

ETHOS URBAN

30 June 2020

Committee Secretary
Economics and Governance Committee
Parliament House
George Street
Brisbane, Queensland, 4000
Via email: egc@parliament.qld.gov.au

Dear Committee Secretary,

RE: INQUIRY INTO THE QUEENSLAND GOVERNMENT'S ECONOMIC RESPONSE TO COVID-19

Ethos Urban thanks the Committee for the opportunity to lodge a submission for the inquiry into Queensland's economic response to COVID-19. We applaud the government's initiative and are of the view that the response provides an unprecedented opportunity for government to work with industry to make bold decisions and supercharge innovation in Queensland.

Our submission is based on our experience and knowledge about how to create great communities, and focusses on a range of opportunities available to support and stimulate Queensland's economy and our community.

Who is Ethos Urban?

Ethos Urban is a national urban solutions company that integrates experience in town planning, urban design, engagement and economics. We bring collective intelligence to complex decisions to deliver a better urban experience. Our towns and cities are always changing and we know this creates choices that can make a difference to the quality of urban living.

We believe we can always improve the urban life experience by creating engaging places that connect us to where we need to go, meet our changing needs and create opportunities for everyone to thrive.

This passion infuses our work with a powerful momentum for positive change. It's a simple ambition, but without a trusted guide it can make for an uncertain journey.

Our clients trust us to provide the momentum they need to keep moving forward. Continually earning and reinvesting that trust is our ethos and our most treasured asset.

For over 25 years our people have worked in partnership with public and private sectors to provide them with the momentum to realise their ambitions for better places, communities and cities.

Context

Health is currently at the forefront of our minds. In the shadow of the crisis created by COVID-19, it has become clear that once the health threat reduces, there is likely to be significant and longer-lasting economic impacts. While this may be a daunting proposition, there is an opportunity to ensure thoughtful design and effective planning strategies can support social, health and economic resilience. Focussing efforts on areas where people live (towns, cities and regions) has the potential to address many of these concerns in the immediate and short term future, while also leaving a lasting legacy of 'doing things differently' to benefit communities that live in those areas.

The response to COVID-19 at a national, state and regional level has seen a dramatic and instantaneous shift in the way people experience their urban environments and social interaction. Some of these changes have highlighted an opportunity to rethink the way our urban areas function, particularly:

- The promotion of healthy lifestyles and the need to invest in active infrastructure;
- A desire to 'buy local' through improved access to local services;

- An opportunity for Queensland's planning system to be flexible and responsive to important issues as they arise;
- An ability to invest in infrastructure, particularly smaller scale projects that can unlock currently constrained or not fully realised opportunities;
- Social disadvantage and the lack of diverse and affordable housing in many urban areas; and
- The value of the public realm and green infrastructure in supporting physical and social wellbeing.

In their own right, these opportunities would not require significant expenditure and can be achieved in relatively short timeframes. However, when these opportunities are combined, they are likely to represent a substantial social and economic benefit to the community.

Suggestions and ideas

We believe that the following suggestions and ideas could assist the Queensland Government in responding to economic impacts created by COVID-19. While only part of the solution, they would work in concert with other ideas to support the community, development industry and local governments in Queensland.

Infrastructure investment – major projects and catalytic smaller projects

Large infrastructure projects have the capacity to provide significant and ongoing stimulus single-handedly, but are also very costly and take many years to effectively implement. Some “big ticket” investments like Cross River Rail are already underway and so can deliver more immediate opportunities, and continuing to plan for major infrastructure also plays an important role in recovery, create multiple economic, social and environmental benefits, and help keep the infrastructure pipeline functioning.

These can be complemented by ‘catalytic infrastructure’ of smaller scales that can unlock or enhance a broader social benefit. In other words, construction of a series of smaller infrastructure assets in targeted areas can ‘unblock’ issues that often hold up aligned projects (i.e. a missing piece of sewer infrastructure, water supply capacity, flood free local road access or necessary infrastructure to support emerging development fronts). Much of this infrastructure has already been identified in Local Government Infrastructure Plans, master planning and structure planning projects or ShapingSEQ. By supporting local government, utility providers, the development industry, community groups and others, many small infrastructure projects can move forward and assist with urban improvement and transformation such as:

- Greenfield developments led by private investors;
- New capacity to support urban infill developments;
- Safe and improved infrastructure to counteract impacts like flood-free access, which again could open up new development opportunities;
- Assisting with the feasibility of new community assets (i.e. sporting grounds, parklands, community facilities and the like); and
- Improved quality of life for areas currently affected by stormwater, sewer and water supply issues.

