

Mr David Jack
Director Statutory Planning
Metropolitan Redevelopment Authority
Locked Bag 8, Perth
Business Centre WA 6849

19th June 2015

Dear Mr Jack

Development Policy 1: Green Building

Thank you for the opportunity to comment on the Metropolitan Redevelopment Authority's proposed *Development Policy 1: Green Building*.

The Property Council of Australia is the peak industry group for the WA property sector. A number of our members include developers and associated businesses that work with the MRA to develop sites within the Central Perth Redevelopment Area.

The Property Council applauds the MRA for taking a leadership role in creating exemplar environmentally sustainable development projects that will transform Perth into the innovative green building capital of Australia. For this reason, the Property Council is broadly supportive of the proposed *Development Policy 1: Green Building*, with the exception of several elements of Provision 4.

The Property Council is very concerned with the lack of performance requirements set out in *P4. Precinct Sustainable Development Systems* and believe the uncertainty may discourage developers from engaging in precinct scale projects.

It should also be noted that a number of developers who have attempted to install precinct scale sustainable infrastructure in Perth have found that issues resulting from existing government regulations around infrastructure and utilities have resulted in the business case for its installation no longer 'stacking up'.

The Property Council is aware that despite its considerable statutory powers, the MRA itself encountered the same difficulties that come with installing sustainable infrastructure during the redevelopment of the Australian Fine China site.

If developers are required to deliver precinct sustainability strategies, it is crucial that the MRA takes an active facilitation role. Otherwise the existing government regulations will be seen as too great a barrier for developers to install precinct-scale sustainable infrastructure and so will prevent them engaging in precinct development.

Further, *P4. Precinct Sustainable Development Systems* requires that the precinct sustainability strategy be consistent with a 5 Star Green Star Communities rating tool for two or more buildings. However, the Green Star Communities rating tool is specifically designed for precincts of a minimum of four buildings. It is our

understanding, after consulting in the industry, that the Green Star Communities ratings tool will not be effective for precincts of two or three buildings and may result a barrier to this development. The MRA should look for a tiered solution responsive to the scale of the project similar to the approach taken for buildings in P2.

The Property Council looks forward to continuing to work with the MRA on designing both exemplar and practical environmentally sustainable development policies.

If you would like to discuss these matters further, please contact Graham Hansen at ghansen@propertycouncil.com.au or 9426 1223.

Kind regards,

Lino Iacomella
Deputy Executive Director