ACNU08

Brisbane

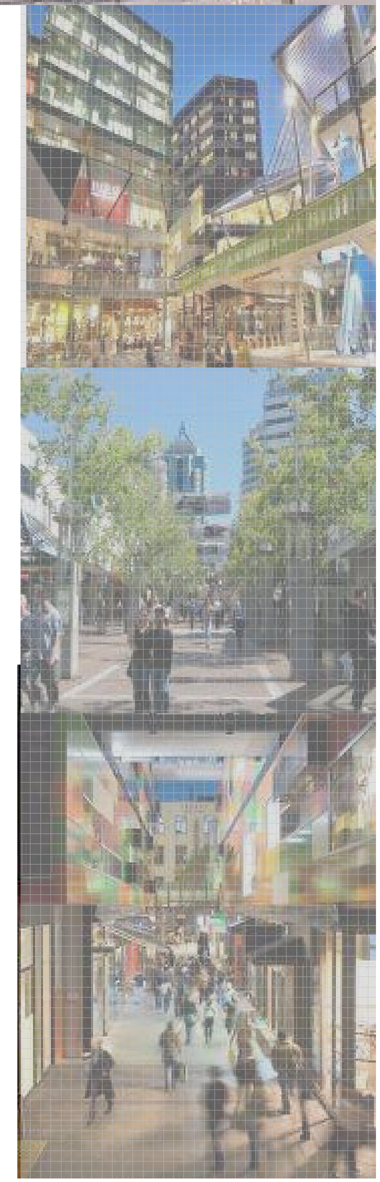
2008 NATIONAL CONGRESS OF THE AUSTRALIAN COUNCIL FOR NEW URBANISM

6th – 9th February, 2008

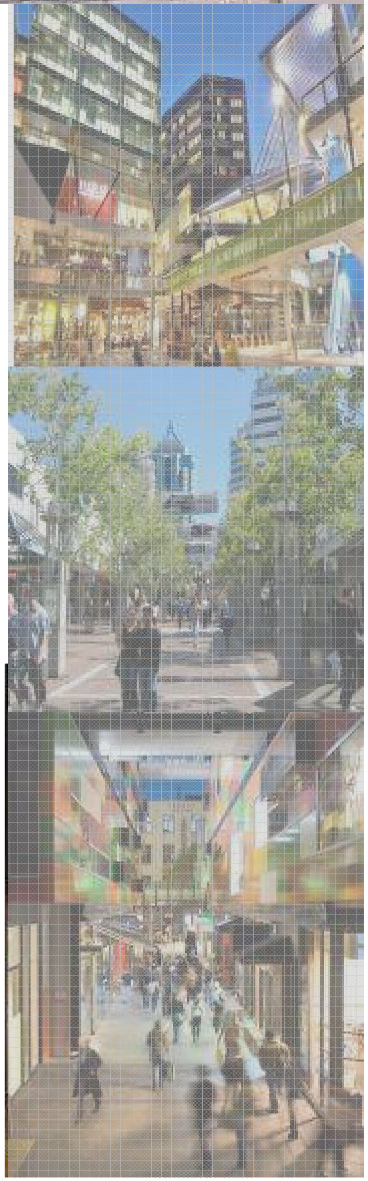
How and Why Australian Can Lead the World in the Urban Design of New Centres

9 February 2008

Brian Haratsis, Managing Director



MacroPlan Australia
Setting New Standards



Part One:

“How and Why”

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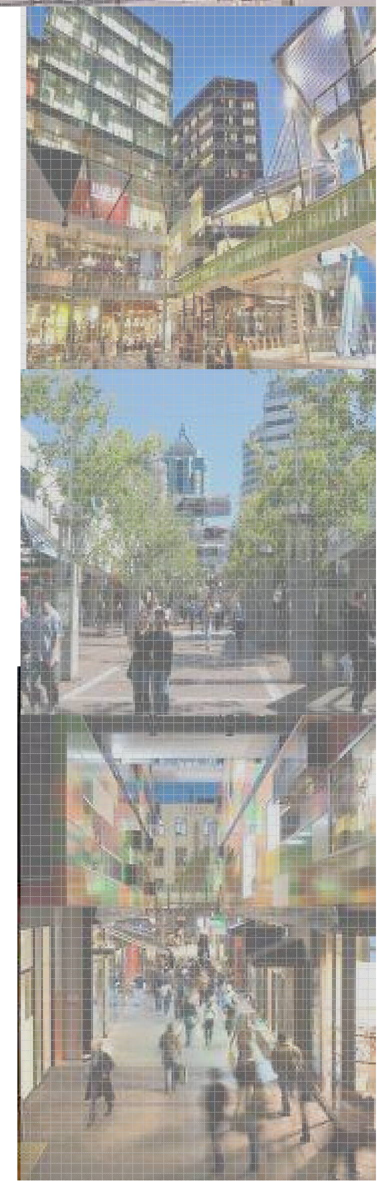
Overview:

Hierarchies, densities, Mainstreets and TOD’s are 1970’s concepts dealing with 2030 issues.

Centres evolve in parallel with the human condition. The emerging dynamic constellation of centres is being hampered by the wrong theories of economic and cultural change.



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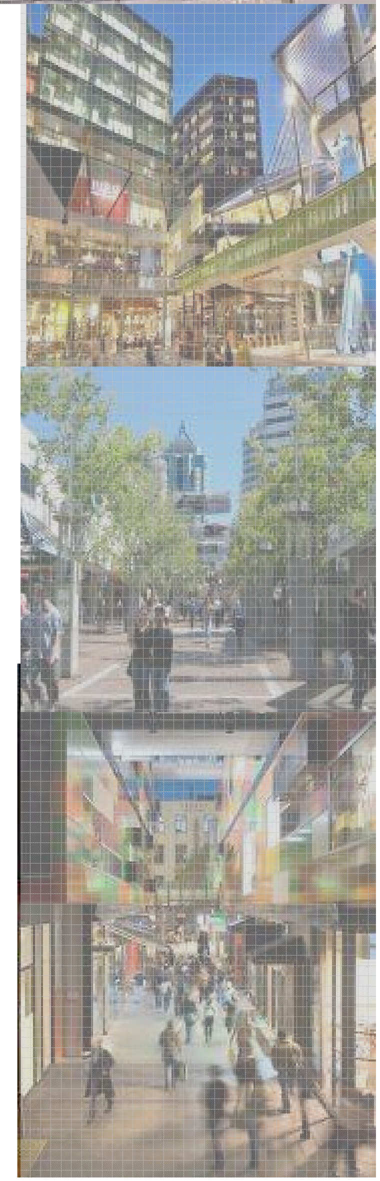
Overview:

Centre design and interaction should be inspired by chaos and brilliance. Social integration, commodity exchange, learning, creating and wealth generation are the new alchemic design quarks.

The Australian ‘centres’ ethos is unformed. Australia will lead the world in centre design through a combination of push and pull factors and sheer opportunity.

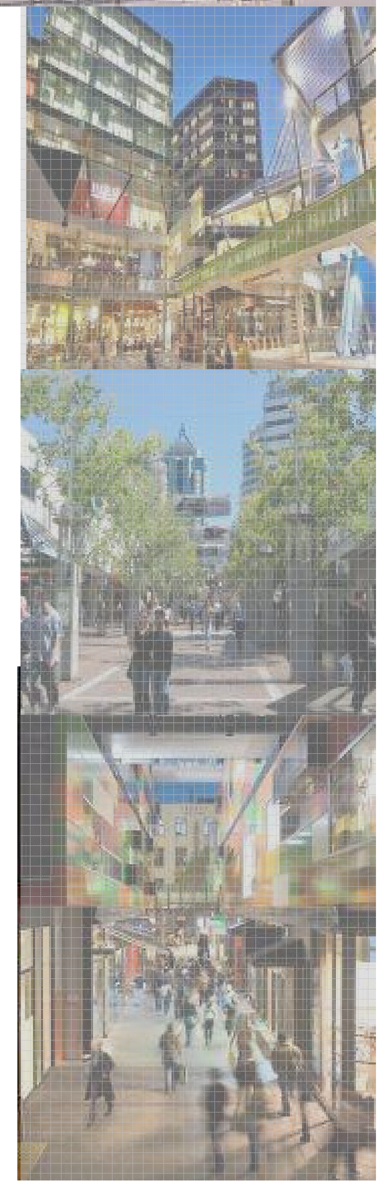


Overview:

The new palette for centres includes:

+ Racecourses
+ Universities & TAFEs
+ Convention & Exhibition Centres
+ Business & Industrial Parks
+ Highway Service Centres
+ Indigenous Communities
+ Libraries
+ Airports
+ Office Parks
+ Mining Towns
+ Remote Areas

As well as TOD's, traditional retail centres, activity centres and CBDs.



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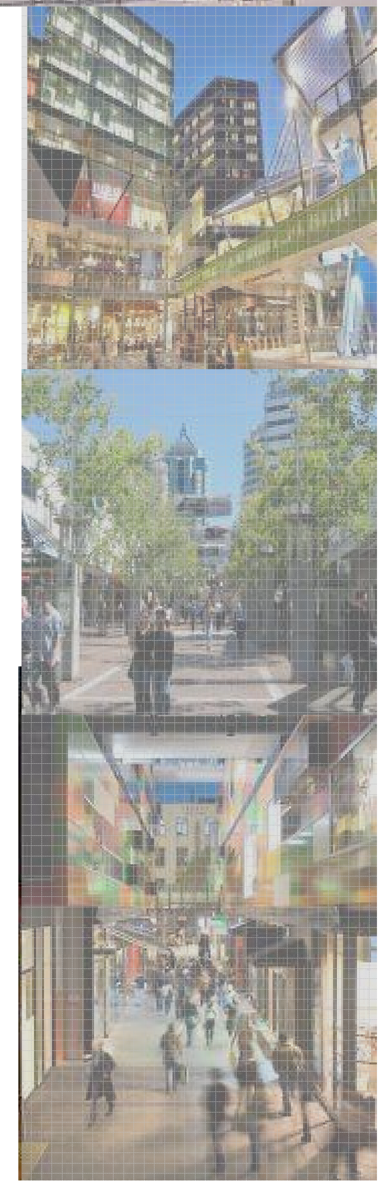

Why?

Post mass market architecture/design driven less by ‘prizes’ and recognition and more by concern over regulatory capture, vampire projects, taboo thinking and the need for change highlighted by daily ‘disconnect’.

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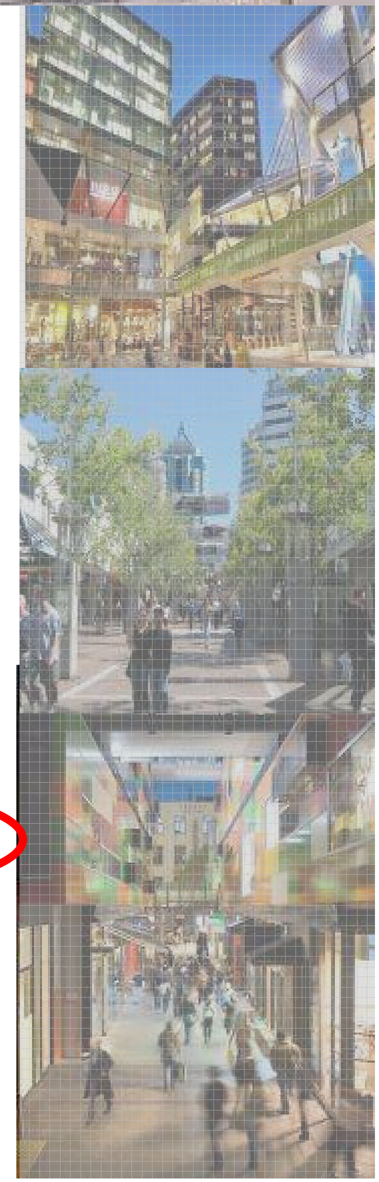
Australian Demographic Fundamentals

Absolute Population Growth



Age	2001	2006	2011	2021	2031
0-4	1,007,598	1,037,015	1,053,387	1,090,965	1,119,913
5-14	2,665,535	2,663,740	2,679,243	2,775,410	2,872,890
15-24	2,717,248	2,810,825	2,878,028	2,908,604	3,019,719
25-34	2,933,336	2,930,269	2,979,190	3,143,357	3,175,229
35-44	2,962,689	3,048,807	3,132,956	3,165,584	3,317,139
45-54	2,681,197	2,913,732	3,036,697	3,210,180	3,245,781
55-64	1,922,677	2,347,427	2,649,248	3,010,393	3,189,455
65-74	1,338,319	1,459,017	1,794,441	2,496,627	2,856,960
75+	955,707	1,063,804	1,112,780	1,544,897	2,210,387
Totals	19,184,306	20,274,636	21,315,970	23,346,017	25,007,473

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Australian Demographic Fundamentals

Proportion of Baby Boomers and Pre-retired

Age	2001	%	2006	%	2011	%	2021	%	2031	%
55-64	1,922,677	10%	234,742	12%	2,649,248	12%	3,010,393	13%	3,189,455	13%
65-75	1,338,319	7%	1,459,017	7%	1,794,441	8%	2,496,627	11%	2,856,960	11%
75+	955,707	5%	1,063,804	5%	1,112,780	5%	1,544,897	7%	2,210,387	9%
Total 55+	4,216,703	22%	4,870,248	24%	5,556,469	25%	7,051,917	31%	8,256,802	33%
Total Aus	19,184,306	100%	20,274,636		21,315,970		23,346,017		25,007,473	

