

26 August 2022

Growth Areas Team
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CITY EAST QLD 4002

By Email: CWISP@dcdilgp.qld.gov.au

Dear Growth Areas Team

Draft Caboolture West Interim Structure Plan

Thank you for the opportunity to provide feedback on behalf of the property industry in relation to the Draft Caboolture West Interim Structure Plan ('CWISP').

The Property Council of Australia is the leading advocate for Australia's biggest industry – property. We are a national not-for-profit organisation established to promote the work of the property industry in delivering prosperity, jobs and strong communities to all Australians. Here in Queensland, the Property Council represents over 390 member companies across residential, commercial, retail, retirement living, industrial, tourism and education sectors.

Last year, we welcomed the Queensland Government's efforts to address land supply issues and support the identification of Caboolture West as a priority growth area. Caboolture West is the largest growth area planned for the Moreton Bay region, over the next 40 years it will develop to be the size of a regional city, ultimately accommodating homes for around 70,000 people. This submission provides comments on the proposed amendments outlined in the CWISP on behalf of our members who will be responsible for delivering housing product to accommodate Caboolture West's rapidly expanding population.

Role of Growth Area Structure Plan and implantation with Local Government Planning Schemes

The Property Council has long advocated for the need to streamline the process for amending planning schemes to bring forward urban land for development which helps improve investment certainty, drives economic activity and responds to challenges around housing affordability, availability and land supply.

The CWISP is the first structure plan that has been prepared under the remit of the Growth Areas Team and its adoption will establish a precedent for future structure plans. Given the CWISP will set the benchmark for future development applications, we are eager to ensure our feedback is incorporated within the final CSWIP.

Flexibility

There is a level of flexibility required in relation to the final design and location of infrastructure. In particular, the draft regulation and relevant Interim Structure Plan map should recognise that locations of infrastructure such as roads, open space is conceptual in nature and will be refined through detailed planning outcomes. This enables the planning process to resolve matters with more detailed information without the potential risk of requiring subsequent amendments by the State Government.

Live Development Applications

There are a number of live development applications currently on foot with Moreton Bay Regional Council and the State Government for which many of our members have committed significant investment to progress in good faith. Where applications have substantially progressed through the development application process, the CWISP should clearly define that it does not apply to these sites.

Assessable Benchmarks

The CWISP seeks to introduce several Assessable Benchmarks that are currently controlled by Council Planning Schemes and the Queensland Development Code. In particular, the CWISP introduces new assessment benchmarks for Dwelling House Rear Setbacks and Dwelling House Maximum Site Cover, which are inconsistent within the Moreton Bay Regional Council Planning scheme in relation to setback requirements for other key development areas within Moreton Bay.

The introduction of these controls within a State Structure Plan will significantly reduce the ability for the property industry to provide affordable housing, respond to changing market demands or innovate with new housing products and would require a significant amendment process to change in the future. These factors require careful consideration and appear in direct conflict of the objectives of the CWISP to 'protect and give effect to the state interests of housing supply and diversity'.

Research conducted by one of our members found that the increased rear setback requirements will reduce housing choices for residents and increase land costs by \$35K – \$60K. This will result in an increase of allotments with narrow frontages and a reduction of allotments with a wider range of widths, culminating in a negative impact on the residential streetscape and amenity.

Additionally, the increased rear setback requirements stand to have a significant impact on development yield. Industry analysis has indicated that implementing the increased rear setback requirements would reduce lot yields by approximately 10 – 15 per cent. This figure represents a significant reduction, directly impacting the developer's capacity to deliver product and product diversity, resulting in a need to deliver a high

proportion of two storey outcomes. This will have flow-on effects for the achievement of population targets and the provision of infrastructure.

Furthermore, the increased rear setback requirements are likely to lead to a large amount of relaxation applications being lodged with the Moreton Bay Regional Council as the concurrence referral agency, adding to the Council's workload and creating additional costs which would be passed on to property buyers.

Assessment Benchmark 2.3 of the draft CWISP stipulates that development should deliver a 'mix of tenures and densities but the way the MBRC Planning Scheme is drafted means Multiple dwellings on a 'developable lot' will remain Impact assessable. This is because Table 5.9.3.1.1 of the Planning Scheme specifies this, and Multiple dwellings are Code assessable only where they are on a 'developed lot' and in a Next generation sub-precinct on an approved NDP.

As such, if a property developer is seeking to solely develop their land for Multiple dwellings, it would trigger Impact assessment. However, if they are seeking to develop a future balance lot which has first been created as part of a Code assessable RAL, it would be Code assessable. To overcome this, it is recommended that the CWISP include an overriding Table of Assessment.

Finally, an Assessment Benchmark has been introduced requiring the provision of a Two Way separated bike path as part of a 36m wide road cross section which is applicable for many of the roads nominated within the CWISP. This represents a new standard within Councils Planning Scheme and will result in a significant increase in infrastructure costs and reduce land available for housing supply. There are many examples of where active transport can be delivered in a more efficient form.

Taking this into consideration, it is our preference that:

- Assessment Benchmarks 2.4 and 2.5 be removed from the CWISP, particularly given they conflict with the aspirations of Assessment Benchmark 2.3 that seeks for residential development to provide housing choice and affordability.
- Assessment Benchmark 2.8 be removed, and Councils Standards be recognised for the delivery of active transport.

Infrastructure

In its current form, CWISP does not make any reference to future infrastructure, which is critical for unlocking land, nor does it define who will be responsible for the delivery of same. When the Growth Acceleration Fund was announced, it was stated it was created to support the delivery of priority trunk infrastructure needed to develop new communities like Caboolture West, and we are eager to understand how the Growth Acceleration Fund will interact with CWISP.

School zoning


To support the large population growth anticipated in Caboolture West, the delivery of social infrastructure such as schools should consider a compact, less land-consumptive approach, with the CWISP addressing this through the encouragement of co-location and co-use to achieve this outcome.

Clarification is sought regarding transitional legislative powers in relation to school sites. The CWISP remains silent on existing sites, and our members are keen to know what will happen to sites which have existing variation applications lodged on them, but under the CWISP have now been nominated as a state school site, which then prevents developers from being able to lodge a subsequent Code assessable DA.

Thank you for the opportunity to provide feedback on CWISP, of paramount importance to our members is certainty and clarity for business continuity and delivery. At a time where the state is in the midst of a housing supply and affordability crisis, it appears counterintuitive to introduce any restrictions that impinge the capacity to deliver, product diversity or much needed stock to market.

We welcome the opportunity to discuss any aspect of this submission with the Growth Areas Team in more detail. If you have any questions in relation to the Property Council or this submission, please do not hesitate to contact me on jwilliams@propertycouncil.com.au or 0448 432 936.

Yours sincerely

A handwritten signature in black ink that reads "Jen W". The signature is written in a cursive, flowing style.

Jen Williams
Queensland Executive Director