

2018-19 UDIA VICTORIA

ADVOCACY AGENDA

Our
Homes



Our
Communities



Our
Economic Future

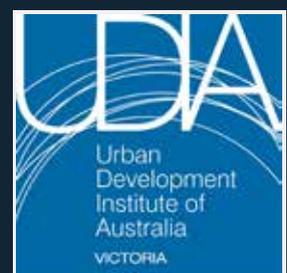


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INTRODUCTION

Over the next 12 months, housing affordability, population growth, investment certainty, planning efficiency, infrastructure provision and activating the tax system will be key areas demanding government and industry attention.

The 2018-19 UDIA Victoria Advocacy Agenda addresses each of these areas, relating them to three core pillars that touch the lives of every Victorian.

Our homes, which are the foundation of how we lead our lives and a primary contributor to the financial pressures affecting Victorians each day.

Our communities, which are changing rapidly, presenting new opportunities and challenges for current and future generations.

Our economic future, which is reliant on the property industry to fund and build the projects that continue to underpin Victoria's liveability, economic growth and jobs pipeline.

The Advocacy Agenda outlines how UDIA Victoria is championing the needs of the urban development industry, who are working overtime to deliver the homes, jobs, infrastructure, services and amenities required now, and well into the future.

It describes how we are actively fostering purposeful partnerships and facilitating solution-based policy outcomes that will support the state, as we continue working with government and industry stakeholders to deliver on UDIA Victoria's advocacy priorities.

UDIA Victoria is actively leading policy reform. We're hopeful that with cross-sectoral and government collaboration, the urban development industry can build upon past successes and further enhance our ability to drive meaningful change that will advance the homes, communities, and economic future for all Victorians.

DANNI ADDISON

Chief Executive Officer

Urban Development Institute of Australia,
Victorian Division



OUR HOMES

Whether you are a renter, buyer or owner, **our homes** are a main contributor to the cost of living pressures affecting an increasing number of households across the state.

Increasing the supply of new housing to meet current and future demand is the necessary solution to our affordability crisis, but to do that we must embrace new opportunities for innovation and modernisation, and address the key factors hindering the delivery and production of new homes.



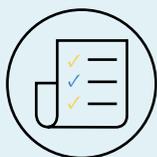
ADVOCACY AGENDA



Ensure policy and planning decisions prioritise housing affordability by facilitating, rather than hindering development.

- Establish housing targets by municipality; based on growth forecasts and capacity to deliver housing in areas that are well serviced by existing infrastructure and services; to ensure local government is fulfilling its responsibility to accommodate population growth and ease affordability pressures.
- Commit to genuine certainty across the planning system to reduce the cost and risk of producing new housing.
- Set greenfield land supply targets based on available trading stock, as well as zoned land supply, to establish a healthy minimum of 90 days available trading stock.
- Prioritise the delivery of a pipeline of key urban renewal sites to unlock new housing opportunities.
- Ensure policy effectively recognises market sensitivities in regional areas so as not to dissuade decentralisation.

OUR HOMES



Modernise the planning system so it can drive the efficient and cost-effective delivery of new housing.

- Introduce equitable timeframes enforced by financial penalties for responsible and referral authorities driving unreasonable delays in the land delivery process.
- Develop and implement a third-party certification system to alleviate pressure on responsible and referral authorities.
- Make dual-occupancy permits and low-rise permits assessable by the planning code to reduce unnecessary red tape for simple projects.
- Introduce a priority post-Precinct Structure Planning dispute resolution process in the Victorian Civil and Administrative Tribunal to reduce time and cost that stalls productivity and contributes to the end price of housing.
- Amend the Planning and Environment Act 1987 to refine the ability of Parliament to revoke decisions of the Planning Minister in all but the most unjust scenarios.
- Fully digitise the planning system to embrace innovation and technology.
- Empower the Victorian Planning Authority with greater funding and decision-making capability across all development settings.



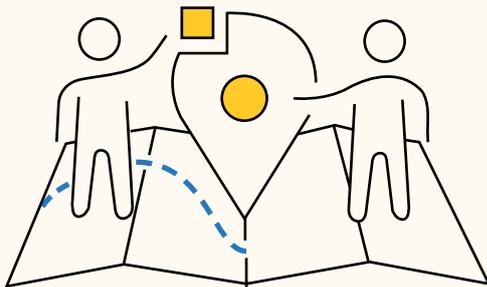
Encourage more homes and more housing options to accommodate the growing population and unlock opportunities for renters and first home buyers.