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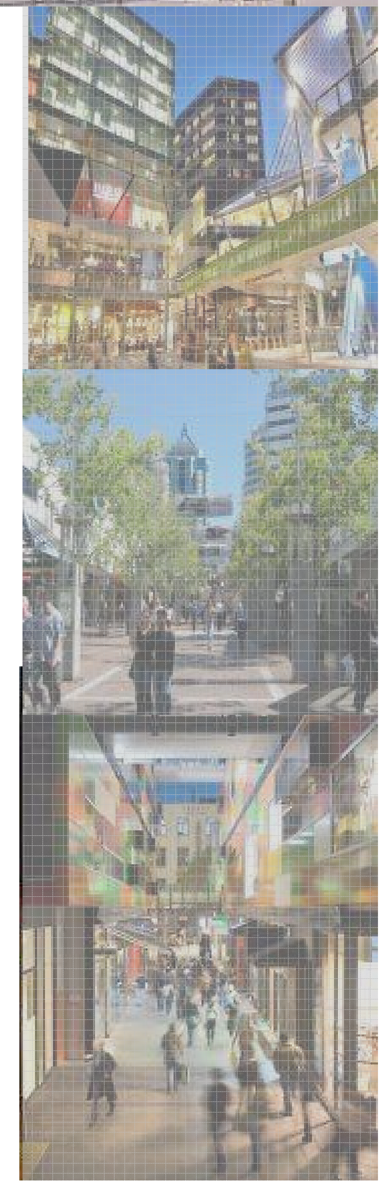
By 2010-2015
The Baby Boomer
Median Age
will be
at Retirement



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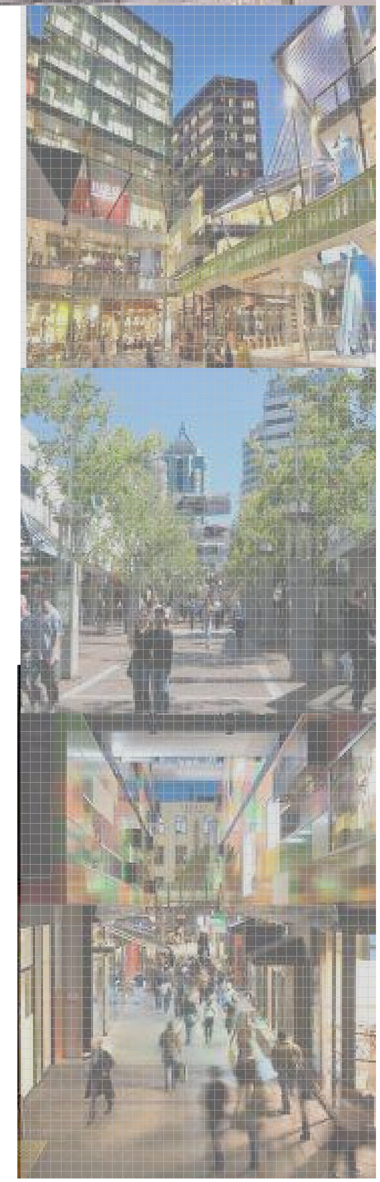
Australian Demographic Fundamentals

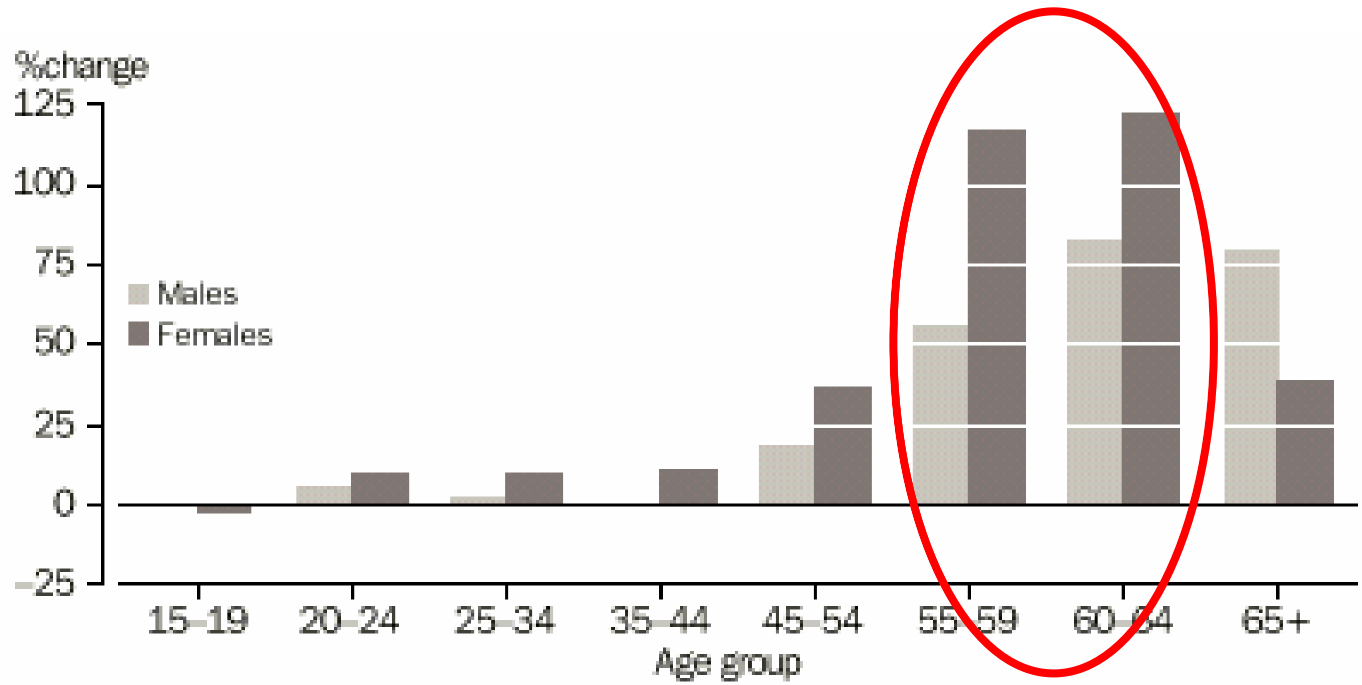


Labour force composition changes (Participation rates for women to rise in almost every age bracket. Falling for men in every age group except 60+).

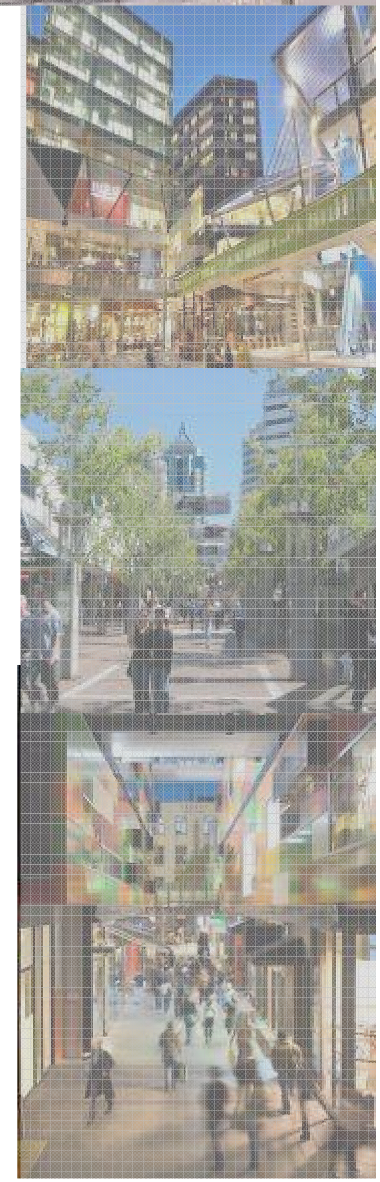
Labour force ageing in line with Australia's ageing population. (More than 80% of projected growth in the labour force to 2016 will be in the 45+ age group).

Australian Demographic Fundamentals

Labour Force Forecasts



Source: Labour Force Projections, Australia 1999–2016 (Cat. no. 6260.0)



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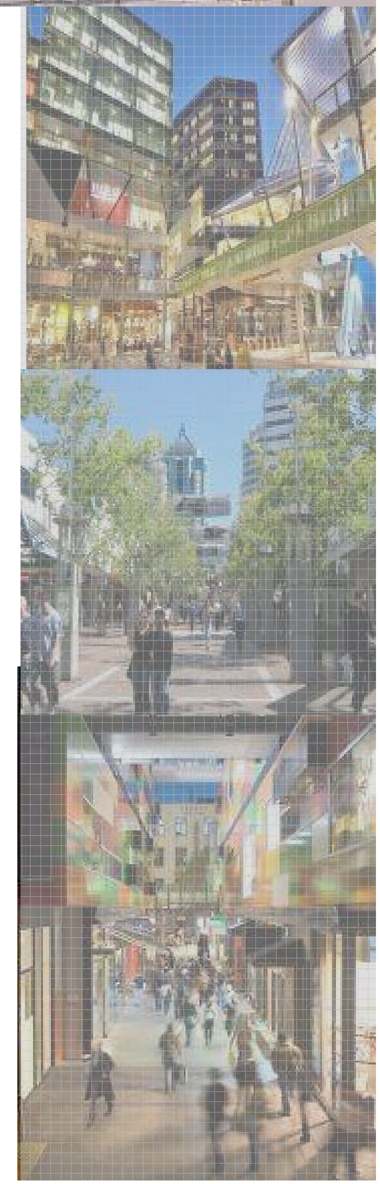

Population is ageing
and declining in
some areas

BUT …

Dwellings will continue
to grow at least at
historical rates

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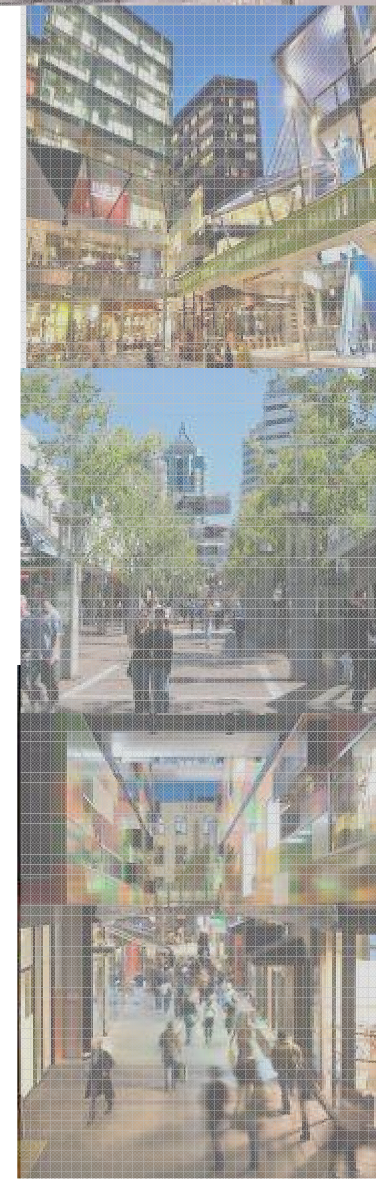
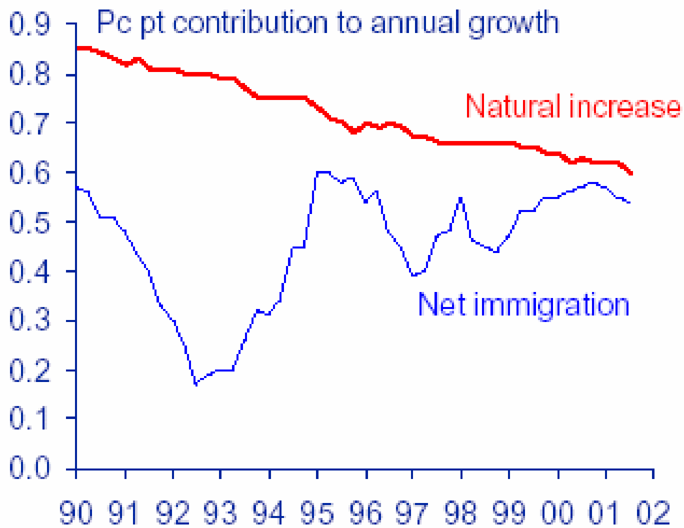
Higher migration & smaller households are helping to sustain longer term housing demand

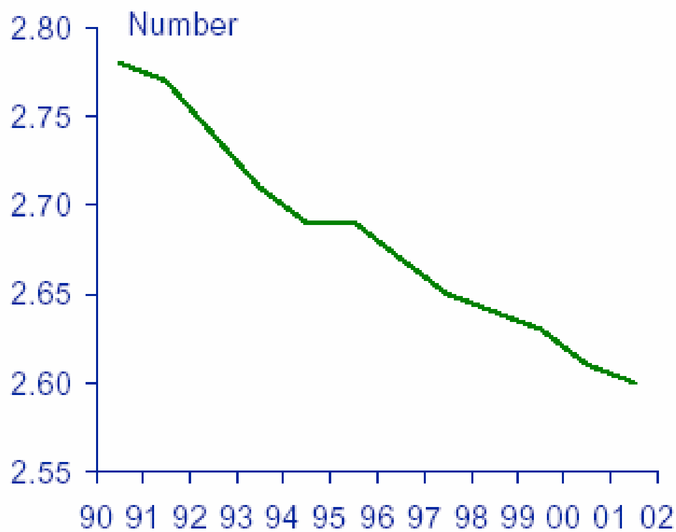


Sources of population growth



Net immigration is now running at over 100,000 pa - the largest share of total population growth in over a decade

Persons per household



Falling household size has resulted in 500,000 more households than there would otherwise have been

Sources: ABS; Economics@ANZ.

