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How do we regenerate middle suburban 'greyfield' areas?

REGENERATION OF RESIDENTIAL 'GREYFIELD' AREAS IN AUSTRALIA'S CAPITAL CITIES AIMS TO IMPROVE AFFORDABILITY AND SUSTAINABILITY. ACHIEVING THESE OUTCOMES REQUIRES AN INTEGRATED AND STRATEGIC RESPONSE FROM POLICY-MAKERS AND DEVELOPERS ACROSS THE DOMAINS OF FINANCE, PLANNING, DESIGN, CONSTRUCTION TECHNOLOGY AND COMMUNITY ENGAGEMENT.

KEY POINTS

- Greyfield residential precincts are concentrations of under-utilised (but occupied) land parcels in middle suburban locations where residential building stock is failing (physically, technologically and environmentally) and energy, water and communications infrastructure is in need of upgrading. Development of such sites, to date, has been piecemeal.
- More effective precinct-scale redevelopment in residential greyfield areas is possible, but requires assembling multiple layers of property, planning, utility and demographic information and sharing this across a range of stakeholders.
- A precinct-scale design model offers the potential to increase the quantity, quality and diversity of medium density housing and improve the provision of public open space, shared amenity, neighbourhood-wide ecologically sustainable design solutions and infrastructure upgrades.
- Construction and labour force innovations (e.g. using prefabricated materials and modular assembly) could also enhance the economics of housing delivery and redevelopment outcomes in the middle suburbs.
- Using this model, a shared urban spatial information system assists in community engagement, financing initiatives and delivery mechanisms supporting the envisioning of possible future redevelopment and enabling higher levels of cooperation

*This bulletin is based on an Investigative Panel project conducted by **Professor Peter Newton**, **Professor Shane Murray**, **Professor Ron Wakefield**, **Ms Catherine Murphy**, **Ms Lee-Anne Khor** and **Mr Tom Morgan** at the AHURI Swinburne-Monash and RMIT Research Centres. The research articulates a new development model for the regeneration of middle suburban residential precincts.*

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between authorities, developers, investors, local communities and existing residents.

- Greyfield redevelopment will also require the commitment of urban policy-makers to new planning and development assessment frameworks to reduce risk and uncertainty, and enhance quality of redevelopment projects. An independent urban renewal organisation would enhance the quality and delivery of regeneration initiatives.

CONTEXT

More intensive redevelopment within established suburbs is needed to transform Australia's major cities into more sustainable environments. Formal government strategies for urban intensification focus on the redevelopment of large land assemblages in activity centres and brownfield precincts and more recently, on major transport corridors. As long as a suitable supply of brownfield land exists and outer greenfield land supply remains unlimited, greyfield areas will struggle to attract major property developers. Small scale, piecemeal infill is the predominant form of redevelopment in the middle suburbs, a model which is unable to fulfil the environmental, economic and social imperatives of urban intensification. Greyfield residential precinct regeneration in the middle suburbs involves the strategic coordination of infill redevelopment.

This project investigated the processes required for the emergence of an effective development model capable of delivering more affordable and sustainable medium-density housing in the middle suburbs.

RESEARCH METHOD

This Investigative Panel project involved 70 leading thinkers from the research, policy, industry and community sectors meeting in facilitated workshops to interrogate the issue of how to regenerate greyfield residential areas. The panel process engaged these experts in four stages during 2010. A discussion paper was distributed prior to each workshop, providing a framework for discussion. Facilitated workshops employing Mind Mapping software provided a real time dynamic recording, synthesis and display of the key points raised within the forums. The iterative mode of examination enabled the collective development of ideas and strategies identified by the participants.

