

## Solomon Heights: A Zombie Subdivision?

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**Abstract:** Recent work from the Lincoln Institute has identified the phenomenon of the 'zombie subdivision', described by authors Holway, Elliot and Trentadue as 'the living dead of the real estate market'. The authors' case study examples are recent formulations, their residents casualties of the profligate early 21st century. Yet there remains in many quarters of the western world examples of much older, and perhaps by dint of age even more problematic, 'zombie subdivisions'. Solomon Heights, 10kms west of the centre of Melbourne, Australia, on what has now become prime riverside real estate, is a case in point. Although subdivided into a residential pattern during the 1920s, the site had been rezoned industrial in the mid-1950s under Melbourne's first comprehensive city plan. It was thereafter left fallow, for reasons unclear, without basic urban services like water or sealed roads. Environmental social issues have since come to impact on the site, while landowners seek the opportunity to build. In a submission to the 2009 review of the city's urban growth boundary, Solomon Heights owners urged that:

The alternative of now acting now...is to commit Solomon Heights to a further period of prolonged stagnation—a period that exacerbates the effects of 100 years of inaction.

This paper examines the history of the '100 years of inaction', with particular attention to the efforts by the current responsible LGA to broker a satisfactory outcome for all stakeholders.

**Keywords:** town planning, urban history, zoning, urban environmentalism, property rights.

### Introduction

In 2009, hundreds of public submissions were made to a review of Melbourne's Urban Growth Boundary convened to consider moving the city's 2002 notional boundary, in order to accommodate an unexpected surge in population (State Government of Victoria 2010). A core consideration was the provision and cost of urban infrastructure.

The review covered broad questions of metropolitan strategy: the location and calibration of growth. While some submissions weighed outward and consolidated growth, submissions from landowners on the fringe submitted views on far more statutory, small-scale questions of property rights and values (Taylor, 2015). One submission came from representatives of 130 landowners of a little known part of metropolitan Melbourne. Well inside the Growth Boundary, this land was in Sunshine North, with views across the revived Maribyrnong River to the Central Business District, ten kilometres to its east. Although first offered for sale in the mid-1920s, the site's many lots had been rezoned industrial thirty years later under Melbourne's first comprehensive city plan and left fallow thereafter. The landowners urged that:

The alternative of not acting now... is to commit Solomon Heights to a further period of prolonged stagnation—a period that exacerbates the effects of 100 years of inaction.

This paper examines the history of these '100 years of inaction', with particular attention to the efforts by the current local government to broker a satisfactory outcome for all stakeholders. We argue that the history of this unusual, stagnated urban site shares many characteristics with so-called 'zombie subdivisions' and thereby demonstrates many complex relationships in land markets and planning that otherwise go unexposed. It also demonstrates competing determinants of land value, and the influence of government (in)action on land markets. Solomon Heights highlights inconsistencies between strategic and statutory planning instruments, and unresolved tensions concerning the definition of and compensation for property rights for use and development. Arguably, the ongoing stagnation of the site and the entrenchment of its conflicting property interests demonstrates an inability of the Victorian planning system to deal with situations other than developer-led growth. This is especially notable in light of the site's increasing strategic planning value.

### **Zombie subdivisions?**

The terms 'zombie subdivisions' and 'ghost developments' refer to recent (2008 onwards) residential subdivisions that failed as a result of the Global Financial Crisis. These range from partly constructed developments, to those existing only on paper. Some are sparsely populated, others visibly deserted. They are described as "abandoned" or "failed" (Laitos & Martin, 2015); or as "distressed" with "excess entitlements" (Holway *et al.*, 2014). "Excess entitlements" refer to property development rights already granted which "far exceed current or near-future demand" (Holway *et al.*, 2014). There are millions of "entitled" lots and across the United States, particularly the "inner mountain west" (including the states of Nevada and Utah). Similarly California City, established fifty years ago this year and the third largest city in California by area, has a population of under 15,000. The USA does not, of course, hold a monopoly on such developments. Many of China's new cities are notoriously empty. Ireland, in the wake of the GFC, is also known for its partly constructed or abandoned housing developments. Kitchin *et al.* (2014) identified 2,846 unfinished estates in Ireland in 2011, for example in Longford and Roscommon.