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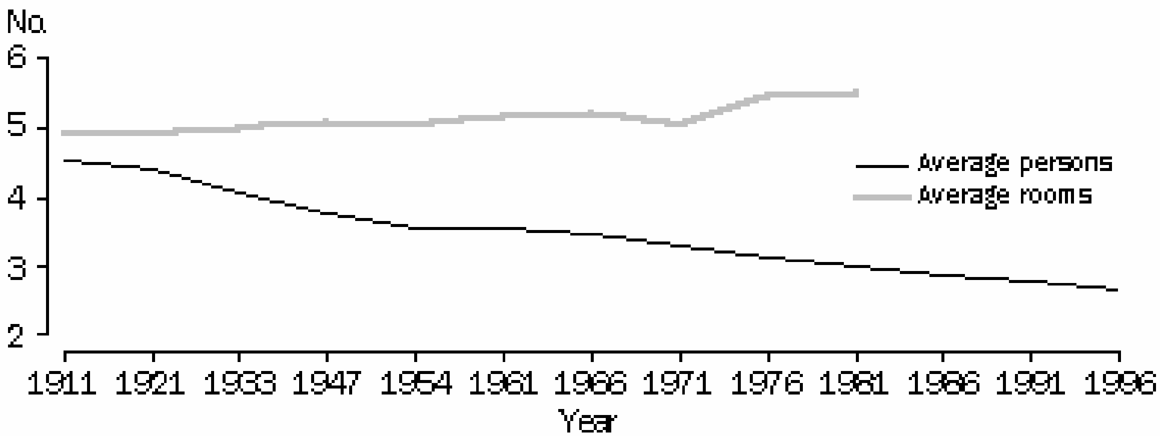
Australian Demographic Fundamentals

Household and Dwelling size

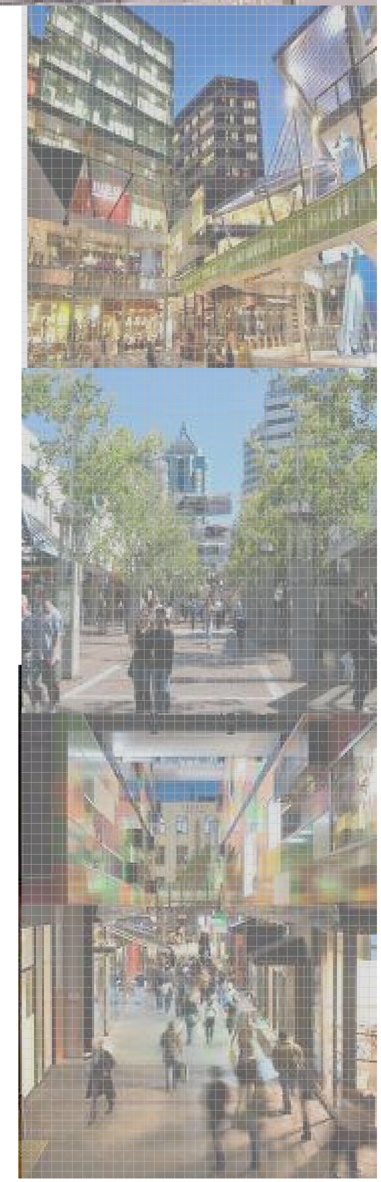
3.4 PERSONS AND ROOMS IN DWELLINGS—1911–1996



Note: In 1971, reported number of rooms possibly affected by layout of questions on census form.
Number of rooms per dwelling not collected after 1981.

Source: *Census of Population and Housing. For details see Endnote 2.*

Since 1986, the average size of new dwellings increased 30% to 224 square metres



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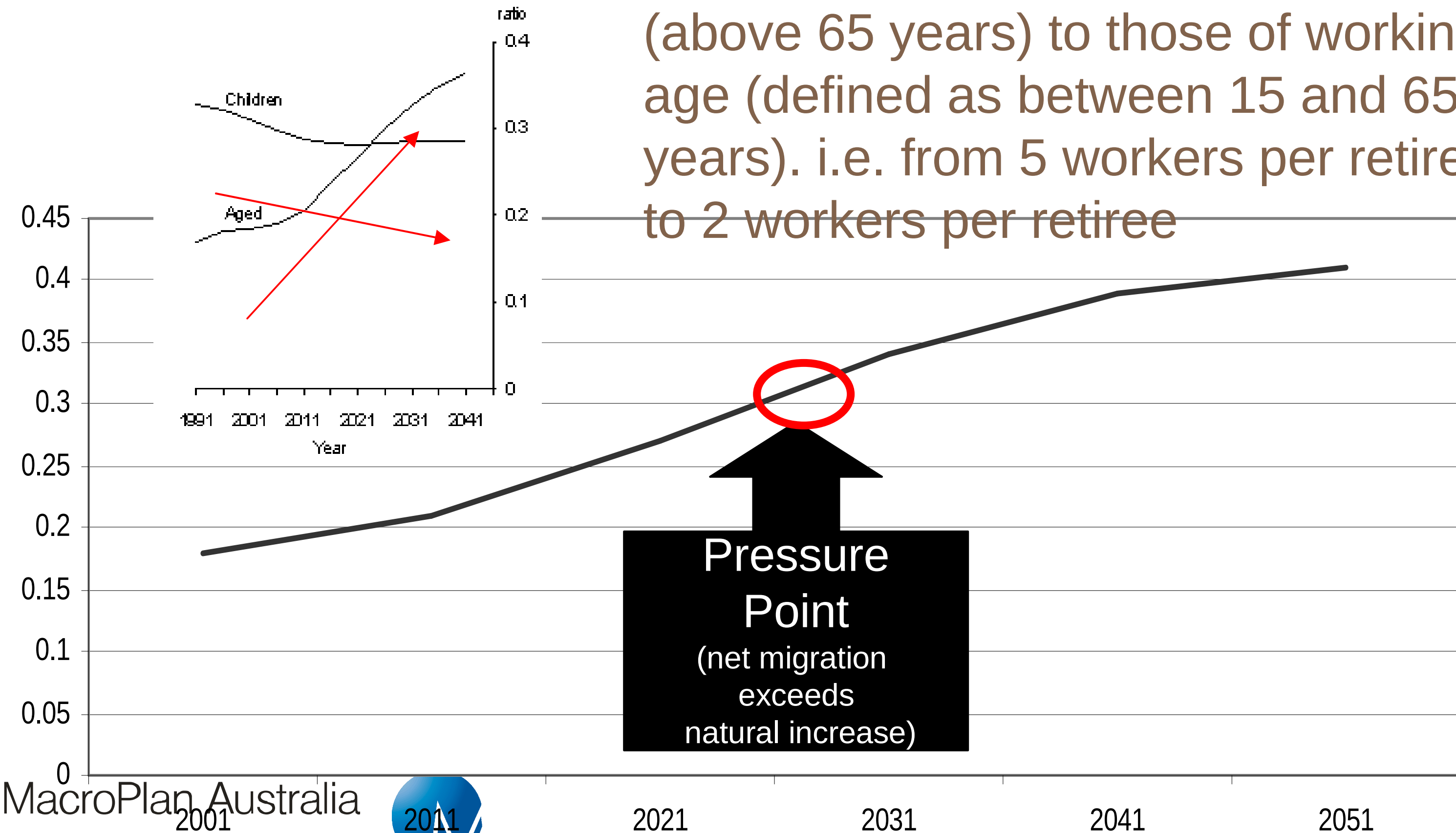
Australian Demographic Fundamentals

65+ Age Dependency Ratio

A ratio of those of retirement age (above 65 years) to those of working age (defined as between 15 and 65 years). i.e. from 5 workers per retiree to 2 workers per retiree



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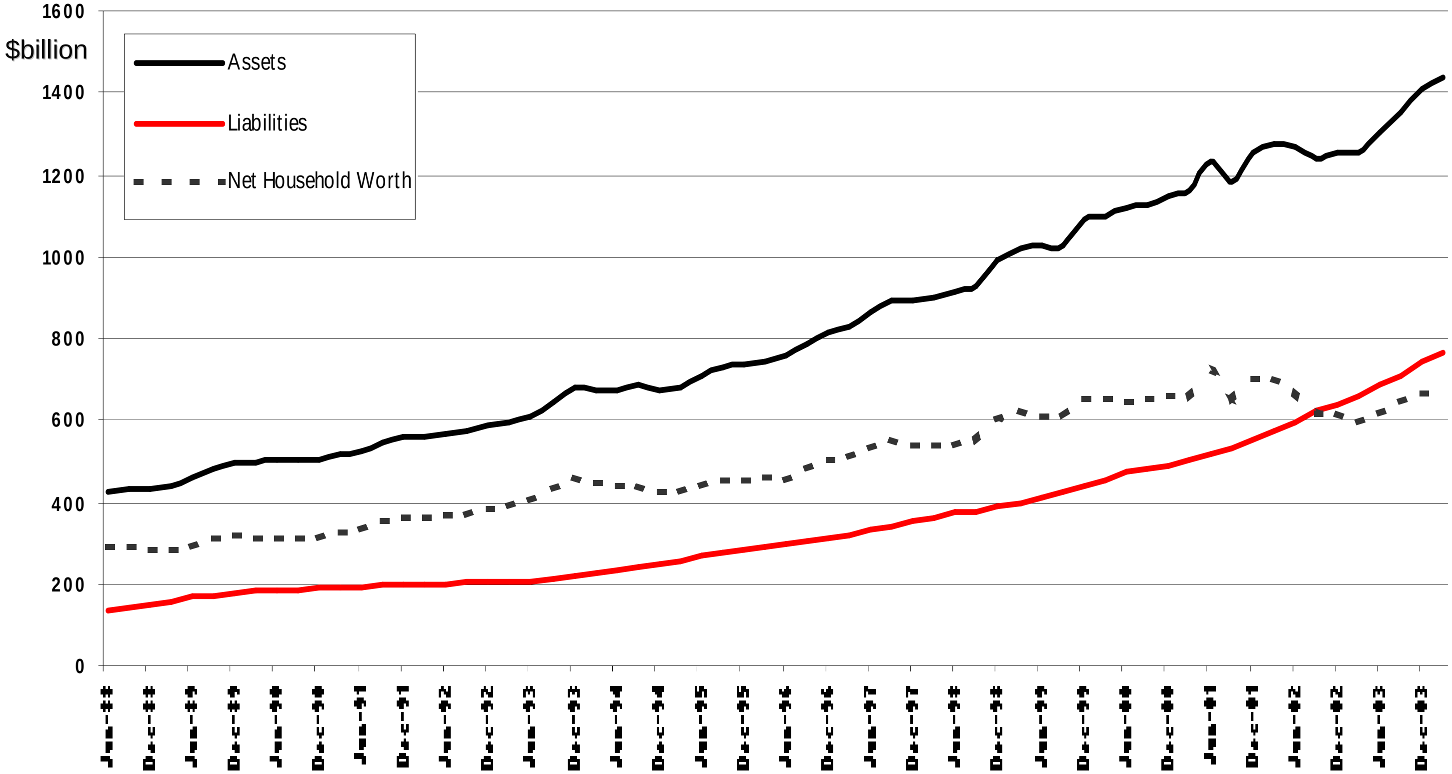
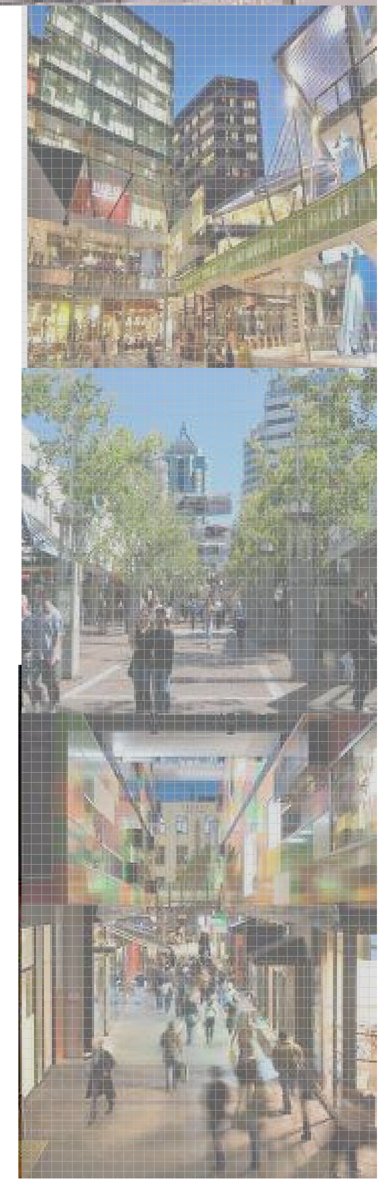
Australian Demographic Fundamentals

