of the interests of economic development, democratic governance and local communities.

Some Preliminary Observations

The similar experience in each case of a protracted and strongly contested planning process seems to have been affected very little by differences in the form, type and style of the individual developments, nor even by the very different streetscapes and the peculiarities of the immediate neighbourhood contexts. Without wishing to eliminate valid criticisms of, or specific concerns raised by the cases studied, this fact suggests that opposition coming from existing residents is directed against some bigger, unarticulated threat or problem of which the specific development becomes symbolic. It seems possible that the chance to oppose a particular local development becomes an opportunity to engage in a process and a dialogue from which residents otherwise feel shut out. This hypothesis is also supported by the observation that in practice Boroondara residents tend to object to most planning proposals regardless of their actual content, yet it is medium density housing which is most frequently singled out as "inappropriate development" by resident action groups and in media coverage of conflict over development. In its attempt to manage this issue Council sits awkwardly within its contradictory roles as the implementer of policies originating at higher levels of government and arbitrator between the interests of the conflicting parties it democratically represents.

Despite claims about the sustainability of the compact city, the backlash from residents of low density areas makes managing the consolidation of the built environment by local authorities a political nightmare. It is hard to know precisely what the benefits of consolidation will be for a local community and to mitigate negative effects and overcome resistance. Our research is investigating these issues but more empirical evidence is needed to substantiate the sustainability claims of consolidating existing built environments, and appropriate processes developed to implement any policies derived from such research. Social issues like local acceptability and metropolitan spatial polarisation need also to be taken into account alongside environmental and economic concerns.

Not only is urban sustainability a difficult concept to pin down but the proposed solution of urban consolidation is complex and hard to analyse. Consolidation can take many forms and mean different things in different areas, with wealthy or high status areas having potentially the most to lose (Burton, Williams, and Jenks 1996: 237). The process of consolidation has to be understood in relation to broader socio-economic and political trends; for while it may be claimed that consolidating the urban environment has benefits for sustainability, this might not in fact be the force which is driving the process at all and the outcomes may well be perverse.

Reference List

Archer, R. W. 1980. The Market for New Multi-Unit Housing in Sydney and Melbourne. in *Housing Economics: Papers prepared for National Housing Economics Conference 1978* Department of Housing and Construction, 172-87 Canberra: Australian Government Publishing Service.

Beer, Andrew. 1993. 'A Dream won, a crisis born?' Home Ownership and the Housing Market. in *Housing Australia.* Chris Paris, 147-72. South Melbourne: Macmillan.

Breheny, Michael. 1996. Centrists, Decentrists and Compromisers: Views on the Future of Urban Form. in *The Compact City: A Sustainable Urban Form?* editors Mike Jenks, Elizabeth Burton, and Katie Williams, 13-35. London: E & FN Spon.

Burgmann, Verity. 2004. Active Citizenship against Marketisation: Community Resistance to Neo-Liberalism. in *The Vocal Citizen: Labor Essays 2004.* editor Greg Patmore, 116-31. Fitzroy: Arena.

Burke, Terry. 1991. Medium Density Housing in the United States: Implications for Australia. *Urban Policy and Research* 9, no. 3: 157-69.

Burke, Terry, and David Hayward. 2001. *Melbourne's Housing Past, Housing Futures*, Department of Infrastructure, Melbourne.

Burton, Elizabeth, Katie Williams, and Mike Jenks. 1996. The Compact City and Urban Sustainability: Conflicts and Complexities. in *The Compact City: A Sustainable Urban Form?* editors Mike Jenks, Elizabeth Burton, and Katie Williams, 231-47. London: E & FN Spon.

Buxton, Michael, and George Tieman. 1999. *Medium Density Housing in Melbourne: A Case Study of Four Municipalities*, School of Social Science and Planning, RMIT University, Melbourne.

———. 2003. Melbourne in Transition: The Growth of Medium Density Housing. Conference Paper *State of Australian Cities National Conference, Carlton Hotel, Parramatta, 3-5 December 2003*.

Commonwealth Environment Protection Agency. 1993. Urban Consolidation: An Environmental Perspective. *Conference Proceedings* Canberra: Australian Government Publishing Service.