Visually, zombie subdivisions offer a striking contrast of promise with reality: photographs of them often feature weeds and half-finished streets, alongside fading promotional signs. These estates, a serious challenge for local government, can entail visual amenity or safety issues.

'Zombie subdivision' case study examples are recent formulations, their residents casualties of the profligate early 21st century. Kitchin *et al.* (2014) refer to Ireland's ghost estates as "'new ruins' created through twenty-first century capitalism" (p. 1070). Yet there remain in many quarters of the western world older, and perhaps by dint of age more problematic, 'zombie subdivisions'.

The Florida Everglades and Lake Okeechobee region experienced a land boom in the early decades of the 20th century, when large swatches of poorly drained land were sold to a newly-mobile middle class. Grunwald (2006) in "The Swamp" describes massive land speculation, peaking in the 1920s, creating a market based almost entirely on on-sale value. "Binder boys" sold and traded land titles for lots often unseen and never drained or serviced. Land owners resisted paying taxes for canals and drainage, preferring to on-sell the land, which increasingly had little value, and eventually led to the collapse of "the world's greatest poker game, played with lots instead of chips" (p. 187). Florida has borne long-term consequences of property rights ascribed to poorly drained, environmentally sensitive land, now seen by many as inappropriate for development. "Smart growth" strategies to curtail sprawl and return swampland to environmental systems have conflicted with landowners' expectations. In the 1990s, Florida's Property Rights Act emerged out of what Vargas (1995) terms "a populist movement...fuelled by widespread discontent with the procedures and the substance of land use law". Vargas argues that the "emotion the property rights lobby was able to generate by presenting testimony of the oppressed landowner" created an overly complicated law inconsistent with existing US property takings (compensation) law. Russ (1994) argues that although the bill was premised on compensating landowners for regulations thought to lower the speculative value of land, it was excessively complicated and threatened established property values. Russ argues that the emphasis on maintaining speculative property rights worked against broad levels of support for growth management.

These examples demonstrate many complex relationships in land markets and planning that otherwise go unexposed, including: regulation of the timing of subdivisions in relation to key services and infrastructure; mechanisms for the financing of key services and infrastructure; the reliance of local governments on property based taxes from land value increases and their limited powers of compensation for land value losses; the entrenched political expectations of landowners particularly in relation to speculative property rights associated with residential land; and the vulnerability of residential property owners—and local governments—to any failure in speculative land schemes. Urban development always entails complex processes and risks: it is, perhaps, when steps fail to eventuate that the interdependence of these relationships becomes clearest.

### **Planning and rights in speculative land markets**

Zombie subdivisions also demonstrate competing determinants of the value of land, and the land market influence of government action or inaction.

'Rent' is a neo-classical and Marxist economic term for the surplus value of land, but which loosely translates to its value (Walker, 1974; Harvey, 1974; Ball, 1980 & 1985; Haila, 1998; Park, 2014). Rent in this framework includes differential rent, of which there are two forms: one referring to the agricultural value of natural variation in land (soil quality, position) or to the value of location in relation

to markets; and the other referring to the differential capital invested in the (improved and unimproved) land. Monopoly rent refers to the inherent scarcity of land and its features, and the value that existing owners extract from this monopoly on location. Services that are in shortage can create monopoly rents. Walker (1974) argues that urban ground rent results from monopolistic returns: proximity to services and other urban features, and that redistributive rent is the value of spatially oriented services created by government. Absolute rent is a complex, and much debated concept, but essentially refers to situations where owners will not accept less than a certain amount for their land.

Meanwhile Smith (2008) and Smith *et al.* (2006) explain housing and land as a complex mix of elements—physical, legal, financial, social—and markets and values as similarly socially determined. Land and housing ‘value’ is determined by social agents: buyers, sellers, and real estate professionals. The economic value of land is not a simple abstraction of supply and demand: both neo-classical and Marxist economics offer overlapping or competing determinants of price. Further, land markets operate in socially determined context, and values are partly allocated and reallocated by government action.

