

P0 Box 349 The Entrance 2261

1 July, 2009

"Name" "Name2"
Councillor
Wyong Shire Council
PO Box 20,
Wyong 2259

Subject: THE ENTRANCE PENINSULA PLANNING STRATEGY(EPPS) UNSUSTAINABLE POPULATION GROWTH

Dear "Name",

The Entrance Community Precinct Committee calls on you to give the issues raised in this letter serious consideration before approving the Entrance Peninsula Planning Strategy as exhibited by Council. We have undertaken desktop research and located papers which specifically addresses development based on coastal tourism and problems of urban consolidation which we believe have not been considered or dealt with adequately in the preparation of the EPPS.

Our studies have lead us to the conclusion that the EPP Strategy, as proposed, is fatally flawed because it tries to meet NSW State Government's planning directives to increase the population in Wyong Shire. We believe that the EPPS places an unsustainable burden of population growth on The Entrance Peninsula without consideration of the issues relating to coastal tourist regions and problems associated with urban consolidation.

# **Flawed Growth Centre Assumption**

We believe that:

1. The fatal flaw in the strategy is encapsulated in Stephen Ashton's letter to TECPC dated 22 May, 2009 where he states:

"It is anticipated that with improved economic viability and job situation that the current socio-economic situation will improve and the dwelling vacancy rate in The Entrance will decrease over time."

- 2. This statement shows inadequate understanding of the social-economic impacts that selecting The Entrance Peninsula as a **growth centre** will cause. Both Warnervale and The Entrance have been selected for growth centres and while future developments proposed for Warnervale may meet the criteria for a growth centre, The Entrance Peninsula which is designated as a tourist region cannot be considered in the same light.
- 3. The two obvious criteria lacking in The Entrance Peninsula is the availability of a good public transport network, especially proximity to the railway and F3 and the lack of employment opportunities. Another issue which we have found is the nature of seaside towns that are in the commuter radius of a major city.

We have therefore presented below some findings which indicate that selecting the Entrance Peninsula as a "growth centre" and applying an urban consolidation strategy resulting in rezoning for more high-medium rise apartments and higher population densities as proposed in the EPPS, is a flawed strategy.

#### 1. Limitations of Tourism

The population for EPPS Area in 2006 was 10,941. Under current planning provisions, the predicted total population for The Entrance Peninsula Planning Strategy Area is projected to grow to between approximately 25,390 (with a 1.8 persons per dwelling occupancy rate) and 29,620 (with a 2.1 persons per dwelling occupancy rate) by 2031.

- 1.1 "Tourism is a notoriously fickle basis for economic development planning". The nature of demand in communities such as growing coastal locations tends to be "at the low-end of the service economy because the economies are [usually] narrowly based and not dynamic"
- 1.2 The Entrance Peninsula has a lower per capita income and is prone to high unemployment. Permanent residents often have a low proportion of high income households, small shares of commercial investment, a below average proportion of persons with a university degree, a low proportion of full time labour participation and a high incidence of social security recipients.
- 1.3 As the figure below<sup>3</sup> shows that while The Entrance Peninsula residents earn approximately \$400.00 less than the NSW average, their mortgage repayments are about the same as the NSW average. This means less disposable income.

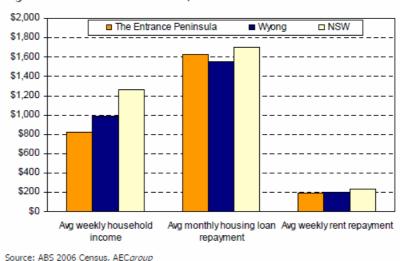


Figure 3.7: Household Finances, 2006 Census

1.4 The Entrance Peninsula has the Bay Village Shopping Centre to the south, Toukley to the north and Westfield Tuggerah to the west. The Entrance lacks the ability to attract major retail development. As such, it is not going to be able to compete with the aforementioned centres for weekly and convenience shopping needs, except for within its relatively small primary catchment. The assumption in the EPPS that the economic viability of The Entrance Peninsula will improve and the dwelling vacancy rate in The Entrance will decrease over time is not evident in the studies of coastal tourist regions. Rather the current high proportion of low socieconomic disadvantaged tend to be exacerbate rather than decline.

