

HIA 2019 Industry Outlook Breakfast

Planning for growth – What's changing and how is the VPA responding?



Stuart Moseley
Chief Executive Officer
Victorian Planning Authority
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Your partner in planning great places for a growing Victoria

Overview

- What's changing?
 - Government context
 - How urban Victoria is growing
- How is the VPA responding?
 - Melbourne's growth corridors
 - Regional cities and towns
 - Urban renewal in Melbourne

About the VPA



OUR PURPOSE

- Deliver spatial planning for urban growth
- Undertake place-based planning
- Translate policy into place



OUR CORE EXPERTISE

Land use planning and infrastructure charging and co-ordination for designated areas in:

- Melbourne's greenfields
- established Melbourne
- regional cities & peri-urban towns



OUR APPROACH

Partnering across government with a wide range of stakeholders, including communities, councils and industry, to set plans that enable others to build future communities

- Key role in delivering Government's urban growth agenda for Melbourne and the regions
- Reporting to the Minister for Planning via the VPA board

What's changing: Government context

**Department of
Environment,
Land, Water and
Planning (DELWP)**

**Department of
Transport
(DOT)**

**Department of
Jobs, Precincts
and Regions
(DJPR)**

**Victorian
Planning
Authority (VPA)**

**Development
Victoria (DV)**

*Leads cities and
regional growth
policy to deliver
positive outcomes
for everyone who
lives, works, invests
in and visits Victoria*

*Plans, builds and
operates an
integrated,
sustainable and
safe transport
system for
Australia's fastest-
growing state*

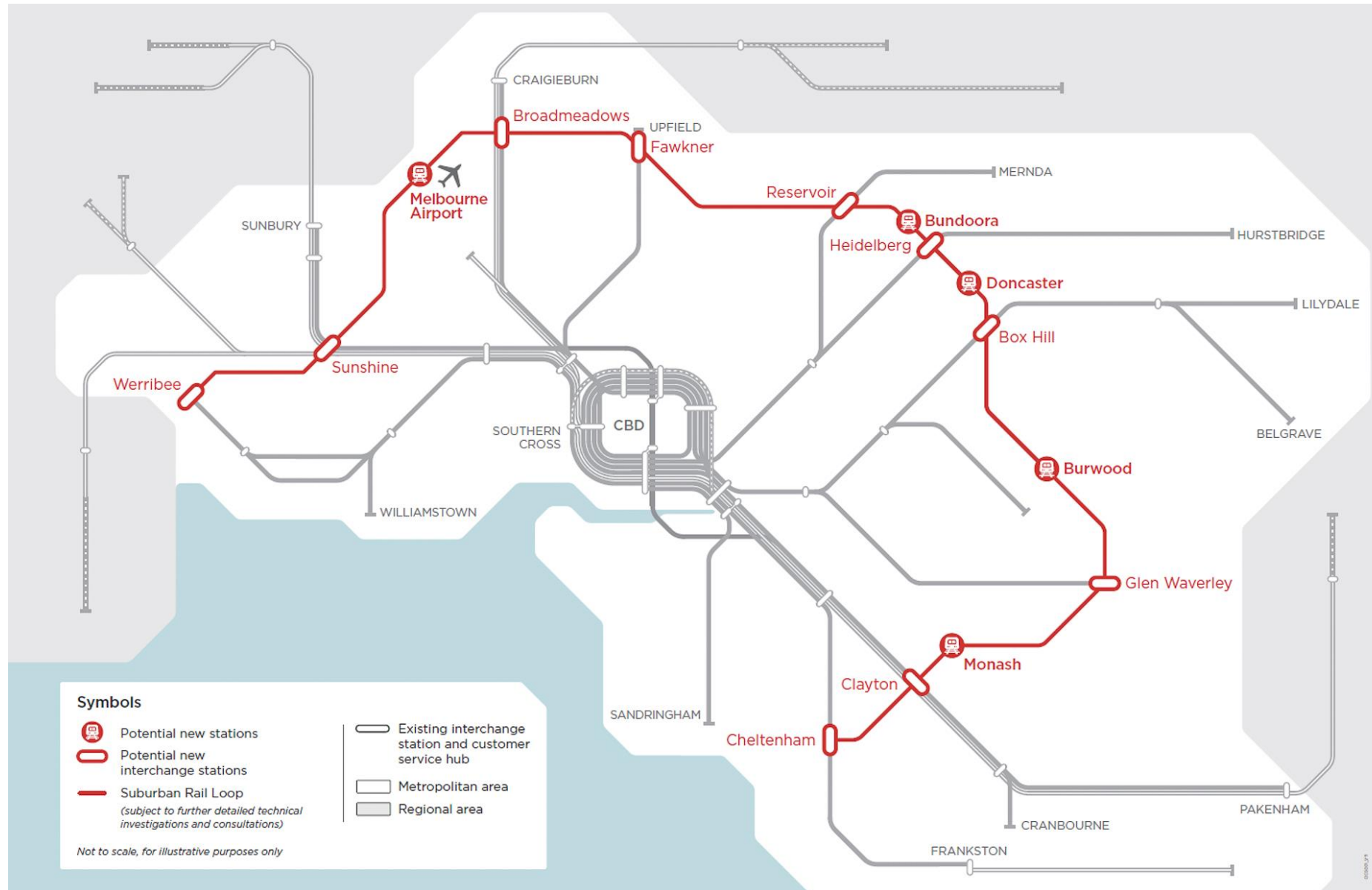
*Ensure strong
economic
performance by
growing
industries and
regions*

*Your partner in
planning great
places for a
growing Victoria*

*Develop and
revitalise public
buildings and land
to create spaces
and homes that
help make Victoria
a great place to
live.*