In zombie subdivisions there is only a legal concept of property, combined with its social meaning. Much of what economists suggest makes up land’s economic value is absent: infrastructure, improvements, and sometimes the differential demand created by surrounding developments. Existing owners may have an ‘absolute’ value they ascribe to the land—essentially, what they paid for it, or its perceived speculative value. Existing owners also usually believe that they have rights to use or development. This social context for property value can have powerful interest. In Australia, where homeownership seems bound up with democracy and financial security (Yates & Bradbury, 2010), any perceived imposition on property rights—however well justified in terms of broader planning strategy—is politically fraught. People purchase real estate understanding the probability of loss or, more commonly, gain, and ownership functions as a kind of insurance against the loss of a welfare state.

However, the terminology of human, political and property ‘rights’ has multiple, sometimes contradictory, meanings. Rights can be described as individuated claims based on political-normative principles and as a means to maintain certain inviolable standards through societally-established entitlements for all individuals (Taylor, 2014; March, 2003). A fundamentalist view upholds individual above collective rights. A collective view allows for some compromise on individual rights in order to maintain collective rights or goods. Planning engages with several forms of rights, including property rights, which it continually allocates and reallocates (Downs, 2005). It is the differential rights ascribed through planning decisions—zoning restrictions, for example, or investment in spatially differentiated services—that creates and distributes forms of what economists would call ‘rent’, including monopoly value and differential value. ‘Public choice’ perspectives on planning explore the incentives of property interests to influence planning decisions in order to unlock differentially higher land values (Webster, 1998).

Rights are always socially constructed and maintained through norms and social discourse and thus the planning system is a manifestation of rights as contestation, and the challenge of managing contradictions appropriately (March, 2003). This tension is particularly noticeable around metropolitan level planning. Whereas zoning and ‘private planning’ (covenants) often arise through homeowner demand (‘public choice’ theory), metropolitan planning is divorced from the immediate, specific interests of property owners. Strategic plans seek to improve overall utility, and thereby create complex competing policy interests. Critics have argued that in Melbourne, early metropolitan regulation of growth the post-war planning era functioned as a kind of speculator’s guide to future land value increases (Sandercock, 1975). Where these expectations conflict with strategy changes, tensions arise—as reviewed by Downs (2005). For example in NSW, despite a lack of development rights, fringe landowners’ political campaigning gained implicit policy protection of these rights via perceived development rights (Williams, 2012).

In Melbourne’s 2009 UGB review, the submitted concerns of landowners centred on the meaning of the boundary shift for property rights and values. Ultimately, Taylor (2015) argues, landowners had an entrenched expectation that planning would protect property (including speculative development) values, while resisting any taxation on value gains resulting from planning decisions. Much earlier, in post-war NSW, the County of Cumberland Plan attracted thousands of compensation claims (Freestone & James, 2015), with the gap between proposal and formal introduction—allowing expectation of values to rise—blamed for the “inertia” and “betrayal” of the scheme. Contemporaneous economists (Davidson, 1955) argued that clear compensation for development value “makes it easier to be firm”, as “what has been paid for, one may be less inclined (or less able) to give away lightly” (p. 49).

### Introducing Solomon Heights

The site location and lot layout of the study site, Solomon Heights, is shown at Figure 1. The site has never had basic urban services like water or sealed roads. Rough tracks mark subdivided road lines, and it has management (littering and dumping, safety, and policing) issues (Figure 2).

**Figure 1 Solomon Heights location and site plan. Source: DPCD (2008a).**



**Figure 2 Solomon Heights as at 2015, showing illegal dumping and unsealed roads.**



There is little information available on the subdivision's creation. Any original estate name is lost. It does not appear that the plan was lodged, nor lots sold, until 1926, although some of the subdivision's

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street names—Balfour and Munro—may commemorate late 19th century Victorian politicians, and the very conventional grid design—featuring blocks of either 26 or 43 lots—evokes an earlier age. This is accentuated by the fact the impressively crafted ‘town-planned’ Milleara Estate simultaneously took shape on the Maribyrnong’s east bank. The estate was not discussed in any detail (or at all) in the press of the day. George Benwell, a secretary from Elwood, Victoria, purchased Lot 22 near the corner of Whitehill Avenue on McIntyre Road on the 23 April 1926; he sold his block in 1927 and the land then sold three more times in the ensuing decade.

