Eurobodalla Residential and Rural Residential Land Supply Report 2013/14

eurobodalla shire council

Introduction

This Report supports the 2013/14 Residential and Rural Residential Land Monitors for Eurobodalla Shire. The report assesses the supply of residential and rural residential land in the Eurobodalla Shire and the capacity within existing zoned land for future residential and rural residential development and in other identified land release areas.

The 2013/14 Land Monitors are based on the Eurobodalla Local Environmental Plan 2012 (LEP 2012) and the most up to date environmental information available. The results will inform the development of a Rural Lands Strategy and a Residential Lands Strategy for Eurobodalla. This is the second annual land supply report since the adoption of LEP 2012.

The annual monitoring of residential and rural residential land supply is a requirement of the Department of Planning and Environment as part of implementing the South Coast Regional Strategy.

Context

The rate of residential development is an indicator of an area's economic prosperity. In recent years, in Eurobodalla and across NSW, the residential development rate has been lower than average. This is demonstrated by the relatively slow take-up of the available supply of residentially zoned land.

While there are indications that the development rate across NSW is now moving out of the low phase in the economic cycle, in Eurobodalla the number of dwellings that received occupation certificates in 2013/14 (182) was lower than the previous year (208) and the number of new lots created decreased slightly from 70 to 60. In the transition towards an increased development rate, it is critical that land supply be monitored on a regular basis so that forward planning actions can be taken to ensure future demands are met.

Methodology

Determining the supply of residential land

The existing and potential supply of zoned residential land in Eurobodalla Shire has been identified primarily through dwelling and subdivision approval data, land use zoning and minimum lot size development standards. In addition, assumptions have been made about the environmental values and constraints that may affect supply based on the evidence currently available.

The capacity of residential land for further development is determined as follows:

1. Of all lots zoned for residential purposes, those that are undeveloped were identified. For some of these, development consents have been granted or some level of master planning has been undertaken, so the number of potential lots is known to some degree of certainty.
2. For other undeveloped lots, an assessment was made about the number of additional lots that could be achieved on each lot. This is determined on the basis on the total size of the lot, less absolutely constrained land, less 25% for infrastructure and services, divided by the minimum lot size in LEP 2012.

The resulting capacity for additional residential development is the best estimate that can be made at this time, but should not be read as an exact future development potential. The results provide a reasonable guide to assist in strategic planning for Eurobodalla.

Determining the supply of rural residential land

The existing and potential supply of zoned rural residential land in Eurobodalla Shire has been identified primarily through dwelling and subdivision approval data, land use zoning and minimum lot size development standards. In addition, assumptions have been made about the environmental values and constraints that may affect supply based on the evidence currently available.

The capacity of rural residential land for further development is determined as follows:

1. Of all lots zoned for rural residential purposes, those that are of a size capable of being further subdivided and have minimal environmental constraints were identified.
2. The area of these lots was determined, less an average of 50% to account for environmental constraints, less 10% to account for services and infrastructure, divided by the minimum lot size in LEP 2012.

The resulting capacity for additional rural residential development is the best estimate that can be made at this time, but should not be read as an exact future development potential. The results provide a reasonable guide to assist in strategic planning for Eurobodalla.

Limitations

It should be noted that, because the residential land monitor is concerned with the development take-up and capacity of land zoned residential, it does not include residential development on land zoned for commercial purposes.

It also does not include development for senior's housing, such as retirement villages and nursing homes. The 2011 Census identified 211 retirement village dwellings in Eurobodalla. In addition, there is 621 high and low care places in residential aged care facilities.

Summary of Results

Developed Lots

Council's population forecasts (forecast.id) use updated 2011 Census results as a starting point. This data shows that there were 22,518 dwellings in the Eurobodalla Shire in 2011. In the three years since that time, a total of 615 dwellings received occupation certificates, bringing the total number of dwellings by June 2014 to 23,133.

The Residential Land Monitor for the 13/14 financial year identified 18,644 dwellings in urban areas. The Rural Residential Land Monitor showed 1,942 dwellings in rural residential areas, leaving a total of 2,547 dwellings in rural areas of the Shire (including 306 in rural villages).

