

CITY FUTURES

THE CITY IN A METROPOLITAN GROWTH CONTEXT

HOUSING AND JOBS

The State Government released its Metropolitan Strategy in December 2005 (*City of Cities: A Plan for Sydney's Future*). It anticipates growth of 1.1 million people in the Sydney Region between 2004 and 2031, from 4.2 million to 5.3 million. The Strategy proposes 640,000 new homes and 500,000 more jobs across the Sydney Region.

A key element in the Strategy is for 'stronger cities within the metropolitan area'.

"Sydney City and North Sydney will continue to be the harbour cities at the heart of Global Sydney. They will be the focus for world class business, tourism, cultural, health, education and entertainment activities. The river cities of Parramatta, Liverpool and Penrith will provide a focus for innovative business environments, jobs and more lifestyle and work opportunities closer to growing parts of Sydney. These centres will attract new shopping, health, education, business and cultural facilities."

The approach is for a multi-centred Sydney region, underpinned by the proposition that the geographic and population growth in outer Sydney needs stronger suburban centres of employment and housing to support transport investments, more jobs closer to home and ultimately a more sustainable urban pattern.

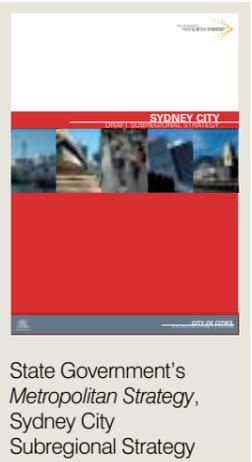
City of Sydney supports the State Government's recognition of the City's role at the centre of Global Sydney, with an increasing role as a host of globally oriented jobs, and complementary regional cities as advocated by the City of Cities approach to metropolitan planning.

The Metropolitan Strategy identifies 10 sub-regions across the Sydney Region and the Department of Planning has prepared draft strategies for each sub-region, including for The City of Sydney, a sub-region in its own right. The 'working' key directions identified for the City sub-region are as follows.

1. Reinforce global competitiveness and strengthen links to the regional economy.
2. Plan for sustainable development of major urban renewal projects.
3. Ensure adequate capacity for new office and hotel developments.
4. Plan for housing choice.
5. Develop an improved and increasingly integrated transport system that meets the sub-regions multiple transport needs.
6. Improve the quality of the built environment and aim to decrease the subregion's ecological footprint.
7. Enhance the City's prominence as a diverse global cultural centre.

These directions are supported by and reflected in the Strategic Directions identified for Sustainable Sydney 2030.

The *Sydney City Subregional Strategy*, includes the dwelling and employment targets as shown in TABLE 1. The City of Sydney acknowledges these planning targets and has undertaken scenario modelling and risk analysis to identify implications that arise from them.



CITY OF CITIES
SOURCE: NEW SOUTH WALES GOVERNMENT (2005) SYDNEY METROPOLITAN STRATEGY

Subregion	HOUSING	JOBS
	2031	2031
Sydney (City of Sydney)	132,000	462,000
East	142,000	155,000
South	284,000	214,500
Inner North	159,000	288,000
North	109,000	92,500
North East	107,000	102,500
Inner West	125,000	103,500
West Central	323,000	369,500
North West	342,000	367,000
South West	184,000	208,500
Central Coast	195,000	125,800
NW and SW Growth Centres	135,000	
Metropolitan Sydney Total	2,237,000	2,489,300

CITY FUTURES

IMPLICATIONS OF GROWTH

As part of the analysis undertaken for Sustainable Sydney 2030 alternative scenarios for development were prepared. Their principal purpose was to test possible outcomes for different combinations of residential and job growth in the City of Sydney taking a 'whole of Metropolitan Region' perspective.

To illustrate the issues, the scenarios included possibilities for jobs and housing growth that could be considered a 'stretch', compared to current policies and programs. Evaluating which scenario works best for the metropolis essentially revolves around transportation. Superior or poorer performance on total vehicle travel, in particular, is a pointer not only to the efficiency of the metropolis but to its environmental impacts.

It should be emphasised that local household travel behaviour is only one contributor to a household's environmental or 'greenhouse' impact. A household's general consumption (on food, electronic equipment, air travel etc)

and the environmental performance of their housing are also significant contributors. Nevertheless, travel behaviour and its associated environmental impacts is a key dimension of sustainability that strategic planning can influence.