Benwell made a good choice in purchasing on McIntyre Road; few lots sold to the east of the estate, even at this early stage. What is clear from the extant plans is that purchasers were aware that what is now known as the Albion to Jacana freight railway ran through the subdivision, rendering 40 lots useless; the line also ran diagonally through one intersection. It is the area east of the line that we now call Solomon Heights; the west portion is now light industrial. The line was public knowledge as early as August 1925 (almost a year before land went on sale) and the possibility of profit from rail access was, presumably, the impetus for the sale. It is extraordinary that, with clear knowledge of the rail route, no effort was made by vendor or surveyor to incorporate any realigned road to enable services’ connection with the line, or facilitation of crossings.

This lackadaisical design approach may be partly responsible for the initial ‘zombification’ of the estate’s western portion, and impediments mounted over time. The MMBW’s 1954 Plan for Melbourne decreed it industrial. The late 1950s decision to place Melbourne’s new airport at Tullamarine 10 km north led to the laying of the Somerton Pipeline carrying 85% of the fuel used at the airport from an Altona refinery alongside the railway—further impeding connections between the two halves of the original estate. These factors were further exacerbated by the availability of more suitable industrial allotments throughout the region, larger and with greater transportation route access (McLoughlin, 1992).

Lots did change hands, however, in many cases purchased by speculators. Such purchasers held with the truism that local government saw value in service provision for ‘inevitable’ development. Perhaps the most positive step made to ‘solve’ Solomon Heights in the last fifty years has been to name it: Ian Walters, a City of Sunshine planner, did so—based on that of an early Victorian settler who held land nearby in the 1840s—in 1987.

It is a rapidly changing area. Today, Solomon Heights features one building: a fenced shed which may once have been a residence. A ramshackle collection of small factories and yards populate the original grid on the nobly named ‘Imperial’ and ‘Knight’ Avenues to the west. South, larger factories, small houses, buildings and open spaces jostle. High-end residential subdivisions, including the recent River Valley Estate, are in the process of being established nearby.

To further problematize the site’s residential value, its native grasslands are now protected through an environmental significance overlay in the Brimbank City Council (hereafter BCC) Planning Scheme, which states:

The Solomon Heights area contains 14.4Ha of indigenous vegetation cover, of which 14.2Ha is Plains Grassland and 0.2Ha of which is Basalt Escarpment Shrub land. The site supports Nationally, State and Regionally significant flora...The study area contains an estimated 0.6 to 0.8 % of all remaining Basalt Plains Grassland.

Landowners have expressed irritation at the series of limitations placed on their expectations. For example a 2011 Brimbank Leader report on “Frustration at Stagnation in Sunshine” relates:

Landowners at Solomon Heights in Sunshine North say they’re frustrated with the ‘fruitless struggle’ to see the area developed. Ken Gambling bought land in Solomon Heights when he was an apprentice about 50 years ago and said nothing had been done to improve infrastructure or pave the way for development there for decades. “The whole area (Sunshine and surrounds) has been developed over the years” except that one spot”, Mr Gambling said. “There’s no roads there, no power, no drainage. It’s just a big paddock”.

### **Solomon Fights: Planning Issues**

The relevant local authorities, now Brimbank City Council, have historically formulated a number of policies relevant to Solomon Heights. Although strategic visions for the site have shifted slightly over the years, a default position of inaction has defined it for nearly a century.

Past policy has sometimes offered grand visions. Ian Walters believed the area was unsuitable for industrial use; his "Sunshine: Planning for the 21st Century: A Report on by the City Planner's Department Sunshine Council June 1987" put forth ideas of a "Solomons [sic] Heights Residential Area and Leisure Park". But an outcome noted in the 1987 structure plan, "option 3 - derelict landscape", obtained in the following 28 years. Constraints on the site named in the 1987 report noted the inadvisability of industrial use and acknowledged that:

While the land has commanding views of the Maribyrnong River Valley and Avondale Heights, its isolation from other residential areas presents an urban design problem which needs careful attention. Nevertheless, an opportunity exists to choose between an inappropriately laid out industrial backwater or a residential area with access to the Maribyrnong River Valley park.