Vacant Lots

The number of vacant lots provides an understanding of the capacity for new dwellings to be constructed in the short to medium term. In residential areas, there are 1,722 vacant lots. With an average number of dwellings in residential areas receiving occupation certificate each year of 160 (based on the previous three years), the current supply of vacant residential lots provides for an eleven year supply of existing residential lots.

In rural residential areas, there are 469 vacant lots. With an average number of dwellings in rural residential areas receiving occupation certificate each year of approximately 38*, the current supply of vacant rural residential lots provides for a twelve year supply of existing rural residential lots.

* The occupation certificate data distinguishes only between urban and rural, with rural residential dwellings included in the rural data. The average number of dwellings receiving occupation certificates in rural and rural residential areas over the previous three years was 45 (based on the previous three years).

Potential Additional Lots

In addition to existing vacant lots, current zoning provides capacity for additional medium to long term development potential. In residential areas, there is potential for an additional 3,929 lots. Assuming an average subdivision rate of 73 new lots created per year* (based on greenfield lot supply of 58 lots per year, plus an additional 15 lots per year in existing residential areas), it would take 54 years to exhaust the supply.

In rural residential areas there is potential for an additional 374 lots. Assuming an average subdivision rate of 20 lots created per year, it would take 19 years to exhaust the supply.

* The assumed average subdivision rates are greater than the current rates as it is anticipated that the subdivision rates will increase over time.

Achieving Population Projections

By 2031, it is predicted that the Eurobodalla population will be approximately 42,000. Assuming the forecasts of average occupancy rates, subdivision rates and dwelling approval rates are accurate, the Eurobodalla Shire has sufficient capacity and an appropriate development rate to meet this population target. (See page 10 for further details).

Comparative Annual Data

The following table compares the key data from the land monitor between 2012/13 and 2013/14.

	2012/13	2013/14	Change
Urban areas			
Total Number of dwellings	18495	18644	+ 149
Total Number of vacant lots	1762	1722	- 40
Potential additional lots	3897	3929	+ 32
Rural Residential areas			
Total Number of dwellings	1907	1942	+ 35
Total Number of vacant lots	465	469	+ 4
Potential additional lots	388	374	- 14
All areas			
Number of dwellings receiving occupation certificates	208	182*	- 26
Number of new lots created	70	60	- 10

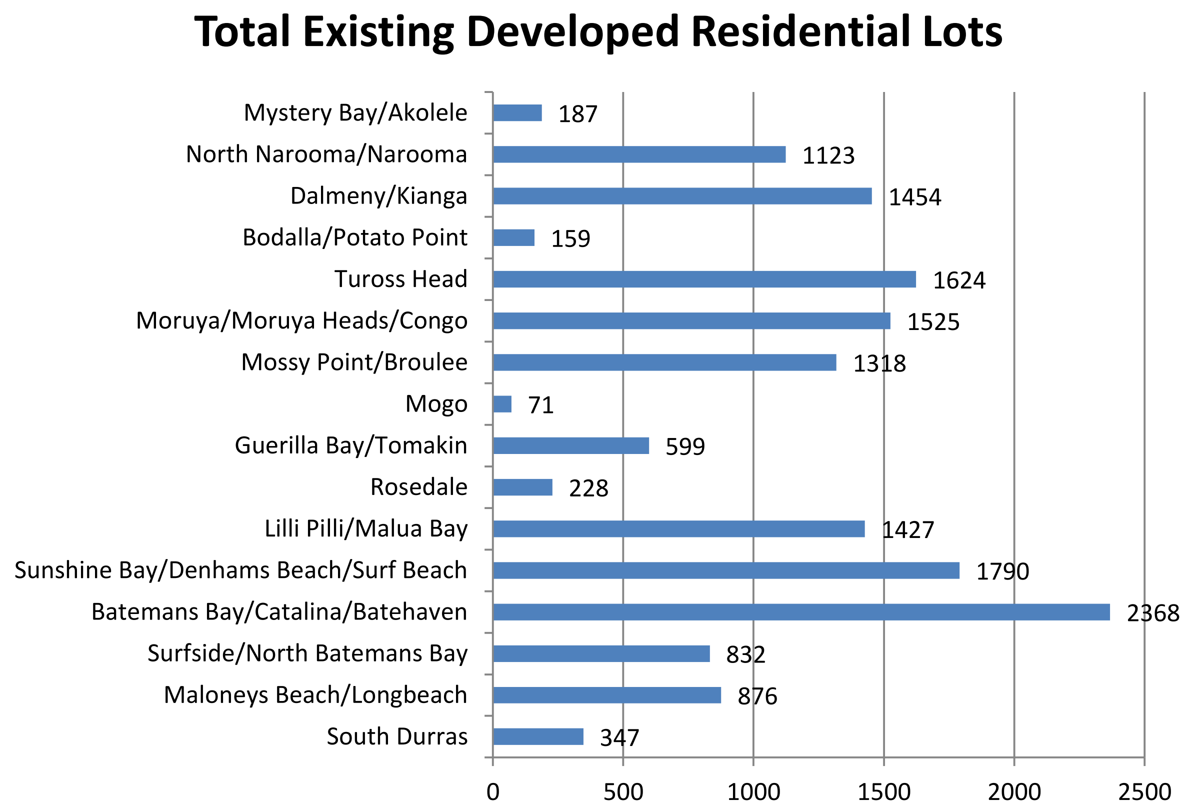
The data in the above table shows that the recent relatively slow rate of residential development in Eurobodalla Shire continued in the 2013/14 financial year.