The Entrance Peninsula Planning Strategy

**Burnley and Murphy (p. 238, 2004)** 

<sup>&</sup>lt;sup>3</sup> The Entrance Peninsula Planning Strategy -- Economic Feasibility Assessment. AEC Group Nov 2008

#### 2. Unsustainable Growth

- 2.1 To put it bluntly, The Entrance will always struggle to pay it's way. It is characterised by concentrations of welfare dependency and employment based in low paid, low skilled areas, like retailing and hospitality because much of the labour employed in tourism industry is part-time and low wage earning. That is a shaky foundation upon which to develop other services and confirms that "tourism does not recommend itself as a means for achieving long term, secure employment".
- 2.2 With purely growth-driven economic development, there will not be a balanced or sustainable future for The Entrance. This Strategy relies on strong performers in the economy to result in population driven construction and retail growth. These sectors are low value, profit-exporting drivers of the economy and inherently have high levels of casualisation and fluctuation in performance, based on internal and external influences. This option inaction and no direction is characterised by the following descriptions of possible outcomes for the Shire:
  - Lack of jobs growth
  - Declining quality to this beautiful coastal town and climate
  - Unsustainable tourism industry
  - Sustained population pressure
  - Economy based on tourism, construction, retail and food
  - Low value economy
  - High churn rate of small badly run under-capitalised businesses
  - An old fashioned economy
  - Brain drain
  - Survival mentality
  - Local and inward thinking<sup>5</sup>
- 2.3Another important reason why The Entrance Peninsula lacks the breadth and depth of some other communities is that it is really extensions of Metropolitan Sydney. The linkages between coast and city begin with commuters, retirees and second home buyers. Commuters and second home buyers retain a direct foothold in the metropolitan area. Once the coastal area has established housing and other facilities its seasonal holiday clientele will also be drawn mainly from the metropolitan area.

### 4. Tourist Regions are a Drain on Revenue

A local economy made up of retirees, second homes, holiday resorts and small scale retail has a very limited base from which to raise rate revenue. This is especially so when it is spread among several municipalities. At the same time its seasonality has special cost implications, with infrastructure and personal service supply needed for a short term peak population well in excess of that required by the local rate-paying population. Finally it is possible that a population with a substantial proportion of retirees could be a more expensive population to serve due to a call upon labour intensive services associated with aging population needs. <sup>6</sup>

## **5.**Lack of Transport

5.1 Good planning policy encourages people to live in areas with good public transport access such as around railway stations and along bus routes. This idea of accessibility to public

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<sup>&</sup>lt;sup>4</sup> Mullins 1991:336

<sup>&</sup>lt;sup>5</sup> Maroochy Economic Plan 2004 - 2009

<sup>&</sup>lt;sup>6</sup> Understanding and Managing Coastal Economic Development Kevin O'Connor Professor of Urban Planning University of Melbourne

transport now dominates zoning and development policies both in initial development for higher densities in outer suburbs, and redevelopment in inner and middle suburbs. The Entrance has no rail now, nor will it in the future. Light rail is also not a viable option. When it comes to buses The Entrance Peninsula is at the end of the line and not an attractive travel option.

- 5.2 The Entrance Peninsula has a basic physical restriction with its public transport system. Public transport is a two dimensional linear point of origin and destination system. When the third factor of time is added it further limits the desirability to use public transport. A car takes one and one's articles where one wants to go when one want's to go. It was claimed that urban consolidation would diminish car use and save fuel and energy. Developers recognise that units without parking will not be saleable.
- 5.3 Tony Reesei<sup>7</sup> argues that the alleged benefits of urban consolidation in relieving congestion is a pipe dream. It is when applied to The Entrance The proposed increase on population in The Entrance will put unsustainable pressure on transport. The Central Coast Highway through Long Jetty is going to provide an unacceptable level of service and deter people coming to The Entrance Peninsula for retail business.
- 5.4 As there is no rail node close to The Entrance commuters travel either to Gosford or Tuggerah. It is unlikely that the cost of providing a bus lane from Berkley Vale to Tuggerah will never be viable because the patronage would not support the cost of removing the dozen roundabouts and replacing them with traffic control signals that would be set to give bus priority.
- 5.5 With no transport (except a car) available and fifty per cent of the properties only occupied at the week-end the Strategies contention that it mitigates the current degree of socio-economic disadvantage and it's associated issues is rejected. The unproven strategies aimed at improving the economic viability of The Entrance are not believable based on the research by TECPC.
- 5.6 Almost 3.9 million Australians now live on the coast, outside a capital city, in areas from Cairns in the north along the eastern seaboard, the south coast of Victoria, South Australia, the south-west cape of Western Australia and back up to Broome. It underpin the rise of a third Australian culture, that is, the culture of the beach, and that is the culture that will emerge over the first half of the 21st century. People can live two hours from a capital city and telecommute, or work in the city a couple of days and live a particular lifestyle down on the beach. Australians like living by the coast and that's exemplified by the way in which 60,000 Australians are moving every year to these beach locations.