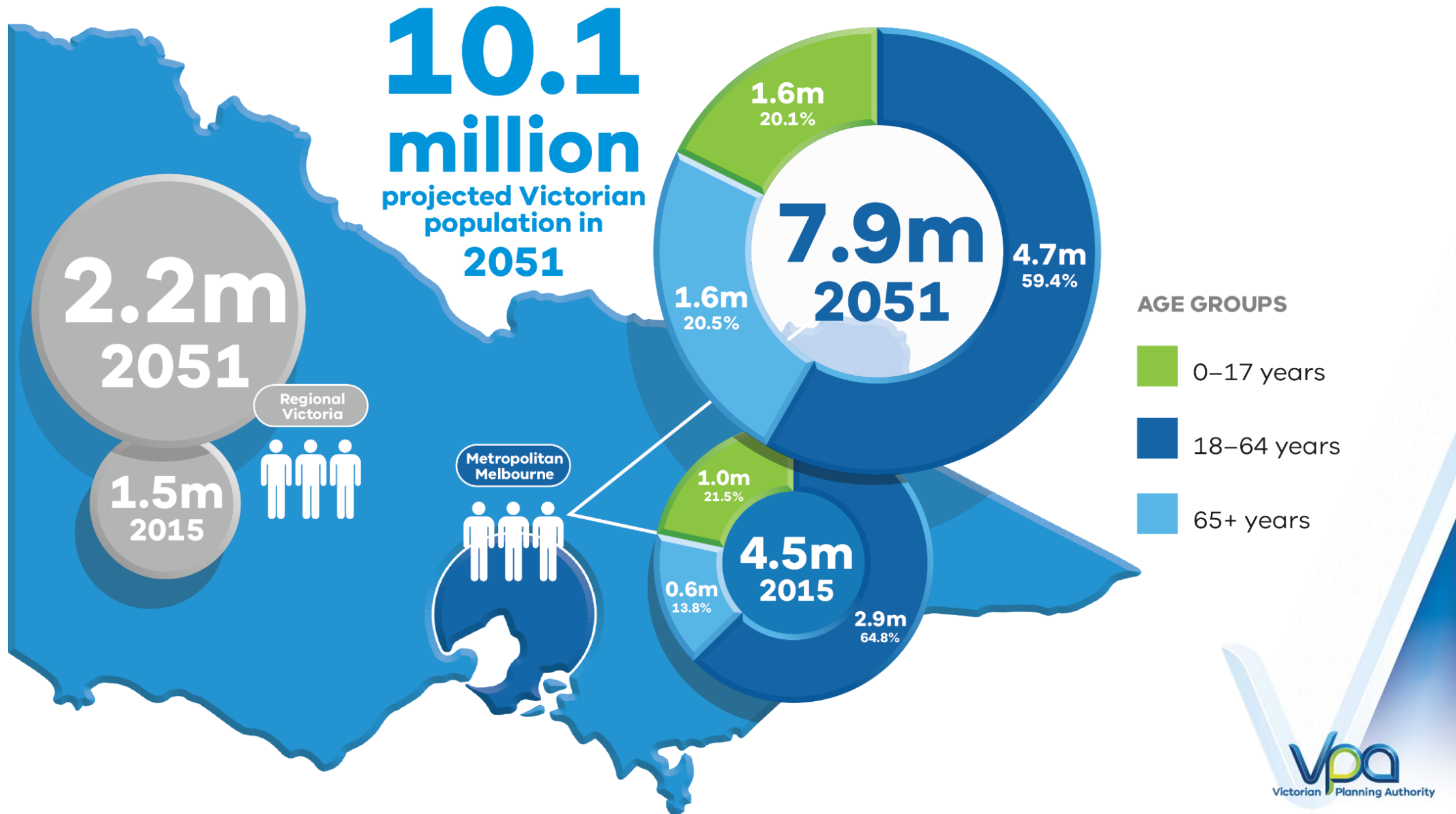
What's changing: Government context

Source: Major Transport Infrastructure Authority



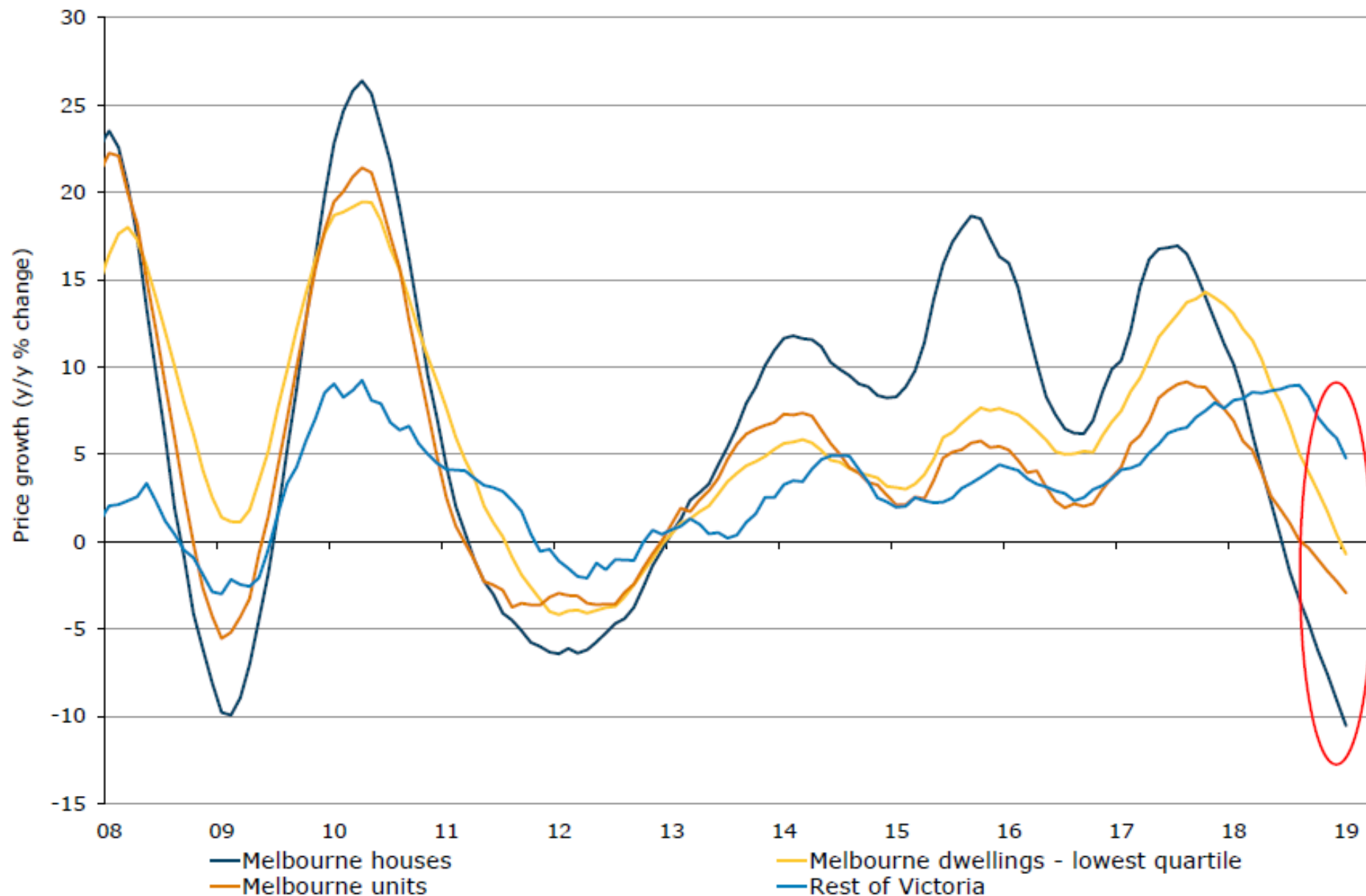
What's changing: urban Victoria is growing

