

22 October 2017



## UDIA: How will Fishermans Bend infrastructure be paid for?

The Urban Development Institute of Australia (UDIA) welcomes the release of the Draft Fishermans Bend Framework, however the peak industry body harbours concerns over the absence of a revised infrastructure funding model.

The success of Fishermans Bend is dependent on the provision of transport, yet there's been no change to the funding model in the Framework to indicate how that transport will be paid for.

While UDIA commends the Government's willingness to provide flexibility through discretionary rather than mandatory height limits, it must be noted that the heights have been cut down significantly, which may put projects already underway in a compromised position and deter future development within the area.

Additionally, the prescribed floor area ratio (FAR) is considerably low. Developers may be able to achieve higher density than the relevant FAR if they provide certain public benefits such as public open space, community infrastructure or affordable housing. UDIA cautions the Government against the unintended consequences that could arise if the FAR remains too low. If developers have no choice but to engage in the floor area uplift scheme in order to make their projects feasible, a significant number may avoid developing in the precinct. Given the Framework's ambitious population targets, this scenario would threaten the success of Fishermans Bend.

The Framework encourages at least 12.5% of dwellings within a residential development over a certain height to be allocated to affordable housing. In encouraging a proportion of affordable housing, UDIA recommends State Government give greater consideration to how the costs associated with providing affordable housing can be offset. While the development industry accepts the need to have a role in providing affordable housing, it must not be at the cost of affordability of housing in the private market.

UDIA Victoria will work on its formal response to the Fishermans Bend Framework over the coming weeks; however the industry body notes it will be difficult to properly assess the Framework without details of how the infrastructure is to be funded.

-ENDS-

# UDIA Victoria Media Release



**ABOUT:** Urban Development Institute of Australia – Victorian Division

The Urban Development Institute of Australia (UDIA) is a nationally recognised body that advocates for Australia’s urban development industry. In Victoria, UDIA informs and engages government and industry members, **supporting and enabling better policy decisions**. With a primary focus on the residential property sector, UDIA protects and promotes over 320 member companies across Victoria including developers and a range of other professionals involved in producing, financing and marketing residential property.

**MEDIA CONTACT:** Hyatt Nidam

Advocacy and Communications Manager  
Urban Development Institute of Australia (Victoria)

E: [hyatt@udiavic.com.au](mailto:hyatt@udiavic.com.au)

T: 03 9832 9600

M: 0478 415 105