

ECU's new Perth campus a win for property developers and pollies

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By **GEOFF HANMER**

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The proposed Perth central business district campus for Edith Cowan University looks, on the face of it, to be a win for the city.

According to the ECU press release 10,000 students will be attracted to the CBD as part of a city deal involving all three levels of government and the university.

The \$695m development involves ECU giving up its existing 15ha Mount Lawley campus, 5km north of the CBD, in exchange for the city site. ECU will put \$300m into the project and the federal government will contribute a further \$245m, putting the building cost at \$545m, not including land.

The West Australian government will contribute the CBD site, which it values at \$50m, and it will underwrite up to \$100m for ECU, although the exact nature of this deal is unclear. The Mount Lawley campus, which could be worth more than \$50m, will revert to the West Australian government.

ECU delivers a range of courses at Mount Lawley, including business, education, Indigenous studies and humanities. Mount Lawley is also the home to the prestigious Western Australian Academy of Performing Arts, one of four premier drama schools in Australia.

The ECU publicity for the project says the development will be transformational for the Perth CBD. “For Perth businesses and retailers, the presence of thousands of students, staff and visitors will deliver a daily dividend — just one of the benefits of having a true city campus,” it

says.

Calculations by specialist architectural company ARINA show the teaching functions of the campus are likely to add about 3000 people to the CBD on a weekday. This is a significant number and certainly the vitality of students and performances by WAAPA will add something to the CBD, but the benefits are overblown and the negatives have been ignored. For a start, businesses and retailers around Mount Lawley will lose 3000 customers.

To put this in perspective, the proposed ECU campus will contribute about half the number of people occupying just one of the larger office buildings in the Perth CBD. Currently, at least 10 new tall buildings are mooted for the Perth CBD. Although not all of them will be built, any one of them is likely to inject significantly more people into the CBD than the ECU campus.

None of these will cost the public purse a cent. A 1000-seat Lyric Theatre, which Perth currently lacks, probably would contribute more vitality to the Perth CBD than WAAPA could, and might even make a financial return.

A new student residential tower is under construction opposite the ECU site at 553-561 Wellington Street. This building, which is being developed by Stirling Capital, will provide 433 beds of student accommodation. Stirling Capital already has developed another 571-bed student residential tower, The Boulevard, which is located fortuitously two blocks north of the proposed ECU site.

Stirling Capital managing director Luke Reinecke is quoted by the West Australian as saying: “We like the (student accommodation) sector.” You can certainly see his point.

Clearly, while the ECU campus may add a bit of diversity to the CBD, will it work for students and does the financial side of the deal stack up for the university and the taxpayer? Nearly all the university campuses that are rated highly by students for “positive overall experience” are what ARINA call “sweet spot” campuses. These campuses have between 5000 and 20,000 students doing a diverse range of courses, landscaped open space, a high proportion of students living on campus and are located away from a CBD.

In fact, they are remarkably similar to the Mount Lawley campus. In Australia, Bond University, the University of New England and Griffith University are among the top

performers. Internationally, universities including Leiden, Durham and Bath are highly regarded by students.

Around the world, few CBD campuses rate highly with students. Columbia in New York and Imperial in London are two of the few exceptions, but they are significantly below the best performers in their countries and both consist of a large number of mid-rise buildings with significant landscaped open space between them rather than a single tower building.

ARINA research shows that a basket of the 10 best performing university campuses located in London rates about 10 points lower for “positive overall experience” than a similarly ranked basket of the 10 best performing campuses in ex-urban locations around Britain. A similar pattern is observed across Australia; the University of Technology Sydney and RMIT are the highest ranked CBD universities at 17 and 18 out of 39, about 10 points lower than the best.

The Mount Lawley campus has a 523-bed student village on campus and a swimming pool, sports facilities, food services, a childcare centre, adjacent sports fields and parking. Parking is particularly important for students who are juggling their studies with jobs, caring responsibilities or both. Typically, a lack of parking and absence of childcare has the most impact on low socio-economic status students. A lack of parking tends to make staff grumpy, too; try carrying 150 essays home on the bus.

Universities are normally developed in a campus setting because it allows for the construction of efficient low and mid-rise buildings to suit different purposes. It also gives the university the flexibility to redevelop individual buildings across time. By comparison, a CBD campus in a single tall building is expensive to build and operate, then problematic to redevelop when the time comes.

Because university classes are timetabled over the 10 minutes at the top of the hour, the load on vertical circulation, stairs, lifts and escalators in a tall university building is enormous, much greater than an office building. The taller a university building is, the more floor space must be devoted to lifts, escalators and stairs. At 12 storeys, the cost per delivered square metre is about double that in a low or mid-rise building, which is one of the key reasons there are so few tall university buildings worldwide, and one of the reasons the ECU project is so expensive.

Not that universities haven't tried this route. UTS's Building 1 is 23 storeys high and when it was built it had six large-capacity lifts serving every second level to cut lift loading and

unloading times, plus wide stairs and escalators up to level 6. Lift waiting times were typically more than 15 minutes.

I know; I taught on level 19 of the building for three years. Every week I was patiently waiting for my class to arrive, or my class was waiting less patiently for me. Despite the introduction of a completely refurbished and modernised lift system years ago, UTS eventually gave up on trying to teach above level 6 and converted the upper floors to administrative or research functions.

We don't know how tall the ECU CBD campus will be because there are no plans, but the artist's impressions provided suggest more than 20 storeys, which is more or less fantasy land as far as building economy is concerned.

Mount Lawley does have a fair number of older buildings and there is no doubt it needs a revamp, but it also has some newer buildings plus upgraded in-ground and above-ground services. All of this value will disappear when the campus is handed back to the WA government in 2025.

ARINA estimates the Mount Lawley campus could be successfully improved, intensified and refurbished for a budget of about \$150m across 10 years, including the construction of parking structures over existing on grade car parking to create additional area for building. Without the cost of land, a new mid-rise campus to replace Mount Lawley would cost under \$300m, or roughly half the cost of the new CBD campus.

Most of the new economy, including Apple, Alphabet and Facebook, is located in suburban campuses close to well-known suburban university campuses, including Stanford and the University of California, Berkeley. A quick scan of the Fortune 500 shows that of the top 30 companies, 19 are in campus settings and only 11 in a CBD. Amusingly, the worst two performing tech companies, Twitter and Uber, have CBD locations.

So, to sum up, the proposed ECU CBD campus is fundamentally likely to be less popular with students than Mount Lawley. It will add an insignificant number of people to the Perth CBD and it will cost the university and the taxpayer double any other viable option, plus it will destroy the value of the Mount Lawley campus. It will, however, benefit the property industry and produce an "iconic" building, plus some pre-election announcements.

The key reason ECU has taken this route is because the federal government has starved universities of capital funds, leaving the city deal as the only available option to get some cash.

If the state, federal and City of Perth governments were serious about universities, stimulating the performing arts and revitalising the Perth CBD, they could build a new Perth Lyric Theatre and create a fund of about \$150m to help all four WA public universities improve their existing campuses. They would have quite a bit of change from \$695m. In this scenario, ECU then might be up for \$100m across 10 years, which is surely better than having to spend \$300m across five, particularly when the short to medium-term impact of COVID on staff employment is considered.

Geoff Hanmer is managing director of ARINA, an architectural consultancy specialising in strategic planning, master planning and projects for higher education.

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