

Tuesday 14 March 2017



UDIA expresses mixed reactions to Plan Melbourne

The Urban Development Institute of Australia (UDIA) has expressed mixed reactions following the release of Plan Melbourne, the Victorian State Government’s strategy to guide the growth of our city for the next 35 years.

A key area of concern for the UDIA is the policy that says growth area development should be sequenced and staged to better link infrastructure delivery with land releases.

“Infrastructure in the growth areas is being delivered at a snail’s pace. Sequencing will essentially see land releases slow to that same pace. This means the places earmarked for growth and development will be put on the back-burner, which will have dire effects on housing affordability,” said Danni Addison, Victorian chief executive of the UDIA.

“It’s simply not responsible policy to introduce additional red tape in the areas that are best-equipped to accommodate Victoria’s growing population.

“Policy that restricts the development industry from delivering the homes that Melburnians want and need is counter-productive to the Victorian Government’s housing affordability objectives; it makes no sense.”

Another concern for UDIA is the value capture mechanism.

“If implemented incorrectly and without proper strategy and consultation, this will simply be a disguise for another tax on housing that will do nothing more than increase prices for new homebuyers.

“A true value capture model must only be applied when and where value is created through commitment and funding for new infrastructure,” said Ms Addison.

Other components of Plan Melbourne spell good news for the development sector, particularly the change that aims to increase supply and density in established and greenfield areas to accommodate growth without enforcing the mandatory 70/30 target that was proposed in the earlier iteration of Plan Melbourne.

“We commend the Government on recognising that planning policy must allow for the organic growth and flexibility that a diverse city like Melbourne will always require, which is why blunt targets such as the 70/30 rule would simply not work for affordability.

“Promoting housing choice and accessibility across Melbourne’s established and growing suburbs is critical to making sure our city remains livable and affordable for the whole community,” said Ms Addison.

UDIA has expressed support of increasing the percentage of new housing in established residential areas to support the creation of 20 minute neighbourhoods, however raises questions around implementation of the initiative.

UDIA (Victoria) Media Release



“An increased percentage of new housing in established residential areas sounds good in theory, but it will be up to local government to really deliver on this outcome. This must be measured and government authorities should be held accountable for delivering housing to support the 20 minute neighbourhood model.

“Government must appreciate the capacities of different residential areas and apply percentages accordingly – there is no one-size-fits-all approach,” said Ms Addison.

On 22 March 2017, UDIA is running an exclusive industry forum to brief the development sector on Plan Melbourne. For more information and to register for this must-attend event, [please click here](#).

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ABOUT

Urban Development Institute of Australia (UDIA)

The Urban Development Institute of Australia (UDIA) is a nationally recognised advocacy body that supports Australia's urban development industry. The UDIA informs and engages government, key policy makers, and industry members, **enabling better policy and better business decisions.**

With a primary focus on the residential property sector, UDIA's Victorian Division protects and promotes over 50,000 individuals from over 350 member companies across the state. UDIA members are property developers, consultants and a range of other professionals involved in producing, financing and marketing residential property.

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