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14 March 2025

State Planning Office Department of State Growth GPO Box 536 Hobart TAS 7001

By email to: haveyoursay@stateplanning.tas.gov.au

## Re: Southern Tasmania Regional Land Use Strategy – Urban Growth Boundary proposed update

To whom this may concern,

The Tasmanian Chapter of the Australian Institute of Architects (the Institute) would like to thank the State Planning Office for the opportunity to provide feedback on the Southern Tasmania Regional Land Use Strategy – Urban Growth Boundary proposed update.

The Tasmanian Chapter is committed to helping create a positive future for our state that benefits all Tasmanians. The Institute advocates for the built environment, and works to shape policies, foster collaboration, and promote design excellence that benefits society as a whole. Strategic planning and coordination are critical components in this, and the Institute advocates for this in all decisions related to planning.

The Institute, in its response to the review of the Southern Tasmania Regional Land Use Strategy in 2024<sup>1</sup>, has stated that it does not believe that the Urban Growth Boundary (UGB) should be increased. However, the Institute acknowledges the housing crisis and the need to for the Government to enable the provision of more homes, and it is critical that this is done in a way that retains what makes Hobart a unique and a desirable place to live. While the Government is looking at updates to the UGB, it must also implement mechanisms to enable development to take place within existing urban areas, as it is clear that the current regulatory and economic environment isn't enabling this to occur. Given the cost to government of urban sprawl, incentives must be provided to enable development within

<sup>&</sup>lt;sup>1</sup> www.architecture.com.au/wp-content/uploads/20241218-AustInstArchsubmission\_STRLUS-FINAL.pdf

existing urban areas, as this will be better for taxpayers in the long-term. Suggestions for this are outlined under 'Encouraging Densification of Inner-City Areas' below.

Making amendments to increase areas of the UGB will add to Hobart's existing urban sprawl. It is worth noting that Greater Hobart is the second least dense capital city in Australia, and it is interesting to compare the area of Greater Hobart to that of Greater London, at the same scale, with the population of Greater Hobart sitting at 253,654², and London's at 8,945,310³. A basic desktop image capture from Google Maps of both of these cities is shown below at the same scale, with the red circle indicating the same area.



If the UGB is to be extended, it must be done in a manner that is well-considered, with outcomes that are well-designed. The Institute expects that the following considerations are taken into account in order to have good outcomes:

- chosen sites to have been considered strategically with thorough site analysis
- sites need to be able to provide good solar orientation
- sites do not interfere with productive agricultural land
- sites don't encroach or impact on sensitive natural environments
- sites should directly connect with existing urban infrastructure
- ensure that appropriate amenity is provided to the future occupants of the sites, including (there should be the consideration of the idea of The 30-Minute City<sup>4</sup>):
  - access to reliable public transport and a comprehensive and wholistic transport strategy
  - quality local amenities, including supermarkets and retail
  - quality services, including, but not limited to health facilities, public services, education facilities
  - quality public outdoor space, including playgrounds and recreation facilities

<sup>&</sup>lt;sup>2</sup> https://www.hobartcity.com.au/Council/About-Council/Research-and-statistics

<sup>&</sup>lt;sup>3</sup> https://data.london.gov.uk/dataset/londons-population

<sup>&</sup>lt;sup>4</sup> "The 30-Minute City has more social cohesion, stronger social capital and a happier, healthier population," <a href="https://www.pwc.com.au/publications/pdf/30-minute-cities-may17.pdf">https://www.pwc.com.au/publications/pdf/30-minute-cities-may17.pdf</a>

 walkable neighbourhoods (both in the distance required to walk to get to services etc, and the provision of footpaths)

Innovative design solutions can incorporate aspects of all of the above with thoughtful urban design by appropriately qualified professionals.

It is imperative that the Tasmanian Government ensures that these future developments have good urban design embedded in them, that ultimately benefit Tasmanians with fulfilling and sustainable, liveable and cohesive communities, that improve the lives and health and wellbeing of those that live in them.

