

## **New Alliance Model for Planning and Delivering a Model Sustainable Community: Stirling City Centre Project Case Study**

### **ABSTRACT**

This paper demonstrates how an Alliance Model was successfully applied to a major urban redevelopment project in the inner northern suburbs of Perth. The future Stirling City Centre will be a high density, mixed use Transit Oriented Development (TOD) providing a diversity of housing and employment self-sufficiency. The paper explains how the core values and aspirational targets of the Alliance were reflected in a clearly articulated set of strategic goals, objectives, and “performance indicators”. The alliance approach has historically been used in the infrastructure and construction industries to address the growing level of disputes and claims arising from the adversarial nature of traditional contracting models. The collaborative, relationship building elements of the alliance model have been adopted in the planning phases of the Stirling project to address complex issues and to provide a framework for collaborative planning and implementation. It is envisaged that the model will adopt the fuller extent of alliancing principles as the project progresses into infrastructure delivery and site development. It is argued the alliance model was the key enabling element that created the basis for productive collaboration across organisational “silos” that typically impede a “whole of government approach” to solving difficult challenges. The alliance model is strongly endorsed as a successful means to foster collaboration across government, community and private sector entities. This governance model can be adapted to suit local conditions and solve a range of problems across widely differing sectors and jurisdictions.

**KEYWORDS:** Alliance model, organisational “silos”, “performance indicator”.

### **INTRODUCTION**

The future Stirling City Centre is located approximately 6km North West of the Perth Central Business District (CBD). The area has evolved into a significant regional centre comprising a diversity of land uses. It is well served by both public and private transport modes. Metropolitan Perth’s main freeway system bi-sects the centre into two discrete areas located north and south of this infrastructure. In the early 1990’s the Mitchell Freeway was retrofitted with a new passenger rail line constructed in the freeway median. This transit system connects Stirling with central Perth and the southern suburbs via the recently constructed Mandurah line. An integrated transit station for trains and regional bus services has been constructed over the freeway median at Stirling.

Retailing activity is particularly significant in this regional centre. This includes both convenience and comparison retailing in a traditional Westfield “box” shopping centre as well as commercial ribbon development largely characterised by bulky goods showrooms and fast food chains. Much of this activity fronts onto a major traffic artery (Scarborough Beach Road), although bulky goods and discount retailing is also dispersing into the neighbouring light industrial estate of Osborne Park, which is situated immediately west of the study area. As with most areas within the region, Osborne Park had been used for market gardening in the first half of the last century after which it transitioned into a manufacturing and service industry hub. A large IKEA showroom has also been constructed

recently between the big box Westfield shopping centre and the railway station. The area is also host to metropolitan Perth's most successful cinema complex, which is leased to Greater Union.

Since the 1980's the area immediately south east of the Stirling regional centre has gradually transitioned from manufacturing and service industry and has become a major suburban office park. Developers were especially attracted to the precinct as a result of the proximity to the freeway system (which meant it was only a few minutes travel time from the Perth CBD) and the ability to provide large amounts of free car parking for staff and customers. This area is known as the Herdsman Business Park.

The other "heart chamber" of the centre, located on the opposite or northerly side of the freeway comprises a suburban health campus (Osborne Park Hospital) and the main administration centre of the local government authority, the City of Stirling. Much of this area is currently vacant open space and parkland, and is currently unsuitable for development on account of a former land fill site underlying the land. The old Hertha Road tip is an unlined and un-remediated former residential landfill that is slowly leaching contaminants into the aquifer.

The inner-middle ring suburban context of the centre is typical of much early post war Australian residential development. Detached houses on large suburban lots are gradually being replaced by new infill development, which has been facilitated by the provision of reticulated sewage and changes to the planning codes, which now allow for slightly higher dwelling densities (from twenty to forty dwellings per gross hectare). The resultant built form is thus transitioning from a garden suburb into a lower medium density area. This change has been accompanied by a significant loss of private open space and associated tree cover, as well a proliferation of garages and driveways serving the additional dwellings. The old suburban allotments are carved up into three or four separate lots, onto which are built single detached dwellings served by a double garage or carport. These dwelling units are provided with a courtyard that must comply with the legally mandated minimum private open space area measuring four by four square metres. This is large enough for some outdoor furniture and is typically covered with paving bricks. The loss of trees on both the private lots and the street frontage helps create an Urban Heat Island, a significant problem in a region that regularly records temperatures in excess of forty degrees Celsius.

## **BACKGROUND**

The Perth region has over-arching statutory land use plan referred to as the Metropolitan Region Scheme (MRS). This regional land use plan is informed by a number of key strategic planning documents prepared by the Department of Planning, which also administers the MRS. Town planners at the Department have long considered it desirable to facilitate the development of a number of discrete regional centres across the metropolitan area, in order to increase the self containment of each major region. This was seen as being an important goal because it would reduce the need for longer distance commuting and other trips to the CBD.