- Accurately plan to meet housing demand through improved population and demographics data and forecasting.
- Reward local government areas that fulfil their responsibility to accommodate population growth with increased funding towards infrastructure and amenities.
- Ensure the right mechanisms are in place to see meaningful and equitable delivery of affordable housing.
- Foster purposeful partnerships to support housing solutions for lower income Victorians.
- Remove inconsistency from the Garden Area Requirement in the Residential Zones.
- Rationalise heavy regulation of native vegetation clearing and bushfire management.
- Encourage investment in new housing supply and rental stock.

OUR COMMUNITIES

Our communities are growing faster than expected, placing pressure on our existing infrastructure and compromising Victoria's liveability. This is not the result of growth in itself but rather a symptom of poor planning and lagging infrastructure provision.

Fortunately, the Victorian economy is in a strong position supported by our increasing population and a robust development sector. We can get back on track for our communities through strategic planning and the proactive, cost-effective delivery of infrastructure.



ADVOCACY AGENDA



Speed up infrastructure delivery to ensure infrastructure stops lagging population settlement.

- Establish a strategic pipeline of priority infrastructure projects for each of Victoria's housing markets - infill, greenfield and regional - detailing cost, benefit, timing and funding.
- Seek 'City Deal' funding for Melbourne's growth areas by presenting a coordinated, aggregated funding model for infrastructure.
- Know what it costs to deliver infrastructure to urban renewal communities versus growth area communities to ensure planning for growth is based on accurate data.
- Empower the Victorian Planning Authority to plan, manage and deliver infrastructure investment to support new communities in greenfield and urban renewal settings through proper long term funding commitments.

OUR COMMUNITIES



Keep a lid on development costs by delivering the most cost-effective value to our communities and the state, particularly in the context of rising house prices.

- Introduce a special purpose list at the Victorian Civil and Administrative Tribunal to deal with post-planning disputes relating to infrastructure cost, scope and provision.
- Rationalise and contain charges imposed through Infrastructure Contribution Plans in order to minimise upward pressure on house prices.
- Be clear with the development industry with respect to infrastructure contributions required in urban renewal areas and strategic development sites, so that the commercial outcomes of projects are not compromised by the delayed introduction of high charges.
- Introduce purposeful regulation enforced by financial penalties for responsible and referral authorities driving unreasonable delays that stall productivity and increase the end price of housing.



Invest in capacity-building infrastructure to create broader connectivity and increase Victoria's livability.

- Rebuild Victoria's reputation as an attractive investment destination by committing to greater certainty of government decision-making.
- Prioritise city-shaping infrastructure investment through major road projects such as the West Gate Tunnel and East West Link.
- Unlock the employment capacity of Melbourne's outer suburbs through investment in enabling infrastructure such as roads and trunk services.
- Commit to solid timeframes for the delivery of community infrastructure such as schools and childcare services being planned in our newest communities.
- Work with the development industry in a commercially feasible way to bring forward infrastructure delivery and services for our communities as they grow, not after.

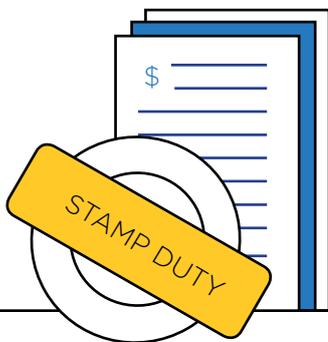


OUR ECONOMIC FUTURE



Our economic future relies on the ability of local, national and international businesses to confidently commit to projects.

With approximately 47 per cent of Victoria's tax income derived from property, our industry is without a doubt the most fundamental plank of our economic future. We must maintain healthy business conditions that enable industry to fund and build the projects that will continue to underpin Victoria's liveability, economic growth and jobs pipeline.



ADVOCACY AGENDA



Protect Victoria as an investment destination, enabling the property sector to commit to the projects that will improve the state.