KEY FINDINGS

The Investigative Panel process revealed that the greyfield precinct regeneration approach is desirable and feasible; however, a number of barriers need to be overcome for successful implementation. Much of the innovation needed is organisational and institutional, supported by some technological innovations. Figure 1 identifies the areas (shaded) where major innovations need to occur to achieve a new, viable development model for greyfield residential precincts. The figure indicates that a number of problems need to be solved:

- Identifying the locations developers and planners should target for development ('where').
- Improving the processes needed to achieve this, including design and construction ('what').
- Allocating responsibility for achieving it including financiers, community and government stakeholders ('who').

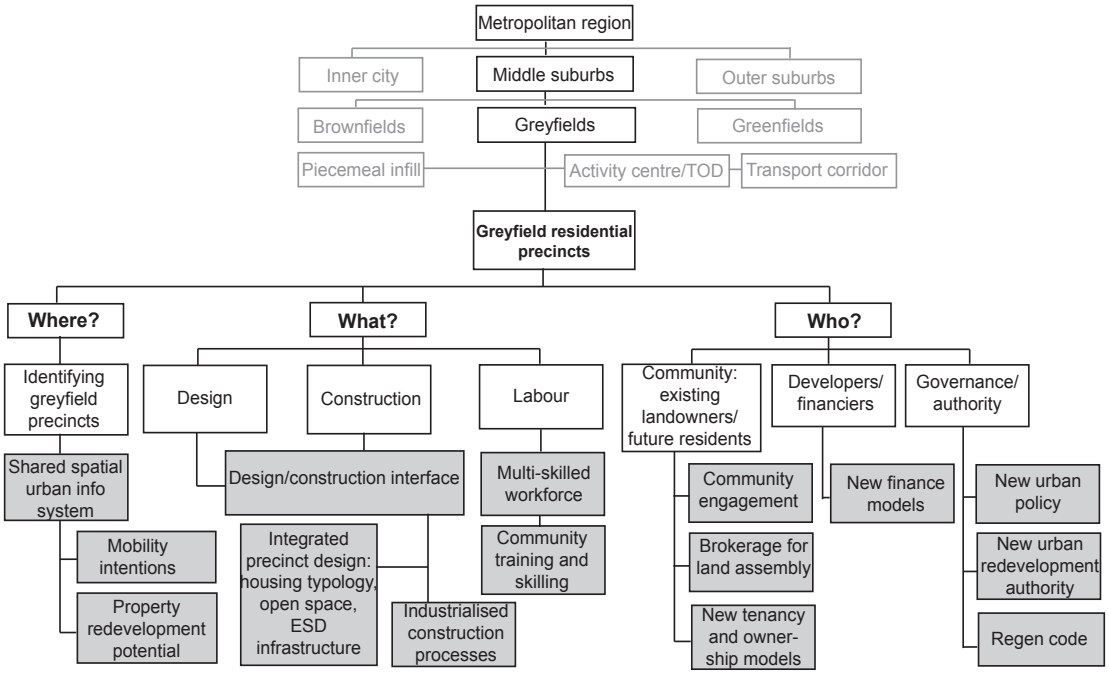
Where should development occur? Identifying greyfield residential precincts

The identification of residential precincts with a high redevelopment potential, followed by a process of community engagement with the property owners of the precinct, are the first steps in the process of residential regeneration in greyfileds.

An analysis of residential redevelopment potential identified over 250 000 middle suburban properties in Melbourne with a high potential for regeneration, in localities where residential building stock is failing and infrastructure is in need of upgrade. However, individual ownership of allotments makes land assemblage of a consolidated precinct extremely challenging, which is why at present redevelopment tends to occur sporadically as individual assets enter the market.

A shared spatial information system would assist in collating multiple layers of information, such as

FIGURE 1: INNOVATION AND 'FUTURE LOGIC' FOR GREYFIELD RESIDENTIAL PRECINCT DEVELOPMENT



property redevelopment potential, resident mobility intentions, strategic plans and socio-demographic attributes, thereby enabling a range of stakeholders to proactively envision and explore opportunities for regeneration. Such coordination would facilitate the assembly of suitable land parcels.

