The journey to sustainability

• 3 pillars of sustainability – social, environmental and economic - need to be finely balanced
• We want our cities to be sustainable in every way – liveable, prosperous, competitive (internationally) and productive so that the wellbeing of generations that follow us can be assured
Doing more with less – place has never been more important than it is now

- Sustainability, like productivity, is all about doing more with less - i.e. fewer inputs like land and resources and greater empowerment of human capital
- One of the imperatives for (sustainability and productivity) is the need to optimise the opportunities created by the economics of agglomeration in cities of the developed post industrial world where concentration and specialisation of all high value services are essential for high value added growth that lifts the tide for all
- But agglomeration has to be balanced with the need to reduce the effects of spatial inequality
- The power of agglomeration in large cities to drive success is now more important than the industrial idea of economics of scale
- The economics of agglomeration guide us towards a greater understanding that density (done well) is good and both productive and sustainable but cannot be seen as exclusionary
Urban legacies

The Garden City movement and the motor car = co-dependence

This is what the Garden City created after the Model T Ford sometimes became...

Urban legacies

Henry Ford and the mechanization of labour and isolation of industry/work from home no longer applies – many want to live in mixed use communities now.

What are the implications for relevance of exclusionary land use zoning?
Optimising agglomeration

How do we optimise agglomeration and promote inclusion at the same time?

Through

• Urban connectivity

• Good education for participation in the knowledge economy

• Where cities get beyond a certain size, spreading the benefits of agglomeration beyond the CBD alone – “polycentricity”
Agglomeration economics
Optimising agglomeration

• Cities are more competitive the more they harness and capture the benefits of agglomeration: increased productivity, connectivity, and density, shared resources and space, resulting in a reduced ecological footprint
• Economic sustainability means grasping the nettle and optimising agglomeration
• The greatest asset and resource any city has is its people
• The better educated, skilled and prepared they are to work in the knowledge economy, the more productive they and their city will be
Attracting and retaining human talent

- The most talented productive human capital is the most mobile
- Every day people are making decisions about where to work and live
- For any city to be sustainable it has to be able to compete for human capital – to retain as well as to recruit it

- Global talent make relocation decisions based primarily on job & salary quality, industry density and career development opportunities, closely followed by lifestyle factors:
  - Housing affordability
  - Transport connectivity
  - Environment
  - Education

See our *Sydney as a Global Talent Hub* work for more...
The great inversion between suburbs and the inner city

- Millenials housing preferences are shifting- the urbanism (that all cities enjoyed until the advent of the motor car) is the new aspirational goal -- walkable, urbanized living is part of the ethos of the younger generation.
- The smallest segment in the market in Sydney now is families seeking 4 bedroom houses
- More baby boomers are opting to retire to the inner city than the coastal fringe
- Thing have flipped and inverted – the “inner-city,” which decades ago connoted poverty and slums, now refers to the preferred location for the affluent. Socio economic disadvantage is now more concentrated in the periphery.
Sydneysiders are increasingly living in denser housing

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2011</th>
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<tbody>
<tr>
<td>Separate house</td>
<td>72%</td>
<td>69%</td>
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<tr>
<td>Semi-detached, terrace house, townhouse etc.</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>Flat, unit or apartment</td>
<td>17%</td>
<td>19%</td>
</tr>
</tbody>
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Monash University research:
- Older people stopping next generations finding family homes to live in

**Solution:** Make dense-living family friendly as it already is almost everywhere...
- Build shared spaces for families
- Density design needs to work for families not just singles and couples – more storage etc
Household vs. dwelling sizes

Graph 3 Average number of persons & bedrooms, 1994-95 to 2013-14

- Average number of bedrooms in dwelling
- Average number of persons in household

Australian Bureau of Statistics
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Sustainability means tackling the suburbanisation of poverty