The Institute sees the below as some of the potential negative impacts of increasing the UGB:

- increased costs to taxpayers to provide infrastructure (refer to the 'Cost of Urban Sprawl' below for examples of increased costs)
- increased disadvantage to future occupants living on the outskirts of our city
- increased negative health impacts due to proximity to amenities<sup>5</sup>
- increased traffic congestion
- social isolation
- increased environmental impacts

Some of the areas proposed in the UGB update are expansive and should be master planned by architects and urban planners, to ensure that they have good shared open space and mixed-use development, and higher density needs to be encouraged to ensure that these developments are able to support future growth.

The Institute suggests there needs to be discussion about fiscal settings, such as Victoria's windfall tax, to offset the cost of trunk infrastructure development, including roads, and to establish a fund for social housing and social infrastructure. This could also be used to subsidise or reduce the cost burden of inner-urban development. The Institute also suggests that the Government consider controls on land banking when releases are done, so that poor, piecemeal development isn't the outcome.

The Institute questions whether the Government's Strategic Architectural and Urban Design Advisor was consulted in the process of identifying the additional areas for inclusion in the UGB, and if not, suggests that this would be a useful step to include, and for consultation to continue as this amendment progresses.

The Institute also questions how the increase to the UGB aligns with the density outlines and goals identified in both the existing *Southern Tasmania Regional Land Use Strategy* and the 30 Year Greater Hobart Plan. Similarly, while the *STRLUS Urban Growth Boundary Update Consultation Paper* outlines the approximate maximum dwelling yields for each site, the Institute questions what mechanisms the Government will put in place to ensure that these dwelling yields are achieved.

<sup>&</sup>lt;sup>5</sup> Statistics from the ABS state the adults living within 1500m of a supermarket were less likely to be obese, Neighbourhood impacts on health | Australian Bureau of Statistics

## The Cost of Urban Sprawl

While the immediate costs to developers to deliver standard housing on the outskirts of towns and cities is significantly less than denser, inner-city development, it is critical to examine the other costs associated with these developments, including the provision of networks of infrastructure for transport and services, and the real cost of urban sprawl to governments and taxpayers, as well as the future inhabitants of the site (due to car dependence).

"The greater the distance of these developments from the city centre, and the less dense the subdivisions the greater the relative cost of these services. The provision of roads is a case in point. In Tasmania for every dollar that is spent on arterial roads, approximately 40 cents per year is spent on maintenance. This means that the cost of a road doubles every two and a half years, and this cost continues in perpetuity. (National Transport Commission)"

"Whilst developers may pay for the connections within the new subdivisions (with this cost passed on to the purchaser) the cost of the provision of the services to the site is generally borne by the local authority, or in fact the broader community, through rates and taxes. Other community borne housing related costs that are more difficult to quantify include: the provision of health services of various kinds; fire; policing; public transport; schools; sports facilities; parks and open space – to name a few. This leads to the third frequently overlooked issue, that of the social (in)equity that these centres produce due to their disconnection from a broad range of essential and non-essential services and facilities. This study contends that if all of these housing related costs, including the costs to the individual and to the broader community, are considered a dramatically different approach to housing and affordability will be implied based on a more holistic economic analysis." <sup>7</sup>

Studies have looked at the costs related to development on the fringe of cities, and while there doesn't appear to be any Tasmanian-specific data, it is worth examining data from other jurisdictions.

Australian statistics in 2023 from the NSW Productivity Commission reported that "long-term urban sprawl will lead to higher taxes, increased debt and poorer quality of life." The commission's report found that the "the cost of development is up to \$75,000 more per home to build in parts of western Sydney, compared to housing in the inner west or CBD. By comparing the costs of things such as wastewater connections, road congestion, public transport, schools and open spaces, the commission analysed the cost to the economy of additional homes across Sydney, finding a stark contrast in the associated costs of

<sup>&</sup>lt;sup>6</sup> Clarke + Norrie, 2009, see attached AASA Conference 2009 Sustainable Theory/Theorizing Sustainability paper.

<sup>&</sup>lt;sup>7</sup> Clarke + Norrie, 2009, see attached AASA Conference 2009 Sustainable Theory/Theorizing Sustainability paper.

