

Response to the Canning Bridge Activity Centre Plan Review

Summary of Submission

The Property Council of Australia welcomes the opportunity to respond to the latest review of the draft Canning Bridge Activity Centre Plan and provide feedback to support the finalisation of plan that meet the growth ambition of the precinct.

Adopted in 2015, the Canning Bridge Activity Centre Plan (CBACP) was developed in consultation with the community and established a foundation for the future of the area including guidelines for the style of built form and an implementation framework for improvements to infrastructure and land over time. The CBACP is the primary development control document to guide decision making in the area and includes specific planning controls related to the application of discretionary height bonuses and development contributions.

The establishment of the original CBACP has spurred on major investment in large-scale residential projects. The flow on benefits are significant, with hundreds more homes for West Australian young families, renters and downsizers being provided. The associated economic benefits are substantial, with thousands of jobs created during construction. The boost to the local resident population in the precinct has resulted in economic and employment growth, benefitting service providers such as salons, cafes and restaurants.

New, large scale apartment projects in the area have added to community amenity. Developers have overwhelmingly met the expectations of approving authorities – who represent their constituents - for community benefit within their premises. This has seen the provision of amenities such as business lounges and the like, at no cost to local residents.

Whilst the changes to the precinct over a relatively short period of time have undoubtedly caused strain on local residents, the net benefits are substantial. The City of Melville should be commended for their foresight in planning for the future.

The following submission recommends amendments to the draft CBACP prepared by Hatch Roberts Day to ensure the document can deliver the housing aspirations within the Canning Bridge Activity Centre required to meet the expectations of both existing and future populations, whilst also maintaining the character and quality of place.

The Property Council of Australia

The Property Council of Australia is the peak industry body representing the whole of the property industry. In Australia, the Property industry employs more than 1.4 million Australians and shapes the future of our communities and cities.

As industry leaders we support smarter planning, better infrastructure, sustainability, and globally competitive investment and tax settings which underpin the contribution our members make to the economic prosperity and social well-being of Australians.

The Property Council WA membership consists of more than 290 member companies. They are architects, urban designers, town planners, builders, investors and developers. Our members conceive of, invest in, design, build and manage the places that matter most — our homes, retirement living communities, shopping centres, office buildings, education, research and health precincts, tourism and hospitality venues.

This submission is informed by many of the Property Council's key member representatives and expert committee members.

Council Reference Group Report

Prior to responding to the draft CBACP, the Property Council wishes to comment on the elevation of the Council Reference Group Report as a document for public consultation as part of this review process.

While the Property Council supports the ongoing review of planning tools, it is concerned that the process utilised by the elected members of the City of Melville to form and recruit the Council Reference Group (CRG), and subsequently publish alongside the draft CBACP on the City of Melville website the submission of the CRG, is irregular and problematic.

Without question, gathering the opinions of the local community is a useful measure in gauging public reaction to a development plan, and allows the community to engage and have a say in the future of its community. This process has been dually delivered by the independent facilitators engaged to deliver the review. The decision by the elected members of the City of Melville to advertise the separate CRG Report as an equivalent example of community representation is highly irregular and will likely decrease community confidence.

Planning should consult with communities in place, but it is the responsibility of the professional practitioners to align community, industry and government expectations within the technical action plan, in this case the CBACP. Similarly, it is the responsibility of both state and local government to provide clear planning pathways, which allow the development community to meet the housing and infrastructure needs of our growing state. The recommendations in the CRG Report will compromise the ability of the City of Melville to continue on the path of delivering much-needed housing supply, and risks setting housing affordability further back in WA.

CBACP Review

Following a review of the draft CBACP, the Property Council has identified the following areas of concern which it believes are not in line with the state government's intent to reduce the layered approach to local planning frameworks and ensure a consistent approach to the application of discretion.

1. Building heights

The amended draft CBACP introduces a new methodology for the calculation of bonus height provisions.

Planning instruments for growth areas such as the Canning Bridge Activity Centre should be drafted to more explicitly describe the height, bulk and scale of the built form that is intended. The state government's *Perth and Peel @ 3.5 million* adopted an infill housing target of 47 per cent. Increased building heights within target areas are key to meeting these targets.