Household Wealth



Household wealth has doubled over the past 15 years



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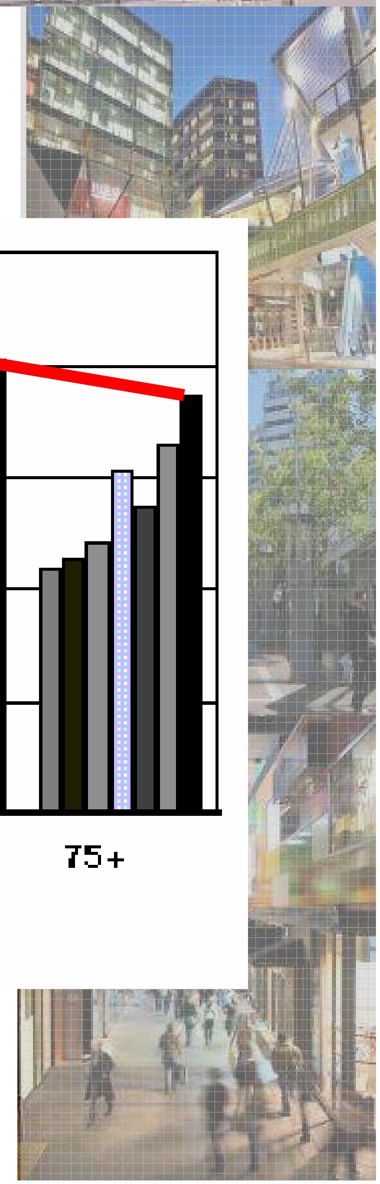
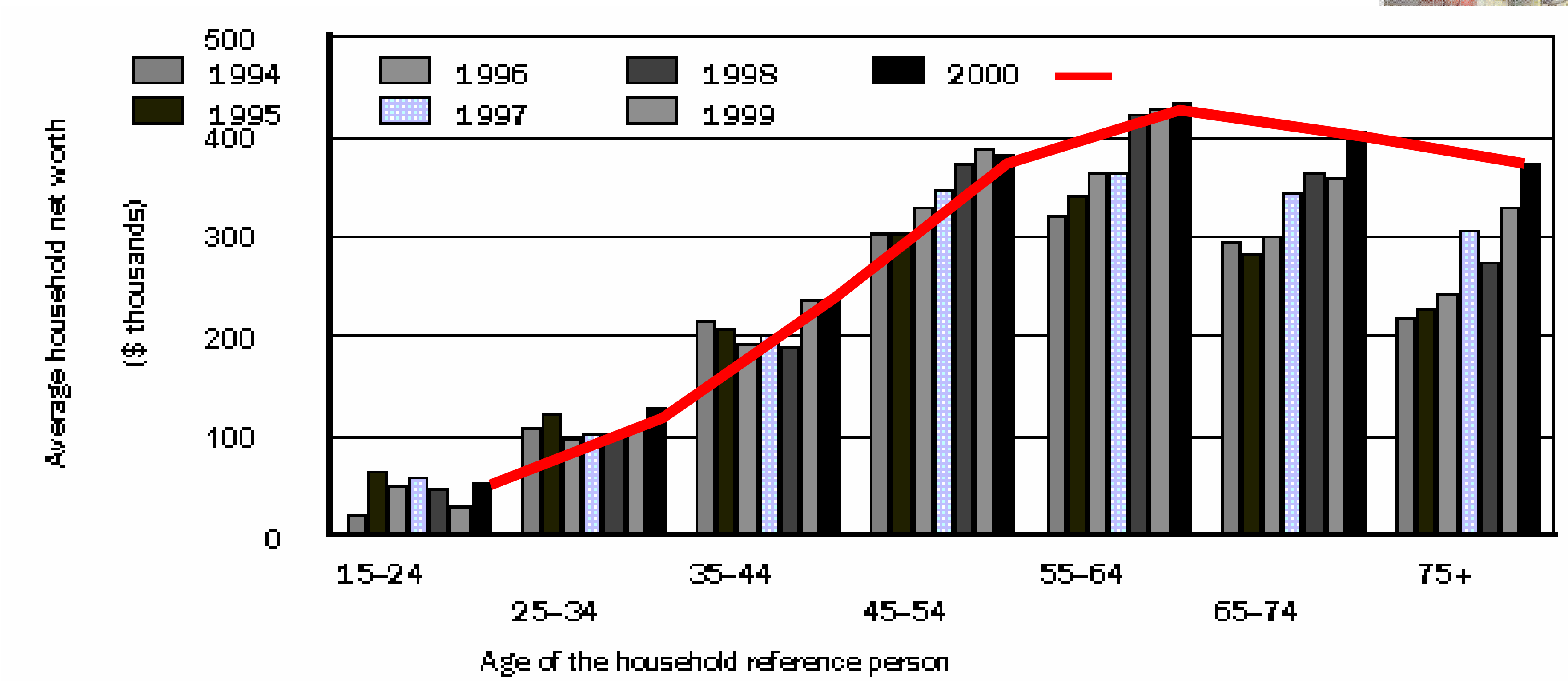


Australian Demographic Fundamentals

Average Household Net Worth by Age



Source: Age Matters, Issue 1, December 2002

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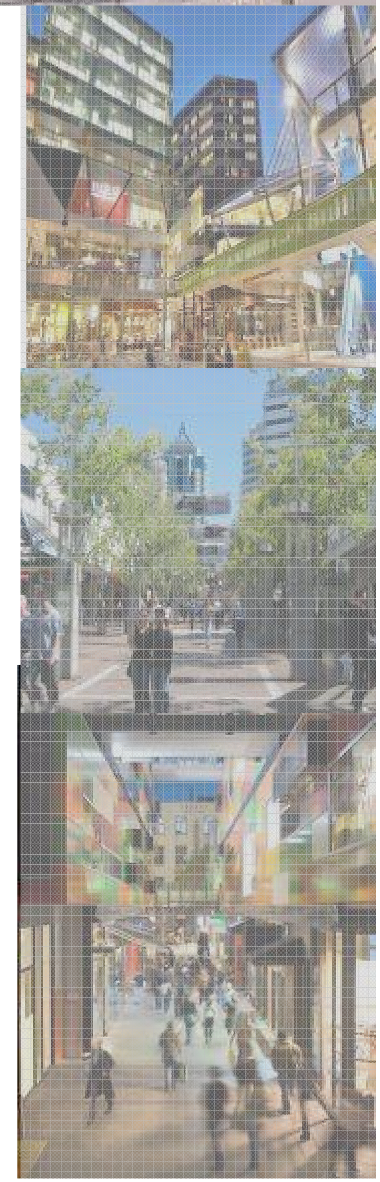
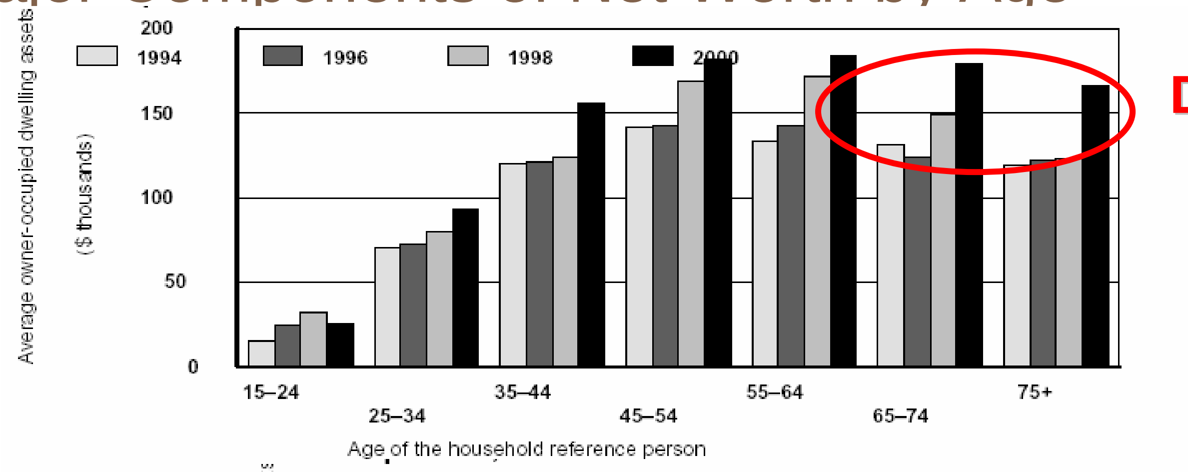
Australian Demographic Fundamentals

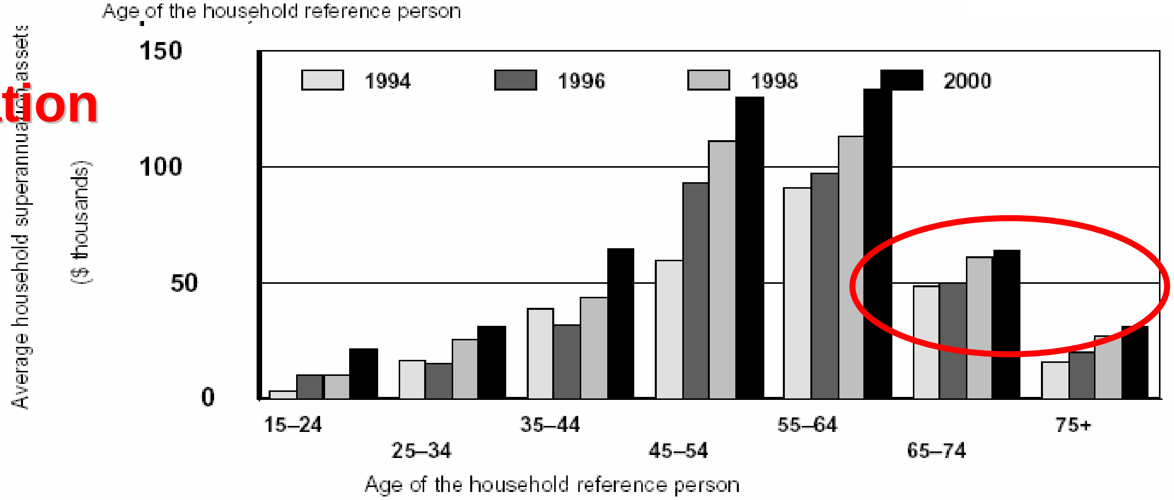
Major Components of Net Worth by Age





Dwelling Assets

Superannuation Assets



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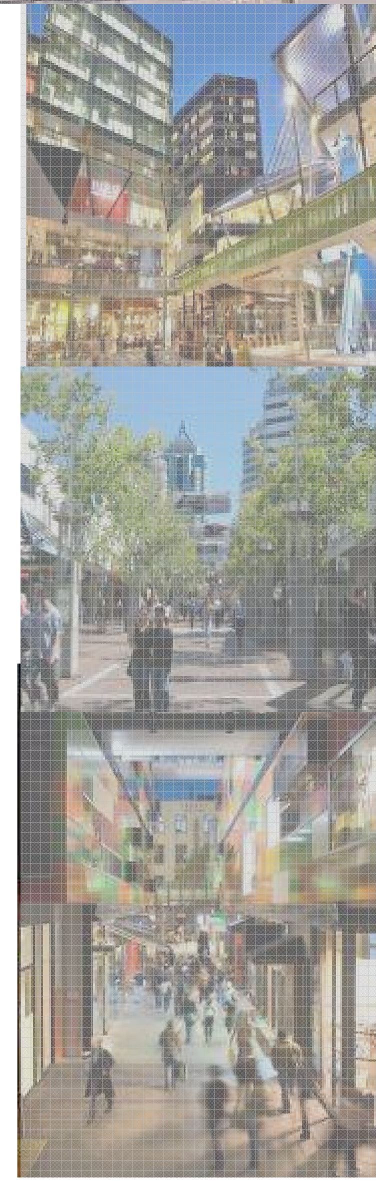
Source: Age Matters, Issue 1, December 2002

Australian Demographic Fundamentals

Net Wealth of Families



The least wealthy 40% of baby boomer parents appear to hold less than 7% of all wealth held by those aged 65+ years.

Inter-generational wealth no solution.

Table 2 Estimated net wealth of families headed by a person aged 65 or over by wealth quintile, 2002 (in 2002 dollars)

		Poorest 20%	Next 20%	Middle 20%	Next 20%	Richest 20%
Average	$	5,000	114,000	202,000	363,000	1,154,000
Proportion of Overall Total	%	0.3	6.2	11.0	19.7	62.9

Source: NATSEM simulations based on ABS 1997-98 Survey of Income and Housing Costs