By identifying through scenario modelling what appears to be the lowest impact allocation of growth from a metropolitan-wide travel point of view, the planning process can propose appropriate associated policies, programs and infrastructure investments. The scenarios were developed on a broad brush basis.

Key findings of the analysis included the following:

1. Increased development and density in the City can have metropolitan-wide environmental benefits.

More concentrated and higher rates of residential development in the City (and less elsewhere in the Sydney Region) than current trends and policy, would lead to lower greenhouse emissions across the metropolitan area, assuming current travel patterns prevail. This is mainly because each resident of the City is, on average, less likely to use a car, and travels less, than a resident elsewhere in the Sydney Region.

2. The current and proposed metropolitan rail network will struggle to cope with very high employment growth in the City.

A higher number of jobs in the City than anticipated by the Metropolitan Strategy would place a strain on the metropolitan rail network. Under this scenario, peak hour trips by workers from elsewhere in the Sydney Region would increase significantly. The State Government's proposed North-West rail project and the previously announced South-West rail extension) will increase public transport capacity into the City Centre from Western Sydney by around 20 per cent, sufficient to cater for demand under the Metropolitan Strategy employment target.

Without major augmentation of the metropolitan rail network, or significant demand management measures to unlock non-peak hour capacity, higher job growth in the City appears constrained in the medium-term.

3. The existing Inner Sydney public transport network, or proposed improvements, may not be adequate to cope with the growth suggested by the Metropolitan Strategy's housing and job targets for the City and surrounding Local Government Areas.

The State Government's *Urban Transport Statement* focuses largely on marginally increasing the capacity of the heavy rail network. Trains currently, and in the future, are likely to be at capacity as they pass through stations in Inner Sydney during peak commuter periods. Sydney Ferries will be seriously challenged in attempting to maintain, let alone increase, their existing fleet and service levels.

The Inner Sydney bus network has limited capacity to increase services due to recurrent traffic congestion particularly in the City Centre corridor itself. While the *Urban Transport Statement* discusses a specific bus strategy to address this, it is not clear that the identified measures would be sufficient to cater for the long-term increase in demand from the residents of Inner Sydney.

Aside from the high population increase predicted for the City of Sydney itself (89 per cent from 2001 to 2031), other parts of Inner Sydney are expected to have significant population increases—the Inner West Sub-region is expected to increase by 26 per cent, for example.

A higher number of jobs in the City than anticipated by the metropolitan strategy would place a strain on the metropolitan rail network. The State Government's metro rail program, announced in March 2008, including lines to the North-West, South-East, and West would be sufficient to cater for increased public transport capacity into the City Centre from Western Sydney.

It would be sufficient to cater for demand under the Metropolitan Strategy employment target. However, without major change to the metropolitan public transport network, or significant demand management measures to unlock non-peak hour capacity, higher job growth in the City appears constrained in the medium-term, by limited transport capacity.

4. The sustainability benefits of more compact growth can only be realised if essential infrastructure, facilities and services are provided simultaneously with development.

The negative consequences of recent decades of urban consolidation without essential infrastructure and services are clear in growing public pressure for action to address poor amenity, failing transport and health services, unaffordable housing and damaging pollution.

Without government action on these fronts, commitment to a sustainable and liveable City may prevent more intense residential development. Where ageing or inadequate infrastructure is overstretched without renewal, the long-term consequences are social polarisation, urban decay and economic stagnation.

In principle, the metropolitan-wide benefits from higher growth can provide the resources to tackle these challenges. This includes land value increases from additional development

potential, cost savings from deferring investment in infrastructure elsewhere, and an efficiency dividend from reduced trip making and congestion.

5. Where facilities and infrastructure are effectively coordinated with dense residential development, benefits can be achieved, including:

- reduced travel with associated reduction in greenhouse gases, emissions and congestion;
- preserved character of valuable Village and heritage areas by concentrating development in identified renewal areas;
- protecting rural and arable land from urban encroachments;
- strengthening local economies through an expanded customer base;
- improved access to retail, office, health, education, leisure, entertainment and cultural facilities and community and personal services;
- improved accessibility, particularly by public transport, for a greater share of the community;
- optimised use of existing services and infrastructure where there is capacity;
- reduced car dependency;
- more opportunities for walking and cycling which provides for healthier communities; and
- increased housing mix.

