



Whitehorse City Council
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11 February 2016

Mr John Alexander OAM, MP
Chair of the Standing Committee on
Infrastructure, Transport and Cities
C/- Committee Secretariat
PO Box 6021
Parliament House
CANBERRA ACT 2600

File No: SF11/1488
Contact: Jeff Green
Phone: 9262 6306

BY EMAIL: ITC.reps@aph.gov.au

Dear Mr Alexander,

Submission to the inquiry into the role of transport connectivity on stimulating development and economic activity

Thank you for the opportunity to make a submission to this inquiry. We congratulate the Committee for inquiring into this important matter and considering alternative methods, funding mechanisms, and assessment measures to deliver vital transport infrastructure in Australia.

In summary, we submit that transport connectivity plays a critical role in stimulating development and economic activity. Moreover we submit that transport infrastructure investment has the potential to leverage substantial broader place making benefits. There is a role for the Federal Government to assist in unlocking these benefits.

The City of Whitehorse is located 15 kilometres east of Melbourne and covers an area of 64 square kilometres. Whitehorse has an estimated residential population of approximately 163,697 residents (as at June 30, 2014). Whitehorse also has a \$7.8 billion local economy generated by 61,000 local jobs and 9000 local businesses.

Whitehorse is well serviced by public transport, including the Belgrave/Lilydale railway line, and supported by tram and bus routes along key arterial routes. Whitehorse also has an extensive road network that services transport needs within the municipality and between suburbs, including a freeway link to the Melbourne CBD.

The goals of Council's *Whitehorse Integrated Transport Strategy 2011* are to:-

- Improve the links between transport modes for the efficient and convenient movement of people and goods;
- Increase the use of sustainable transport modes to minimise the impact of transport on the environment;



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- Increase the use of sustainable transport modes that promote healthy lifestyles, such as walking and cycling;
- Increase the safety of residents and commuters who travel within and through the municipality;
- Promote economic development and social connectedness within our community.

Whitehorse City Council is committed to ensuring that its community and those who travel through the Municipality, have access to transport options that are sustainable, convenient, accessible, safe and enhance the liveability of the city. Importantly, transport connectivity is essential in stimulating development and economic activity.

This submission outlines two critical transport infrastructure projects in the City of Whitehorse that are exemplars for demonstrating the important role of transport infrastructure in stimulating development and economic activity. The projects are the redevelopment of the Box Hill transport interchange and town centre and the need for a new station at Blackburn as part of the level crossing removal in Blackburn Road, Blackburn.

Specifically, our submission relates to the following terms of reference:-

- a. *Identifying the likely impact on property values and property-related tax revenues as a result of transport connectivity;*
- b. *examining options for the application of value-capture mechanisms to sustainably fund transport infrastructure;*
- c. *considering means, including legislative and administrative actions, by which government and the private sector can best utilise value-capture funding mechanisms;*
- d. *considering the appropriate roles of each of the three levels of government in the establishment of sustainable value-capture funding mechanisms for planning and infrastructure construction.*

Redevelopment of Box Hill Transport Interchange and Town Centre

We are pleased to share with the Committee our recent work ***Building a Better Box Hill, through co-operative redevelopment of the Box Hill transport interchange and town centre.***

Whitehorse Council with the assistance of Dr Chris Hale, one of Australia's leading transport infrastructure thinkers, has undertaken an early stage analysis and appraisal of the economic benefits and holistic planning and urban renewal opportunities available in Box Hill Victoria, through the co-operative redevelopment of the Box Hill transport interchange and town centre.

This work has revealed an extremely compelling case for Government investment and action (at all levels), as well as identifying opportunities for value capture.

"Redevelopment of the Box Hill transport interchange is highly beneficial from the state government perspective". \$188 million in direct transport benefits has been identified. ***"Timely redevelopment of the transport interchange offers the opportunity to underpin around \$3 billion in broader economic benefits"***. There is an opportunity to create **11,000 jobs**. (Hale, 2015)



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Importantly, the magnitude of opportunity in Box Hill is dependent on co-operation. The Building a Better Box Hill preliminary business case was commissioned by, developed in consultation with, and endorsed by key local land owners, businesses, health and medical institutions, as well as transport operators. *Box Hill First* stakeholder group was established by Council out of co-operation and a common goal of Building a Better Box Hill. This demonstrates the support and willingness of key stakeholders to co-operate with Governments to 'put Box Hill first' in order to achieve optimal shared outcomes.

This work identified possibilities for Value Capture / shared funding mechanisms to deliver transport infrastructure, through cooperative redevelopment. One of the *Box Hill First* stakeholder group, Vicinity Centres, is the owner of Box Hill Central shopping centre which contains the Box Hill transport interchange (train station below and bus interchange above, tram nearby). The owner has expressed interest in a substantial redevelopment of the shopping centre, which would be contingent on co-operative investment and action by Government.

Box Hill's integrated transport and retail/commercial hub was visionary at the time it was developed more than 30 years ago, both for its design and function as well as the private/public co-operative investment required to build it. However, the project did result in some complexities around ownership and responsibilities that today are a challenge for the renewal of the transport infrastructure and town centre. Renewal of the interchange and town centre is now overdue because of aging infrastructure and the need to provide for substantial developments occurring now and planned for the future.

