ACNU08

2008 NATIONAL CONGRESS OF THE AUSTRALIAN COUNCIL FOR NEW URBANISM

Brisbane

6th - 9th February, 2008
How and Why Australian Can Lead the World in the Urban Design of New Centres

9 February 2008

Brian Haratsis, Managing Director
Part One: "How and Why"
Overview:

Hierarchies, densities, Mainstreets and TOD’s are 1970’s concepts dealing with 2030 issues.

Centres evolve in parallel with the human condition. The emerging dynamic constellation of centres is being hampered by the wrong theories of economic and cultural change.
Overview:

Centre design and interaction should be inspired by chaos and brilliance. Social integration, commodity exchange, learning, creating and wealth generation are the new alchemic design quarks.

The Australian ‘centres’ ethos is unformed. Australia will lead the world in centre design through a combination of push and pull factors and sheer opportunity.
Overview:

The new palette for centres includes:

- Racecourses
- Universities & TAFEs
- Convention & Exhibition Centres
- Business & Industrial Parks
- Highway Service Centres
- Indigenous Communities
- Libraries
- Airports
- Office Parks
- Mining Towns
- Remote Areas

As well as TOD’s, traditional retail centres, activity centres and CBDs.
Why?

Post mass market architecture/design driven less by ‘prizes’ and recognition and more by concern over regulatory capture, vampire projects, taboo thinking and the need for change highlighted by daily ‘disconnect’.
## Australian Demographic Fundamentals

### Absolute Population Growth

<table>
<thead>
<tr>
<th>Age</th>
<th>2001</th>
<th>2006</th>
<th>2011</th>
<th>2021</th>
<th>2031</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4</td>
<td>1,007,598</td>
<td>1,037,015</td>
<td>1,053,387</td>
<td>1,090,965</td>
<td>1,119,913</td>
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<tr>
<td>5-14</td>
<td>2,665,535</td>
<td>2,663,740</td>
<td>2,679,243</td>
<td>2,775,410</td>
<td>2,872,890</td>
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<tr>
<td>15-24</td>
<td>2,717,248</td>
<td>2,810,825</td>
<td>2,878,028</td>
<td>2,908,604</td>
<td>3,019,719</td>
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<tr>
<td>25-34</td>
<td>2,933,336</td>
<td>2,930,269</td>
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<td>3,143,357</td>
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<tr>
<td>35-44</td>
<td>2,962,689</td>
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<td>3,132,956</td>
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<td>3,317,139</td>
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<td>45-54</td>
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<td>2,913,732</td>
<td>3,036,697</td>
<td>3,210,180</td>
<td>3,245,781</td>
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<tr>
<td>55-64</td>
<td>1,922,677</td>
<td>2,347,427</td>
<td>2,649,248</td>
<td>3,010,393</td>
<td>3,189,455</td>
</tr>
<tr>
<td>65-74</td>
<td>1,338,319</td>
<td>1,459,017</td>
<td>1,794,441</td>
<td>2,496,627</td>
<td>2,856,960</td>
</tr>
<tr>
<td>75+</td>
<td>955,707</td>
<td>1,063,804</td>
<td>1,112,780</td>
<td>1,544,897</td>
<td>2,210,387</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>19,184,306</strong></td>
<td><strong>20,274,636</strong></td>
<td><strong>21,315,970</strong></td>
<td><strong>23,346,017</strong></td>
<td><strong>25,007,473</strong></td>
</tr>
</tbody>
</table>
### Australian Demographic Fundamentals