Source: Victoria in Future 2016



Dwelling prices are declining, but not equally

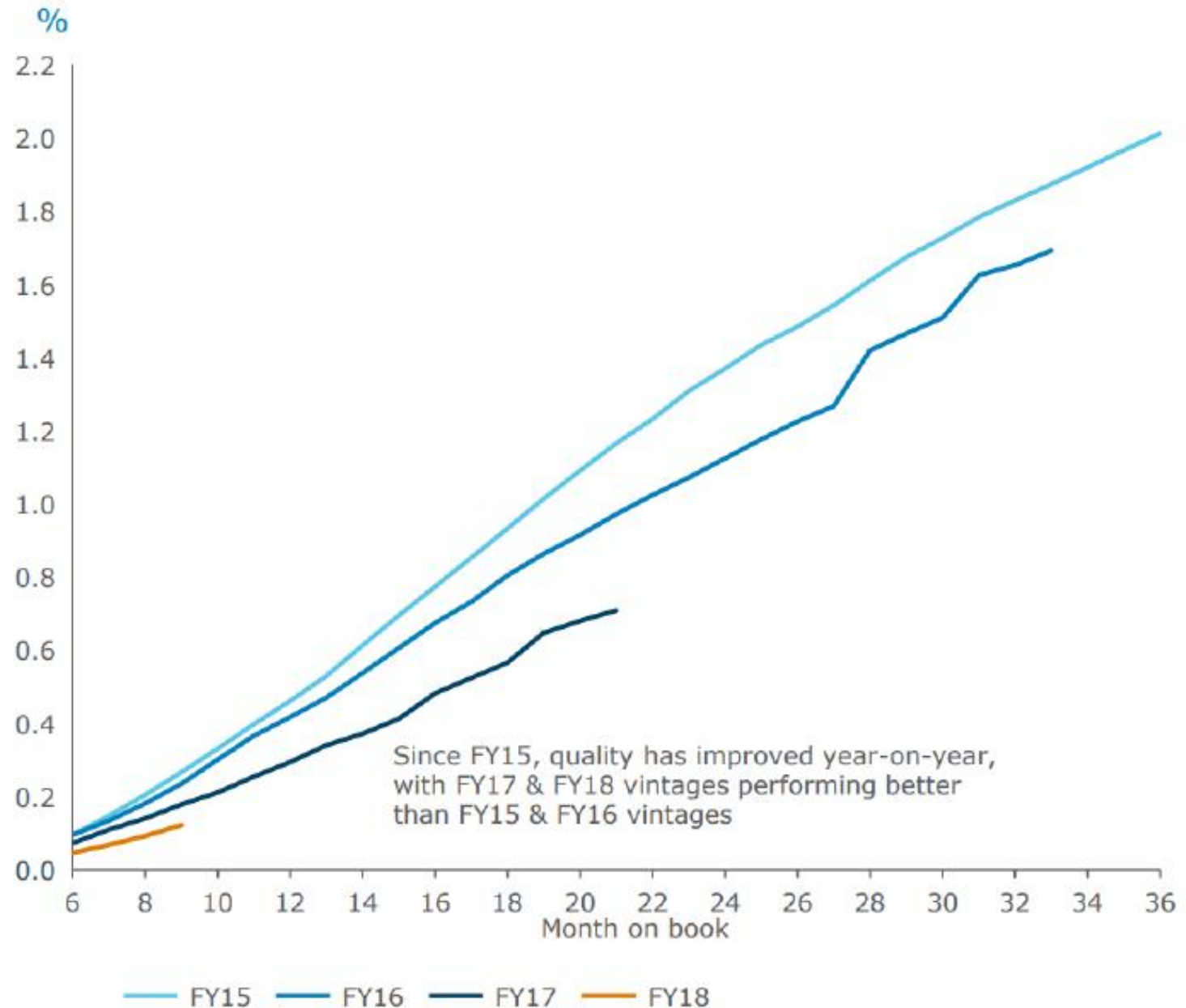
Source: Corelogic



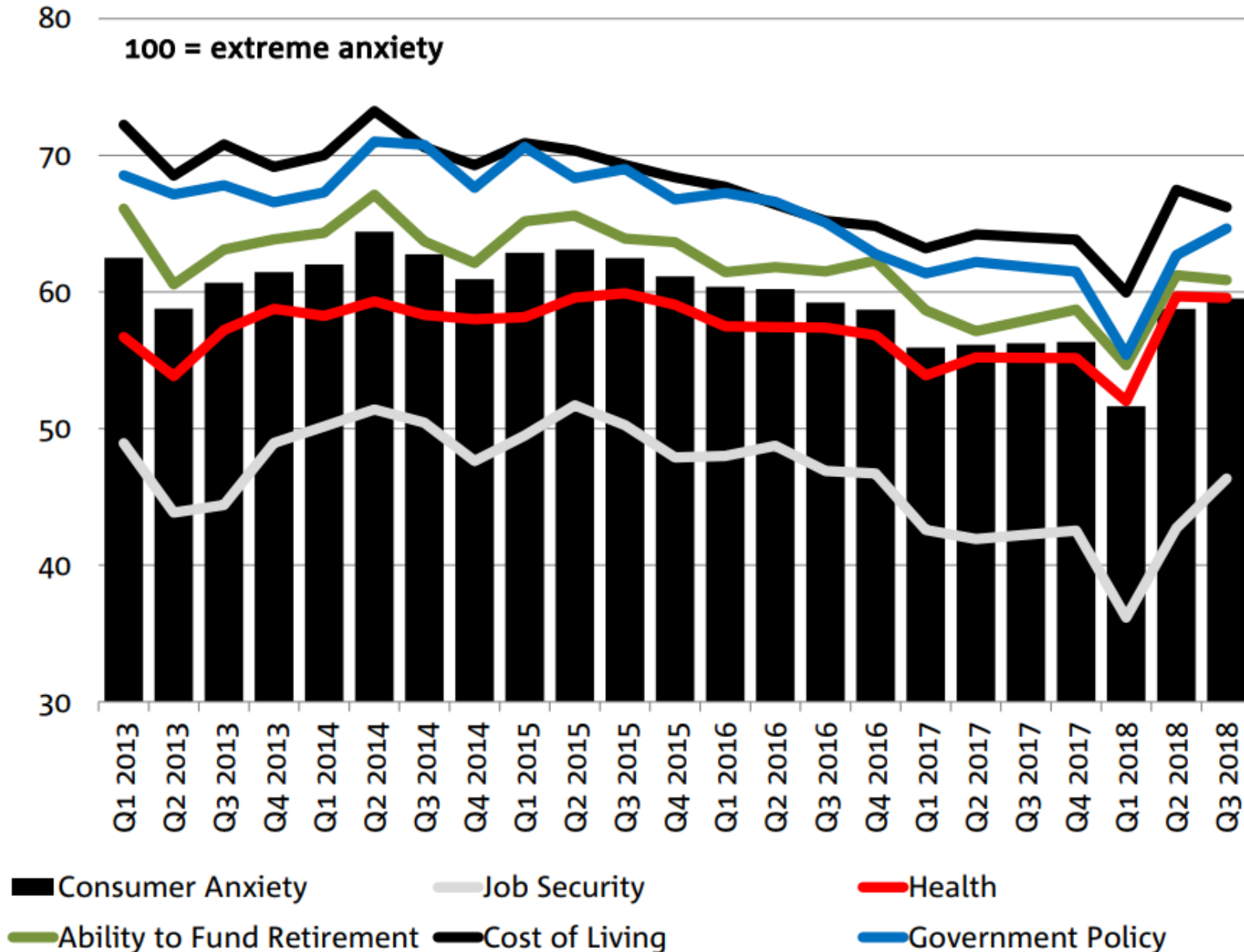
Mortgage defaults are decreasing

Source: ANZ

ANZ home loans – 90+ days past due¹



NAB CONSUMER ANXIETY INDEX: COMPONENTS



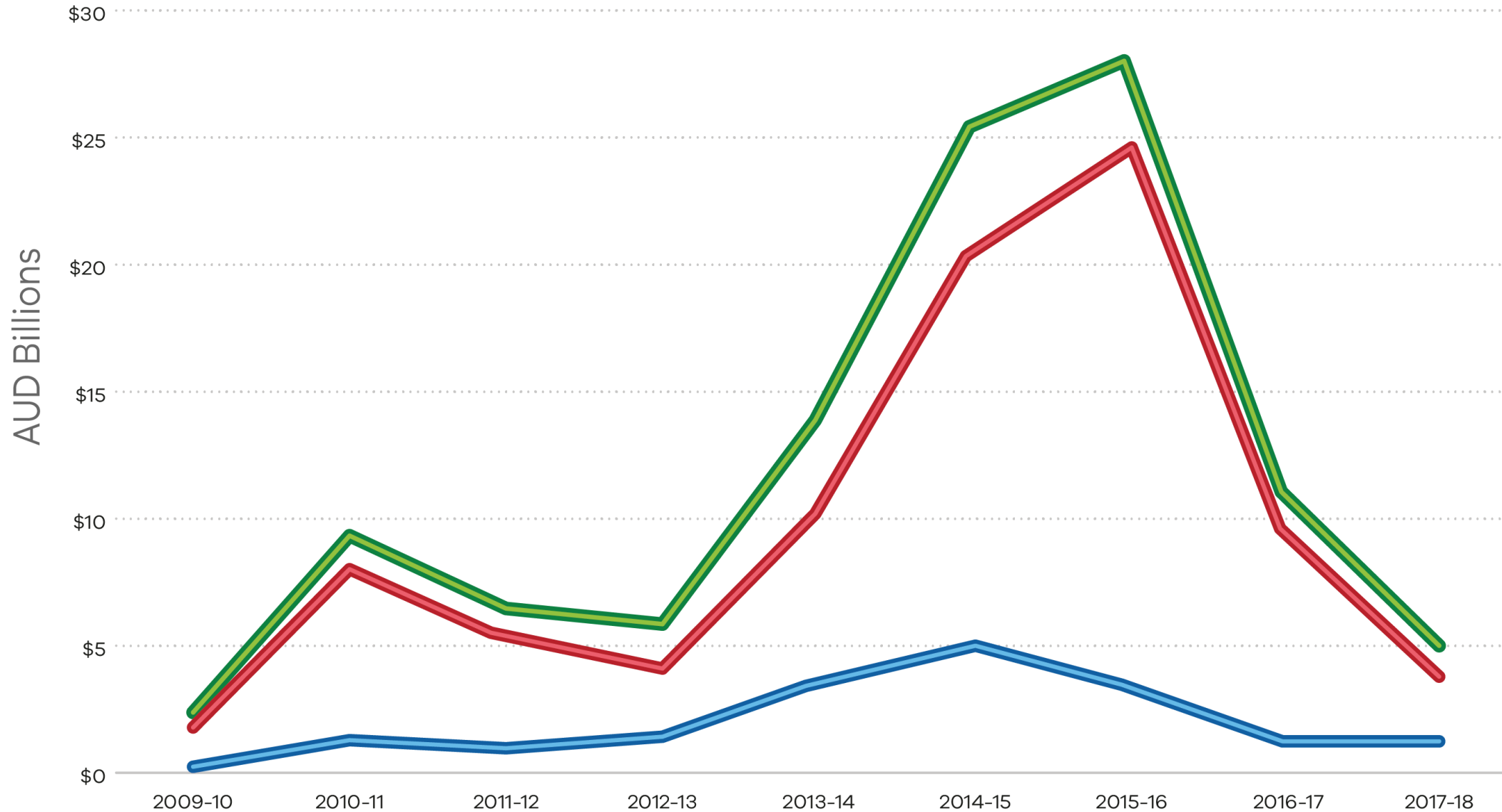
Consumer confidence is dropping

Source: NAB

Chinese (+ all foreign) residential investment is decreasing

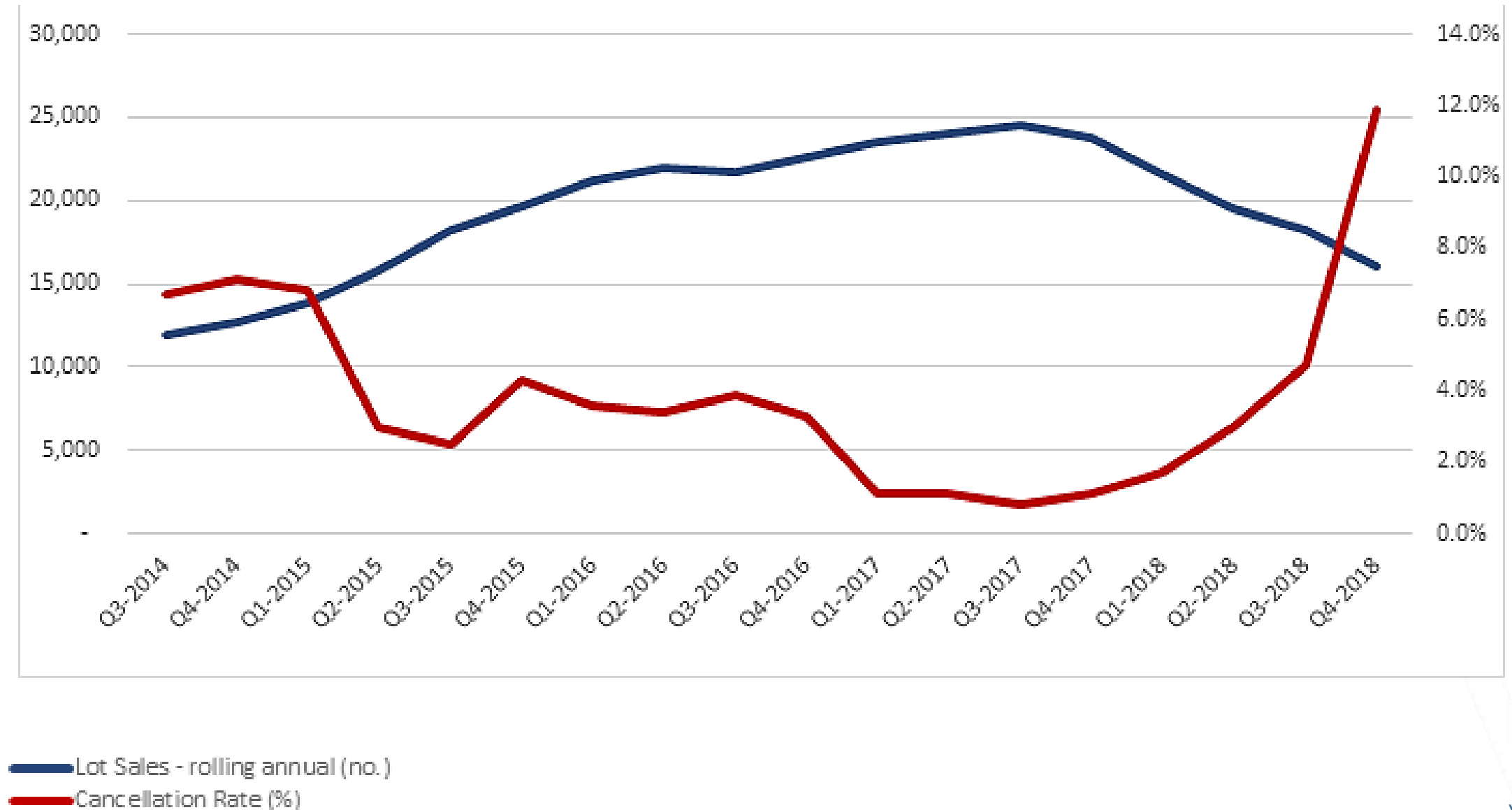
Source: VPA based on FIRB Annual Reports

Developed For Development Total Value



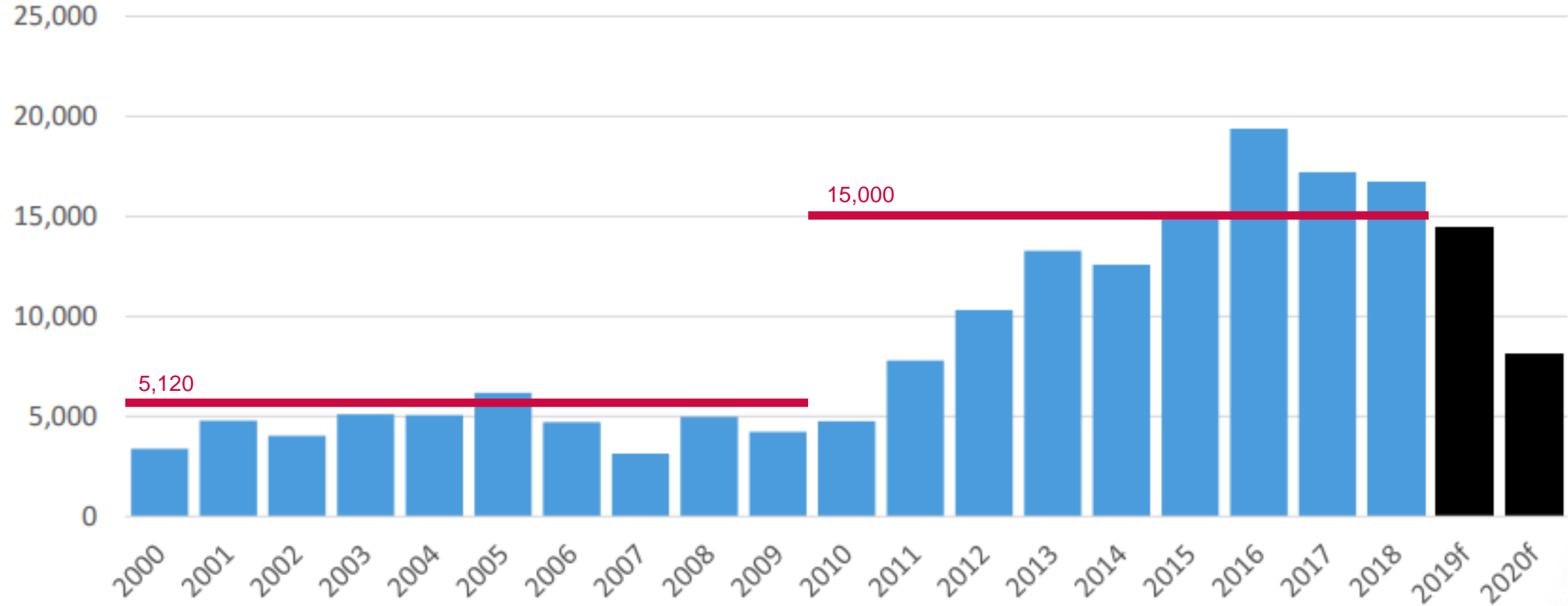
Greenfield lot sales are slowing and cancellations increasing

