

Maroondah City Council Submission to the Productivity Commission Inquiry into Public Infrastructure

Spanning over a decade, a tri-partisan and shared vision approach by Maroondah City Council has resulted in close to \$1 billion of master planned public and private investment committed to develop Ringwood's retail, commercial, residential, employment and lifestyle futures.

Ringwood is located 23 kilometres east of Melbourne CBD in the City of Maroondah.

A suburban centre in transition and a priority of the Victorian Government's blueprint for Melbourne's growth, Ringwood is a designated Metropolitan Activities Centre (MAC) - the highest priority centres outside of the CBD.

Strategically located at the epicentre of a superb network of major arterial roads and transport nodes, Ringwood benefits from unsurpassed metropolitan road and rail connections, services a large catchment of Melbourne's eastern growth corridor, and is the gateway to the Yarra Valley – Victoria's hero food and wine destination.

The key Metropolitan Activities Centre in Melbourne's outer east, Ringwood is now the focus of significant public and private investment, employment growth and renewal. Investment in integrated and sustainable development around first class transport services will position Ringwood as a key new urban destination with a vibrant city centre, active local economy and contemporary lifestyle options.

Realising the vision for Ringwood is being achieved through innovative models of public-private partnership and investment. Spanning over a decade, a tri-partisan and shared vision

approach by Maroondah City Council, QIC Global Real Estate (QIC GRE) and the Victorian Government has resulted in close to \$1 billion of master planned investment committed to develop Ringwood's retail, commercial, residential, employment and lifestyle futures.

Ringwood's enormous potential is being realised by the magnitude of major development and renewal projects already underway including:

- \$575m landmark retail expansion of QIC GRE's Eastland Shopping Centre and new Town Centre precinct;
- \$66m Victorian Government upgrade of Ringwood Station and Bus Interchange
- \$60m multi-national giant Costco Wholesale's second Victorian store in the heart of Ringwood

Maroondah City Council's development of social infrastructure including the new \$52.2m *Aquanation* regional aquatic and leisure centre, state of the art Library, Learning and Cultural Centre, Ringwood Town Square and innovative open space improvements solidify Ringwood as one of Melbourne's most progressive and exciting urban destinations to live, work and visit.

Commercial and residential transformation is also underway, with forecasts indicating demand for an additional 60,000sqm commercial floor space and 5000 dwellings in the Metropolitan Activities Centres by 2030.

Successful public private partnerships are reliant on the economic environment and positive sentiment in the investment market. Global economic uncertainty, changes in government leadership and external market forces highlight a number of factors which can impact on the pace of transformation and affect levels of public amenity, community safety and community engagement.

Revitalising the potential of this strategic location will accrue significant net benefits for all Victorians, spanning across productivity improvements, congestion and infrastructure cost savings, better accessibility to jobs and services, improved amenity and more affordable housing.

a. Innovative Public-Private Partnership Model

Maroondah City Council established its partnership approach in the late 1990s when Ringwood's strategic location was unlocked by Victorian Government plans for the implementation of the Mitcham – Frankston Project (Eastlink). Realising the significance of Ringwood, owners of Eastland Shopping Centre, QIC GRE approached Council with plans to extend the regional hard top shopping centre and capitalise on the extended retail catchment.

At this time Council brought the Victorian Government and QIC GRE together and a shared vision for Ringwood was developed.

In 2004 this shared vision was developed into an Urban Design Masterplan for the Ringwood MAC. The Masterplan aims to 'establish the foundation to make Ringwood a gateway suburb between Melbourne's CBD and the Yarra Valley, linked with future transport initiatives – such as the Mitcham Frankston Project... to create a thriving, safe community'. The Urban Design Masterplan objectives have been embedded into the Maroondah Planning Scheme to create the planning policies and controls required to fulfil the shared vision.

Partnership frameworks including Project Implementation Committees, Community Reference Groups and Project Steering Groups have been established to provide levels of coordination and collaboration between public and private sector stakeholders and have improved project outcomes and reduced complexity, costs and time for all parties.

Within the partnerships framework, Maroondah City Council acts as the key coordinating body for Ringwood's renewal, providing continuity during political cycles and is the key agent for representing community and stakeholder interests. Council's lead role has ensured that Ringwood's renewal has maintained momentum, consistency and local relevance for over a decade.

b. Negotiated land swap arrangements

Fundamental to achieving the shared vision for Ringwood MAC is the creation of a true town centre which connects disparate parts of the activities centre.

Maroondah City Council has enabled the creation of the town centre through negotiated land swap agreements. This has enabled QIC GRE to consolidate its land holdings and create the viable development site required to enable the \$575m upgrade of Eastland Shopping Centre, and has facilitated critical integration of the shopping centre and transit hub. Through the negotiated agreement, QIC GRE will return to Council superior public open space and community assets for the Maroondah community, including a new Town Square and Library, Learning and Cultural Centre.

The new Town Square and Library, Learning and Cultural Centre will interface with both the civic and commercial realms, creating an active, dynamic and integrated environment which delivers on social and economic outcomes for Ringwood and the broader Maroondah community.

This approach is representative of a methodology for enabling high value and sustainable public private partnerships within established urban environments.

c. Leveraged investment

Targeting public funds in precincts with committed private sector investment serves as a catalyst for further investment and improved return on investment.

Key to the renewal of Ringwood MAC and delivering on the Urban Design Masterplan vision is the provision of world-class, safe, accessible and amenable transport facilities. QIC GRE's commitment to investment in the area was fundamental in leveraging scarce public funds for the upgrade of the Ringwood's transit facility. Evidencing Ringwood's investment future, in May 2013 the Victorian Government committed to a \$66m upgrade of Ringwood Station and Bus Interchange. The \$66m upgrade is recognised as a catalytic factor in the commencement of construction of the \$575m Eastland redevelopment.

In addition, the partnership between Council, QIC GRE and the Victorian Government has been key to attracting additional private sector investment for Ringwood MAC, including securing Victoria's second Costco Wholesale in the heart of the MAC (opened in November 2013) and major retailer David Jones (opening in late 2015). In 2012 the Victorian Government's Department of Business and Innovation located offices in Ringwood, demonstrating the State Government commitment to the future of the region.

The level of both public and private investment projects in Ringwood MAC has demonstrated confidence in the future of the local economy and served to attract national and multi-national corporations to the region. It has also assisted in securing public funding for local infrastructure projects including a \$10 million RDAF grant for Ringwood's Regional Leisure and Aquatic Centre *Aquanation*, \$950,000 Victorian Government funding for Ringwood Library, Learning and Cultural Centre, \$200,000 Victorian Government funding for *Sherbrook Park*, \$200,000 Australian Government funding for CCTV, and \$1.6 million combined Victorian and Australian Government funding for the acclaimed *Lake to Creek Link* project.

The demonstrated investment in the area has brought forward planning for future projects including the 'Maroondah Boulevard' treatment identified in the Urban Design Masterplan

and committed in the Victorian's Government's draft Metropolitan Planning Strategy, *Plan Melbourne*.

Government commitment to public infrastructure is a key catalyst of private sector investment and should be integrated with private sector developments to maximise value and return.

Led by Maroondah City Council, public -private partnerships have been fundamental in enabling close to \$1 billion of integrated and master planned investment in public, private and social infrastructure, securing Ringwood MAC's position as the key activities centre in Melbourne's East.