Stirling was formally identified as one of only a few "Strategic Regional Centres" in Metroplan, the metropolitan strategic plan produced in 1990. This status was formalised in both the MRS and by the City of Stirling which created a new planning scheme to guide land use and development in the newly designated centre (Town Planning Scheme Number 38). By the time these changes were formalised in 1994 however, the area had already evolved into a regional centre of metropolitan wide significance. It was therefore an example of the town planners playing a game of catch up and then attempting to add value to the outcomes.

## **NEED TO REVIEW**

After the new planning scheme had been in place for approximately a decade, it was becoming increasingly obvious that the area was still increasingly beset by a number of problems and was failing

to evolve in distinct centre with a sense of place. The majority of trips into and around the centre were continuing to be undertaken by private vehicles, and many of the new land uses that had been approved were only reinforcing the node's car dependency. These problems were recognised by both the local council and the State Government town planners.

The proximity of a railway station and provision of regional bus routes was being "wasted" on a disparate built form that was failing to attract significant transit use and was creating an uninviting environment for pedestrians and cyclists. Traffic congestion was eroding the centre's amenity, and there was a failure to achieve a more intense form of development. Stirling in 2006 was a suburban centre characterised by dispersed developments surrounded by surface parking. There had been a noted failure to attract higher density residential developments or foster economic diversification. Much of the retailing was car oriented, and offices continued to disperse into Herdsman and Osborne Park. The area lacked a distinct "heart" and was therefore without any real sense of identity. To make matters worse, the MRS had reserved a 100 metre wide unbuilt highway reserve running between the Mitchell Freeway and Scarborough Beach Road. The Stephenson Highway reservation formed a large area of vacant land that was effectively a "dam" separating Osborne Park from Innaloo (the retailing core of the Stirling Centre). The effect was to sterilise much land and force movement networks onto an already traffic chocked six lane Scarborough Beach Road.

## **THE REVIEW COMMENCES**

In 2006, the Department for Planning and Infrastructure (DPI) – as the Department of Planning was then called - and the City of Stirling signed a joint Memorandum of Understanding to co-fund the review of the MRS and TPS 38. This comprised a traditional or Business As Usual model of co-operative planning between a local authority and a State Government department. The community consultation that occurred complied with legal provisions, but was largely in the form of the public being updated with the results of the planning activity. There was little scope for the community to shape the outcomes of bureaucratic deliberations, as the consultation was more in the form of informational sessions as opposed to workshops to assess different ideas.

Regular meetings were held between the professional staff of the two authorities, with input from the Main Roads Department of Western Australia (MRWA). The MRWA traffic engineers were also keen to address regional transport issues and determine the design of the unbuilt Stephenson Highway. The Main Roads engineers favoured a grade separated freeway to freeway design, as this segregated the regional from the local traffic networks. By contrast, the local authority and DPI town planners increasingly felt it was important to build an at grade road with traffic lights to enable pedestrian crossings to take place. The land use planners were concerned the freeway design option would blight adjacent land parcels, precluding the development of intense commercial and residential activity. In their view, a freeway to freeway design was incongruous with the development of a pedestrian friendly, compact mixed use centre. The traffic engineers by contrast, considered it preferable to have a grade separated design as this would enable safe pedestrian movement underneath the elevated road as well as separating local and regional traffic streams in a discrete and legible road hierarchy.

## **THE ROAD BLOCK**

The more each side tried to persuade the other of the soundness of their respective views, the more difficult the discussions became. A feeling of alienation emerged between the two professional experts, who subscribed to competing paradigms of how the world worked. The land use planners talked about accessibility as opposed to mobility, while the traffic engineers thought in terms of a hierarchy rather than road permeability. The MRWA officers had no objection to the development of a regional centre, which they felt would be complimented by an additional transport link. However, the town planners were concerned that the future centre would break up into three parts separated by freeway networks.

At this stage, the planners concluded that these difficulties could be resolved by organising a

professional workshop or Enquiry by Design (EBD) to which eminent urban designers would be invited. It was thoroughly hoped the New Urbanist experts would be able to educate the “recalcitrant” MRWA engineers. It was also hoped the boffins who championed the new thinking would get through to the representatives of the Westfield Corporation, who wished to redevelop their existing shopping mall into Western Australia’s largest big box shopping centre. This concept was seen as being fundamentally incompatible with a pedestrian friendly city centre. The New Urbanist paradigm had decreed that all centres needed active street frontages to create a lively and shared public space.

