

saint andrews

a new way of doing business



Tokyu Corporation Australia
Level 9, QV1 Building
250 St Georges Terrace
Perth Western Australia
Telephone ☎ 61 8 9481 0670
Facsimile ☎ 61 8 9481 0926
PO Box 7652 Cloisters Square
Perth 6850 Western Australia
www.standrewsproject.com.au

Frequently Asked Questions

How big is the St Andrews Project land area?

The project area comprises over 5000 ha of readily developable land, contains three existing communities about 3500 people, is surrounded by national and regional parks and flanked by 12km of coastline, together with harvestable underground water reserves.

Why are Local and State Government involved with the project?

The relative scale of the project compared with Perth's future total suburban growth is highly relevant to Government's involvement in the project. The State Department of Planning and Infrastructure (DPI) calculated some years ago that the St Andrews project represents 13% of Perth's housing need over the next 30 years. With the utilisation of land resources elsewhere, and the projected rapid growth of the Northern Corridor, this proportion may actually be rising annually.

What has Tokyu, Local and State Government done so far?

When State Government identified the need to include Tokyu's land within the Metro boundaries in 1990, the land was zoned as a farm. State and Local Government, were involved in several steps, over many years readying the holding for urban development.

Initially the North West Corridor Structure Plan was prepared by the State Government (1992/1993), after extensive research and a thorough community involvement process.

Two years of discussion followed culminating in a Memorandum of Understanding (MOU) which was executed in 1995, by, the landowner, the WA Planning Commission and the WA Land Authority (LandCorp).

Over the next two years the landowner ceded to the WAPC significant areas of land, valued in the millions of dollars, for future main roads, extension of the metropolitan railway system, and for major open spaces.

The area was then zoned in the Metropolitan Region Scheme (MRS) for future urban purposes, parks and recreation areas, commercial development, and industrial areas (1996-97). The major road structure together with a strategic railway alignment is also reserved in the MRS

The MOU also implemented, construction of a section of Marmion Avenue at Yanchep, the construction of a new road between Two Rocks and Wanneroo Road north of Yanchep. A major extension to Yanchep National Park was also ceded.

The City of Wanneroo, over a two year period (1997-98) also amended its Town Planning Scheme (TPS2) to bring their zoning designations into conformity with the MRS.

Planning done by State and Local Government over the past decade, in consultation with the landowners and many relevant Government agencies and the community, sets a stable and agreed framework for progressive development of the area over the next 30 years.

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Do planning ideas in the current structure plan reflect best practice?

Planning undertaken over the past decade has been innovative and flexible often leading by several years local practice in sustainable development and adoption of key urban concepts such as:

- liveable communities,
- local provision of jobs,
- linked green spaces with walk and cycle paths,
- water sensitive development,
- environmentally sound coastal management and
- availability of public transport services.

What is the current agreement between Government and Tokyu?

In 1999 Tokyu, State and Local Government entered into the current Strategic Cooperation Agreement (SCA). The SCA provides a framework for the landowners, State and Local Government to investigate the best way for the parties to initiate development and ultimately create 60% employment self sufficiency or 50,000 jobs over the next 30 years. The SCA is agreed to run for a twenty-year period subject to review every five years.

How have changes in State Government affected the project over the past 10 years?

The St Andrews project has always enjoyed bipartisan support because of its strategic importance to the Perth community. Our current Premier has strongly endorsed the public policy objectives of the project and is undertaking a leadership role in seeing the project fulfill its objectives of sustainability and full employment.

Should development start soon and why?

Many people think there exists a 'normal development front' and that current development areas have predictable build-out rates that should be allowed to run their course before other areas are considered for development.

The Government's published Land Development Program however clearly demonstrates that suburban development in Perth is and should be across a multitude of fronts. Many developers providing land in phased releases that reflect market conditions, segmentation and pricing strategies. This is in the interests of the community in general as it promotes a market of choices, rather than a series of local monopolies in land supply. It represents a well-ordered competitive market-based process.