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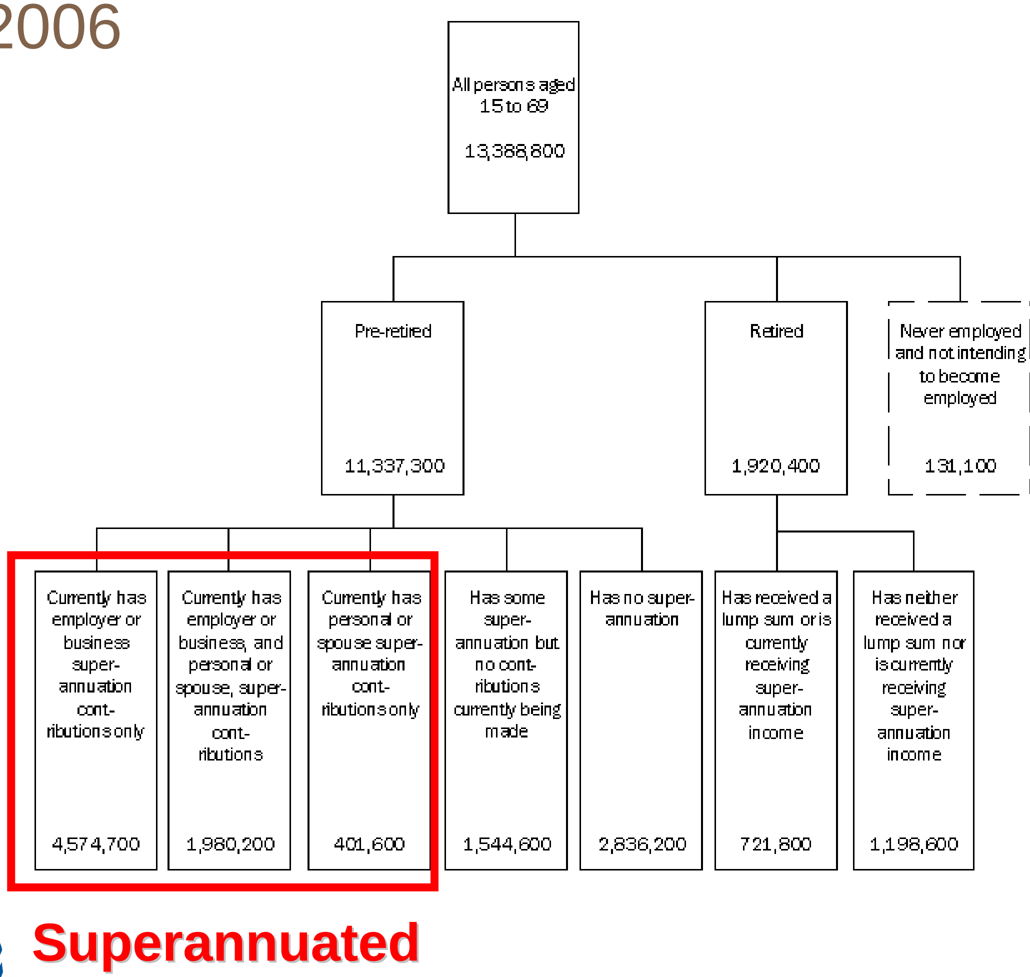
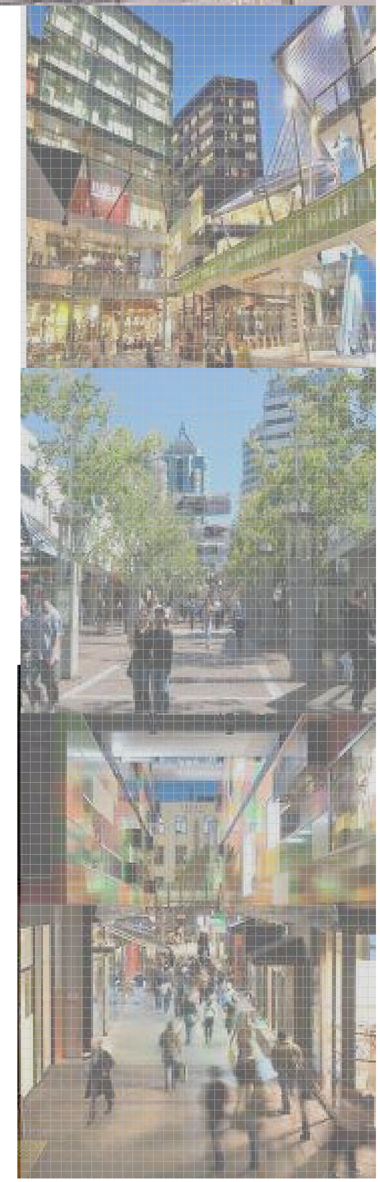
Australian Demographic Fundamentals
Superannuation 2006

= Partial solution e.g. part time/ casual employment

- **45% not superannuated.**
- **55% with super of which 70% with ‘full super’/ 30% with ‘asset’ but not on welfare or fully superannuated.**





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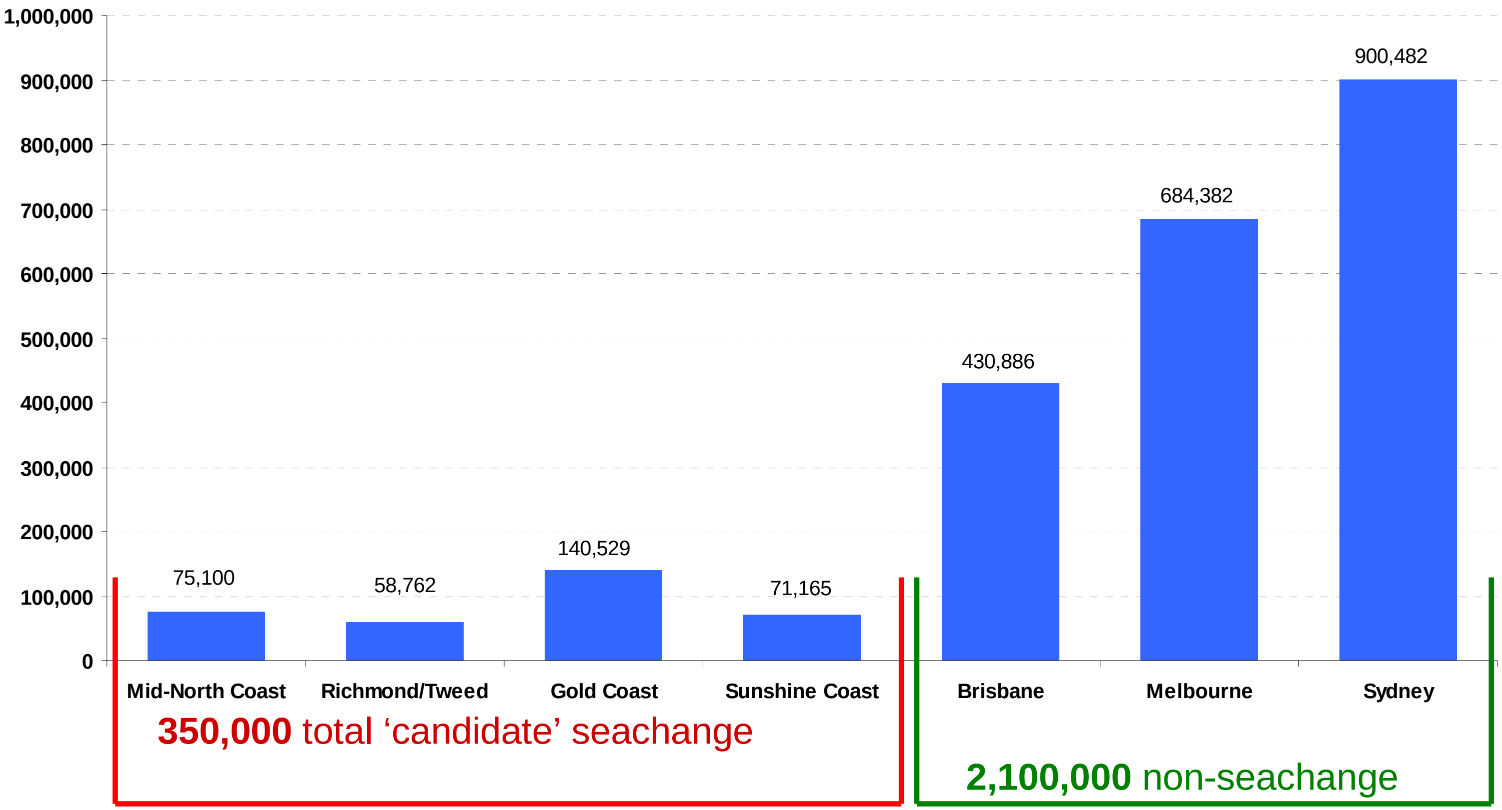
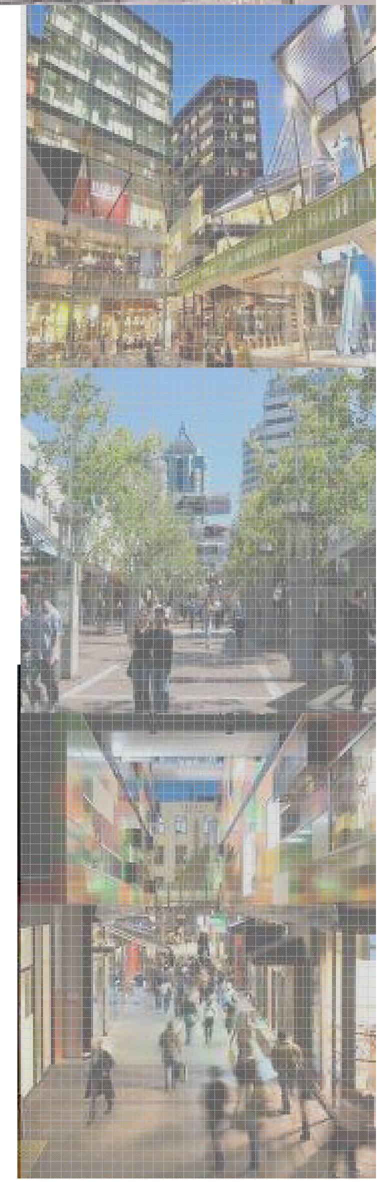
The Seachange Myth

…why let the truth get in the way of a good story…





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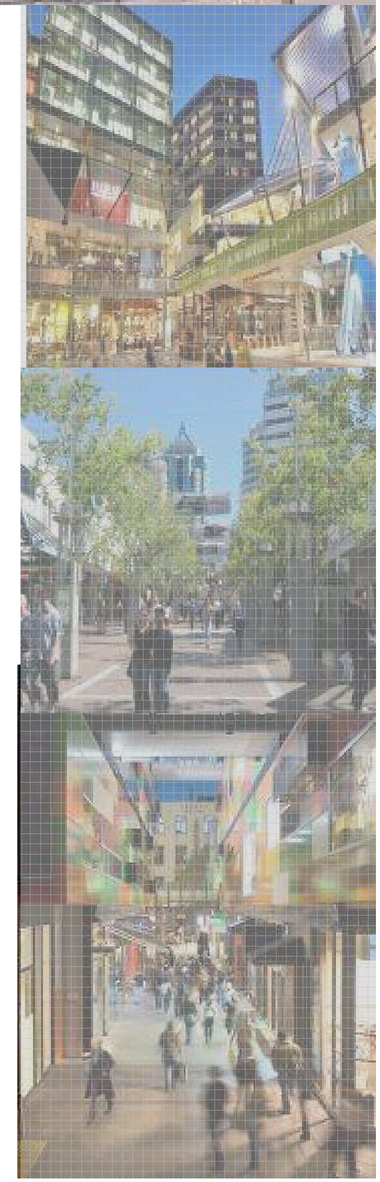
The Seachange Myth

…why let the truth get in the way of a good story…

- Coastal migration accounts for less than 20% of total internal migration

- Most coastal migrants are NOT Baby Boomers

- The Seachange romance tore Planning and Design thinking away from centres



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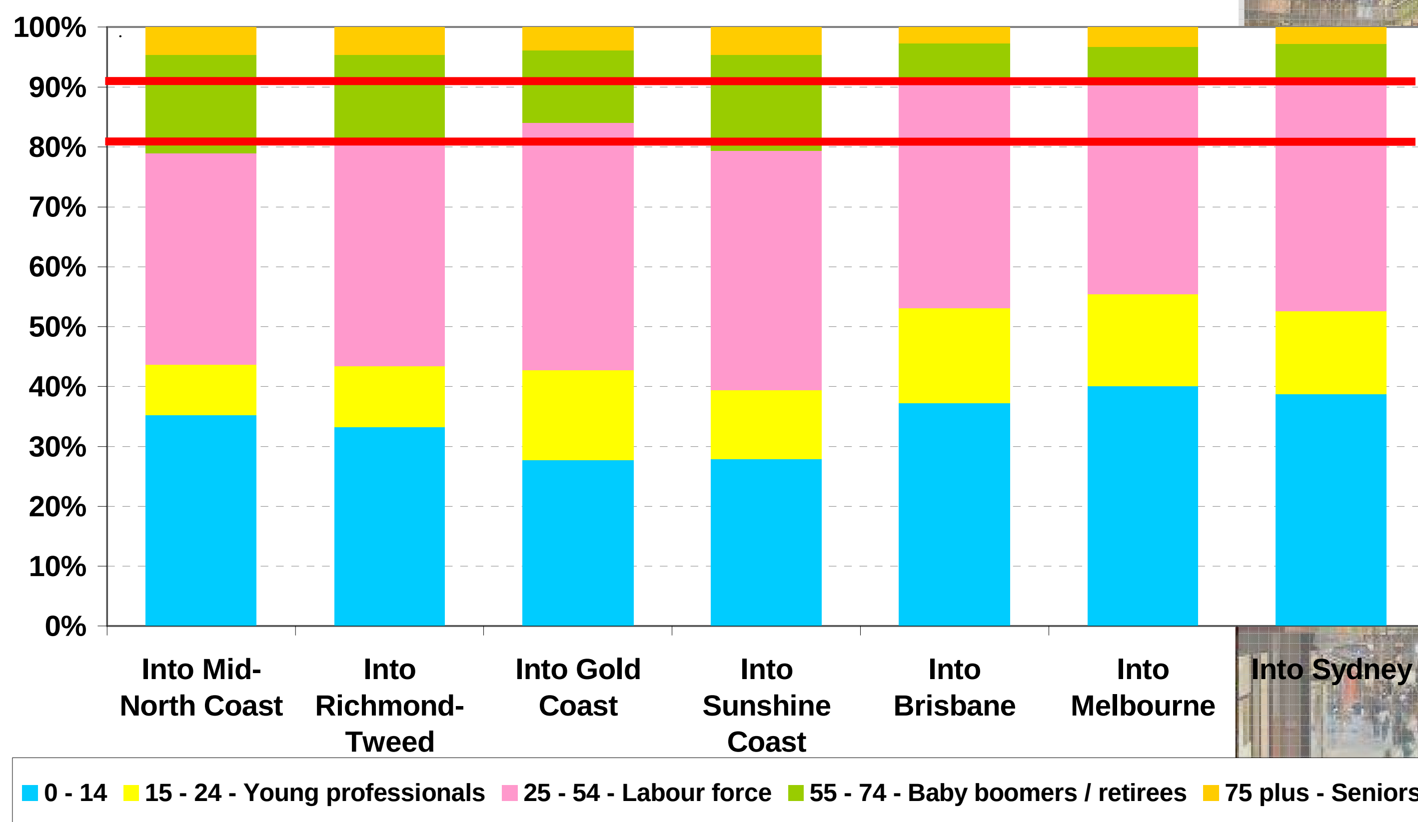
1996 – 2001 Intercensal Inward Migration
Breakdown by Age Cohorts

10% Actual Seachange

10% of 350,000

'35,000'

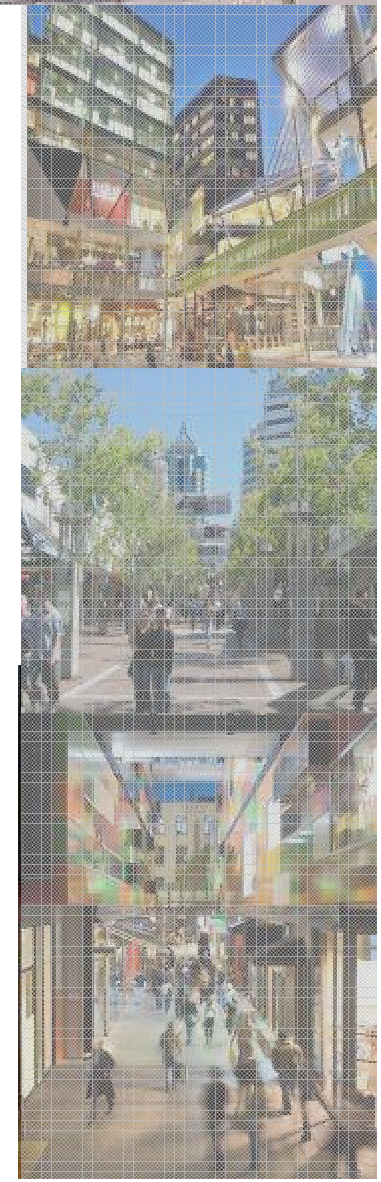


Why?