- Formally engage with the international community of urban developers through UDIA Victoria's Global Unit and create meaningful relationships with the Asian development community in particular.
- Commit to greater certainty in decision making within the planning system.
- Be clear and consistent with planning controls for urban renewal areas before they are activated.
- Encourage and promote the success of innovative proposals to attract investment to Victoria.

OUR ECONOMIC FUTURE



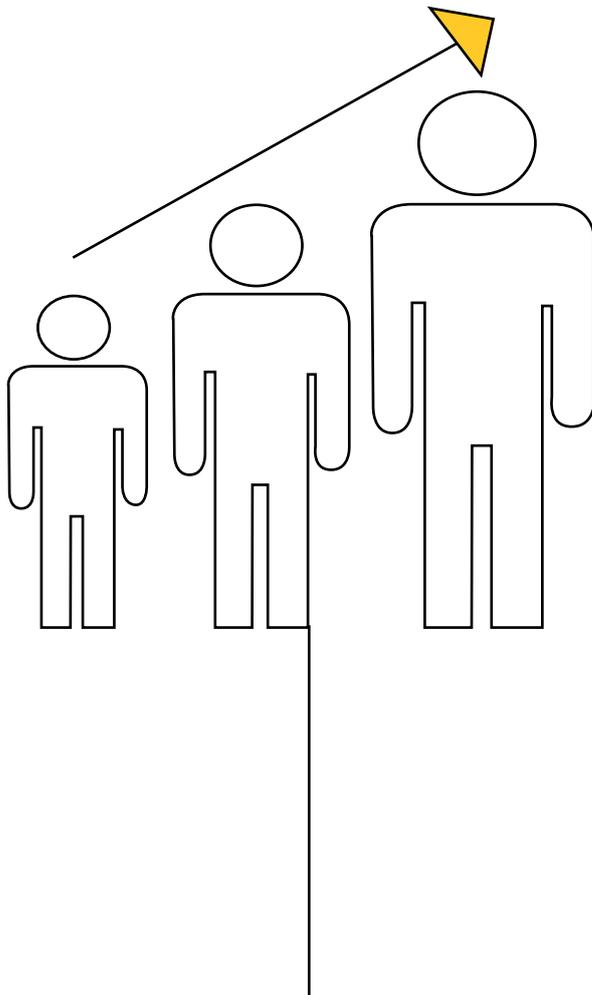
Accurately forecast and **future-proof population growth**, recognising that it goes hand-in-hand with economic growth and jobs.

- Establish a Victorian Population and Demographics Data Centre with long term, secure funding, that underpins all government decision making around infrastructure investment and land use planning.
- Revise the population numbers underpinning Plan Melbourne and the Regional Growth Plans so that they are accurate and reliable as Victoria's key planning strategies.



Activate the tax system to recognise the role of property investors in creating new housing supply and providing rental stock at a time when Victorians need it most.

- Encourage investment in new housing supply and rental stock by re-introducing the stamp duty concessions for investors that were removed under the Homes for Victorians strategy.
- Introduce a broad-based land tax and replace inefficient taxes that act as a barrier to property transactions.
- Address impediments to new housing asset models such as Build to Rent.
- Reform the state tax system to stimulate activity in the urban development sector.



2018–20 COMMITTEE STRUCTURE

UDIA Victoria's Committee Structure gives our members the opportunity to play an active role in driving positive policy and advocacy outcomes for the broader urban development sector. The Committees activate expert knowledge from across the UDIA Victoria membership and capture industry views, enabling us to effectively advocate on behalf of the industry.

POLICY COMMITTEES

Planning Committee

Purpose: Drive reform and improvement of Victoria's planning system to facilitate development that meets housing, community and urban development needs.

Greenfield Development Committee

Purpose: Advocate for the timely and cost-effective provision of new housing, infrastructure and services to meet the needs of new communities in the greenfield areas.

Infill and Urban Renewal Committee

Purpose: Influence the responsible, timely and cost-effective development of urban renewal precincts and established areas, with a key focus on enhancing affordability and accessibility for current and future Victorians.

Innovation, Sustainability and Technology Committee

Purpose: Inspire the adoption of new technologies and innovations that will advance our communities and encourage sustainable urban development that generates positive economic, social and environmental outcomes.