Interestingly some industry commentators are currently forecasting a near term shortage in serviced residential lots. It is noteworthy that the Ellenbrook project has won many accolades and national prizes for urban design and community development, notwithstanding that it was not 'frontal' in the sense understood by some.

Our view is that such areas as St Andrews, Rockingham, Armadale, Mandurah, Pinjarra should indeed be priority areas for Government planning activity, as they contain existing populations that are poorly served, rural landowners faced with slow but inexorable change, and above all time to make effective plans for 'liveable, sustainable communities' for the future.

St Andrews is also able to leverage the past investment in infrastructure and community facilities in the area (estimated at \$30m +) together with the need to upgrade the suboptimal services currently available to the existing community, such as medical, police and senior schooling. This is in contrast to other areas in the northwest corridor that are undeveloped sand dunes, and whose only advantage over St Andrews is location a few minutes closer to the Perth CBD.

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Why is there a need to concentrate employment in St Andrews?

Long standing Government policies clearly seek to encourage job provision in tandem with urban development for sustainability reasons, and especially to encourage joint Government and private sector commitment in major employment creation projects.

It has been a favourable context, rather than a quirky coincidence, that the landowners are stable, long term and responsible asset managers.

The factors that exist at St Andrews are very favourable to success in this regard. These include a large consolidated holding, quality land, certainty of zoning, earnable cash flows, entrepreneurial skills, consistency with Government policy and objectives, existing communities and infrastructure, and environmental compliance.

More particularly, the fact that St Andrews is at the extremity of a linear pattern of urban growth means that emphasis on job creation at the extremity offers the most efficient long-term utilisation of transportation resources. An example in Perth's historical development is the relationship between Perth and Fremantle and between Perth and Midland. Each of those places offered a range of services and jobs that encouraged choice for the communities involved and two-way movement along the transport routes.

Interim and ad-hoc concentration of effort on intermediate locations in the corridor would perhaps have short term benefits for those selected developments. However, they would have none of the long term and strategic benefits of encouraging community and job development at the extremity of the corridor as contemplated by the St Andrews and IDEA projects.

Indeed development to the south appears to only accentuate employment through conventional concentration of retail activity without addressing the essential creation of a multi layered and diverse employment base.

Will it be difficult to create jobs?

There is strong evidence that Western Australia is falling behind other States in several key economic development activity benchmarks related to the 'knowledge based' jobs targeted by the St Andrews and its employment initiative known as the IDEA project. However it should not be difficult to substantially upgrade performance in the area of job creation, especially given the natural and economic attributes of the Perth region and places such as St Andrews in particular given the strategic alliance between Tokyu, State and Local Government.

The Perth economy is expected to grow substantially from a low base in virtually all economic sectors targeted by the IDEA project.

Will St Andrews take jobs away from other areas?

It is erroneous to think of employment development in 'shopping centre' planning terms, as a kind of 'zero sum' game in which certain areas will grow jobs at the expense of others. Knowledge based industries have the potential to add 100,000 new jobs to the Perth Area over the next 30 years. St Andrews is only targeting a small proportion of that jobs growth. There will be opportunities for other strategic locations and individual suburbs around Perth to attract and sustain jobs if they adopt and implement similar employment creation strategies to St Andrews.

There cannot be 'too many' jobs. Indeed the challenge for Tokyu, State and Local Government is to formulate and execute policy positions that make St Andrews an aggressive player in the development of knowledge based industries targeted by the IDEA project.

Should Government play an active role in urban development?

Government often plays an active role in the development process, where there are policy reasons and where desirable outcomes are expected.

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Should Government give priority for the St Andrews project?

Government prioritised St Andrews some years ago by designating it in the Metropolitan Region Scheme with the same regional centre status as Midland, Armadale, and Rockingham. These and other areas will be complementing each other in the attraction of new jobs. It is a healthy and essential outcome that Perth and its designated growth corridors has a number of diverse regional centres, each with their own particular attractions.

It is intended that new industries together with relocation of some business from within the Metropolitan region will occur. This is a normal city growth pattern and enables redevelopment of older commercial and industrial areas for more compact residential development or for more modern employment outcomes.

What is Government's potential involvement in costly infrastructure provision?