The atmosphere was characterised by tension and a certain amount of confusion. The Chairman of the Western Australian Planning Commission – to whom the DPI reported – kicked off the first day with an introductory speech in which he suggested the centre might be in the “wrong” place. Why he asked, would anyone wish to create a centre in an area with an existing and proposed freeway when there was abundant under-utilised industrial land in the neighbouring Osborne Park Industrial Area? He pointed out that Osborne Park had a grid street pattern with large allotments that would be easy to retrofit. If required, it was always possible to build a new railway station further down the freeway to serve the centre.

The uncertainty generated by these views gave way to a series of adversarial discussions centred around the tables of each urban designer. The land use planners defended the emerging concepts prepared by the urban designers, while the MRWA and Westfield staff dismissed each of the proposed solutions in turn. The urban design consultants worked tirelessly to explain the reasons why MRWA’s ideas were so misguided, while the MRWA experts shuttled back and forth between the workshop venue and their offices to prepare logical rebuttals of the emerging proposals. Towards the end of the three day EBD, the traffic engineers and the town planners were as far apart as ever. Westfield’s representatives had reluctantly agreed to some street level activation and diversity of land uses. This appeared to come out of a sense of desperation to reach a deal rather than from a belief in the New Urbanist paradigms. On the last evening of the workshop, the town planners felt they had won the arguments, and that the planning process could now move forward in a logical and linear process. It quickly became painfully apparent to the planners that they had only succeeded in convincing themselves and re-affirming their New Urbanist beliefs, and that agreement with MRWA was further away than ever.

## **THE SOLUTION**

After the disappointment experienced by all sides, it became increasingly clear that what the town planners and traffic engineers were wrestling with could be described as a “wicked problem”. The complexity of the problem precluded the application of simple linear thinking. We were not dealing with a complicated system, in which each person can specialise on developing a high level of understanding of each system component and collectively build or run the “machinery”. The question few had thought to ask before could be summed up as “can we develop an urban centre at Stirling and cater to long term regional transport requirements?” We all wanted to have the proverbial cake and eat it too!

With an emerging understanding of the underlying complexity of the problem, the two sides began to explore the possibility of applying a governance innovation to help resolve the complexity or “wickedness” of the problem. The MRWA engineers had experienced the transformative effect of developing infrastructure provision “alliances”. This governance innovation had helped to transcend the silo thinking and adversarial/competitive behaviour of the different parties to a contractual agreement – the Department, its contractors and consultants, and the various sub-contractors. Alliance participants learnt to work collaboratively, with each member effectively learning to wear different “hats”, one for the alliance and one for the parent organisation. This resulted in a far superior form of working together than merely co-operating. The trust and goodwill this relationship created helped save reams of red tape and legal/contractual provisions and enabled Alliance participants to drive “triple bottom line innovations” that would have been difficult under the previous contractual models. The planners and engineers started to wonder whether the alliance approach could be used to resolve a

complex land use/transport planning problem. Would it be possible to form a planning as opposed to an infrastructure delivery alliance in order to help crack our wicked problem?

All sides decided to explore this untried solution in good faith, and so was borne the Stirling City Centre Alliance. In order to broaden the scope, the Alliance “parents” being the DPI and City of Stirling invited the MRWA as well as the Public Transport Authority and the State’s land development company, Landcorp, to join the Alliance. The new members needed a new and common term of reference and a forum in which to build a new culture of trust. It was therefore decided that Alliance participants would jointly undertake a personal development course based on the ideas of Stephen Covey, an American personal development teacher. Covey’s Seven Habits gave the Stirling Alliance a common vocabulary and helped improve the maturity of each member, moving from an independent mode of thinking to one characterised by inter-dependency, essential to underscoring the success of a collaborative model. One of the key lessons learnt was the importance of culture training.

Having achieved a common culture and agreed on supporting a “win-win” collaborative approach, the Alliance became aware that it could only be empowered to effect change and deliver solutions if it reported directly to a Board of Directors consisting of the heads of each member organisation. This proved to be a key innovation underpinning the success of the Alliance. It became difficult for individuals from within each member organisation to dismiss or “subvert” the activities and agreements of the Alliance, as these carried the weight of each chief executive. Moreover, it proved essential in securing resources for the project.

## **BREAKTHROUGHS**

The Alliance had become a “holding environment” characterised by a productive range of distress. Participants explored and discussed the principles which they thought pertained to effective land use and transportation planning. These principles and ideas were mapped out electronically by a workshop facilitator in a process known as “dialogue mapping”. After a series of transport related workshops held over the course of several weeks, a number of criteria were developed by the multi-disciplinary professional team. These were subsequently applied to a three day “hybrid” Value Management/Enquiry by Design workshop. On the first day, participants worked together to define a number of sub-criteria under each of the main themes. Workshop participants also agreed to assign “weightings” to the various criteria. The land use/transport options or ideas were then assessed against these criteria. This resulted in a small number of preferred options emerging as preferred concepts. The favoured options were then explored and refined in more detail by a panel of experts from across all the organisations and professional consultancies. In some cases options were combined or hybridised. During this creative design option, new and untested concepts also emerged which were successfully incorporated into the preferred and heterogeneous options. The creativity unleashed by the process was almost unprecedented and helped by the relative geographical isolation of the venue – with all individuals virtually locked down in a building far removed from their offices.