After subdivision of Solomon Heights, the local municipality maintained little involvement, with responsibilities for infrastructure, development, and service provision tied to landholders (BCC, 2015a; BCC, 2014c; BCC, 2015d). One such example concerns the aggregate thoroughfares never formally transferred to the municipality. Disuse of the area, and lack of surface compaction from vehicular traffic, allowed these local "roads"—visual indicators of development, modernity and urbanisation—to fall into disrepair. Clarifying this historical context within municipal documentation serves to distance Council from Solomon Heights' "failure", and seemingly attributes its zombification to external forces.

Landowners, however, clearly hold BCC responsible. An April 2015 municipal meeting concerning the Sunshine National Employment Cluster Background Report (BCC, 2015d, p. 48), cited lack of market demand for the subdivision: an attempt to deflect owners' "frustration at stagnation" ("Frustration at Stagnation in Sunshine", 7th April 2011). Comments from landowners under a local paper's report critical of the lack of action by local government (Brimbank Leader 2011) included:

My father has had the land for more than 55 years, has paid rates like everyone else there, but the council has done nothing about it, just collected money and provided no outcome, no answers, give us our rate money back after all these years, i like to see that. (Comment by Dora Kandi, 7 Jun 11 at 01:57pm, on *Brimbank Leader*, 2011, "Frustration at Stagnation in Sunshine", Brimbank Leader, April 7th 2011)

Why is Brimbank Council so hellbent on developing open space when there are housing developments like Solomon Heights sittign their untouched [sic]. There should be an inquiry into the brimbank Council Housing Strategy and who outside BCC is driving it. (Comment by Max Wright, 7 Apr 11 at 11:41am, on *Brimbank Leader*, 2011, "Frustration at Stagnation in Sunshine", Brimbank Leader, April 7th 2011)

These expectations are unsurprising: despite Solomon Heights' increasingly recognized ecological significance, past municipal policy proposed development, creating conflicting interests and visions. Two threatened species on the site, the spiny rice flower, and striped legless lizard, became Federally protected under the Environment Protection and Biodiversity Conservation Act 1999 (BCC, 2014c). This spurred acknowledgement of its ecological value within the BCC Planning Scheme: the site contains 14.4 hectares of indigenous vegetation (DPCD, 2006a). A draft structure plan (not formally applied) created in 2007 also made specific reference to these protected species (BCC, 2011). An amendment to the planning scheme, C53 Part 2, exhibited in 2012, also acknowledged the spiny rice flower and the need to incorporate Solomon Heights into the Environmental Significance Overlay (DSE, 2012; 2015).

### **Brokering Solutions**

The "Western Region Employment and Industrial Development Strategy" (2007) suggested a major renewal project be undertaken in Solomon Heights to "bring a new class of mixed-use precinct to Brimbank [...] potentially [...] linked with Sunshine" (WREIDS, 2007, p. 46).

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A 2011 lecture given by a BCC staff member deemed Solomon Heights a “major opportunity for a new residential suburb” (Grigsby, 2011, p. 15); another explanatory map of the region’s growth highlights it as a “Renewal Area” (BCC, 2012a). Council’s (2012a, p. 2) document, “Brimbank: the key to unlocking the potential of the west”, trumpets “40 hectares of vacant land, potential for major mixed use and housing development, within 10km of Melbourne CBD”—promising to fulfill landholders’ desired outcome.