The result of these improvements would allow proponents to proceed with necessary approvals which would translate into additional employment (planning, design, construction, administration etc) and an improvement in lifestyle and health for many community members.

During home isolation, there has also been significant spikes in people walking and biking (including e-bikes and e-scooters), while public transport and car traffic use has been much lower. New habits are being established and use of active transport infrastructure is likely to continue a trend of higher usage than pre-COVID levels. This, coupled with changes to usage of public transport (resulting from spatial distancing requirements) is likely to support an attitude toward using a broader range of transport options.

Bikeways and footpaths are not expensive, particularly when compared to major road or public transport projects, and generally can be delivered quickly, especially by repurposing road space, a trend that is showing up strongly in successful cities throughout the world. Higher usage also requires safe outcomes, so quick delivery of a system of

separate, safe paths will support this change. We note recent proposals from Bicycle Queensland and Queensland Walks that show the cost effectiveness of such investments.

A program of increasing active transport infrastructure would have myriad benefits, ranging from significant community and individual health, reduced need for large road and transit investment, and significant reduced energy use which supports better environmental and climate change outcomes.

Local centres

During this pandemic, people have rediscovered the value of having things available within easy walking distance. While many communities, particularly in inner or smaller cities, have this option, large parts of post war suburbs don't as they were designed to require a car for these trips.

Local centre programs which invest in the amenity of existing centres, and seek to introduce more of these centres in walkable distance for local shoppers would boost the local retail economy, including employment associated with development and/or redevelopment and ongoing employment in the facilities themselves.

By investing in centres that improve local amenity, there is also an opportunity to sensitively increase the number of people to live in close proximity to centre catchments. This value uplift could manifest in:

- Sensitive density increases in walking distance of the centre (which would have employment and economic benefits);
- The provision of more diverse housing options that cater for different family types and changing demographics;
- Increasing physical activity and social interaction;
- Employment increases associated with new development;
- State and local government revenue achieved through levies raised by new development;
- Further investment (and employment) in the upgrading of aligned facilities (libraries, parks, footpaths, social services and the like); and
- A local economy that promotes entrepreneurial enterprise, innovation and higher levels of amenity for the local community.

Planning policy and legislation

The Queensland Government has already put in place a number of excellent planning policy responses to support economic recovery. We are of the view that there are further initiatives that could be implemented to support these changes and encourage an improved planning system once COVID-19 has passed.

These other initiatives are summarised below:

Streamlined planning scheme amendments

A constraint of the current Queensland planning system is the inability to streamline planning scheme amendments and policy to respond quickly to challenges. Currently, a planning scheme amendment process can take years to implement and by that time the issue may have become chronic or acute. The ability for planning policy to respond in a timely manner is important. While it is difficult to understand what planning responses will be needed at a local government level as we look to recovery, it will be necessary to:

- Allow those responses to be developed and gazetted in a timely manner;
- Investigate whether the current framework requires tweaking to improve timing constraints or look to other, complementary, processes that could reduce gazettal timeframes;
- Identify other temporary measures (like a streamlined TLPI) that can be adapted to support rapid response as issues arise;
- Provide flexibility in the response. The current framework is relatively rigid and not easily adaptable.

It is suggested that the *Planning Act 2016*, *Planning Regulation 2017* and the Ministers Guidelines and Rules be amended to reflect the above.

Investigate changes to decision making powers for development

While this would need to involve input from local government and careful consideration of capacity, another approach to stimulating the economy is to investigate decision making powers and processes for development applications. This might include:

- Deemed refusals currently are the only option where a decision has not been made within a reasonable timeframe. This process requires costly Court appeal processes to resolve. It is suggested that alternatives to support decision making be further investigated to speed up assessment processes and provide certainty and finality in the process;
- Independent mediation and/or assessment of applications by a panel could be used to help speed up delivery of decisions on development applications. While this, again, would need to be carefully considered to protect community interests, it would alleviate local government and court capacity pressures and support streamlined assessment processes; and
- Similar to the above, there is an opportunity to implement an independent development assessment review panel that can assist in resolving challenges between applicants and local governments at the decision making stage. This panel may have powers to assist in making a decision or putting a recommendation for resolution to the relevant decision makers.

Refocusing SEQ regional plan implementation to unlock recovery projects

The SEQ regional plan (ShapingSEQ) is a valuable tool for the region, and can be used to stimulate economic outcomes. The document has various targets (outlined within *Chapter 5 Measuring our success*) that relate directly to activities that can aid in our recovery, including dwelling growth, housing type and housing density. The document also has a wide range of implantation actions, some of which (like Unlocking Underutilized Urban Footprint) could be fast tracked to create economic activity.