Source VPA based on research 4



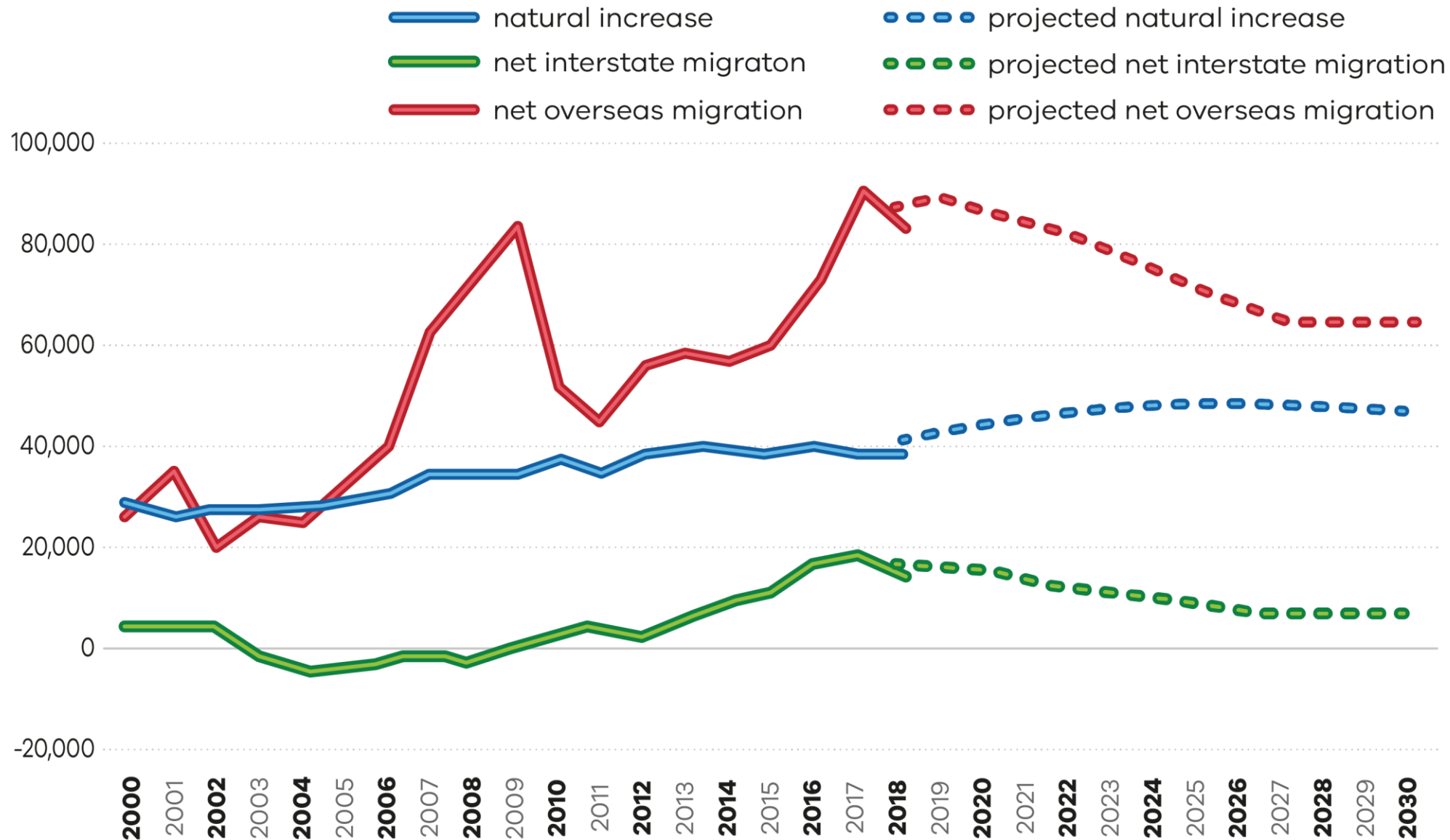
Apartment completions are falling

Source: ABS building activity and Charter Keck Cramer



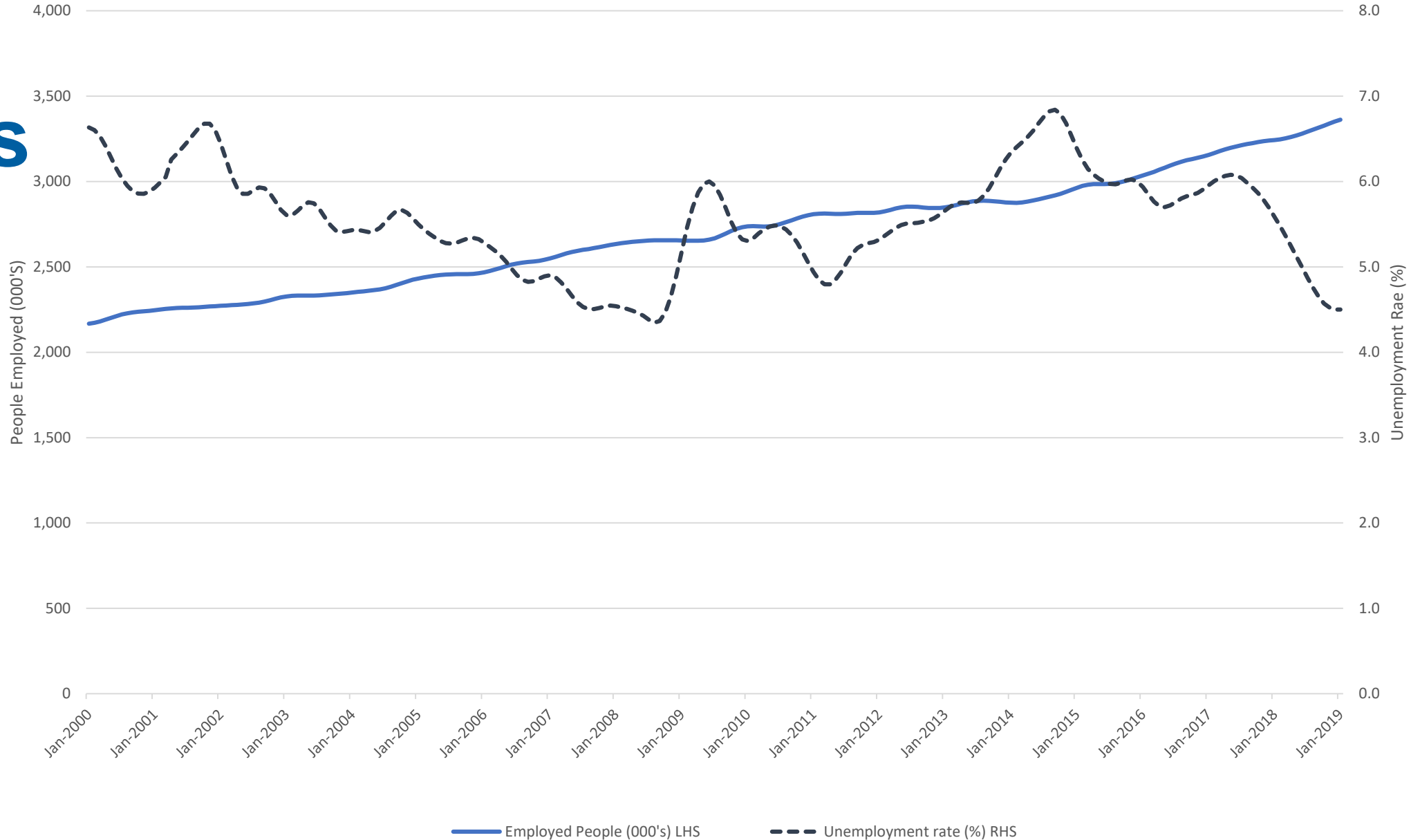
Population growth continues strong (albeit less so)