- Sprawl leads to negative affects health, social & economic outcomes
  - Low walkability & connectivity
  - Increased rates of obesity, heart disease, diabetes
    (Even local Health Departments are now looking to the benefits of density done well and how it can contribute to lowering instance of these lifestyle diseases...)
  - Low social inclusion
  - Lower incomes & access to higher paying jobs

We have to reimagine and reshape the suburbs where disadvantage is currently concentrated to address this spatial and social disadvantage
Social disadvantage is now suburbanised

Ferguson, Missouri
Innovation and enterprise thrives in dense, walkable + well connected neighborhoods

Harlem, New York
We need more Harlems and fewer Fergusons
Connectivity of all kinds is a vital key to cities’ success

- Connectivity within the city and connectivity with other parts of the nation and the rest of the world
- Mobile talent places a very high priority on connectivity; walking, cycling and good public transport too
- Apps like ‘WalkScore” show us where the market demand is and what is highly valued. So do relative property values
Transit-Oriented Development

• There is a need for good TOD housing for wide parts of the community across the whole metro area of large cities; it is a key to sustainability and connectivity

• Promotes social inclusion through more mixed communities – demographically, socio-economically – and reduces dependency on motor vehicles and improves physical wellbeing at the same time
What is best practice?

- **London**: Mayor Boris Johnson mandated 22 per cent affordable and social housing on strategic sites of government land to be redeveloped across the city, including Earls Court and the TfL headquarters at 55 Broadway.
- **Denver, CO**: city-wide TOD strategy funded through initial $15m public-private fund which invested in real estate around proposed FastTracks stations.

**Australian cities?**

*Waterloo train station to trigger thousands of apartments: government developer*
Not everyone can live in the inner city!

- So we have to try to create inner city characteristics both in areas of greenfield developments on city fringes AND
- In the middle and existing suburbs of our cities especially on transport nodes
- This is why more TOD development is vital in spreading inner city type agglomeration benefits further afield
Density is our friend

• Compactness and density done well is critical, especially as housing and living preferences of ageing baby boomers and Gen Y shift further towards:
  – Smaller homes
  – Larger shared spaces
  – Bigger lifestyles

• More of us are happier to exchange housing size for compact convenience, which is reflected in higher cost of housing in well connected neighbourhoods
Polycentric models

• The imperative to harness the benefits of agglomeration economics in large and sprawling cities leads, after a certain scale is reached, to needing to think about cities within cities (aka polycentricity) so benefits of agglomeration not too heavily concentrated in CBD areas alone – needed to work on redressing the problems of the spatial and social divide at the same time as adding to the productive dividend created through agglomeration

• In Sydney this is why creating jobs in Parramatta and other cities within metro Sydney is vital to sustainability
Doing nothing is not an option

- COAG Reform Council report: cities need to change to manage population growth and the social, demographic, economic, environmental forces as well as addressing challenge of congestion
- Constant challenge of improving collaboration and integration between government departments and agencies and between state and local government – and a useful effective role for federal government
- Need good access to data and evidence to make good policy decisions – in the world of open source data and crowd sourcing for creating apps this should not be a problem
Civic dialogue

- The only way good change can happen is if there is an understanding across the wider community of the challenge to managing growth and future prosperity and liveability in our cities: ideal is to create forums and discussions which put members of the community in same position as our city leaders: how would you do this? By being open about the challenges and the tradeoffs.

- Work with citizens on having a good and a powerful conversation at a strategic (not a very local / DA) level about what metro areas will need to manage growth etc. between now and 2050. Authenticity is vital here.
‘Everything old is new again’

Density - Walkability – Accessibility – Socially Mixed - Mixed Use Neighbourhoods

• Will the suburban growth model possibly be seen as an aberration when people look back 200 years from now?
• Will concentrating future urban growth on doing density well mean that we will be reverting to the norm as existed from Roman times until the 1950s/60s?
• The only way this can happen is by doing density well - and by spreading it beyond the city centre