#### Proportion of Baby Boomers and Pre-retired

<table>
<thead>
<tr>
<th>Age</th>
<th>2001</th>
<th>%</th>
<th>2006</th>
<th>%</th>
<th>2011</th>
<th>%</th>
<th>2021</th>
<th>%</th>
<th>2031</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>55-64</td>
<td>1,922,677</td>
<td>10%</td>
<td>234,742</td>
<td>12%</td>
<td>2,649,248</td>
<td>12%</td>
<td>3,010,393</td>
<td>13%</td>
<td>3,189,455</td>
<td>13%</td>
</tr>
<tr>
<td>65-75</td>
<td>1,338,319</td>
<td>7%</td>
<td>1,459,017</td>
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<td>1,794,441</td>
<td>8%</td>
<td>2,496,627</td>
<td>11%</td>
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<tr>
<td>75+</td>
<td>955,707</td>
<td>5%</td>
<td>1,063,804</td>
<td>5%</td>
<td>1,112,780</td>
<td>5%</td>
<td>1,544,897</td>
<td>7%</td>
<td>2,210,387</td>
<td>9%</td>
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<tr>
<td>Total 55+</td>
<td>4,216,703</td>
<td>22%</td>
<td>4,870,248</td>
<td>24%</td>
<td>5,556,469</td>
<td>25%</td>
<td>7,051,917</td>
<td>31%</td>
<td>8,256,802</td>
<td>33%</td>
</tr>
<tr>
<td>Total Aus</td>
<td>19,184,306</td>
<td>100%</td>
<td>20,274,636</td>
<td>100%</td>
<td>21,315,970</td>
<td>100%</td>
<td>23,346,017</td>
<td>100%</td>
<td>25,007,473</td>
<td>100%</td>
</tr>
</tbody>
</table>
By 2010-2015
The Baby Boomer
Median Age
will be
at Retirement
Australian Demographic Fundamentals

Labour force composition changes (Participation rates for women to rise in almost every age bracket. Falling for men in every age group except 60+).

Labour force ageing in line with Australia’s ageing population. (More than 80% of projected growth in the labour force to 2016 will be in the 45+ age group).
Australian Demographic Fundamentals
Labour Force Forecasts

Source: Labour Force Projections, Australia 1999–2016 (Cat. no. 6260.0)
Population is ageing and declining in some areas

BUT …

Dwellings will continue to grow at least at historical rates
Higher migration & smaller households are helping to sustain longer term housing demand

*Net immigration is now running at over 100,000 pa - the largest share of total population growth in over a decade*

*Falling household size has resulted in 500,000 more households than there would otherwise have been*

_Sources: ABS; Economics@ANZ._

MacroPlan Australia
Setting New Standards
Since 1986, the average size of new dwellings increased 30% to 224 square metres
Australian Demographic Fundamentals
65+ Age Dependency Ratio

A ratio of those of retirement age (above 65 years) to those of working age (defined as between 15 and 65 years). i.e. from 5 workers per retiree to 2 workers per retiree
Household wealth has doubled over the past 15 years
Australian Demographic Fundamentals
Average Household Net Worth by Age

Source: Age Matters, Issue 1, December 2002
Australian Demographic Fundamentals
Major Components of Net Worth by Age

Source: Age Matters, Issue 1, December 2002
Australian Demographic Fundamentals
Net Wealth of Families

The least wealthy 40% of baby boomer parents appear to hold less than 7% of all wealth held by those aged 65+ years.

Inter-generational wealth no solution.

<table>
<thead>
<tr>
<th>Table 2 Estimated net wealth of families headed by a person aged 65 or over by wealth quintile, 2002 (in 2002 dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Poorest</strong></td>
</tr>
<tr>
<td>20%</td>
</tr>
<tr>
<td>Average</td>
</tr>
<tr>
<td>Proportion of Overall Total</td>
</tr>
</tbody>
</table>

Source: NATSEM simulations based on ABS 1997-98 Survey of Income and Housing Costs
Australian Demographic Fundamentals
Superannuation 2006

= Partial solution
e.g. part time/ casual employment

• 45% not superannuated.

• 55% with super of which 70% with ‘full super’/ 30% with ‘asset’ but not on welfare or fully superannuated.
The Seachange Myth
…why let the truth get in the way of a good story…

350,000 total ‘candidate’ seachange

2,100,000 non-seachange
The Seachange Myth
…why let the truth get in the way of a good story…

- Coastal migration accounts for less than 20% of total internal migration
- Most coastal migrants are NOT Baby Boomers
- The Seachange romance tore Planning and Design thinking away from centres
1996 – 2001 Intercensal Inward Migration
Breakdown by Age Cohorts

10% Actual Seachange
10% of 350,000
‘35,000’
Why?