Davison, Graeme. 1978. *The Rise and Fall of Marvellous Melbourne*. Melbourne: Melbourne University Press.

Department of Health, Housing and Community Services. 1993. Economic Aspects of Urban Consolidation. *Urban Futures* 3, no. 1: 30-38.

Department of Infrastructure. 2002. Melbourne 2030: Planning for Sustainable Growth. Melbourne: State Government of Victoria.

Department of Sustainability and Environment . 2003. *Sustainability in the Built Environment - Discussion Paper*, Melbourne.

Dodson, Jago. 2003. Visions for 2030: Housing, Transport and Labor's Metropolitan Strategy. in *Visions for Victoria.* editors David Hayward, and Peter Ewer, 191-210. Melbourne: The Vulgar Press.

Gleeson, Brendan. 2000. New Challenges, New Agendas for Australia's Cities. *International Planning Studies* 5, no. 3: 269-.

———. 2001. Devolution and State Planning Systems in Australia. *International Planning Studies* 6, no. 2: 133-52.

Government of Victoria. 1991. *Urban Consolidation Initiatives*. Victorian Housing and Residential Development Plan, Project No.6. Melbourne: Department of Planning and Housing.

Hayward, David. 1993. Dual Politics in a Three-Tiered State. *Urban Policy and Research* 11, no. 3: 166-81.

Hillier, Jean, Oren Yiftachel, and Michael Betham. 1991. Urban Consolidation - An Introduction to the Debate. *Urban Policy and Research* 9, no. 1: 78-81.

House of Representatives Standing Committee on Environment and Heritage. 2003. *Discussion Paper: Sustainable Cities 2025*.

Huxley, Margo. 2002. 'This Suburb Is of Value to the Whole of Melbourne': Save Our Suburbs and the Struggle Against Inappropriate Development.

King, Anthony. 1999. *Medium-Density Housing under the Good Design Guide: A Study of the Experiences of Residents and Neighbours*, Housing Industry Association/ Australian Housing and Urban Research Institute, Melbourne.

Lewis, Miles. 1999. *Suburban Backlash*. Hawthorn, Victoria: Bloomings Books.

Mayer, Margit. 1999. Urban Movements and Urban Theory in the Late-20th-Century City. in *The Urban Moment: Cosmopolitan Essays on the Late-20th-Century City.* editors Robert A. Beauregard, and Sophie Body-Gendrot, 209-38. Thousand Oaks : Sage Publications.

Mees, Paul. 2003. Paterson's Curse: The Attempt to Revive Metropolitan Planning in Melbourne. *Urban Policy and Research* 21, no. 3: 289-301.

Melbourne and Metropolitan Board of Works. 1981. *Metropolitan Strategy Implementation*. Melbourne: MMBW.

Newman, P. W. G., and J. R. Kenworthy. 1989. *Cities and Automobile Dependence: An International Sourcebook*. Aldershot: Gower.

The Parliament of the Commonwealth of Australia. 1992. *Patterns of Urban Settlement: Consolidating the Future?*, Report to the House of Representatives Standing Committee for Long Term Strategies. Australian Government Publishing Service, Canberra.

Perkins, Alan. 2003. How Significant an Influence is Urban Form on City Energy Consumption for Housing and Transport. *State of Australian Cities National Conference, Carlton Hotel, Parramatta, 3-5 December 2003*.

Royal Australian Institute of Architects. 2003. *Planning Assessment Survey Report 2003*.

Searle, Glen. 1999. Planning Doctrine and the Persistence of Sydney's Urban Consolidation Strategy. *Royal Australian Planning Institute 27th National Congress* Northern Territory Department of Lands, Planning and Environment.

Stilwell, Frank, and Patrick Troy. 2000. Multilevel Governance and Urban Development in Australia. *Urban Studies* 37, no. 5-6: 909-30.

Victorian Government. 1987. *Shaping Melbourne's Future: The Government's Metropolitan Policy*. Melbourne.

Yates, Judith. 2001. The Rhetoric and Reality of Housing Choice: The Role of Urban Consolidation. *Urban Policy and Research* 19, no. 4: 491-527.