

Date: 15th September 2016

Response to the Better Apartment Standards DRAFT - FBN

The new draft BAS have been released for comment and many of the suggested improvements to apartments are welcomed. The key amenity regulations, which are welcomed include:

- prohibiting rooms that rely on "borrowed" light;
- setting a maximum room depth of 8 metres from a window (5.7 metres if south facing);
- requiring open space per dwelling
- mandating apartments must have balconies (with a minimum 2 x 4 metres in one bedroom apartments);
- specifying a minimum 2.7 metre ceiling height;
- requiring all rooms to have direct visibility to a window;
- requiring setbacks including deep earth zones for planting trees;
- requiring 60% of apartments in buildings up to 15 storeys to have dual aspects; and
- decreeing a minimum amount of general storage space (6 cubic metres in a one bedroom apartment).

All excellent initiatives for greater liveability in apartments for the future and we congratulate the Minister for Planning, Richard Wynn for releasing these standards. They will provide developers with certainty and clarity and buyers will benefit from this just as Sydney's apartment dwellers have enjoyed better designed apartments since the introduction of SEPP 65 in 2002.

However, the mere fact that there is not even a mention of minimum apartment size, which was a prominent part of the community/ business and architects discussions at the consultation process, which we attended is very disappointing. This apparent avoidance of the topic of minimum apartment size is dishonest and needs to be addressed in the draft BAS. In addition, the reference groups associated with the draft standards appear to be significantly biased towards developers, architects and designers with no representation from the community or tenants' representation.

Apartment size does matter

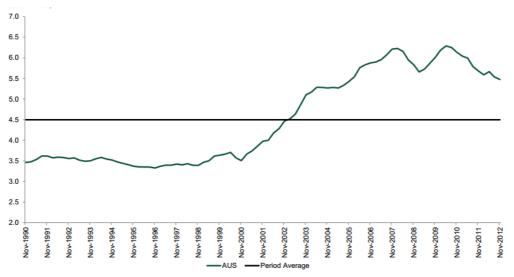
Apartment size does matter – we only need to look back on the social issues which emerged over the past Century to know that close living can be detrimental to health. Susan Saegert, professor of environmental psychology at the CUNY Graduate

Center and director of the Housing Environments Research Group, warns that tiny living conditions can be terrible for many residents—particularly if a couple or a parent and child squeeze into 27 sq metres for the long term, no matter how well a unit is designed. "I've studied children in crowded apartments and low-income housing a lot," Saegert said, "and they can end up becoming withdrawn, and have trouble studying and concentrating." In these situations, modern amenities—such as floor to ceiling windows, extra storage and a communal roof deck— won't compensate for a fundamental lack of privacy in a child's home every day (The Atlantic 2013).¹

In addition, psychology professor Samuel Gosling (University of Texas) says that "When we think about micro-living, we have a tendency to focus on functional things, like is there enough room for the fridge," explained University of Texas psychology professor Samuel Gosling, who studies the connection between people and their possessions "But an apartment has to fill other psychological needs as well, such as self-expression and relaxation, that might not be as easily met in a highly cramped space."(The Atlantic 2013)²

Increasing cost of apartment with increase in size?

The evidence is clear that the cost of apartments is significantly related to land cost, negative gearing and Capital Gains Tax (CGT) discounted, investor led buying (The Australian Institute, April 2015)³



Source: HIA economics group (2013) Perspectives on Australian House Prices

The house price to income ratio (1990 - 2012) was seen to rise significantly after the introduction of the CGT in 1990 as shown in the graph above.

¹ The Health Risk of smaller apartments

 $[\]frac{\rm http://www.theatlantic.com/health/archive/2013/12/the-health-risks-of-small-apartments/282150/}{^2} \ The Health Risk of smaller apartments$

http://www.theatlantic.com/health/archive/2013/12/the-health-risks-of-small-apartments/282150/ ³ The Australian Institute http://www.tai.org.au/sites/defualt/files/Top%20Gears%20-

^{%20}How%20Negative%20Gearing%20and%20CGT%20benefits%20top%2010%20per%20cent.pdf).