***** The number of dwellings receiving occupation certificates in 2013/14 is consistent with previous reporting (in July 2014) of 168 dwellings receiving construction certificates for the first 9 months of the 13/14 financial year.

Existing Developed Residential Lots

Across land zoned for residential development in the Eurobodalla Shire, there are 15,928 developed residential lots. The majority of these lots are occupied by a single dwelling (15,048), with a smaller number of dual occupancy and medium density dwellings. There are 541 residential dual occupancies, resulting in 1082 dual occupancy dwellings (on 3.4% of all occupied residential lots). There are also 2514 medium density dwellings.

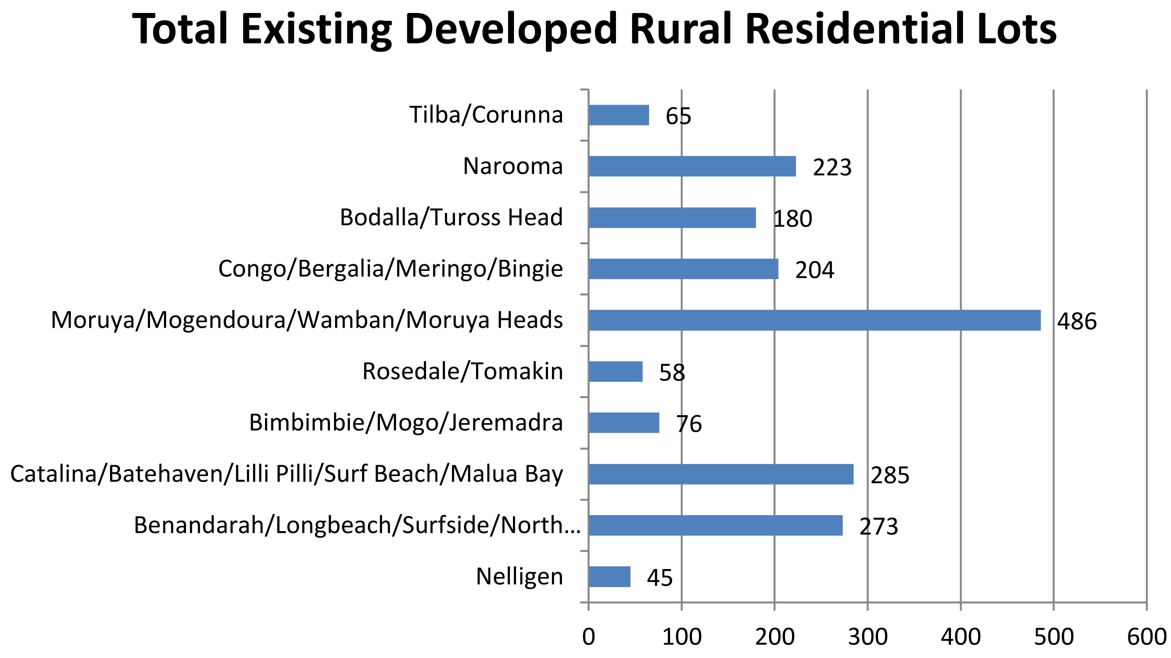
The number of existing developed residential lots in localities across the Shire are shown in the following graph.