<sup>&</sup>lt;sup>8</sup> NSW Productivity Commission report finds Sydney housing sprawl costs economy \$75,000 more per new home

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addressing the housing shortage. Comparing infrastructure across established areas in Sydney, it found the innermost suburbs such as Redfern, Ultimo and Surry Hills had the lowest additional cost at about \$39,500 per home, while areas in the north-west, such as Baulkham Hills, were the highest, at \$114,400."9

"SGS Economics & Planning: Better Value from Greenfield Urban Infrastructure in Victoria, October 2017" is a report about 'fragmented' growth that "estimates that, depending on exactly what infrastructure assets are included, the (Victorian) State Government outlays about \$50,000 for every new home in Melbourne's burgeoning greenfield growth areas to supply arterial roads, schools, public transport links, health care facilities and other regional level infrastructure, as well as part funding of local facilities like sport and recreation centres." 10

The Property Council, in collaboration the Australian Greens, CODA Architecture and Curtin University produced a report in 2016 for Design Perth that found, "the cost to government to provide infrastructure such as roads, water, communications, power, emergency services health and education to greenfield sites was \$150,389 per lot, compared to \$55,828 in infill sites."11 A similar Environment Design Guide report on 'The Cost of Urban Sprawl, Infrastructure and Transportation', lists the cost of initial capital cost for redevelopment versus fringe development to be \$50,502,726, vs \$136,041,065.12

An article in the Property Investor cites Sergio Famiano, Senior Development Manager, LandCorp, and author of New Australian Dream: rethinking our homes and cities to solve the housing crisis, who says that "studies have shown that 10,000 people housed in existing urban areas costs a third of what is required in new suburbs."13

## **Encouraging Densification of Inner-City Areas**

The Institute understands from feedback from members through their dealings with private developers that densification within the city is not always financially viable due to land costs, site specific conditions, planning requirements, approval complexities, and the additional construction costs that come with higher density multi-storey developments. The Government must consider ways to contribute to these developments, to ensure that densification is happening where there are existing services. An example of this could be by providing the land, and paying for good master planning, the architect and consultant team, which would generate more interest from private developers, and enable high-quality outcomes. Another example could be for the Government to partner with private developers to create vibrant and sustainable communities.

<sup>9</sup> NSW Productivity Commission report finds Sydney housing sprawl costs economy \$75,000 more per new home

<sup>&</sup>lt;sup>10</sup> SGS-Economics-and-Planning-better-value-greenfield-infrastructure.pdf

<sup>&</sup>lt;sup>11</sup> DESIGN\_PERTH\_FINAL\_REPORT\_5mb\_0.pdf

<sup>&</sup>lt;sup>12</sup> EDG62\_GEN83\_Paper.indd, p3.

<sup>&</sup>lt;sup>13</sup> Scale of urban sprawl in Australia hurting more than just the environment - development news -API Magazine

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Institute members have suggested other various mechanisms to encourage private development withing existing urban areas, which could include planning dispensations, tailored to the development type and appropriateness. Some of these mechanisms have been outlined in the Institute's response to the Central Hobart Precincts Plan in 2021<sup>14</sup>. The Institute would be willing to meet to discuss these ideas further.

Higher density development is of greater benefit to local councils as there is a higher rate density – i.e. more rate income per m<sup>2</sup>, which enables provision of better services.

Thank you for the opportunity to provide input into the current consultation. The Institute looks forward to seeing this feedback inform the plan for Tasmania moving forward, while enabling all Tasmanians to achieve their potential and live healthy and fulfilled lives, contributing to our communities in a meaningful way.

Please don't hesitate to contact us if you would like to discuss any of the points raised further or if we can further contribute in any way.

Kind regards,

**Daniel Lane** 

President, Tasmanian Chapter Australian Institute of Architects **Jennifer Nichols** 

Executive Director, Tasmanian Chapter Australian Institute of Architects

The Australian Institute of Architects (Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with over 13,400 members across Australia and overseas. The Institute exists to advance the interests of members, their professional standards and contemporary practice, and expand and advocate the value of architects and architecture to the sustainable growth of our communities, economy and culture. The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design. To learn more about the Institute, log on to www.architecture.com.au.

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https://www.architecture.com.au/wp-content/uploads/20211221-Central-Hobart-Precincts-Plan-Aus-Inst-Arch-Final-V2.pdf, p3.