Conclusion: We have realised we are ‘kicking a dead whale’.

• Current ‘centres’ paradigm (s) cannot deliver
  • Euro Model - Public Transport / Density
  • US Model – Car based with Main Street

• Australian Capital Cities have some great examples but are ‘imploding’ under population, congestion and economic growth pressures
Why?

New ‘Centres’ thinking is urgently required for Taboo areas, for example:

- Mobile Home Parks
- Remote Areas
- Regional Centres
- Environmentally Sensitive Areas
- TOD’s
- Business Parks

As well as traditional CBD and suburban locations

But we actually need to jump the shark!
Acceptance of the need to escape from the intellectual and conceptual desert.
Shooting the puppy
Modern Eras of Human Settlement?

• 1900 - 1950  Colonisation

• 1950 - 2000  Suburbanisation

• 2000 - 2050  Globalisation:
  • 2000 - 2025  Growth Boundaries, Housing Stress, De-Urbanisation, Coastalopolis and Mining
  • 2025 - 2050  Re-Urbanisation, Major fragmentation & Emergence of Tropics

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Setting New Standards
Challenging Terra Nullius

What have we done for Mabo?
Challenging Populist Economists & Greenies
We are approaching slowdown
Challenging Populist Economists & Greenies
We are approaching slowdown

- New Tropical Global Capital?
- Australia’s new coastalopolis vs. Inland / mining
- New market segments? Club 55 – 80?
- Emerging Demand Profiles / Wealth
- Climate Change – Halo Marketing?
- China Price – new labour market pressure
- Growth uncertainty (EDP, ENP) and intensifying coastal pressure versus poverty
- Globesity / Generation XXL
- Public Transport / Vampire Projects

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Setting New Standards
How: Confront Taboos

- All major centres should be open to the public 24/7.
- All new centres should make a major contribution to social infrastructure.
- The federal Government should fund mass transit.
- New approaches to infrastructure funding are necessary.
- More $ should be spent on public housing.
- More $ spent on public transport / transport interchanges / TODs.
- The ‘China Price’ effect on labour demands low cost housing.
How: Confront Taboos

- Ageing and mature age poverty urgently require a housing solution
- New approaches to centres in remote areas are urgently required
- New regional centres
- New low cost fringe centres are essential
How: Conclusion
The ‘Centres Constellation’ requires:

- New conceptual machinery
- Outside the tent debate
- New Corporate DNA
- Discussing & Highlighting Taboos
- Creating / Forcing new regulatory regimes
- No political patronage

Australia has the need and the ability to lead the profession internationally
Part Two:

Cost Benefit Analysis
Informing leading edge centres & centre design: Late 20th Century
# Economic Indicators

<table>
<thead>
<tr>
<th>Efficiency</th>
<th>Economic Benefits</th>
<th>Social Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost reduction/ Avoidance</td>
<td>Population density</td>
<td>Safety levels</td>
</tr>
<tr>
<td></td>
<td>Public infrastructure</td>
<td>Security levels</td>
</tr>
<tr>
<td></td>
<td>usage</td>
<td>Noise levels</td>
</tr>
<tr>
<td></td>
<td>Energy usage</td>
<td>Pollution levels</td>
</tr>
<tr>
<td></td>
<td>Maintenance</td>
<td>Environmental sustainability</td>
</tr>
<tr>
<td></td>
<td>Waste levels</td>
<td>Community engagement</td>
</tr>
<tr>
<td></td>
<td>Public service usage</td>
<td>Accommodate ageing persons</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female participation as “safe”</td>
</tr>
<tr>
<td><strong>Spatial/ Locational</strong></td>
<td>Property Values</td>
<td>Increased synergies / linkages</td>
</tr>
<tr>
<td>Geographic impact</td>
<td>Construction/ investment</td>
<td>Urban character enhancement</td>
</tr>
<tr>
<td></td>
<td>Sales</td>
<td>Investment certainty</td>
</tr>
<tr>
<td></td>
<td>Critical mass</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Land usage</td>
<td></td>
</tr>
</tbody>
</table>