Source: VPA based on ABS 3101.0 & ABS 3222



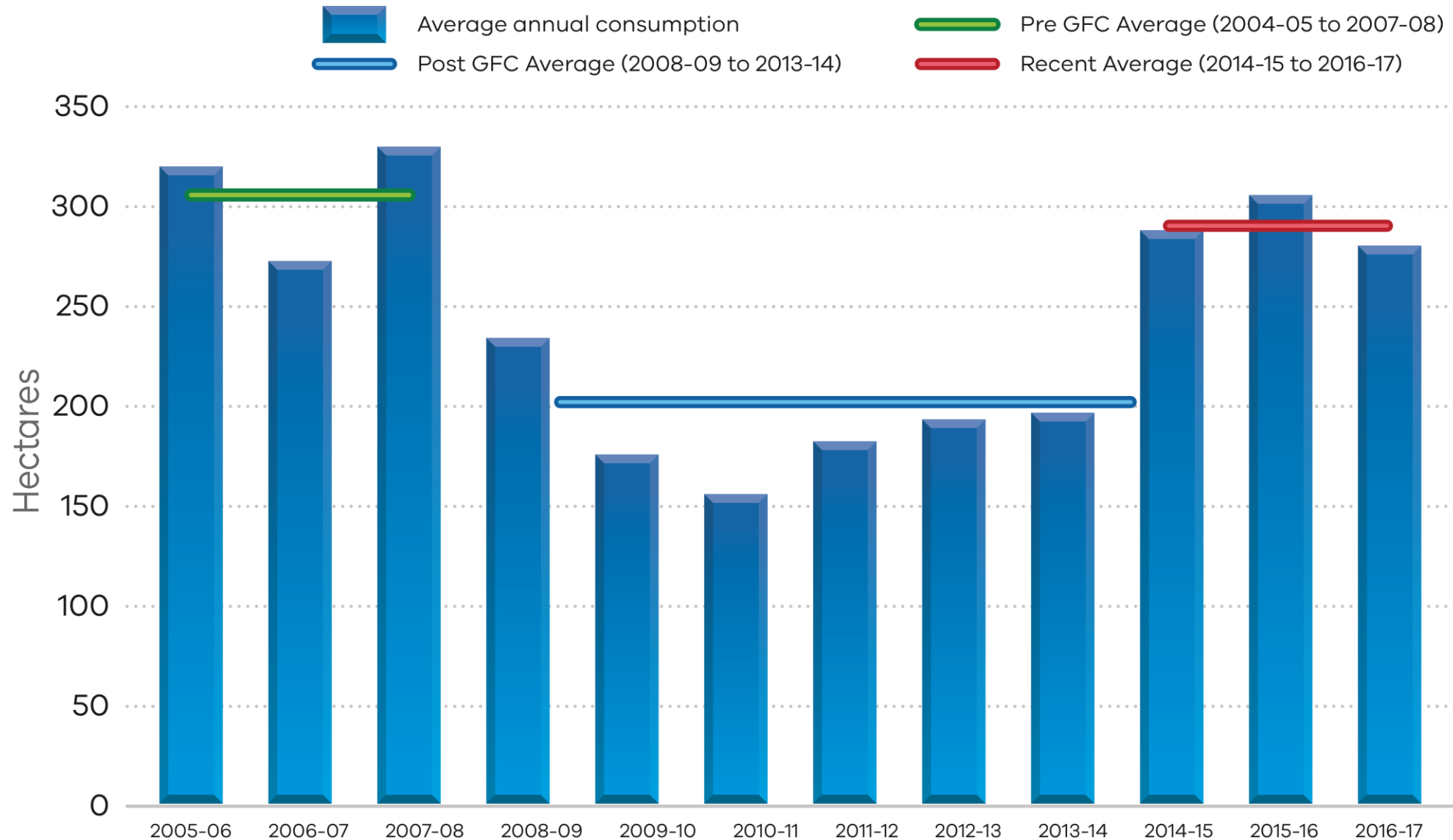
Employment growth remains strong

Source: VPA analysis of ABS Labour Force

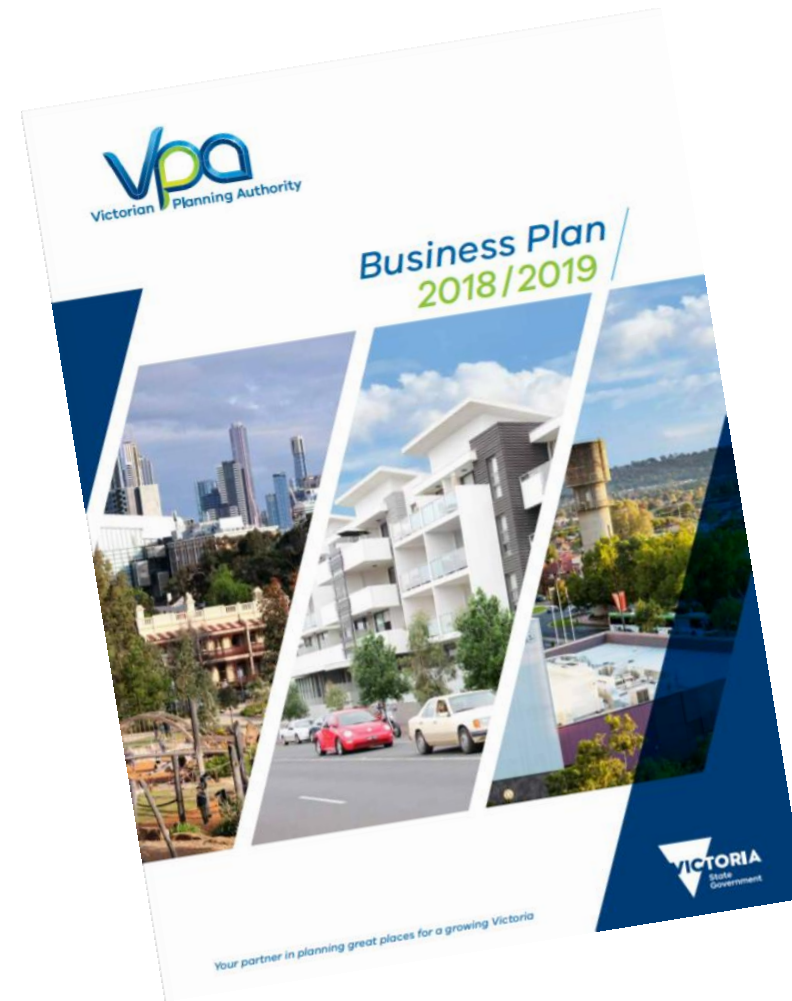


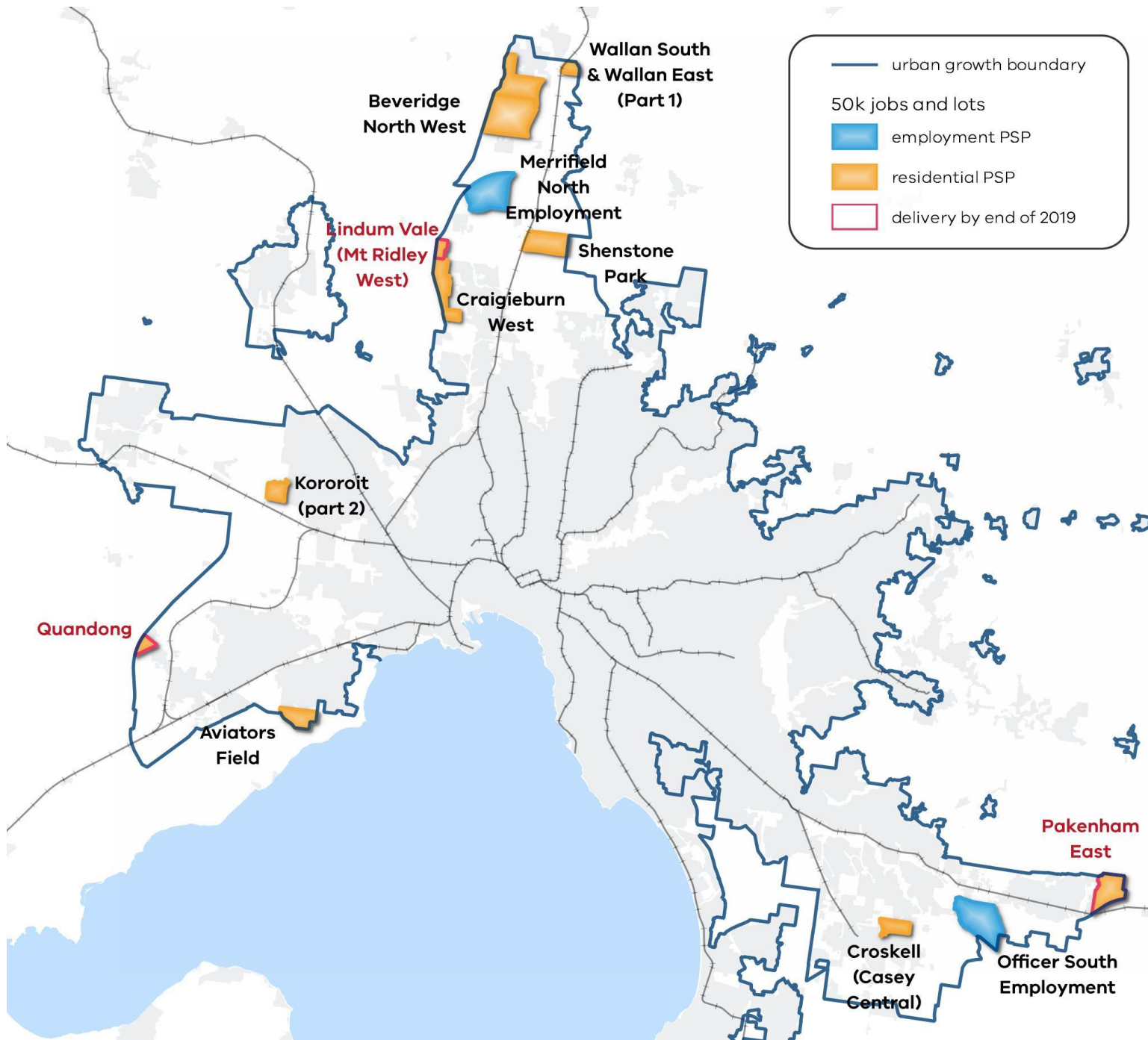
Annual consumption of industrial land, metropolitan Melbourne, 2005-06 to 2016-17

Source: Department of Environment, Land, Water and Planning 2017



How is the VPA responding?