Finance and Investment Committee

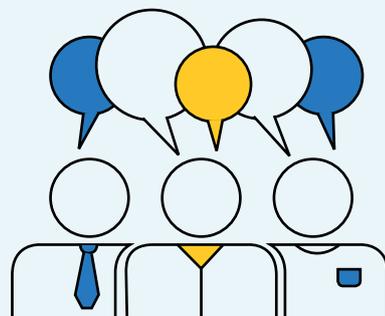
Purpose: Promote better access to finance from various funding streams through increased engagement with the financial sector, and advocate for regulatory and tax reform that will support a healthy housing market.

Regional: Bendigo Chapter (Northern Region)

Purpose: Influence the strategic direction and development outcomes within the northern region of regional Victoria, to ensure growth is appropriately planned for and managed.

Regional: Geelong Chapter (Barwon Region)

Purpose: Influence the strategic direction and development outcomes within the booming Barwon Region, to ensure growth is appropriately planned for and managed.



2018–20 COMMITTEE STRUCTURE

MEMBER ENGAGEMENT COMMITTEES

Leadership, Industry Workforce and Diversity Committee

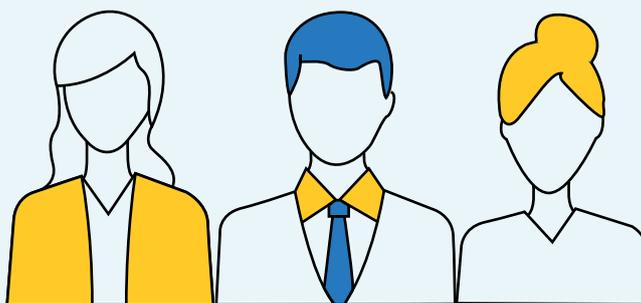
Purpose: Lead industry to embrace an evolving diversity agenda that requires cultural change, and broad and meaningful engagement with property sector participants.

Women in Property Committee

Purpose: Represent female professionals within the urban development industry and assist in promoting greater female engagement, participation and exposure across the industry through events, networking, mentoring and information.

Outlook Young Professionals Committee

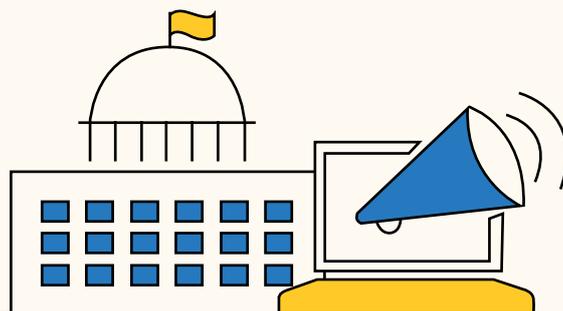
Purpose: Represent young professionals within the urban development industry and assist in promoting greater engagement, participation and exposure for young people through events, networking, mentoring and information.



2017–18 ADVOCACY HIGHLIGHTS

UDIA Victoria is an influential voice for the industry both publicly and privately, through consistent engagement with government, media, industry stakeholders and the broader community. We continue to collaborate and present evidence-based advice, solutions and submissions to policy-makers and have achieved a raft of advocacy wins on behalf of our membership across industry issues affecting Victorians.

- Launched the Residential Development Index (RDI), which **called out the oversupply myth** by highlighting to government, media and the general public the discrepancies in the housing demand and supply levels being forecast, planned for, and delivered. This has set the scene for **improved population growth forecasting** to establish a better evidence base for decision-making around government infrastructure investment and housing sector policy.
- **Bolstered the case against parliamentary revocations** of Planning Scheme Amendments with a widely distributed industry policy position and media release that were both read aloud and **referred to repeatedly in Parliamentary debate**.
- Participated in **Government's Smart Planning program** as a key member of the Smart Planning Advisory Group, which is driving meaningful progress in reforming the Victorian Planning Provisions that has already positively impacted over half of all permit applications.
- Loudly advocated for **planning certainty in Fishermans Bend directly with government decision makers** and through key private and public communications including a prominent opinion piece published in The Age.
- **Highlighted major inefficiencies in the post-PSP process** through a comprehensive submission and collection of case studies for State Government, leading to multiple key reforms currently underway.
- Engaged closely with State Government on industry issues with electricity distributors, which has led the Treasurer to **direct the Essential Services Commission to investigate the practices of electricity distribution businesses** that connect electricity to Victoria's new property developments.
- Provided solid input as a key member of government's Streamlining for Growth Working Group, which continues to drive several initiatives focused on **speeding up the delivery of greenfield projects**.