MacroPlan Australia
Setting New Standards
## Economic Indicators

<table>
<thead>
<tr>
<th>Activity levels</th>
<th>Economic Benefits</th>
<th>Social Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multipliers</td>
<td>Visitation frequency</td>
<td>Increased access / movement levels</td>
</tr>
<tr>
<td></td>
<td>Total Visitation</td>
<td>Increased personal time</td>
</tr>
<tr>
<td></td>
<td>Expenditure levels</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Traffic movement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increased productive time</td>
<td></td>
</tr>
<tr>
<td></td>
<td>decreased trip generation and length</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sectoral</th>
<th>Economic Benefits</th>
<th>Social Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multipliers</td>
<td>Employment</td>
<td>Community development</td>
</tr>
<tr>
<td></td>
<td>Sales/ volume/ output</td>
<td>Increased diversity / culture</td>
</tr>
<tr>
<td></td>
<td>RTD</td>
<td>Increased employment profits</td>
</tr>
<tr>
<td></td>
<td>Increased wealth levels</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Products</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Research and development multipliers</td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
## Benefit Cost Ratio Outcomes

<table>
<thead>
<tr>
<th>Area</th>
<th>Benefit/Cost Ratio</th>
<th>Case Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBD</td>
<td>3.0 – 4.75</td>
<td>3 case studies</td>
</tr>
<tr>
<td>REGIONAL</td>
<td>2.0 – 4.0</td>
<td>10 case studies</td>
</tr>
<tr>
<td>LOCAL</td>
<td>1.5 – 2.5</td>
<td>20 case studies</td>
</tr>
</tbody>
</table>

BCR > 2.0 Better than most Road Projects
TOD Criteria

**TOD Principles**

**Economic**
- Maximum leverage of private investment
- Max usage of PT usage per $ invested
- Max employment
- Minimise deliverability risk

**Environmental**
- Change travel behaviour
- Maximise PT uses
- Max TOD effectiveness
- Max land use efficiency

**Social**
- Create sense of place
- Create self-containment lifestyle
- Neighbourhood integration

**TOD Criteria**

**Economic**
- % land area for cars
- % private invest/total
- Delivery/staging
- Employ in TOD destination
- Jobs/m2 for employment
- Financial return

**Environmental**
- % intermodal use
- Land use efficiency ratio
- % non vehicle trips
- Design/subtropical
- % use of PT

**Social**

**Activity level**
- Persons/vehicles
- Working & resident pop.
- Max walkable catchment
- Visitations level
- Level of 18/7 activity
- Housing diversity mix
- Vehicles/household
### TOD Hierarchy

<table>
<thead>
<tr>
<th>TYPE</th>
<th>KEY OBJECTIVES</th>
<th>EXAMPLES</th>
</tr>
</thead>
</table>
| CBD  | Jobs           | **Existing:**  
Sydney CBD (QVB/Galleries)  
Melbourne CBD (QV)/Melbourne  
Brisbane (Queen Str and Roma Str), **Parramatta**  
**Proposed:**  
Perth (Williams Street)  
Qld – Maroochydore, Caloundra, Coomera |
|     |                | REGIONAL | Housing density and jobs |
| (Economic Development and patronage) | | **Existing/Under construction:**  
Rouse Hill Regional Centre, **Chatswood** Homebush  
**Proposed:**  
Varsity Lakes |
| LOCAL | Lifestyle (urban development – live, play and work) | **Existing:**  
**Subiaco,** St Mary’s (Sydney)  
**Proposed:**  
Edmondson Park and Leppington |
TBL Assessment of TODs

- Child care, gym, major open spaces, lanes and streets, events, integrated lift wells, 24 hr passive surveillance

*e.g. QV (Melbourne)*
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