Melbourne growth corridors – 50,000 houses and 50,000 jobs

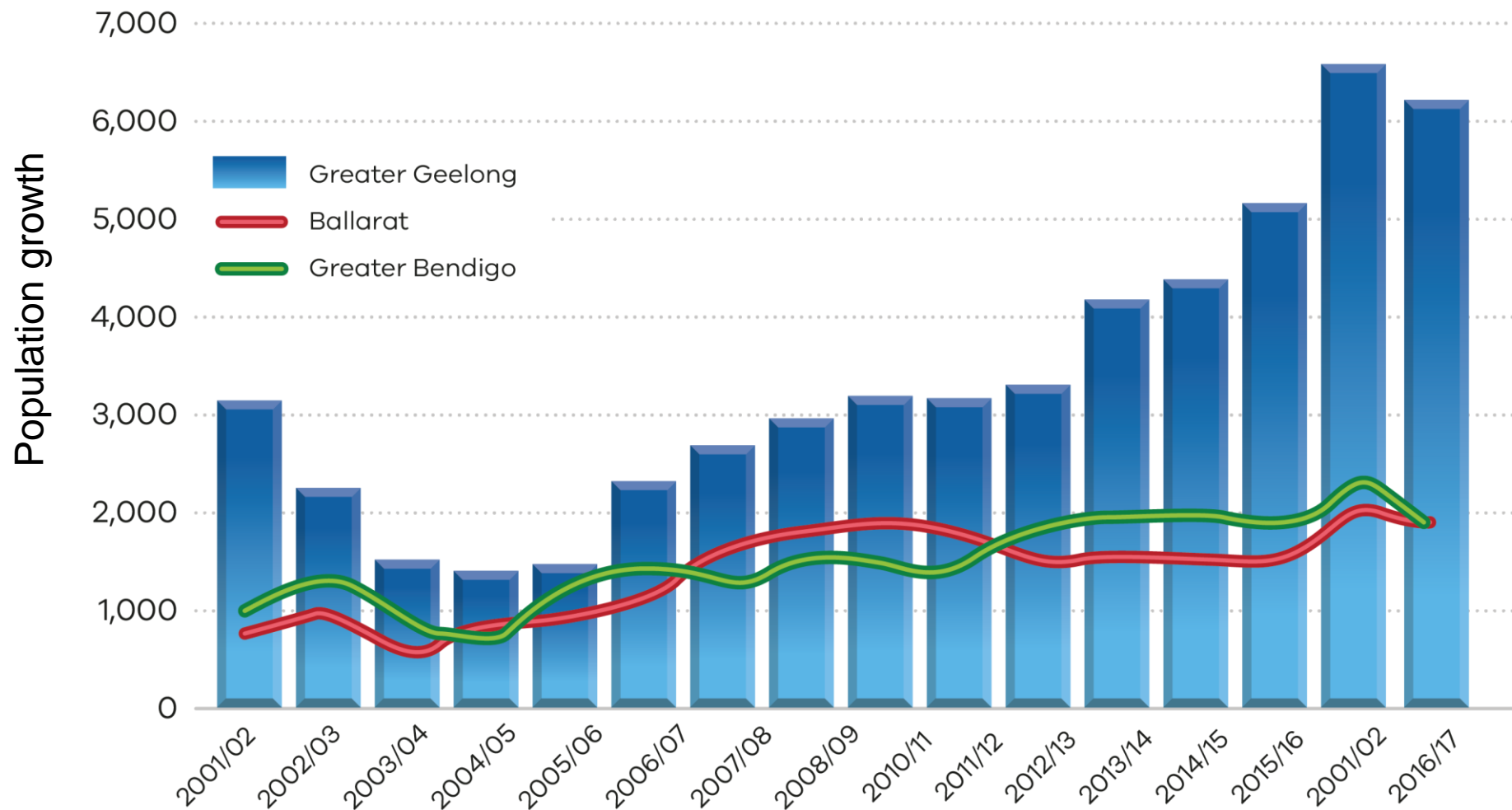
Regional cities and towns – land for growth



Geelong's growing at Melbourne's rate

Source: ABS Cat 3218.0

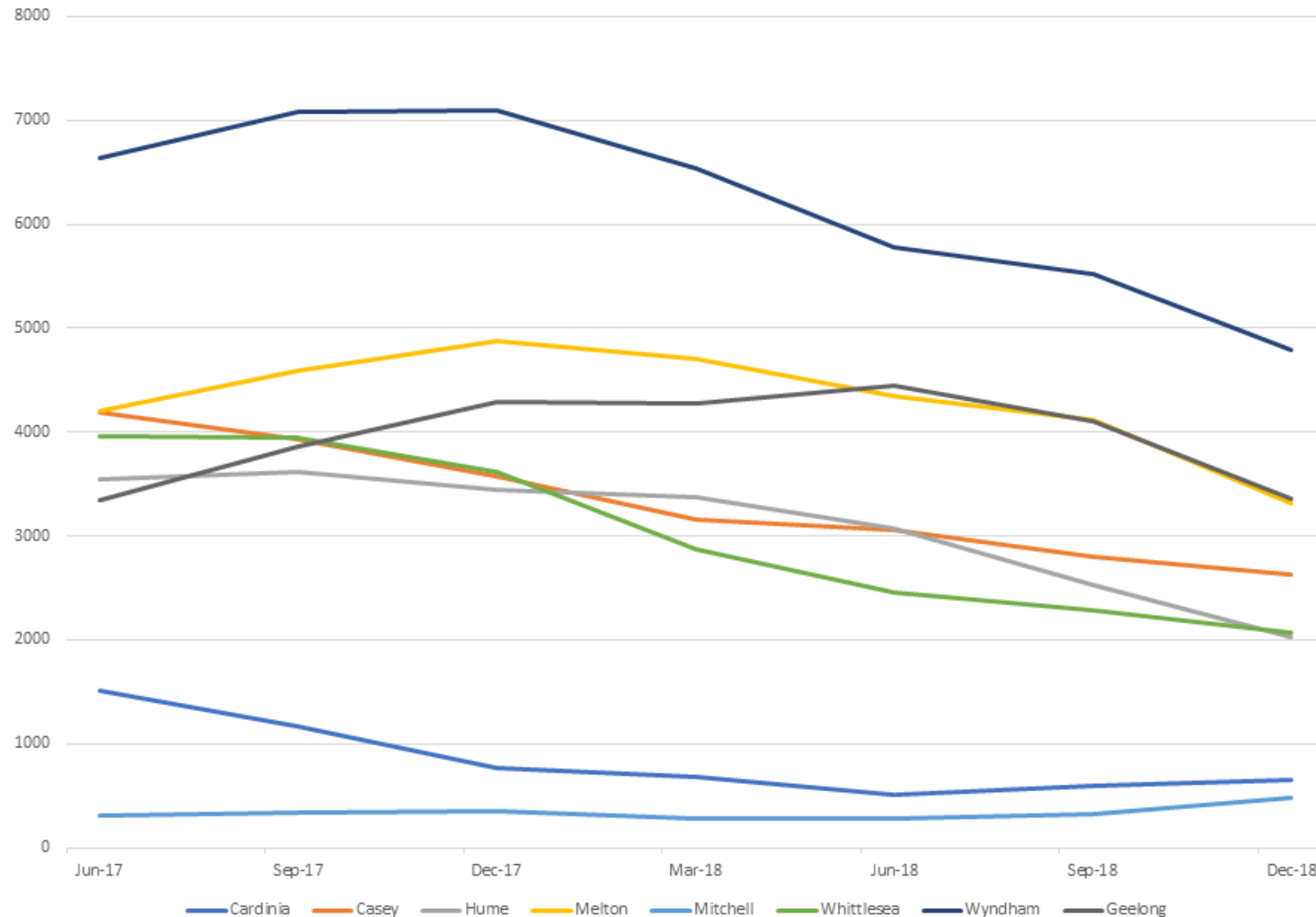
2.5% Geelong
1.9% Ballarat
1.8% Bendigo
2.6% Metro Melb
2.2% Peri-urban
0.4% other regional areas



Geelong's land market is of State significance

Source: VPA based on Research 4

Geelong lot sales: Rolling annual lot sales



Our remit in Geelong

Bannockburn South
West Structure Plan

Northern and
Western Growth
Areas Framework
Plan – complete
2018/19

Western PSP & ICP:



2,000 - 4,000



6,000 – 9,000

Commence 2018/19

Northern PSP & ICP:



4,000 - 5,000

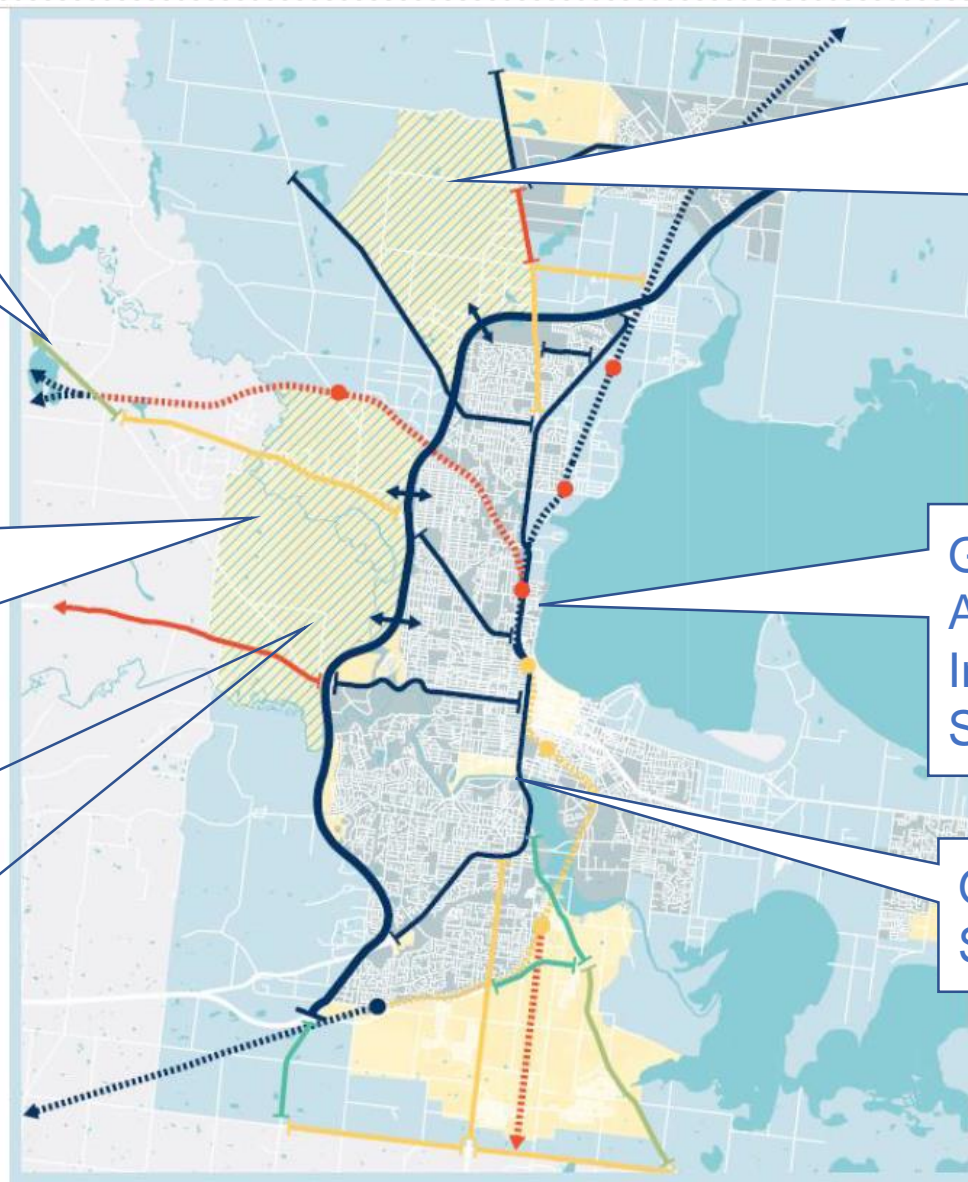


12,000 – 13,000

Commence 2018/19

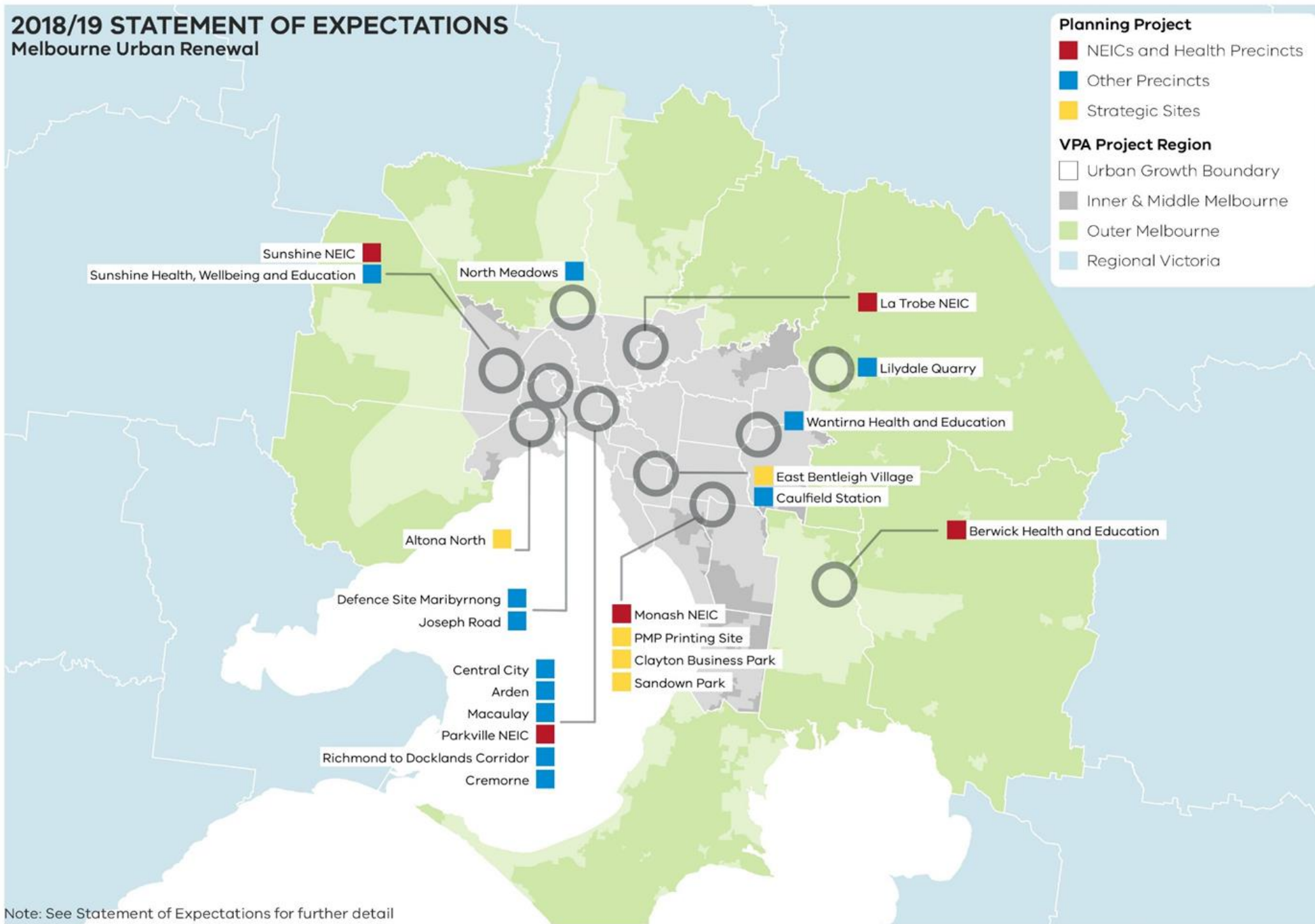
Geelong Growth
Areas Transport
Infrastructure
Strategy

Geelong Stormwater
Service Strategy



2018/19 STATEMENT OF EXPECTATIONS

Melbourne Urban Renewal



Note: See Statement of Expectations for further detail

Urban renewal in Melbourne

Precinct renewal (1): Arden

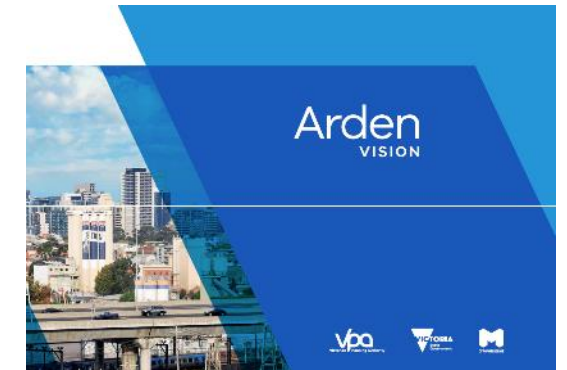


The vision for Arden

“Arden is placed to be an international innovation and technology precinct.

It will be at the forefront of sustainable development, embracing new ways to live, learn, work and travel in an energy efficient district.

Green spaces, trees and water will help the precinct become a cooler, greener version of the city.”



Precinct renewal (1): Arden

Key drivers for urban renewal



34,000
jobs



15,000
residents
by **2051**



\$7 billion
development
value



1,000,000+
sqm
GFA



60 %
Government land
ownership



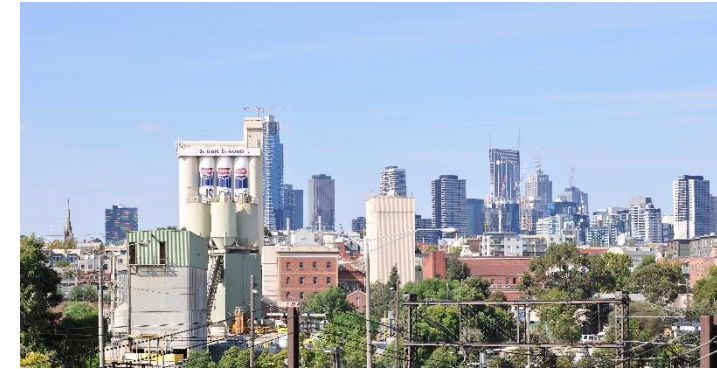
Metro Tunnel
High capacity rail

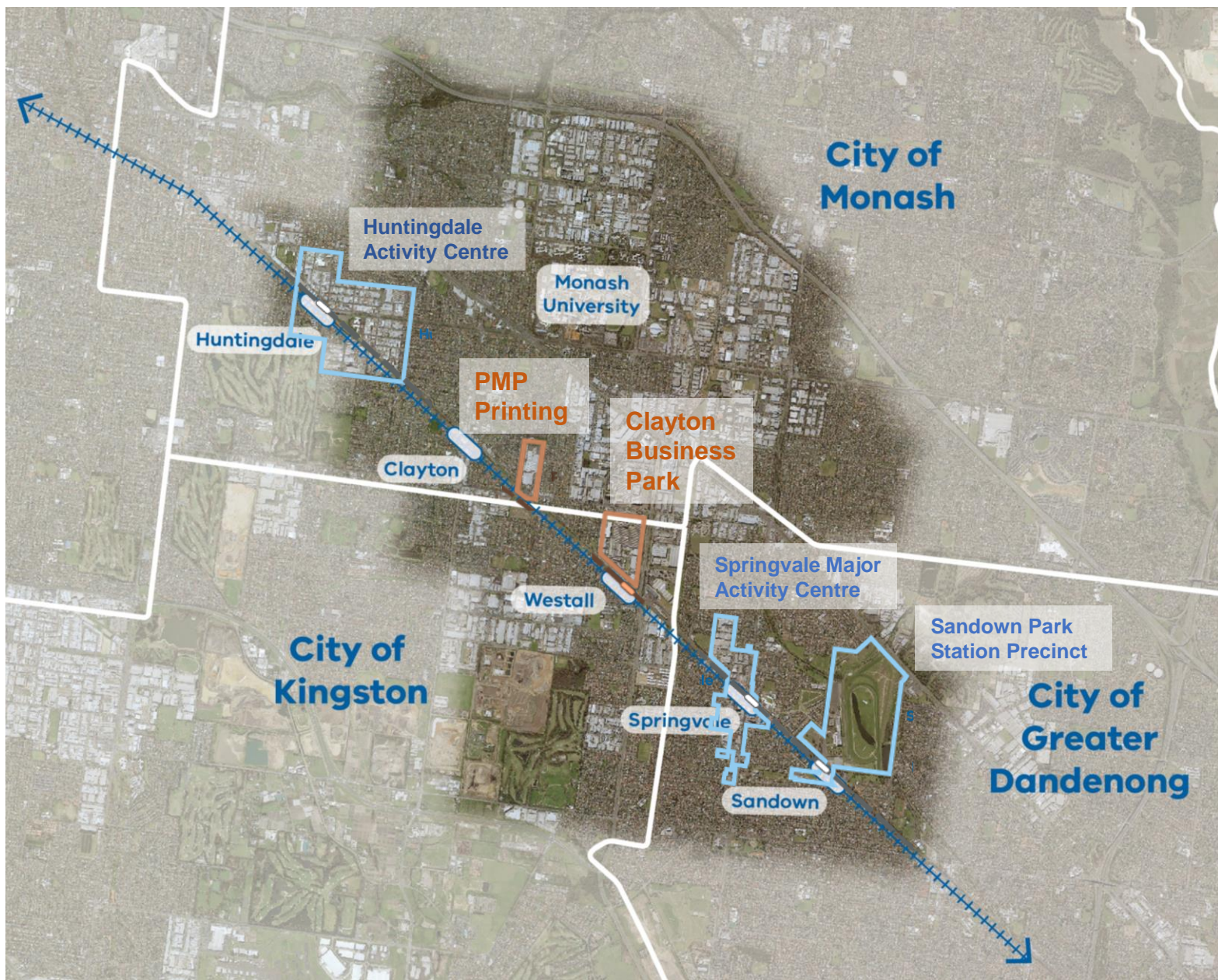


Jobs hub
World leading
sectors



Connections
Parkville and the
new
CBD





Precinct renewal (2):