ShapingSEQ also sets benchmarks for each local government for housing and employment, which may require review in the light of reduced immigration as a result of COVID-19.

It is suggested that a review of the some of these components be bought forward or further investigated to stimulate economic growth in South East Queensland.

Local housing for everyone

After decades of divestment, underinvestment and lengthening queues for social housing programs, together with growing homelessness, there is now the opportunity to reinvest in social housing. Experience elsewhere demonstrates the significant social and economic benefits form maximising the opportunity for all to access safe and secure housing and a stable lifestyle. We applaud the government in its recent announcement of \$200 million to support this cause, and believe there are further opportunities to strengthen outcomes, including:

- A Federal and State government joint funding arrangement could further leverage investment and spread the costs and management of the initiative;
- Opportunities for significant private investment, particularly through PPPs, could support a greatly expanded initiative, including facilitating build to rent models; and
- Investigating the expansion of the program to support a range of social housing outcomes and forms, disability housing funding and funding for other socially disadvantaged persons across the state would extend the reach of the program.

The further leveraged funding is likely to not only have financial benefits for the state (rates, taxes, duties etc), but has also proven elsewhere (like in Finland's Housing First Program, and a similar program in Utah) that there are significant social cost savings to government funded hospitals, institutions and the like.

In addition to social housing funding and the recent housing construction and renovation boost, the government is encouraged to investigate incentives for organisations providing housing diversity. Statistics in ShapingSEQ show that currently 73% of SEQ's housing stock is for single detached dwellings. This number is significantly increased in regional areas. While this caters for many Queenslanders, the traditional family composition and need for housing choice is changing. There is a growing demographic that require smaller housing, adaptable housing or housing in higher amenity areas to support their lifestyle and social needs. It is suggested that the State Government incentivise these forms of housing as it will result in greater return on investment (rates, duties, taxes as well as savings in infrastructure provision).

The combination of these initiatives will support greater private investment, increased employment as substantial long-term cost savings.

Green infrastructure

The experience of COVID-19 has shown the importance of our public realm, with local parks being heavily used, and as restrictions lift, people flocking to major parks, nature areas and beaches. Most of our public realm is actually in our roads and streets, and lots of people have an increased appreciation of these while walking and biking during isolation.

This has sharpened the realisation that many of our public spaces and streets are not well set up for this level of use. Local parks, particularly in lower socio-economic areas, are often poorly developed and maintained, while streets often lack constructed footpaths, shade from street trees, connectivity and lack of width for spatial distancing.

Programs elsewhere, like New York's Community Parks Initiative, have shown a solid evidence-based way to do this. Most local governments around Australia have lists of park and footpath improvements they can't fund, and where it would be practical to get construction going quickly. A program that identifies and helps fund priorities for these would both produce immediate employment and lasting social, economic and environmental benefits.

Other suggestions

A range of other initiatives could be undertaken without many resources and in a timely manner. Some suggestions include:

- Unlocking government land for community and private interests. There is a large number of underutilised sites owned by the State Government that could be leveraged or divested to support economic recovery through raising of funds to be reinvested, rental returns and redevelopment supporting job creation.
- Working with local government, identifying ways to enhancing the economic potential and expedited assessment processes of development fronts through Provisional Priority Development Areas (temporary PDAs used to stimulate growth);
- Bringing forward or 'dusting off' State Government led projects that have been shelved or put on hold due to other priorities;
- Investigating the potential to co-fund or support a variety of smaller or shovel ready projects which can be commenced immediately. These projects would provide instant investment and growth and may not necessarily need to be led by the State Government; and
- Hosting an innovation summit that invites ideas and creative approaches to unlocking economic potential in urban and regional areas. This could be co-hosted with the Federal Government and look to fund a portion of these ideas through existing programs (i.e. the Northern Australia Infrastructure Fund, Indigenous Land and Sea Corporation Fund (for indigenous projects) and other various funds that already exist).

Ethos Urban again congratulates the Queensland Government for its proactive approach to economic stimulus in the face of such an extraordinary event. The saying 'with adversity comes opportunity' has never seemed so fitting. As the Queensland community looks to the government to lead us through these challenging times, we believe

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there is a unique opportunity to reset and refocus for resiliency, and that the opportunity to make bold decisions in support of our community has never been so great.

We would welcome an opportunity to further explore or explain our ideas with the committee as the inquiry progresses. Should you there be a need to contact us, please do not hesitate to contact Greg Vann or Josh Walker of this office.

Kind regards,



Greg Vann
Director
Ethos Urban

[Redacted]
[Redacted]



Josh Walker
Associate Director
Ethos Urban

[Redacted]
[Redacted]