Conclusion: We have realised we are ‘kicking a dead whale’.

- Current ‘centres’ paradigm (s) cannot deliver
  - Euro Model - Public Transport / Density
  - US Model – Car based with Main Street

- Australian Capital Cities have some great examples but are ‘imploding’ under population, congestion and economic growth pressures



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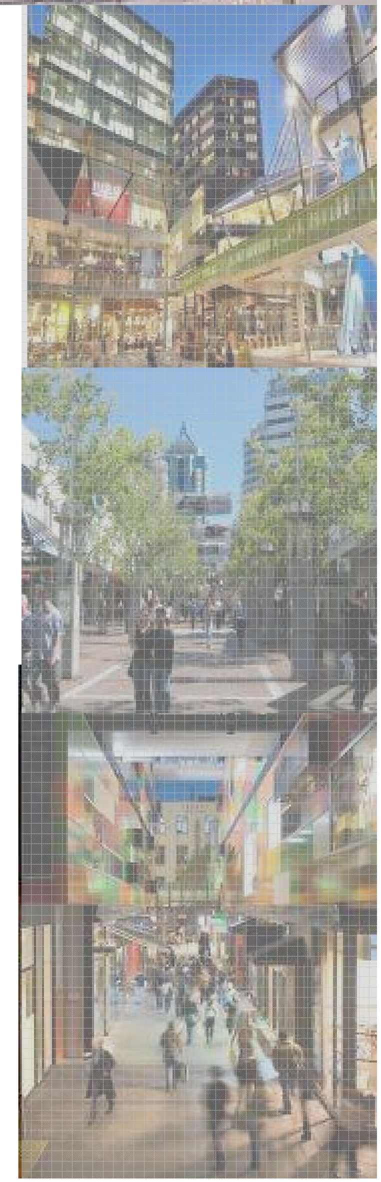
Why?

New ‘Centres’ thinking is urgently required for Taboo areas, for example:

- Mobile Home Parks
- Remote Areas
- Regional Centres
- Environmentally Sensitive Areas
- TOD’s
- Business Parks

As well as traditional CBD and suburban locations

But we actually need to jump the shark!



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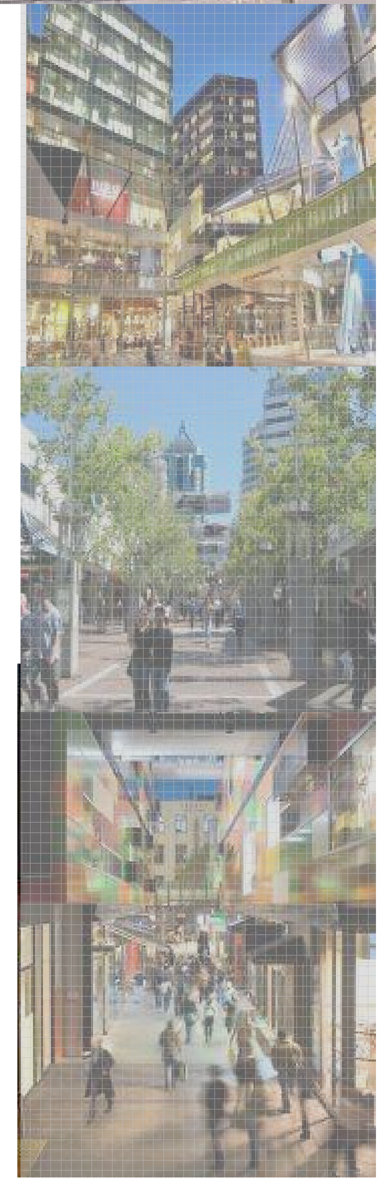

How?

Acceptance of the need to escape from the intellectual and conceptual desert.

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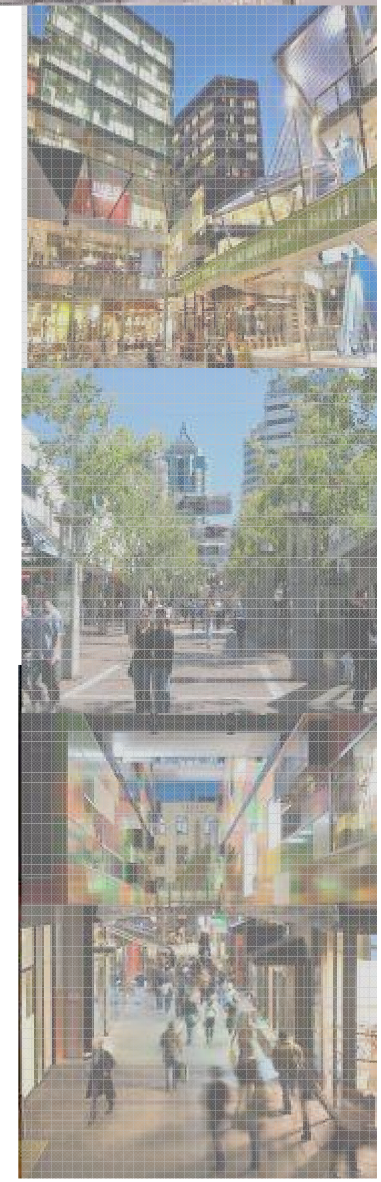
Shooting the puppy

Modern Eras of Human Settlement?

• 1900 - 1950	**Colonisation**
• 1950 - 2000	**Suburbanisation**
• 2000 - 2050	**Globalisation:**
• 2000 - 2025 (Growth Management)	Growth Boundaries, Housing Stress, De-Urbanisation, Coastalopolis and Mining
• 2025 - 2050 (Competing for Growth)	Re-Urbanisation, Major fragmentation & Emergence of Tropics



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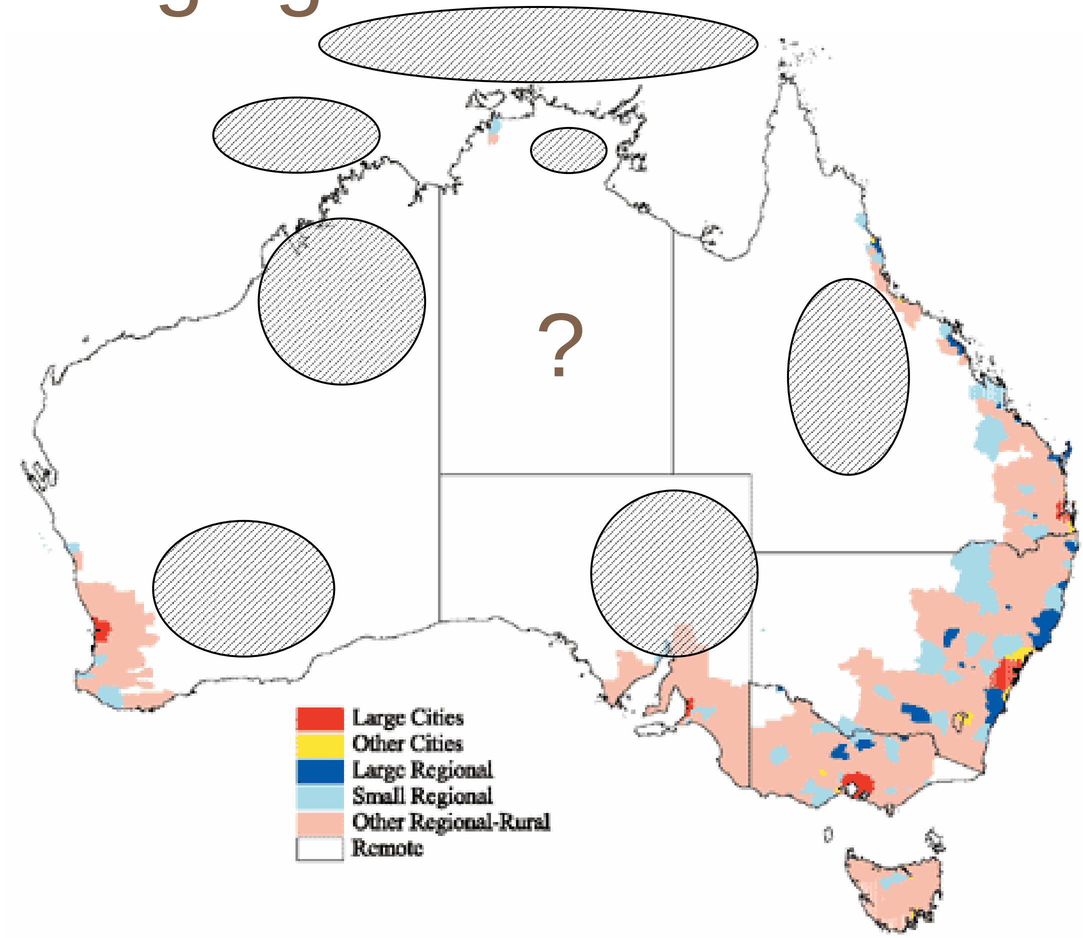
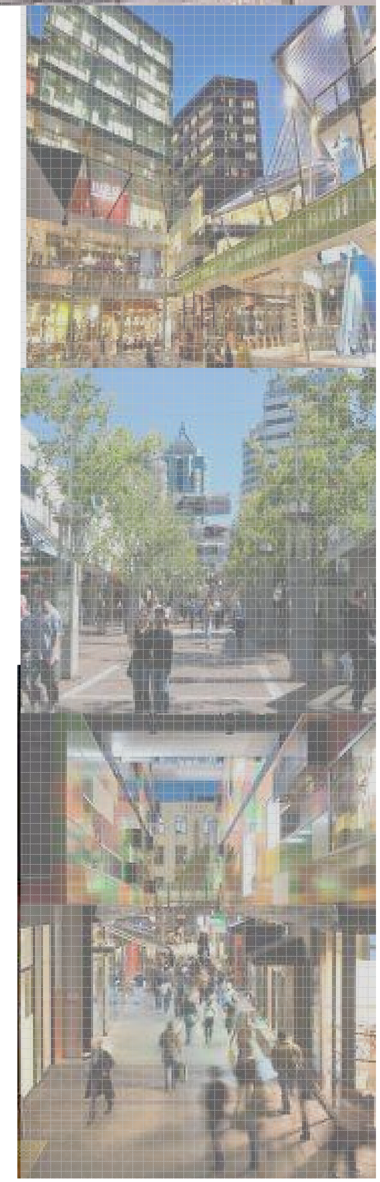
Challenging Terra Nullius





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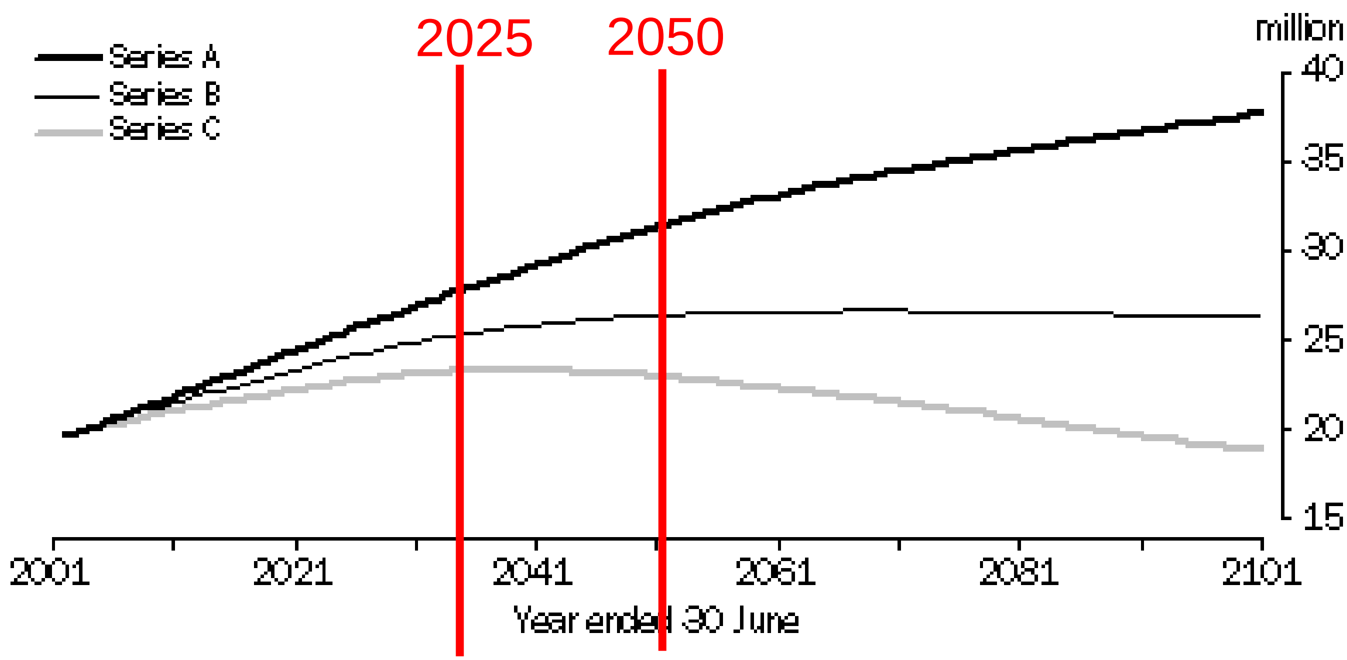
What have we done for Mabo?