Existing Developed Rural Residential Lots

Across land zoned for rural residential development in the Eurobodalla Shire, there are 1895 developed rural residential lots. The majority of these lots are occupied by a single dwelling (1848), with a smaller number of dual occupancy dwellings. There are 47 rural residential dual occupancies, resulting in 94 dual occupancy dwellings (on 2.5% of all occupied rural residential lots).

The number of existing developed rural residential lots in localities across the Shire are shown in the following graph.



Developed and vacant lots in Rural Villages

Land identified as rural villages is not included within either the residential or the rural residential land monitors. Rural villages are unique in that they provide for a mix of residential and commercial development in a rural setting. The following table summarises the developed and vacant lots in Eurobodalla's rural villages. In the table, the number of developed lots excludes lots developed for commercial purposes.

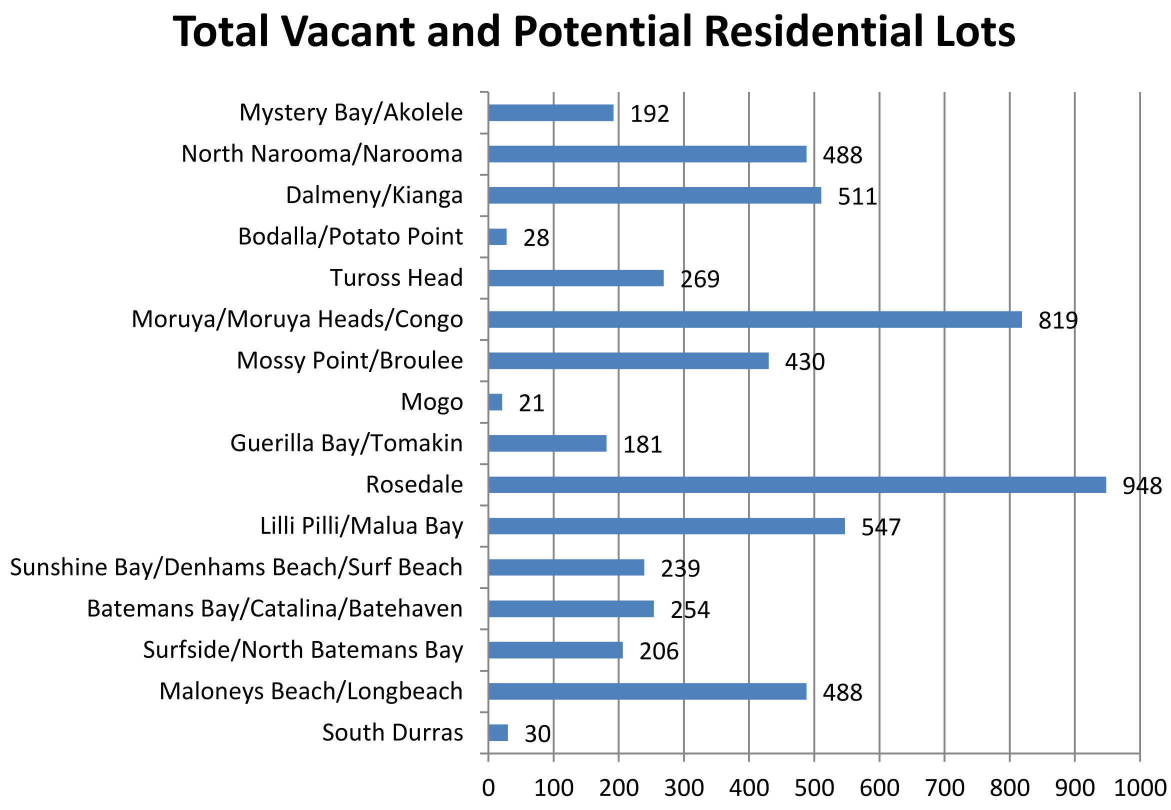
Locality/District	Developed lots	Vacant lots	Total lots
Nelligen	126	23	149
Turlinjah	21	1	22
Bodalla	117	5	122
Central Tilba	17	1	18
Tilba Tilba	10	2	12
Nerrigundah	12	21	33
Total	**303**	**53**	**356**