This successful process culminated in a consensus view of the preferred land use and transport proposal. The breakthrough enabled the team to solve the wicked problem - that we could respond to long term regional transport needs while developing a city centre at Stirling. A number of innovations were generated including improvement to the road network through development of suitable links, innovations applied to the design of the freeway, and agreement that improved public transport provision and integration with land use planning would achieve substantial modal shift toward transit. As a result of this consensus, the team recommended to the Alliance Board that the Stephenson Highway Reserve be deleted from the MRS. This recommendation was endorsed by the Board, resulting in the submission of formal plans for advertising the proposed changes – a first in Western Australian transport planning history! The Stirling Alliance has proved sceptics wrong, and will enjoy having the cake and eating it too.

At the same time as the team were learning to work together collaboratively, the Alliance also began to widen its scope and include the community in a regular series of consultation meetings, open days

and workshops. A Stakeholder Reference Group was established, chaired by the president of the local ratepayers association. The SRG is currently evolving into a Community Leadership Team.

A sub-Alliance was established with Westfield which provided the venue for a series of collaborative discussions. This innovation paved the way for a number of other sub-Alliances with key stakeholder including the hospital and the environmental regulators. The Alliance determined it was necessary to empower our “opposite numbers” in other agencies who were keen to participate and/or had extremely useful knowledge, networks and skills that would benefit the planning and implementation of the proposed new city centre. To this end, the Director General of the DPI wrote to his counterparts from a number of other agencies, including the heads of the electricity and water utility (Western Power and Water Corporation) and the Department of Environment and Conservation, and Department of Water. Each of these CEO’s agreed to participate in the newly formed Environmental Sustainability Sub-Alliance. This group was also formalised with an inception workshop that was to form the basis of a number of focussed working groups exploring innovations pertaining to their area of interest and expertise. The heads of the two utilities have also decided to join the Alliance Board of Directors, as they see the Alliance as being a demonstration project for sustainability.

The example of a collaborative inter-agency relationship involving the community and private sector helped the Alliance to win the formal endorsement of the State Government’s Cabinet. This signifies a milestone for the Stirling Alliance, as there is now support at the highest level of government. The Alliance has organised a successful sequel to the original EBD, and termed this the Festival of Ideas. This celebration of ideas involved community members, professional consultants, representatives from the private and not-for-profit sectors and political stakeholders including representation from the Cabinet. Many of the participants were impressed with the spirit of collaboration and the creativity unleashed by the design festival. The Festival formed an important part of the project context when the Cabinet Submission requesting in principle support was being prepared.

## **EVOLUTION OF ALLIANCE BASED ON A PUBLIC PRIVATE COMMUNITY PARTNERSHIP – THE PPCP**

The Alliance is boldly going where no inter-disciplinary team of professionals representing diverse organisations has ever gone before; it is morphing into a novel relationship that has been described as a Public Private Community Partnership. The Alliance has established a set of leadership teams representing Government, Community and Private Sector.

The Government group provides high level strategic input into the work of the Alliance. The Private Sector Leadership Group are currently represented by the main commercial landowners and the CEO of the State’s Property Council. The Community Leadership Group is working on resolving “transitional” issues relating to disruption of lifestyles by the proposed changes. The CLG has also expressed the desire to raise the bar on community involvement and develop long term/big picture aspirational objectives. This will be facilitated by establishing a forum in which the local community (together with interested people from civil society, government agencies and industry peak bodies) can participate in stimulating debates relating to social and environmental sustainability. The community wants to be part of the solution to creating a good city for people, and the use of software tools such as Debate Graph will facilitate on-line discussions that can be brought back to regular community meetings which provide the opportunity for face to face contact so essential in underpinning the development of community formation and social capital.

## **WHERE TO FROM HERE?**

The Alliance is determined to continue its innovative journey along the maturity continuum and establish a fully fledged and functioning Public Private Community Partnership. The project team is currently working on two key deliverables. The first pertains to the intended product – a sustainable Transit Oriented Development that will be a successful demonstration project for the State

Government's plan to re-apportion future urban growth from outlying fringe suburbs to new infill developments (Direction 2031) as well as the key sustainability related goals of the service providers and environmental agencies that are participants in our environmental sustainability sub-alliance. This will culminate in a land use plan with associated documentation describing the objectives for each precinct of the centre. The second product is the mechanism by which the Alliance hopes to secure the means by which to implement the vision and secure the required seed funding. This is the Business Case, which will firm up the cost estimates for the essential infrastructure and quantify the benefits of the project.

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