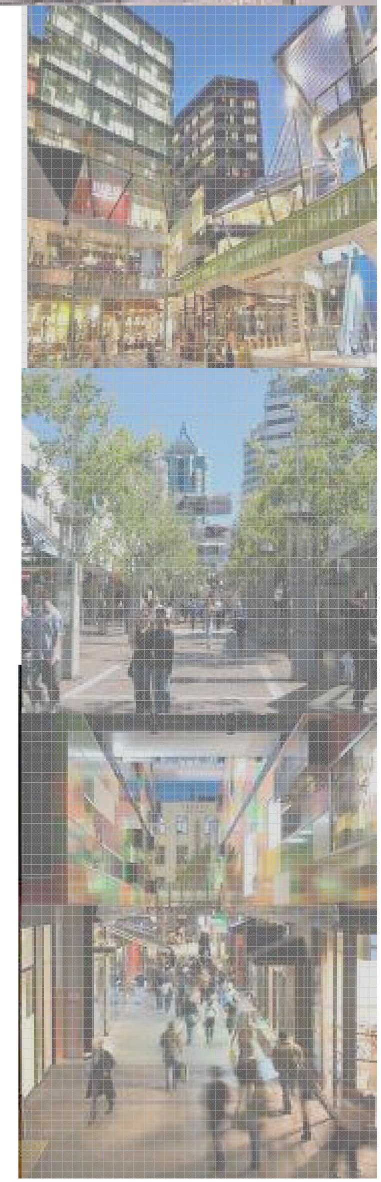
Challenging Populist Economists & Greenies

We are approaching slowdown

5.11 PROJECTED POPULATION



Source: Population Projections, Australia (3222.0).



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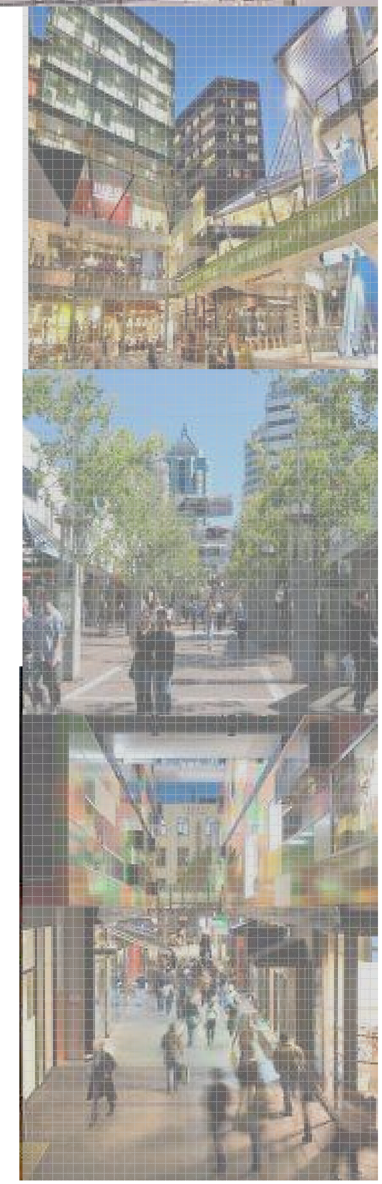
Challenging Populist Economists & Greenies

We are approaching slowdown



- New Tropical Global Capital?
- Australia's new coastalopolis vs. Inland / mining
- New market segments? Club 55 – 80?
- Emerging Demand Profiles / Wealth
- Climate Change – Halo Marketing?
- China Price – new labour market pressure
- Growth uncertainty (EDP, ENP) and intensifying coastal pressure versus poverty
- Globesity / Generation XXL
- Public Transport / Vampire Projects

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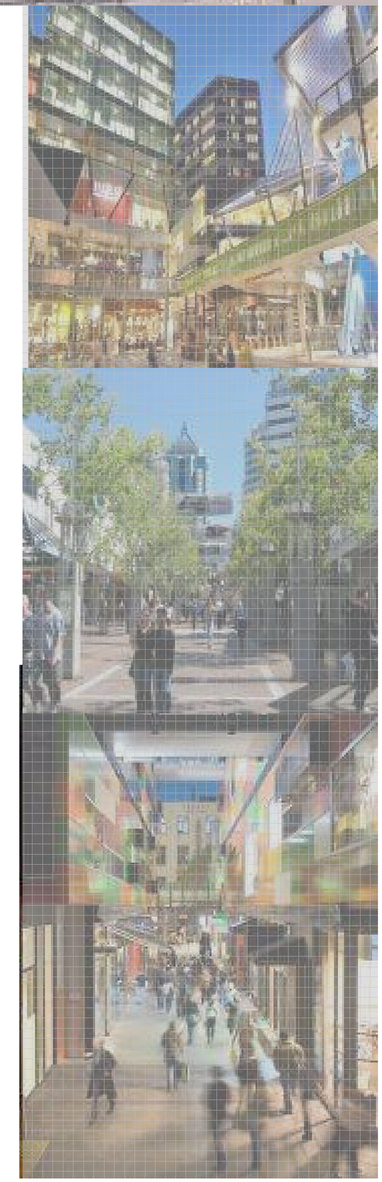
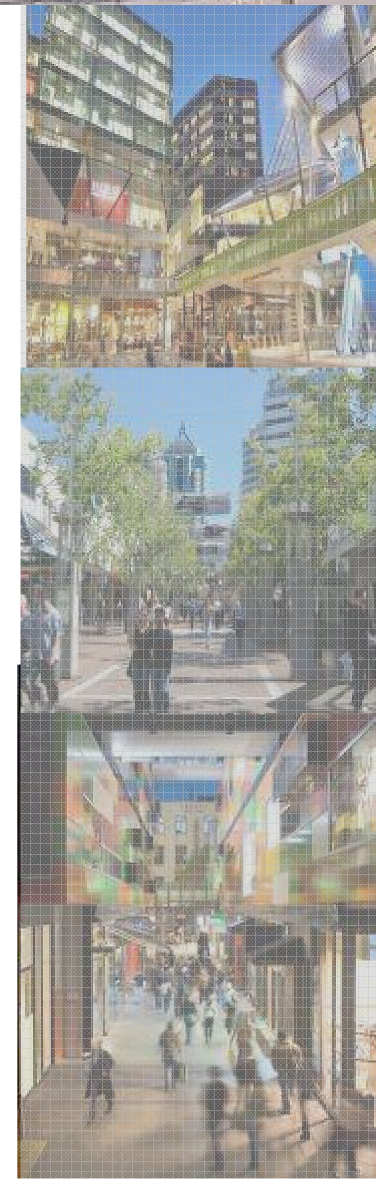
How: Confront Taboos

- All major centres should be open to the public 24/7.
- All new centres should make a major contribution to social infrastructure.
- The federal Government should fund mass transit.
- New approaches to infrastructure funding are necessary.
- More $ should be spent on public housing.
- More $ spent on public transport / transport interchanges / TODs
- The ‘China Price’ effect on labour demands low cost housing



How: Confront Taboos

- Ageing and mature age poverty urgently require a housing solution
- New approaches to centres in remote areas are urgently required
- New regional centres
- New low cost fringe centres are essential



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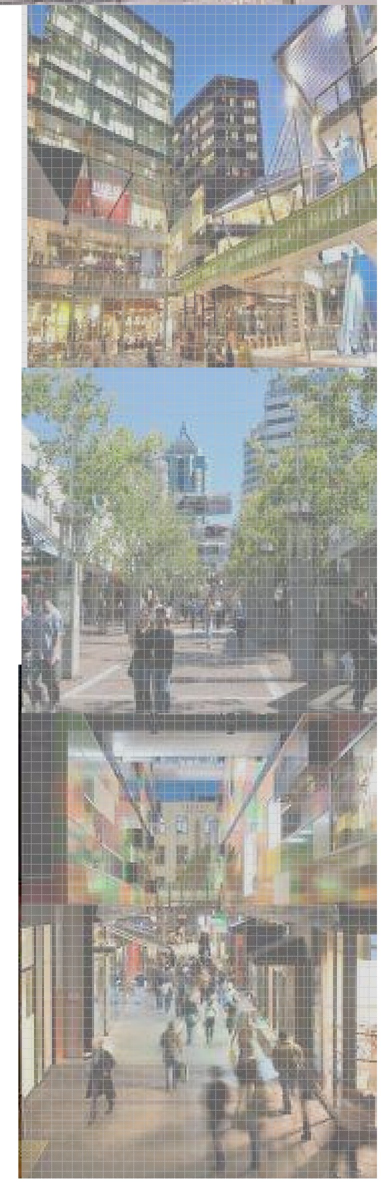
How: Conclusion

The ‘Centres Constellation’ requires:

- New conceptual machinery
- Outside the tent debate
- New Corporate DNA
- Discussing & Highlighting Taboos
- Creating / Forcing new regulatory regimes
- No political patronage



Australia has the need and the ability to lead the profession internationally

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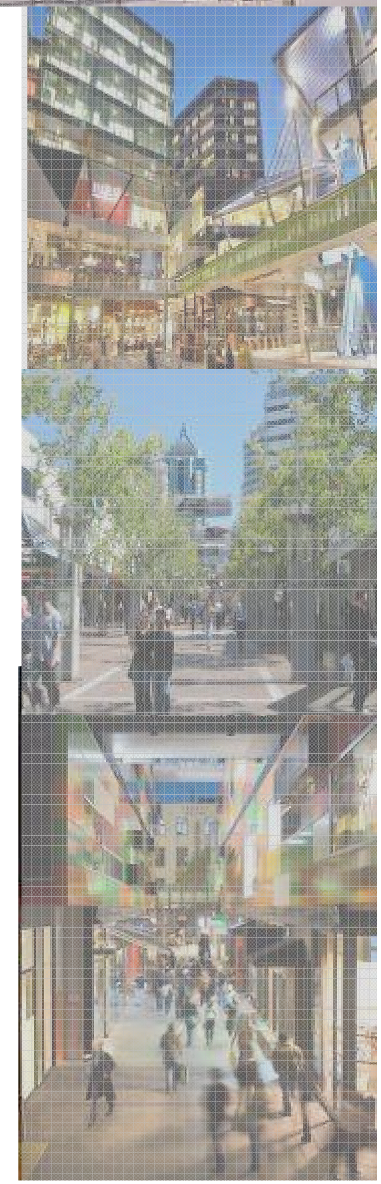
Part Two:

Cost Benefit Analysis

Informing leading edge centres & centre design:
Late 20th Century



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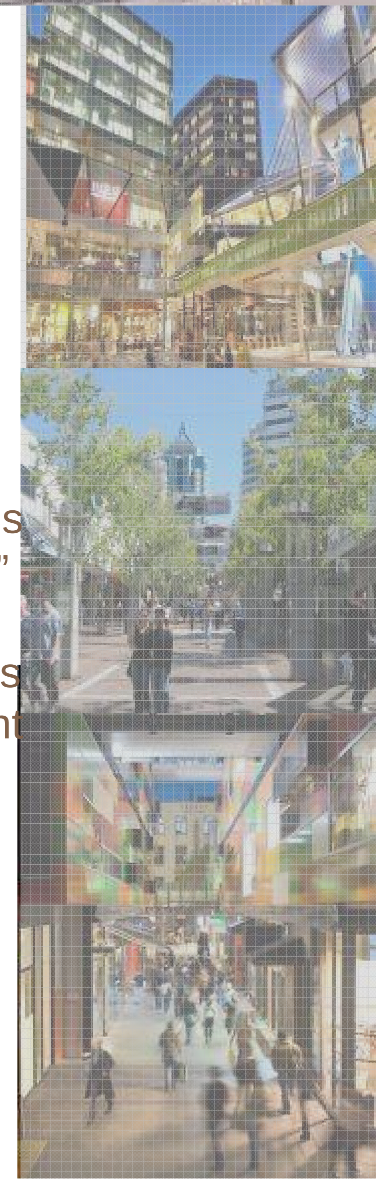
Economic Indicators

	Economic Benefits	Social Benefits
Efficiency	Population density	Safety levels
Cost reduction/ Avoidance	Public infrastructure usage	Security levels
	Energy usage	Noise levels
	Maintenance	Pollution levels
	Waste levels	Environmental sustainability
	Public service usage	Community engagement
		Accommodate ageing persons
		Female participation as "safe"
Spatial/ Locational	Property Values	Increased synergies / linkages
Geographic impact	Construction/ investment	Urban character enhancement
	Sales	Investment certainty
	Critical mass	
	Land usage	