2017–18 ADVOCACY HIGHLIGHTS

- Supported industry's case to **increase the powers and influence of the Victorian Planning Authority (VPA)**. The Minister for Planning has now issued a direction that gives VPA's policy positions and views greater authority at VCAT and Panels in relation to Amendments the VPA has been directed to provide advice about.
- Submitted key issues for consideration by the Essential Services Commission through the **2018 Water Pricing Review**, driving amendments to reduce cost and uncertainty for the development industry.
- Engaged with government on the need for official **clarification of the Garden Area Requirements**, to minimise ambiguity and uncertainty for developers and responsible authorities.
- Worked closely with policy-makers on the development of the new **Infrastructure Contribution Plan system for regional Victoria**, following on from the system's implementation in the growth areas.
- Provided regular, direct and open advice to the **Treasurer, Planning Minister, Minister for Suburban Development, Victorian Planning Authority** and the **Department of Environment, Land, Water and Planning** on the **supply and demand factors** driving Victoria's housing market.
- Advocated for better governance, transparency and **spending of the Growth Areas Infrastructure Contribution (GAIC) fund**. Government has now committed over 58% of funds collected in 2016/17 (as of Dec 2017, with the assurance of significantly more to come by July 2018) with a renewed focus on longer term, significant growth area infrastructure projects.
- Worked with State Government to address issues with GAIC Works-in-Kind (WIK) agreements, which subsequently saw the **first GAIC WIK agreement announced** in 2017 after years of policy development and industry engagement.



2017–18 ADVOCACY HIGHLIGHTS

- Called for a **GAIC WIKs Working Group**, which has since been established by the VPA with UDIA Victoria as a key member to further address industry issues hindering the agreement process.
- Successfully advocated for the **removal of two of the three prescribed mandatory notification** stages for construction or alteration of buildings proposed in the regulatory impact statement for the Building Regulations Sunset Review.
- Supported the case for the allowance of some site-based information to supplement mapped information in the new **Native Vegetation rules**. The rules now offer the opportunity to demonstrate through ground-truthing that certain species do not exist in an area, therefore eliminating the offsetting requirement.



THANK YOU TO OUR MEMBERS

UDIA has a remarkably strong and influential voice in Victoria, thanks to the ongoing support and engagement of our valued members. We look forward to continuing this important work on their behalf and that of all Victorians throughout 2018-19.

PRINCIPLES FOR THE WAY AHEAD

These principles will guide UDIA Victoria as we continue on a journey of growth, and as we solidify our long term, sustainable position as the urban development industry's association of choice.

Leadership

Drive the thought leadership agenda and exercise tangible influence with government and other stakeholders

Influence

Be known as the pre-eminent expert organisation on housing and urban development

Knowledge

Be the go-to organisation for industry knowledge and business building insights

Loyalty

Possess a deeply loyal membership base as a result of consistently providing solid member services

Expertise and Innovation

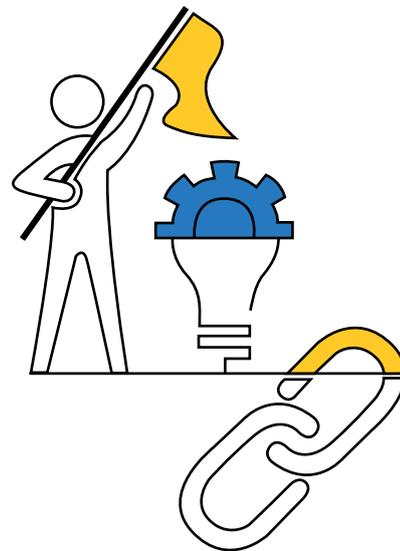
Offer innovative membership services that respond to the changing needs of our industry

Industry Success

Advance and support the industry in the public arena and facilitate industry recognition and promotion

Deeply Connected

Facilitate a fruitful business environment by connecting industry and government stakeholders





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