Monash NEIC



**\$9.4 billion in
economic
output**

4,000
hectares

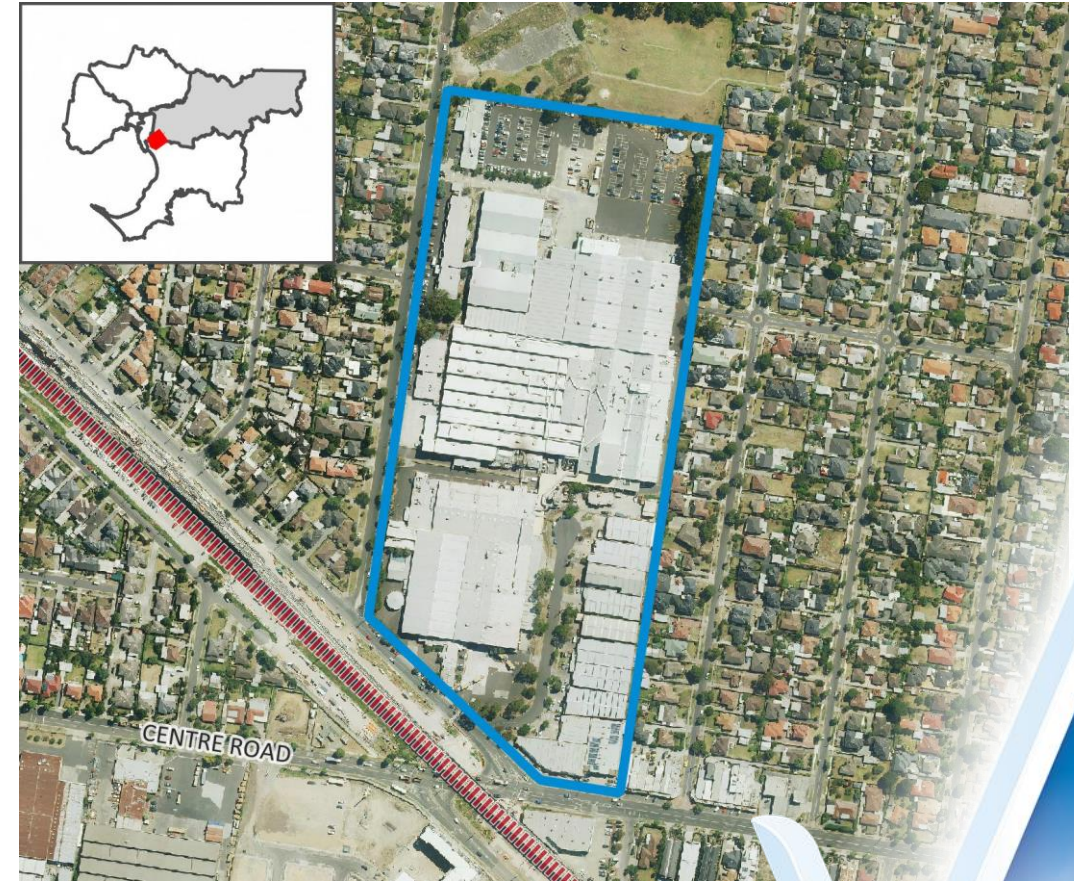
12,994
companies

82,657
jobs

36,665
students

Year: 2018

PMP Printing strategic site

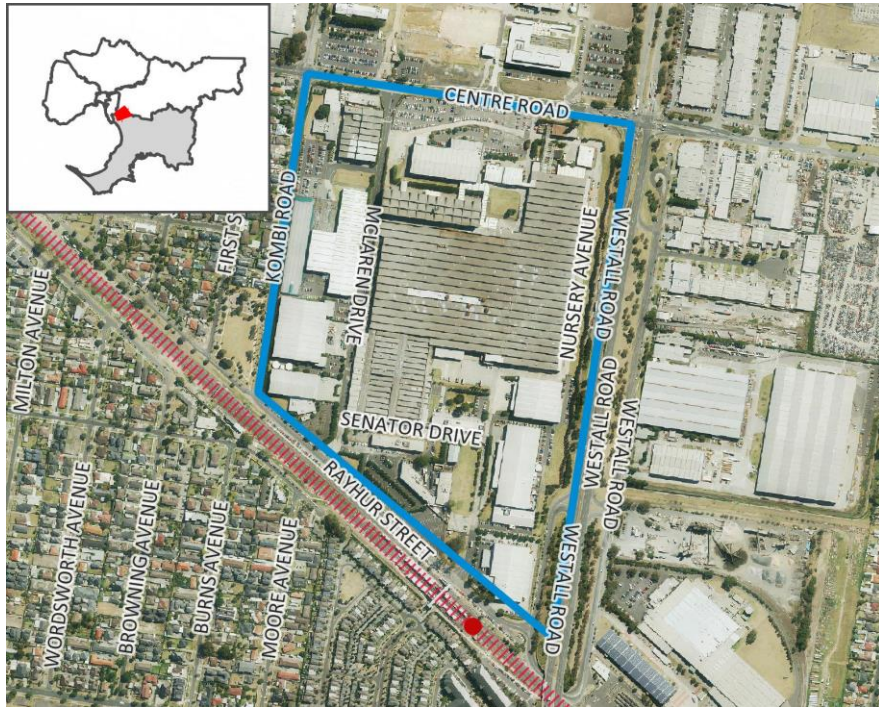


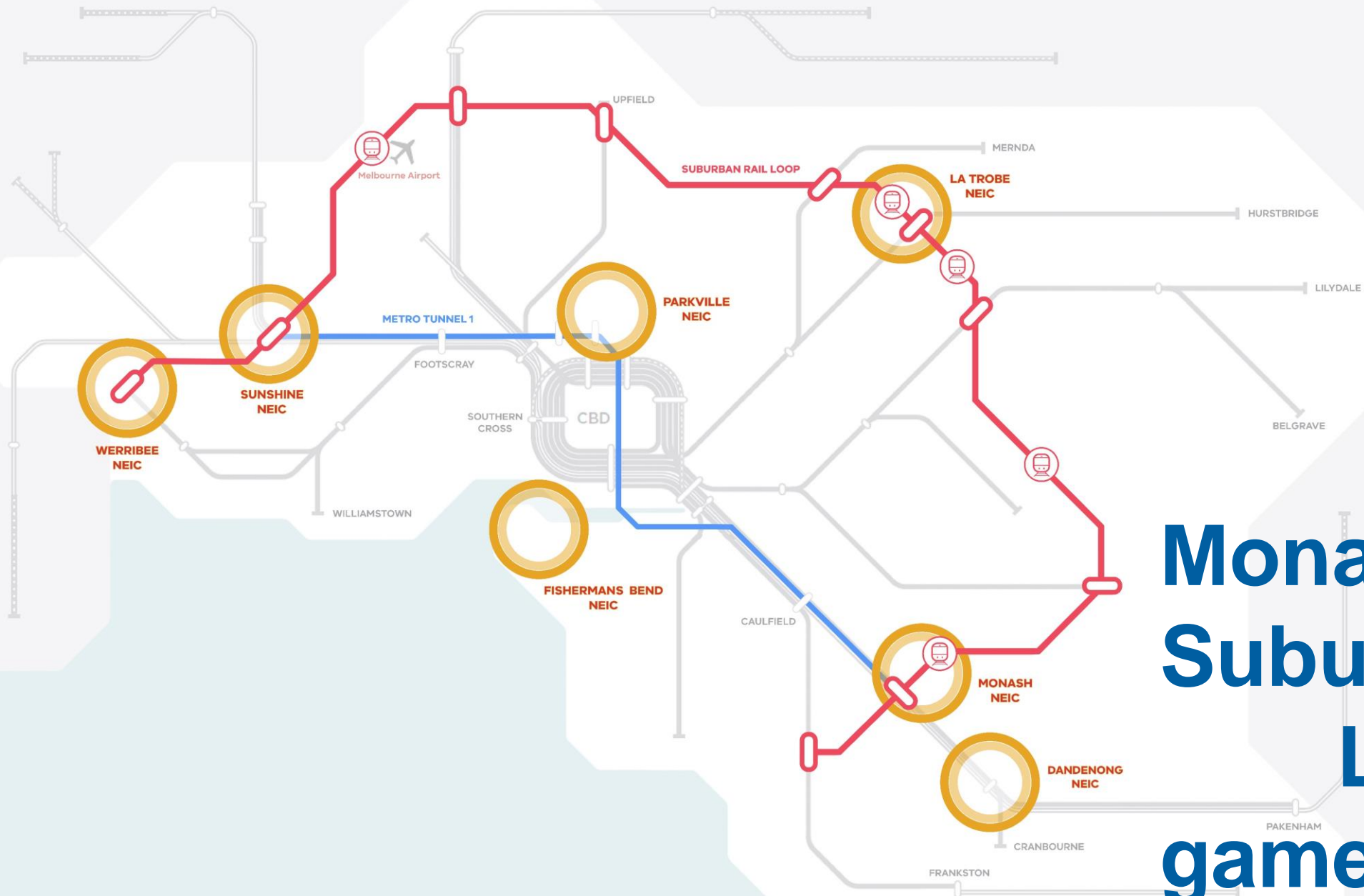
PMP Printing strategic site

Source: Tract



Clayton Business Park strategic site





**Monash NEIC:
Suburban Rail
Loop as a
game changer**

Questions



Arden Central