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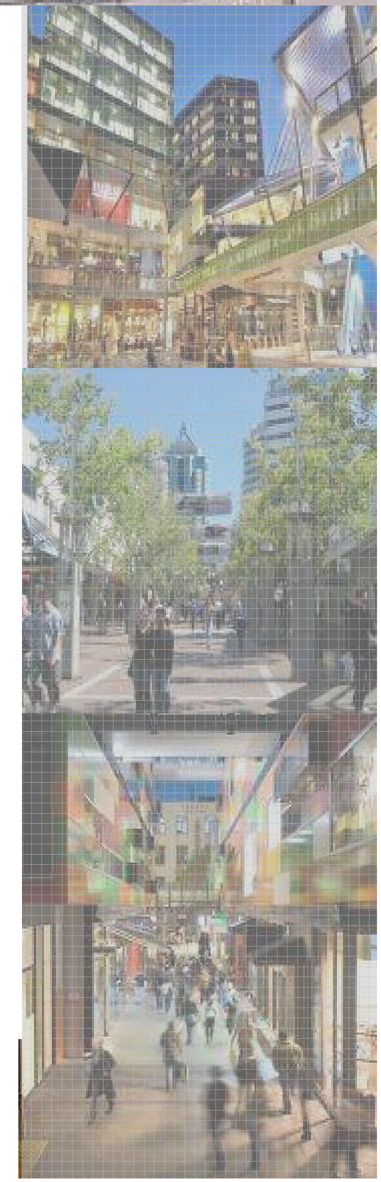
Economic Indicators

	Economic Benefits	Social Benefits
Activity levels	Visitation frequency	Increased access / movement levels
Multipliers	Total Visitation	Increased personal time
	Expenditure levels	
	Traffic movement	
	Increased productive time	
	decreased trip generation and length	
Sectoral		
Multipliers	Employment	Community development
	Sales/ volume/ output RTD	Increased diversity / culture
	Increased wealth levels Products	Increased employment profits
	Research and development multipliers	



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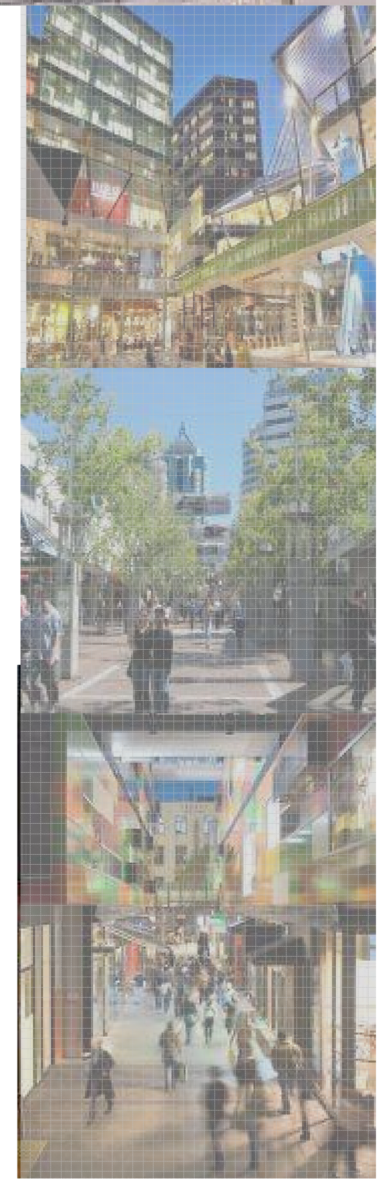
Benefit Cost Ratio Outcomes

Area	Benefit/Cost Ratio	Case Studies
CBD	3.0 – 4.75	3 case studies
REGIONAL	2.0 – 4.0	10 case studies
LOCAL	1.5 – 2.5	20 case studies
BCR > 2.0 Better than most Road Projects		



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TOD Criteria

TOD Principles

Economic

- Maximum leverage of private investment
- Max usage of PT usage per $ invested
- Max employment
- Minimise deliverability risk

Environmental

- Change travel behaviour
- Maximise PT uses
- Max TOD effectiveness
- Max land use efficiency

Social

- Create sense of place
- Create self-containment lifestyle
- Neighbourhood integration

TOD Criteria

Economic

- %land area for cars
- %private invest/total
- Delivery/staging
- Employ in TOD destination
- Jobs/m2 for employment
- Financial return

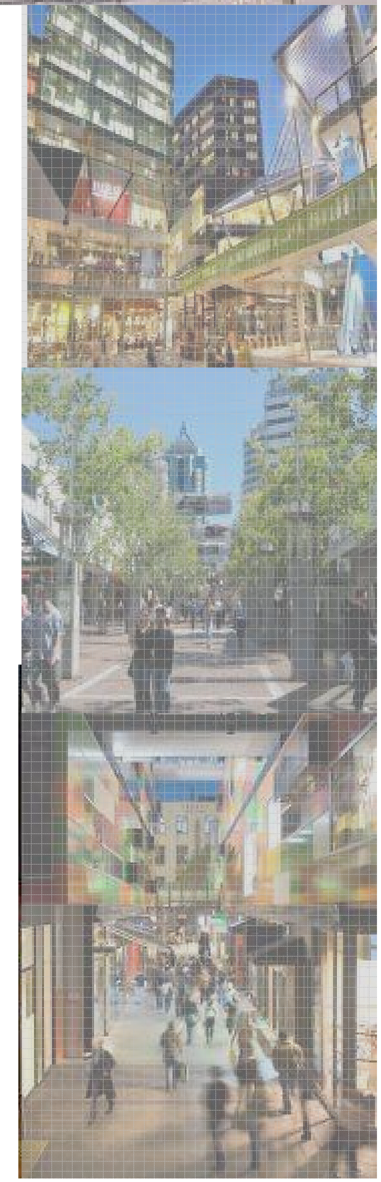
Environmental

- % intermodal use
- Land use efficiency ratio
- % non vehicle trips
- Design/subtropical
- %use of PT

Social

Activity level

- Persons/vehicles
- Working & resident pop.
- Max walkable catchment
- Visitations level
- Level of 18/7 activity
- Housing diversity mix
- Vehicles/household



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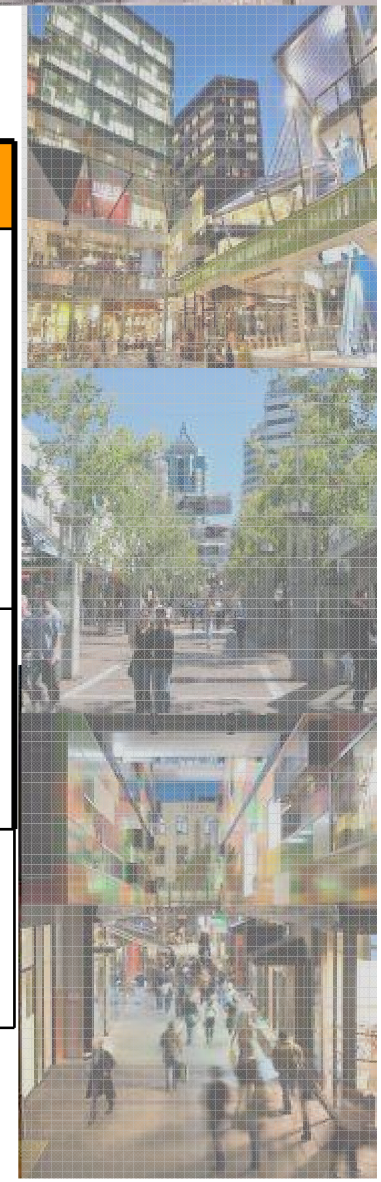
TOD Hierarchy

TYPE	KEY OBJECTIVES	EXAMPLES
CBD (Economic Development and patronage)	Jobs	**Existing:** Sydney CBD (QVB/Galleries) Melbourne CBD (QV)/Melbourne Brisbane (Queen Str and Roma Str), **Parramatta** **Proposed:** Perth (Williams Street) Qld – Maroochydore, Caloundra, Coomera
REGIONAL (Patronage)	Housing density and jobs	**Existing/Under construction:** Rouse Hill Regional Centre, **Chatswood** Homebush **Proposed:** Varsity Lakes
LOCAL (Behavioural)	Lifestyle (urban development – live, play and work)	**Existing:** **Subiaco,** St Mary's (Sydney) **Proposed:** Edmondson Park and Leppington



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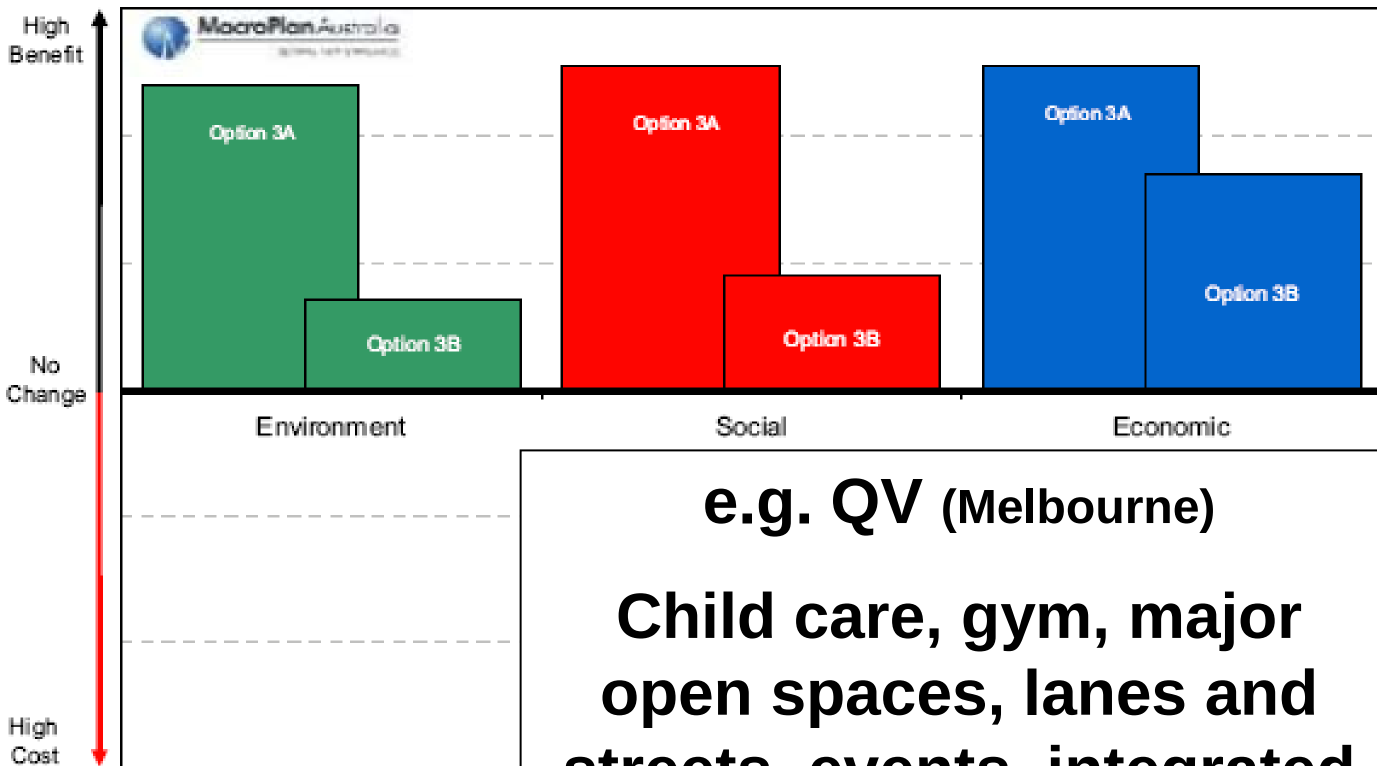
TBL Assessment of TODs



e.g. QV (Melbourne)

Child care, gym, major open spaces, lanes and streets, events, integrated lift wells, 24 hr passive surveillance

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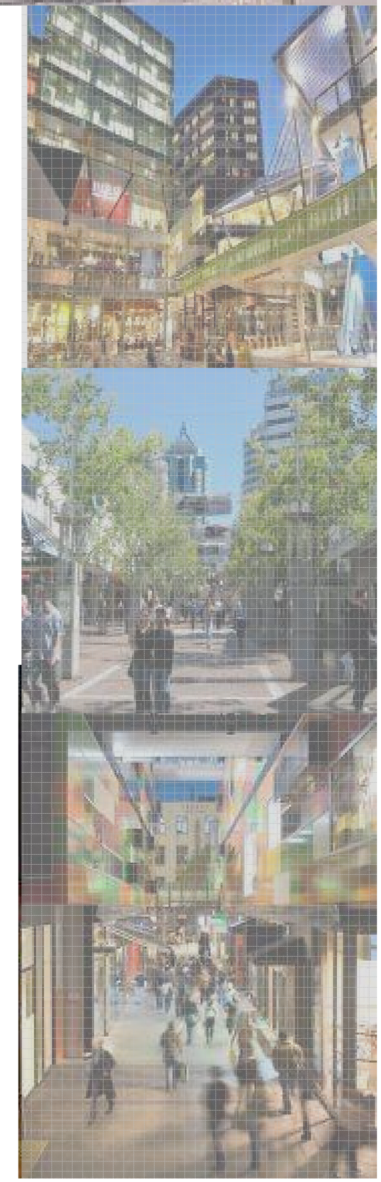

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2008 NATIONAL CONGRESS OF THE AUSTRALIAN COUNCIL FOR NEW URBANISM

6th – 9th February, 2008