

2 March 2021

Legislative Assembly Environment and Planning Committee Parliament of Victoria Parliament House Spring Street EAST MELBOURNE VIC 3002

By email: eii@parliament.vic.gov.au

Dear Legislative Assembly Environment and Planning Committee

UDIA Victoria Submission: Inquiry into Environmental Infrastructure for Growing Populations

The Urban Development Industry of Australia, Victoria Division (UDIA Victoria) welcomes the opportunity to provide a submission to the Legislative Assembly Environment and Planning Committee as part of the consultation Inquiry into Environmental Infrastructure for Growing Populations.

UDIA Victoria is a non-profit advocacy, research and educational organisation supported by a membership of land use and property development organisations, across the private sector and Victoria's public service. We are committed to working with both industry and Government to deliver housing, infrastructure and liveable communities for all Victorians.

We understand that the Committee is interested in the views and insights of stakeholders on any aspect of the Terms of Reference, including the following issues:

- The benefits of accessing and using different types of environmental infrastructure.
- The impact of population growth in Melbourne and regional centres on the provision and preservation of environmental infrastructure.
- Differences in the availability of environmental infrastructure between different suburbs and between different regional centres.
- The effectiveness of current legislation and planning provisions in securing environmental infrastructure.
- Existing delays or obstacles to securing environmental infrastructure.
- The impact of COVID-19 on the importance, use and design of environmental infrastructure.
- Examples of best practice and innovative approaches to securing environmental infrastructure in other jurisdictions.

Current Arrangements

The UDIA Victoria submission focuses on greenfield development areas in outer Melbourne and key regional centres. These are generally the areas which are managed by the Victorian Planning Authority through its Growth Corridor Plans and Precinct Structure Plan (PSP) program. PSPs set out a minimum requirement for the provision of open space as a percentage of net developable area.

Melbourne's greenfield areas are also subject to the Melbourne Strategic Assessment which manages



provision of large scale environmental infrastructure through the creation of nature conservation reserves such as the Western Grassland Reserve. Further, Melbourne Water manages the reservation or creation of new waterways and wetlands.

The net effect of these combined Government policies is that at least 33% of identified growth area land is transformed into environmental infrastructure: conservation area, waterway, wetland, regional parks, local parkland or other similar uses. In greenfield areas there are sophisticated legislation, regulation and design guides that allow for this process to proceed at scale with certainty and with compensation mechanisms in place. For many categories of land, within a housing or industrial estate, these regulatory processes provide for the improvement of the land for limited community use. Larger areas of land, such as the Western Grassland Reserves, are required to be acquired and managed by the State through an agreement with the Commonwealth.

Recommended Improvements

Many parts of the regulatory system work well, however there are many necessary improvements. UDIA Victoria recommends the following:

1. Create an integrated design and management regime for waterways and wetlands.

UDIA Victoria recommends that the PSP Guidelines and new structure plans take a more integrated approach to maximise use of environmental infrastructure. At present, these areas are planned using silo based and restrictive standards that don't sufficiently embrace integrated design. For example, larger wetlands and waterways are regulated and managed by Melbourne Water do not embrace opportunities to maximise community benefits by considering surrounding and abutting uses and sharing space and maintenance regimes. Waterway buffers can be used for other public purposes and open space, playgrounds or education use to provide greater community benefits.

In other words, are we getting value for the spaces that are being created for other purposes but in circumstances where an open space purpose can also be shared or achieved? Urban land is now valued at \$2m to \$3m per hectare in greenfield areas, therefore there is a strong imperative to make the most efficient use of the land. A key issue is that there are multiple authorities with interests yet no single body to ensure integrated outcomes. For example, affected entities include: Local Government, developers, the Department of Environment, Land, Water and Planning (DELWP), Melbourne Water, the Environment Protection Authority (EPA), Water Authority and others.

2. Take a more strategic approach to Growling Grass Frog Conservation Areas.

Under the Melbourne Strategic Assessment (MSA) vast areas of urban land are dedicated for potential future use as growling grass frog habitat, noting many of these areas will not ever be developed for growling grass frog habitat, or any other purpose. We suggest a more strategic approach be taken whereby growling grass frog habitat outside of the Urban Growth Boundary (UGB) is secured to augment the habitat within the UGB.

This strategy would result in key growling grass frog habitats and movement corridors inside Melbourne still protected, however, areas that are not required and will never be required would be re-absorbed into urban Melbourne. The net environmental benefit would be far greater as larger areas without urban pressures would be protected outside Melbourne where the growing grass frog would be more likely to persist in the long term.

3. Review the Melbourne Strategic Assessment cashflow

The Government has secured, through a Public Acquisition Overlay, over 15,000 hectares of



new Environmental Infrastructure in the form of the future Western Plains Grassland reserve on the western edge of Melbourne. The acquisition of this reserve is funded through a new environmental mitigation levy paid by our members. We see an opportunity for Government to forward fund the land acquisition to bring the environmental benefits of this areas closer to realization. Over time, the levies would equalize the funding and refund Government's forward funding.

We thank you for the opportunity to engage in this important consultation process and we look forward to discussing the matters raised in this submission. Please contact Dr Caroline Speed, UDIA Victoria Policy and Research Director by emailing caroline@udiavic.com.au to arrange a suitable time to do so.

Yours sincerely,

Angela Gaedke

Acting Chief Executive Officer Urban Development Institute of Australia, Victoria

P: 0400 088 158

E: angela@udiavic.com.au