The pre-requisites for higher densities include:

- A reliable and convenient public transport system;
- A good mix of commercial and retail land uses
- A good mix of housing types and tenures
- The presence of appropriate and affordable cultural, social and health facilities; and
- High quality and urban amenities including parks, recreation and pedestrian facilities and plazas.

Sustainable Sydney 2030 Housing and Job Targets

The City of Sydney is confident of reaching the Metropolitan Strategy subregional targets for 2030.

The planning capacity for new housing and jobs should be sufficient to anticipate uncertainties and longer term options, and to enable the City to adapt over time.

Sustainable Sydney 2030 has been developed within the context of future uncertainties, which include:

- instability on financial markets which may slow global economic growth and opportunities in core Sydney sectors such as finance and business services;
- the projections for climate change and associated impacts on water, energy and extreme weather events;
- the prospect of higher energy prices, from carbon taxes and reduced fuel supplies, which could reduce international travel but also favour City living where transport choices are greater;
- changes in immigration rates to Australia, driven by political or social turmoil elsewhere in the world, or by the competition for labour, in which Australia's quality of life could be an advantage;
- rising house prices and lowering affordability;
- demographic change including the ageing of the population and more single person households; and
- social changes including changing attitudes to urban city living versus fringe suburban living.

The City of Sydney is working towards an additional 48,000 dwellings (around 87,000 people) and 97,000 jobs from 2006 to 2030, which will meet the 2031 Metropolitan Strategy subregional targets.

TABLE 2 CITY OF SYDNEY HOUSING AND JOBS 2006-2031*

	HOUSING		JOBS	
	2006	2031	2006	2031
Activity Hub Catchment				
King Street	10,520	14,760	16,640	18,100
Glebe Point Road	8,460	10,800	6,280	7,040
Haymarket	7,280	12,200	97,140	126,000
Kings Cross	13,080	13,790	12,060	12,680
Crown Street	11,730	15,500	20,990	23,240
Oxford Street	9,620	10,640	16,990	18,100
Harris Street	9,440	10,980	27,410	34,240
Harbour	3,560	7,110	128,850	155,940
Redfern Street	8,000	16,850	11,940	28,790
Green Square	8,280	25,250	30,750	41,990
City of Sydney Total	89,970	137,900	369,050	466,120
Growth		+47,930		+97,070

*The Metropolitan Strategy targets use a base year of 2004. Between then and the base year of 2006 used in this document the City of Sydney experienced estimated growth of around 6,260 dwellings and 12,500 jobs in the City.

The City has conducted preliminary analysis to provide an indication of where these new dwellings and jobs may be located across the City. These estimates are shown in the table and maps on page 27. The analysis is based on estimates of demand and preliminary analysis of the potential in current State Government and City of Sydney planning instruments. However, further detailed capacity analysis is required to further validate these estimates.

City of Sydney housing and jobs targets provide for planning capacity to allow for the uncertainties discussed above. These uncertainties may result in higher or lower levels of growth than anticipated by the Metropolitan Strategy targets.

The 2030 Vision has built-in capacity on the 'up-side' to provide a risk 'buffer' and for flexibility in planning responses over time. There is no need for the City of Sydney to provide all this capacity in its planning instruments in the short-term. A staged approach is required.

Initial planning should aim to accommodate 10 to 15 years of development growth and ensure future development potential is preserved. The 2030 target could be fully accommodated in the subsequent revisions to planning controls. Accommodating the growth is largely dependent on ensuring sufficient renewal sites for development, as heritage and established areas are not expected to change significantly.

Sustainable Sydney 2030 has identified investigation areas to accommodate future growth. These are shown on the renewal area maps and discussed in STRATEGIC DIRECTION 9: SUSTAINABLE DEVELOPMENT, RENEWAL AND DESIGN.

The monitoring and review process proposed in STRATEGIC DIRECTION 10: IMPLEMENTATION THROUGH EFFECTIVE PARTNERSHIP aims to track the trends and factors influencing growth and assess their implications for the future.