Moreover, policy discourse has become increasingly vague, with broad inferences acknowledging the site’s increasingly complex nature. BCC’s 2012 Industrial Land Strategy describes Solomon Heights as an undesirable anomaly: “all of the other industrial precincts in Brimbank represent more appropriate industrial locations in terms of quality, lot size and access to highways” (p. 34). Determined “not a quality industrial location” (BCC, 2012b) experiencing poor market demand, the report concludes that development feasibility—“either as a residential estate, industrial estate or native grassland offset”—be investigated, alongside consultation “with real estate agents and developers to establish the level of market demand and development potential” (BCC, 2012b, p. 36). The report calls for the investigation, rather than fulfillment, of these land-use outcomes: residential and industrial development outcomes are problematised by the Albion-Jacana railway line and poor access (BCC, 2012b). Similarly, within the Brimbank Planning Scheme 21.09 Industrial Land Use (DPCD, 2013), Solomon Heights only garners generic references to the identification of “policy direction for the future development of the area” following the provision of service infrastructure (DPCD, 2013 p. 5).

Policy also addressed more acute issues. Council’s (2013) report, “Brimbank Community Plan Annual Progress Report 11/12”, outlines a single strategic direction concerning Solomon Heights: “Enhancing the character and identity of our city” (p. 26). It calls for an increase in surveillance and enforcement by Council officers in small-scale industrial estates of Brimbank, Brooklyn, North Sunshine, and Solomon Heights. This initiative is detailed in response to common activities in these areas, including dumping and arson. These industrial estates were also noted in a 2014 municipal meeting (BCC, 2014d): it was proposed that Clause 03.09 be “expanded to define urban renewal, particularly within industrial areas”, namely Brooklyn and Solomon Heights (p. 2). These two locales were highlighted as “areas of different economic focus”, warranting inclusion within the PPF and broader local policy and requiring “the resolution of complex issues to enable the potential to be realised” (BCC, 2014d, p. 2): mirroring the notion established in 2012-13 Council policy.

In 2015 the municipality established a management group of landholders (BCC, 2014e; 2015b). A newsletter distributed to members specifies the site as an “investigation area where further work is to be undertaken to determine future use and development” (BCC, 2015b, p. 2), again reiterating prior policy’s non-specific visions. The municipality envisions this group collectively determining a proposal to resolve issues generated by Solomon Heights’ dormancy, in addition to communicating issues with landholders (BBC, 2015c; BCC, 2014b; 2014c; BCC, 2014e). One example, the Solomon Heights Update of Summer 2015 (BCC, 2015c), alerts landholders to the installation of another lockable gate to dissuade dumping and “trespassers”. The resultant intervention merely reimagines an existing method of site protection—symbolic of Council’s recursive and fruitless attempts to strategically resolve the Solomon Heights dilemma (BCC, 2015c).

Although the new consultation group has not yet reached agreement, the outcome will likely seek to marry the two municipal visions of conservation and development (DPCD, 2006b). It would ultimately adhere to legislative requirements for grassland protection; whereas for unaffected land, industrial or residential development would be inevitable given Council support. However, like the 2007 draft structure plan, a proactive plan has not been adopted.

### **Solomon Heights: A Zombie Subdivision?**

Solomon Heights shares many of the characteristics of ‘zombie subdivisions’. It is a legacy of an early 20th century model of subdivision without urban servicing: once common in Melbourne before formal zoning, but normally developed in short order. Erring from standard procedures for subdivision, responsibility and ownership of site roads were not transferred to BCC (BCC, 2014a).

Additionally, the site long experienced “excess entitlement”: a “lack of material demand” is cited for the lack of timely development (BCC, 2015d): a characteristic of zombie subdivisions, which are entitled well ahead of demand. The “Brimbank Industrial Land Strategy” (BCC, 2012b) suggests that more conveniently-located development sites locally and poor amenity contributed to this. The Solomon Heights plots were largely bought and sold speculatively, and many owners were new arrivals with limited understanding of the site. This coincides with large-scale post-war migrant settlement within

working-class suburbs of Melbourne (McLoughlin, 1992), some of whom purchased Solomon Heights land as investments.

The site has also developed long-term management issues: littering, safety, and policing issues. Illegal dumping is of particular concern owing to ecological vulnerability (BCC, 2013a). The area also attracts four-wheel drivers and trail-bikers. Grassfires are a common occurrence throughout summer (BCC, 2015c).

Solomon Heights is, historically, caught between the era of unplanned and un-serviced subdivision and the comprehensive zoning system introduced to Melbourne in the post war period. It is an anachronistic product of a comprehensive plan which rezoned residential lots regardless of ownership to industrial uses strategically based on location.