The addition of a 4 x 2 metre to increase the size of a 42 sq metre apartment to 50 sq metres, has been shown to be no more than an additional 30 - 40 K to a 450K apartment; an increase of 6% and even this could be a generous estimate coming from the Property Council (Property Council of Victoria). An additional report by Secret Agent (June 2016) indicates that this square metre cost of property in Melbourne may be close to the mark.⁴

A much more significant increase in house prices has occurred in 2014 where housing has shot up 16 per cent in Sydney, 12 per cent in Melbourne, 10 per cent in Brisbane and Adelaide, and eight per cent in Hobart and Perth. This is also in part due to recent sustained influence on cost as a result of the internationalization of the Melbourne property market, as well as the investor led boom – now 85% of the buying market (The Age 2014). ⁵

Professor Michael Buxton from RMIT says some international academics have condemned Melbourne's average one-bedroom apartment size, of about 45 square metres, as among the smallest in the world, as well as the worst in quality. Unlike many places around the world including London and Sydney, where developers are required by law to produce apartments no smaller than 50 square metres for a one bedroom, 70 square metres for two bedrooms or 95 square metres for three bedrooms, Melbourne it appears will have no such benchmarks. We will have to rely on the architects and developers to provide 'good design principles' only – something they have not been able to achieve thus far.

The majority of our members in the FBN are of the opinion that minimum apartment size reflecting the trends in other countries including London, UK, should be applied here in order to ensure liveability and a productive lifestyle. London has mandated the following standards and these should be applied in Melbourne:

- Studio/1 bedroom for 1 person: 37 m2
- 1 bedroom apartment for 2 people: 50 m2
- 2 bedroom apartment for 3 people: 61 m2
- 2 bedroom apartment for 4 people: 70 m2
- 3 bedroom apartment for 4 people: 74 m2
- 3 bedroom apartment for 5 people: 86 m2

Sustainability

The other area that we feel needs to be addressed more closely and with greater certainty is in the area of sustainability. According to the United Nations Environment Programme (2015), the construction industry accounts for approximately 40% of the global energy use and contributes to 30% of the energy related green house gas emissions. The building of the future need to be designed to

⁴ Secret Agent (Vol 44 June 2016) (<u>http://secretagent.com.au/secret-agent-report-apartments-price-per-square-metre/</u>).

⁵ Melbourne's tiny flats would be illegal in other cities, The Age <u>http://www.theage.com.au/victoria/melbournes-tiny-flats-would-be-illegal-in-other-cities-20140610-</u> <u>39vwh.html</u>).

take into account the low carbon future which is essential if we are to reduce the likelihood of severe climate change. So mandatory requirements must be an essential part of ensuring that buildings are designed with the following requirements:

- The presence of landscaped gardens and green roofs
- The presence of rainwater tanks on site
- The use of recycled building materials and non toxic alternatives (to paint, benches, wood preserves etc) to ensure the well-being of residents
- Passive design features are used to maximise the use of shade and sunlight
- Insulation and double glazing are part of the good design features
- Use of energy efficient equipment including air-conditioning, heating, LED lights, etc
- Renewable energy alternatives are strongly considered
- Tenants agreements are developed which commit them to sustainable practices
- Easy access to public transport and facilities which encourage bike us

Our request for changes to the draft standards

We are therefore seeking to see some changes to the current draft standards to include:

- Minimum apartment size standards as follows:
 - Studio/1 bedroom for 1 person: 37 m2
 - \circ $\,$ 1 bedroom apartment for 2 people: 50 m2 $\,$
 - 2 bedroom apartment for 3 people: 61 m2
 - 2 bedroom apartment for 4 people: 70 m2
 - \circ $\,$ 3 bedroom apartment for 4 people: 74 m2 $\,$
 - 3 bedroom apartment for 5 people: 86 m2
- The inclusion of mandatory requirements to provide and include:
 - Passive design features used to maximise the use of shade and sunlight
 - o Renewable energy alternatives mandated where feasible
 - o Rainwater tanks on site
 - Recycled building materials and non toxic alternatives (to paint, benches, wood preserves etc) used to ensure the well-being of residents
 - \circ $\;$ Inclusion of green roofs and landscaping as mandatory

In conclusion, we are very hopeful that the future developments in Melbourne will not only exceed in quality those being developed in other parts of Australia, but will be the benchmark for apartment living for the world.