#### 6. Implications of An Aging Population

- 6.1 The age profile of Wyong Shire has 23.3 percent of the population aged sixty years and over compared to a NSW average of 18.6 per cent. In The Entrance the proportion is even higher.
- 6.2 On 30 March 2009 a gas explosion occurred in the plant room area of a residential high rise building in Spring Street, Bondi Junction, where two plumbers were working on a gas fired water heater. The blast made the lifts inoperable. Because the lifts could not be used and

<sup>&</sup>lt;sup>7</sup> Pipe Dreams: The short comings of ideologically based planning – People and Place, Vol 13 No2 2005. Page 72

The Big Shift, a study of demographic change in Australia by Bernard Salt.

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utilities had to be shut off, the building was uninhabitable and all residents had to be evacuated. Many of the residents were elderly and a significant proportion of them were either physically unable to use the stairs, or uncertain if they would be able to manage them. Four residents were in wheelchairs and three had walking frames. Many were simply unwilling to leave their homes and worried about their possessions, phone and medications. Their homes were where they felt secure, and they were understandably reluctant to leave. <sup>10</sup>

6.3 The combination of high rise apartments and elderly residents is a recipe for tragedy. In The Entrance if the number of high rise apartments proposed by the strategy is adopted then they are likely to have a high proportion of elderly residents who may be unable to manage the stairs. If the lifts are not working, evacuating a high rise residential building will require considerable additional resources. Carrying a person down stairs requires at least four people. Wheelchairs will require at least eight, so that carriers can be rotated. Approximately one-fifth of all households have at least one household member who would have difficulty evacuating without help in an emergency. <sup>11</sup>

#### 7. Social Outcomes of Urban Consolidation

- 7.1 The social outcomes of urban consolidation have been ignored by the proposed strategy. Wyong Shire is a commuter suburb of Sydney and is considered to be on it's outer ring In 1998 a detailed analysis of the demand for dwellings considered to represent urban consolidation was carried out by the Planning Research Centre<sup>12</sup>
- "As with the Middle Ring it appears multi unit housing demand is being driven by the growth of lone person households, and lower income two parent and single parent families: predominantly renting.....There is no evidence of a significant change in housing preferences on the part of particular household types...demand...will continue to accelerate as more low and moderate income group and lone person households relocate due to economic pressures."
- 7.2 It appears that if housing prices fall below construction costs, then the town declines; and the combination of cheap housing and weak labor demand attracts individuals with low levels of human capital to declining cities.
- 7.3 It could well be that in twenty years time if additional unit development is allowed to proceed at an unsustainable rate The Entrance will slowly decline and the percentage of low income people will have increased to the detriment not only of the proposed expanded retail section but also the tourist industry.
- 7.4 It has been found that decline is more persistent than growth because durability means to take decades for negative urban shocks to be fully reflected in urban population levels. While towns are experiencing long, slow declines, they will have an abundance of very cheap housing, the existence of which will statistically predict future decline.<sup>13</sup>
- 7.5 Towns in greater decline tend to have lower levels of human capital, as cheap housing is relatively more attractive to the poor. The tendency of declining towns to disproportionately attract the poor is particularly important if concentrations of poverty further deter growth. If low levels of human capital then create negative externalities (where goods or services are being over-consumed relative to the social optimum) or result in lower levels of innovation,

NSWFB Lessons Learned Case Study 2009—05

Australian Bureau of Statistics, Household preparedness for emergencies: NSW, Vic, Qld and ACT, Oct 2007, Cat No 4818.055.001

<sup>(</sup>Planning Research Centre 1998, Vol.1:5). The social outcomes of urban consolidation in Sydney Ray Bunker, Darren Holloway and Bill Randolph

<sup>13</sup> Urban Decline and Durable Housing - Edward L. Glaeser Harvard University and NBER
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this becomes particularly troubling because a self-reinforcing process can result in which an initial decline causes concentrated poverty which then pushes the town further downward.

We trust that the issues raised by TECPC have convinced you that there is every reason to reconsider the Strategy which proposes that The Entrance Peninsula becomes the second largest area for the Shire's population growth after the green field site planned for Warnervale and locating a greater population in this region than that proposed for Ourimbah, Tuggerah and Wyong which are close to the railway, F3 and employment zones.

In conclusion The Entrance Community Precinct Committee calls upon Wyong Shire Councillors to consider the options open to it for the distribution of population growth throughout the whole of Wyong Shire before it proceeds with the proposals for rezoning and new zonings to cater for the proposed population growth in the Entrance Peninsula. Further, we recommend that population and economic development studies undertaken specifically for coastal tourist regions and for urban consolidation be investigated and that these be taken into consideration in the EPPPS.

Thanking you in anticipation

Virine Scatt

Regards

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