This early zoning scheme built in tensions between planning strategy and the interests of property owners at the smaller scale of property rights. "Entitled" land use (residentially sized lots, lacking permission to build, or servicing) is inconsistent with broader planning strategy. Although the details are peculiar to this site; an inconsistency between statutory and strategic policy, and between landowner, market, and government expectations, is characteristic of other more recent zombie subdivisions.

### **Conclusions: The Price of Inaction?**

Ultimately, Solomon Heights demonstrates tensions between statutory property level rights, and higher level planning strategy. All zombie sites also demonstrate internal tensions in strategic policy between environmental and economic objectives. The development of Solomon Heights is now broadly consistent with a state level commitment to urban consolidation and more effective use of existing urban land. It was, nonetheless, overlooked across metropolitan plans. Residential demand has only recently seen building begin nearby. The length of time the site has gone undeveloped has meant it now features rare native vegetation, thus introducing regulatory restrictions on future use. In the face of inconsistency and conflict, the default position has been inaction. Whereas many zombie subdivisions contrast optimistic developer signs with abandoned blocks, Solomon Heights' "zombification" is embodied in the contrast between the many strategic plans for the site and an extant litter-strewn paddock.

Property rights and values are key to these ongoing issues. Land values are disputed, in part because owners purchased land with the expectation of service and value improvements which did not eventuate. Development was initially stalled through lack of demand, but then compounded through government service deficiencies. Now, environmental restrictions curtail development potential even if demand is thought to be increasing. Fully implementing environment protection is politically difficult given that Victorian local governments lack adequate powers of compensation to account for the speculative value of land, but nonetheless continue to accept property taxes. Existing, fragmented ownership carries a suite of difficult, conflicting expectations for the land and its development, with 32 hectares segmented into 420 lots amongst 130 owners (BCC, 2014c).

One simple reason why the site remains inert is that Victorian local governments are poorly equipped to offer compensation consistent with owners' views of the lots' speculative development values. Solomon Heights in this sense is subject to Victoria's unusual planning laws which specifically preclude compensation for development value—only use value. There is currently very limited use value to the land (Figure 2). Development value may be increasing as areas surrounding Solomon Heights change, but unlocking this is also dependent on local government action and policy change. Such fragmented ownership makes valuation, consolidation or acquisition difficult. Some blocks within the site are occasionally sold, for varying prices.

Solomon Heights' story highlights inconsistencies between strategic and statutory planning instruments, and unresolved tensions concerning compensation for property use and development rights in Victoria. Arguably, the ongoing stagnation of the site and the entrenchment of the many conflicting property interests in it is demonstrative of an inability of the Victorian planning system to deal with any situation other than developer-led growth. This is especially notable in light of the site's increasing strategic planning value, both economically and environmentally. Finance for urban infrastructure is increasingly fraught, with greater reliance on developer charges before subdivision approval. Even if the local council were to commit to a development of the site, contemporary fiscal conservatism precludes actually paying for services (McNeill & Dollery, 1999), highlighting poor 'positive planning' capabilities of local authorities and ultimately, the challenges of a climate of small-government and neo-liberal planning reforms (Beer *et al.* 2006; Gleeson & Coiacetto, 2007). In

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Ireland, Kitchin et al (2014) point to ghost estates as the products of highly mobile capital to which the outcomes of urban areas are, ultimately, beholden. Both planning, and the ghost estate owners and residents, are “caught in the crossfire of the slings and arrows of the outrageous fortunes propelling present global transformations” (p. 1078).

Meanwhile, although remaining frustrated by the situation, Solomon Heights landowners’ small number limits their political influence relative to the suburban housing development industry. The “further period of prolonged stagnation” landowners warned of six years ago is rolling forward regardless of optimistic plans. Forster (2006) argues strategic planning documents for Australian cities show a mismatch between their neat visions and the “complex realities of evolving urban structures”: and in this sense, perhaps, Solomon Heights broadly embodies the dilemmas and inertia of planning in Australia.

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