Box Hill is experiencing a development boom <http://www.boxhill.com.au/invest/boxhill/> and our investigation has shown that sustained future growth is dependent on infrastructure renewal. "A range of factors suggest that necessary decisions are imminent for Box Hill Infrastructure, and delay may place a wide array of developmental opportunities and job creation impacts at risk" (Hale 2015).

Now is the time to plan the solution for Box Hill. We submit that there is a role for all levels of Government to facilitate, fund and act in co-operation with private sector partners to unleash substantial economic and place making benefits.

We request Federal Government support in funding the development and assessment of a full business case in 2016 for redevelopment of the Box Hill transport interchange and town centre. This would include consideration of a range of possible value capture mechanisms.

Enclosed is a one page summary of our preliminary business case *Building a Better Box Hill*, together with the accompanying detailed technical report by Hale Consulting.

Redevelopment of Blackburn Station

Another project that Council would like to highlight to the Committee is the potential redevelopment of Blackburn Station in Blackburn as part of the level crossing removal in Blackburn Road.



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The level crossing removal is currently being planned and delivered by the State Government as part of its commitment to remove 50 level crossings over the next eight years.

Whitehorse City Council has strongly advocated over many years for the removal of all rail level crossings in the municipality. It is pleasing that the State Government has delivered 4 level crossing removal projects in Whitehorse over the last 8 years with 2 more scheduled for this year including Blackburn Road. The Federal Government previously made an \$80M financial commitment to supplement the State Government's financial commitment for the removal of the level crossing in Springvale Road, Nunawading which was completed in 2010.

Rail level crossing removal projects provide an excellent opportunity to improve public transport, improve safety, ease congestion, improve urban environments and provide social benefits. The projects can also significantly stimulate development and economic activity.

Level crossing removal projects in Whitehorse have generally been basic engineered rail crossing removal projects and there has been less focus on leveraging on the "potential economic and social opportunities". The reasons given include that this is outside the scope of project, cost implications and timelines for delivery.

While the level crossing removals completed have been welcomed and appreciated by Council and the community, we submit that each of the projects have not harnessed the potential to use the significant government investment to leverage extensive economic and social benefits. It is Council's view that the focus of these projects should be broadened from just physical rail crossing removals, to stimulate broader economic and development activity and opportunities. Broadening the scope of rail crossing removal projects to allow key infrastructure to be built now would be a catalyst for future opportunities and development rather than just "future proofing."

For example, building a multi deck car park as part of a rail crossing removal project rather than the provision of basic at grade car parking at railway stations could open opportunities and stimulate development earlier. As another example, surplus land may become available as a result of the project, within or adjacent to the rail reservation which could be developed. More thought about the use of decking and use of air space for development needs to be given.

To date, it has been difficult for Council to get buy in and traction for these projects, from the diverse range of government stakeholders to a broader more strategic approach which would stimulate development and economic activity.

The removal of the level crossing in Blackburn Road, Blackburn is currently being planned and is scheduled to be completed by 2017. It is currently proposed by the State Government that Blackburn Station is not replaced with a new station as part of the rail crossing removal project. A new station (similar to the new stations at Nunawading and Mitcham) with contemporary facilities and accessibility to current standards is critical to service public transport users now and in the future and to allow for development to be supported by appropriate public infrastructure.

Unfortunately, the project is set to deliver sub-optimal outcomes and result in another missed opportunity. The current planning fails to consider a broader purpose for transport infrastructure as a key stimulus for development and economic activity.

There is an existing pedestrian underpass under the current station which is also not proposed to be replaced. Relying on the existing pedestrian underpass as the sole pedestrian connection between north and south of the railway line and to the station is inadequate. The railway line currently is a barrier between the north and south of Blackburn.



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There is substantial residential development occurring on the northern side of the railway line and there needs to be appropriate access for these residents to the retail and commercial precinct on the south side.

The project should deliver maximum benefits for the economy and function of Blackburn Station Township as an important centre servicing the community.

Based on high land values, strong development interest and progressive community sentiment, we submit that there are substantial opportunities in Blackburn to use this transport infrastructure funding as the catalyst for private investment and co-operative redevelopment resulting in significant economic activity and place making benefits.

Council has called on the State Government to redevelop Blackburn Station to ensure it complies with current accessibility standards comparable to those provided at Mitcham and Nunawading Stations. This is seen as vital in supporting and stimulating development and economic activity for the area.

We request Federal Government support in establishing a broader approach for this project to appropriately plan for redevelopment of Blackburn Station and the Town Centre.

If you would like any further information, or would like to meet to discuss these projects in detail, we would be pleased to assist you. Please contact Mr Jeff Green, General Manager City Development, on 9262 6306.

We look forward to hearing the Committee's thoughts on these important projects for the City of Whitehorse.

Yours sincerely,

Noelene Duff
CHIEF EXECUTIVE OFFICER
WHITEHORSE CITY COUNCIL

Enclosed Documents: Building a better Box Hill Summary Sheet
Company and Technical Report