The complexity of the proposed bonus height provisions within Q1 and Q2, and the use of terms such as "upper cap", will likely have the unintended consequence of exacerbating uncertainty regarding the allowable building heights, and generate public confusion in the planning system and decision-making processes. As highlighted in the Property Council's *Planning to Deliver* report, the flow on effects of distrust in the planning system are impactful and lead to¹:

- Delays in obtaining development approval;
- Challenges to approvals that are granted in the Supreme Court;
- The mobilisation of vocal anti-development groups who seek involvement in every step of the planning process.

Simplification of these bonus provisions and increased "as-of-right" building heights within the Q1 and Q2 will provide certainty to both developers and local community members, as well as bringing the City of Melville closer to meeting the state government's infill housing target.

2. Planning Complexity

The Property Council notes the amendments to the draft CBACP include new development standards, in addition to the requirement for a Local Development Plan (LDP) for properties within the M15 (additional bonus) zone. The introduction of these requirements is an unnecessary additional step in the delivery of necessary urban densification projects.

Increased red tape within the planning system contradicts the intentions of the state government's planning reform measures, which seeks to reduce the layered approach to local planning frameworks. The intent of the amended draft CBACP should be to streamline the planning process rather than make it more difficult for applicants, assessing officers and the wider community to understand what can be achieved on individual development sites.

The requirement for an LDP will add unnecessary time delays and additional cost to any project. As such, the Property Council believes the requirement for an LDP to be prepared and approved prior to consideration of the application of discretion should be removed, allowing for consideration for future redevelopment on merit.

¹ Property Council of Australia (2021), viewed 19 October 2022,
<https://www.propertycouncil.com.au/Web/Content/Submissions/WA/2021/Property_Council_WA_-_Planning_To_Deliver_Report.aspx>

3. POS Contributions

The amended draft CBACP proposes scenarios where developers will need to provide public open space (POS) contributions. Clause 10.9 has been added to Element 10, which states that where a development site has not previously been required to provide public open space, it may be required to provide up to 10 per cent POS or cash in lieu of land (within Q1 and Q2).

Consideration for the amenity and open space provided by many development projects needs to be a matter that is given regard when determining the extent of open space required. In addition, unless there is a clear nexus between the contribution and the benefit provided to the future residents, such contributions act as a tax on development, a cost which is regularly passed on to future buyers as it cannot be absorbed in the project feasibility. In some instances, the addition of contributions nullifies the feasibility, meaning the project does not proceed, with the unintended outcome of reducing housing supply.

It is noted in the rationale for the inclusion of Clause 10.9 that there is a noted shortfall of POS within the precinct. However, given the most recent Public Spaces Strategy was published in 2017, it seems inappropriate to include the clause until an updated review is undertaken.

In addition, the Department of Planning, Lands and Heritage are currently reviewing the POS policy suite, including the Position Statement. The Property Council recommends the current clause should be removed until the review is undertaken.

4. Additional matters

4.1. Podium Heights

Clause 3.9. introduces reduced podium heights of 10m within Q1 and Q2. The Property Council believes that the maximum podium height of 13.5m within Q1 and Q2 should be retained in order to encourage greater activation of lower levels and the potential to design units that can function as both residential and non-residential.

4.2. Main Roads

The lack of direction provided by Mains Roads regarding the intention of the department in relation to Canning Highway and the surrounding road networks creates a challenge in delivering a comprehensive review of the CBACP.

Many concerns that seem to have arisen relating to development within Q1 and Q2 stem from frustrations relating to parking, congestion and road access. As highlighted in *Planning to Deliver*², in a strategically-led planning system, infrastructure and road systems are proactively managed to implement the vision outlined in the planning framework.

² Property Council of Australia (2021), viewed 28 October 2022,
<https://www.propertycouncil.com.au/Web/Content/Submissions/WA/2021/Property_Council_WA_-_Planning_To_Deliver_Report.aspx>

The review of the CBACP should provide a recommendation for the treatment of Canning Highway which enables the precinct to achieve highest and best use outcomes. The recommendation should be advocated to Main Roads with the support of the City of Meville and the West Australian Planning Commission.

4.3. Precinct Centre

Allowing for height in the Precinct Centre is appropriate, However, the Property Council is concerned the proposed mechanism for discretion within Q1 and Q2 could have the unintended outcome of "hollowing out" the centre of the Precinct as some of the discretions would not provide significant uplift value to facilitate the desired tiered heights. The Property Council would welcome the opportunity to discuss the technical elements of this concern in further detail as part of this consultation.

Next steps

If you require further information or clarification, please contact Lindsay Duncan, WA Policy Advisor on 0404 450 881 or lduncan@propertycouncil.com.au.

Yours sincerely,



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