The issue of appropriate Government infrastructure contribution can only be decided on facts and documented investment programs. Governments usually insist on controlling and planning the provision of infrastructure and also seek to fund it through the private sector either by capital contribution or by user charges. A State Government Task Force has been appointed to study the question of appropriate timing, scale and contribution of infrastructure and general services.

St Andrews has a considerable advantage of significant previous investment, and existing infrastructure that can be leveraged in contrast to other areas where infrastructure is lacking.

Have job creation projects failed elsewhere in Australia?

Creating jobs as a major driver in a substantial urban development program can be a failure if poorly thought out and executed.

Albury Wodonga and the 'Multi Function Polis (MFP)' are notable failures from which valuable lessons can be learned

The MFP concept did not arise from an ideally situated piece of land and set of favourable factors. It was a high-flown concept based on a cargo cult approach that anticipated success by building a model city and expecting jobs to come in response (build it and they will come approach). It eventually settled on inhospitable swampland that has proved to have more environmental value than development potential.

Albury Wodonga is a split city with duplicated infrastructure, and being on State boundaries is by definition furthest from each State capital, hardly favourable growth factors to build upon. It was philosophy driven rather than arising from inherent characteristics.

These examples are not remotely comparable with St Andrews. In particular they were generally based on the proposed importation of footloose employers rather than planned nurturing of endogenous jobs as envisaged for St Andrews.

The latter strategy is being tested with real industries and is internationally considered as leading edge thinking in the field of economic development at the Perth city scale. Most successful employment development initiatives in advanced countries around the world are now based on the St Andrews and IDEA project principles.

St Andrews has the undeniable advantage of highly desirable coastal residential opportunities that will always be in demand for home building, ensuring that at all times there will be a full range of professional and skilled personnel residing locally and potentially seeking local jobs.

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Can Tokyu sell land and still keep its commitment?

Tokyu periodically sells parcels of non strategic land in order to fund its expensive involvement in the long pre- implementation and planning period. It is normal for projects of this scale to be self funded. The sale of land is strategically directed to other competent and knowledgeable developers.

The provision of development-ready parcels to third party developers is a normal process, providing for competition and diversity in early product offerings and timings. A key function of the SCA process is to determine appropriate governance frameworks that will institutionalise urbanisation and employment creation processes so as to ensure desired stakeholder outcomes regardless of successors to tenure and for that matter Government.

It is also natural that Tokyu should seek and obtain Government acknowledgement of the planning concepts for the areas which might be sold or before committing the substantial resources required for funding each stage in the pre-implementation process given the large-scale nature of St Andrews holding.

What needs to be considered in reviewing the St Andrews project?

The SCA stakeholders have formed a management group (SIG) that guides the current phase of St Andrews activities.

The SIG is conducting a systematic analysis of the project. This will illuminate many issues related to the project, such as:

- ☐ The opportunity to build on existing physical and social infrastructure at St Andrews
- ☐ The need to support the 'struggling communities' there
- ☐ The case to justify essential school and transport improvements in the area
- ☐ The opportunity to manage successfully large areas of land ceded for inland and coastal parks

- ☐ Government participation in implementing infrastructure, job creation initiatives and reasonable committing of public funds
- ☐ Objective application of the regulatory framework, notwithstanding Government and LGA involvement in implementation
- ☐ The necessity to establish appropriate governance frameworks in respect of urbanisation and economic development processes that will ensure well managed procedures delivering desired outcomes in a prudent sustainable manner over the long term
- ☐ Relationship with other strategic areas around Perth for job attraction, quantum and distribution of regional jobs and the opportunity to leverage strategic advantages emanating from the IDEA project
- ☐ Promote understanding the IDEA project approach to employment creation as an exemplary and expeditionary initiative, being a properly structured response to accepted Government policies for employment self-sufficiency

How should the key stakeholders relate to each other?

This is a complex project with ambitious objectives of great significance to the Perth region.

Transparency of views and informed discussion amongst key players is essential to maintaining the premium of cooperation and collaboration which currently exists between stakeholders as committed under the SCA process.