

GOODBYE URBAN SPRAWL, HELLO APARTMENTS

The quarter-acre section has always been part of the Kiwi dream, but the endless suburbs encircling our towns and cities are often a blight, not a blessing. As petrol prices rise along with land prices, it's time to embrace city living.

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Cities are important. They are, as Edward Glaeser argued in his recent book, *The Triumph of the City*, our greatest invention. Cities are the heart of our civilisation, the primary source of wealth and enterprise, places of inspiring architecture and great centres of learning and culture.

Crucially, cities are the locus for change and innovation – the place where new ideas, concepts and visions are moulded into life. Throughout the world, we can see how cities have been instrumental in the social, cultural and economic development of the countries and regions within which they are located. In contemporary China, for example, some 325 million people have become urban in less than one generation, fuelling the country's astonishing economic expansion.

Our low-density housing sprawl

In New Zealand, the concept of the city is muted. Cities and towns have generally tended to grow outwards rather than upwards as the culture of the quarter-acre dream has privileged low-density out-of-town development and suburban residential sprawl, with much of the latter being a parody of that dream.

As a consequence of this sprawl, New Zealand towns and cities have some of the lowest residential densities in the world at around 2,200 persons per square kilometre (ppk²). Similar-sized towns in Europe, such as York and Exeter in the UK, have densities around double that figure, while London has a density of 5,100 ppk². To place these figures in context, Hong Kong and Mumbai come in at 25,500 ppk² and 35,000 ppk² respectively, so it can be seen



Typical New Zealand urban sprawl.

that even a doubling of New Zealand's urban densities could not be seen as extreme.

Cities are, for obvious reasons, mostly built on good-quality land, and New Zealand is no exception. President of New Zealand Federated Farmers Bruce Wills has recently argued that urban sprawl is a major threat to the country's agricultural production, including the 873,000 hectares of farmland now used as lifestyle blocks. 'Put another way,' he argues, 'that loss of fully productive farmland represents half of all the land in dairy production...'

Part of the problem is design and size. New houses in New Zealand are, on average, around 195 m², compared with a UK average of 85 m². Not only are New Zealand's new houses large – around twice the European average – they also

tend to be single-storey, compounding land take and reducing the density levels.

Petrol prices may be the change-maker

This low-density suburban sprawl is partly a consequence of the availability of cheap land and partly the result of a permissive land-use regulatory system. However, it has been facilitated by the car, which has opened everywhere for residential development.

New Zealand is a car-dependent society – there are some 730 vehicles for every 1,000 people and they are heavily used. Around 84% of Kiwis drive to work and complete their day-to-day activities by car. To date, this has made sense, since, compared with other

societies, petrol is still relatively cheap in relation to household incomes. Individual decisions about where to live and work have been heavily influenced by the balance between housing and travel/fuel costs.

All the evidence suggests that this balance is likely to change as oil prices rise and fuel costs inevitably increase. The world is not going to run out of oil for a long time, but most analysts agree that the peak of global oil production has passed, that new oil extraction will become increasingly expensive as offshore and tar sand fields are exploited and that, crucially, as demand from the world's developing economies increases, costs are bound to rise.

The demand for oil from India and China is projected to increase by 96% and 80% respectively during the next 20 years, and similar increases in demand may be expected elsewhere. In New Zealand, we have already passed the \$2 a litre barrier for petrol, and we can look forward to \$3 or \$4 per litre in the not too distant future. Assuming that wage levels do not rise at the same rate, which is likely, there must be some doubt as to the wisdom of permitting further ex-urban residential development.

Central city decay price of sprawl

This high level of suburban expansion and sprawl has impacted heavily upon the inner city. The evidence from cities elsewhere in the world clearly shows that there is a causal link between central area decay and unregulated urban sprawl. Investors and developers are reluctant to invest in the CBD when easier and more profitable opportunities exist on the city



Valencia, Spain, has a vibrant, liveable city centre.

boundary, whether this is for retail, residential or commercial developments.

The first step towards revitalising the inner city must be urban containment with the creation of an urban fence or metropolitan urban limit beyond which no new development can occur. There are major political and administrative issues to be addressed here, but the evidence from elsewhere in the world clearly shows that containing the sprawl works.

A recent report from the New Zealand Institute for Economic Research argues that, in an increasingly competitive global economy, a country can be small or remote but not both. New Zealand, it argues, needs to grow its population, perhaps to 15 million by the middle of this century. If this were to happen, the growth would be through

international migration and it would be urban. Even if this level of population growth does not materialise, New Zealand is unlikely to be exempt from the overwhelming global trend to urbanise.

Future points to vibrant, liveable city centres

Cities are the future. They attract young, dynamic and creative people who want the diversity, cultural and employment opportunities that diverse and vibrant cities such as Melbourne, Seattle or Chongqing have to offer.

Inner-city apartments or high-density housing is not for everyone, but the future lies in creating vibrant, liveable city centres where people live and work, not in more low-rise low-density suburban housing estates. ♦