Redevelopment might occur across a number of suburban allotments in the form of *consolidated*, *hybrid*, or *dispersed* precincts. The consolidated assembly of land parcels is attractive for potential density increases and infrastructure efficiencies. However, precincts involving either dispersed land parcels or a hybrid of partially assembled and dispersed land parcels would be more easily funded, acquired and administered. All of these could provide high quality public open space, improved social amenity, infrastructure upgrades and higher residential yields which are impractical for single-lot redevelopments.

How to achieve greyfield development?

Improved design

A precinct-approach to infill redevelopment in the middle suburbs could provide a diversity of housing types that better respond to market needs and industry processes. Flexible and adaptable designs that accommodate a range of household compositions and life stages would meet the need for affordable alternative housing types. Such designs could include, for example, downsizing housing options that enable a retiring 'baby-boomer' cohort to relocate *in situ*.

Innovative construction and industry processes

Conventional methods of domestic construction and housing delivery have limited capacity to provide the quantity, diversity and quality of medium-density housing needed for effective regeneration of middle suburban areas. Conversely, commercial construction techniques are difficult to deliver on a lot-by-lot basis and at a price point attractive to the current market. Precinct-scale redevelopments encompass an economy of scale that could make innovative manufacturing and industrialised (e.g. modular) construction viable for medium-density housing projects. This would require substantial changes in the types of housing solutions offered, in the physical and information technology platforms used, and in the type of labour force necessary to support the delivery process.

Who needs to be involved to make it happen?

Planners

Victoria does not currently have a clear framework for higher density redevelopment in established suburbs. The length of time and uncertainty associated with planning processes significantly

impedes innovative and sustainable regeneration outcomes. New planning mechanisms that clearly articulate design and performance benchmarks, streamline the development approval process and alleviate developer confusion are sought by industry and government stakeholders. A new 'regen-code' specifically developed for this scale and type of work which engenders the social and environmental imperatives of a 21st century city could be developed. A new urban renewal organisation, impervious to political cycles and transcending municipal boundaries, could administer such redevelopment, eliminating uncertainty at a metropolitan level and maintaining long-term strategic objectives.

Financiers

Different forms of finance or financial incentives could facilitate new forms of greyfield development. For instance, at an institutional level, development bonds could be used to finance land consolidation and infrastructure improvements, which may help to overcome local opposition to consolidation. Other financial structures could involve superannuation funds, tax increment financing, or land tax and stamp duty rebates. Greyfield residential precincts could also precipitate community finance models such as cooperative building societies in which home owners and local stakeholders pool capital and assets for shared neighbourhood outcomes.

Local community

A significant hurdle to development in these suburbs is likely to be community support. Greyfield precinct regeneration offers opportunities for property owners to be engaged as 'partners' in the development. A tension exists between providing genuine avenues for resident input early in the development process and the need to demonstrate certainty of the regeneration objectives. This critical process of engagement is likely to require a specialist or dedicated organisation that can 'broker' collaborations and maintain trust between parties.

POLICY IMPLICATIONS

The limitations of current planning strategies and processes inhibit the uptake of greyfield precinct redevelopment. Significant policy intervention will be required to avoid business-as-usual development which directs capital investment and population growth outwards (to greenfield sprawl).

The most recent strategic plans for major Australian cities target over 50 per cent of new dwellings to be built within established residential areas, principally the inner and middle ring suburbs. A robust program for regeneration in the middle suburbs would assist in achieving this. It would also assist to achieve the objectives outlined in the National Urban Policy for Australia's cities; *Our Cities, Our Future: a national urban policy for a productive, sustainable and liveable future* (Australian Government).

FURTHER INFORMATION

This bulletin is based on AHURI project 50593, *Towards a new development model for housing regeneration in greyfield precincts* (Investigative Panel).

Reports from this project can be found on the AHURI website: www.ahuri.edu.au or by contacting AHURI Limited on +61 3 9660 2300.

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