In addition to the vacant lots in the above table, it is estimated that there is potential for subdivision within the existing villages to create an additional 56 lots. The majority of these potential additional lots are within the village of Bodalla.

Potential Additional Residential Development

Potential future residential development across the Shire is estimated at a total of 5,651 new dwellings, based on the construction of dwellings on currently vacant and potential new residential lots.

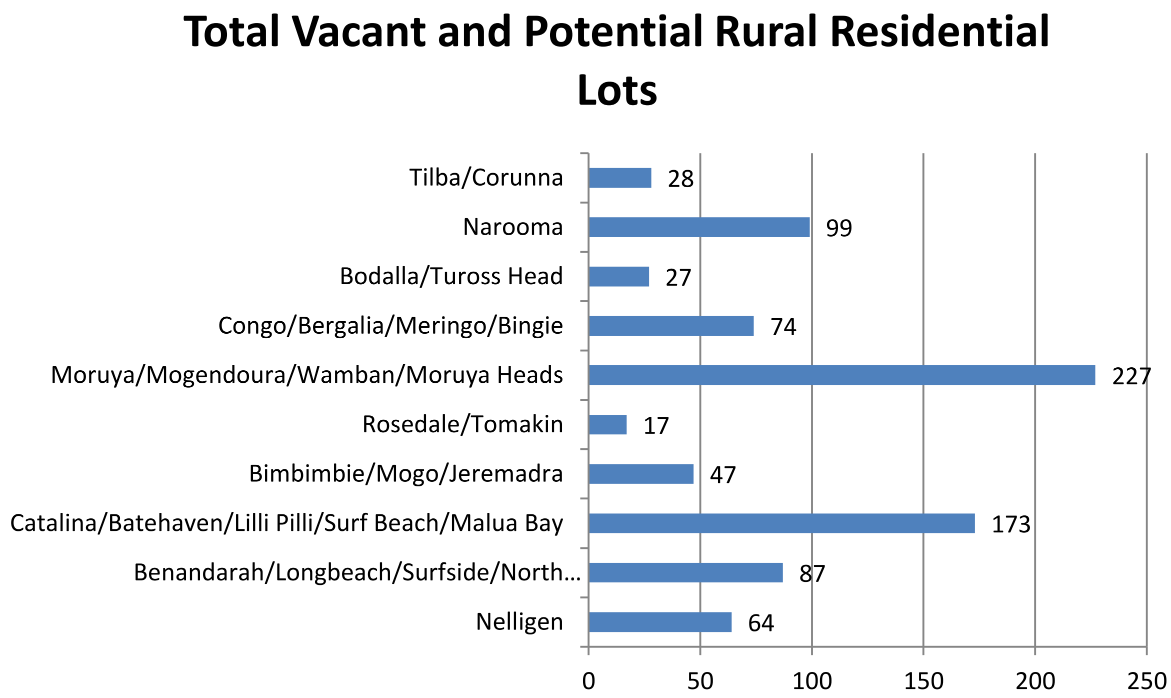
The number of vacant and potential residential lots in localities across the Shire are shown in the following graph.



Potential Additional Rural Residential Development

Potential future rural residential development across the Shire is estimated at a total of 843 new dwellings, based on the construction of dwellings on currently vacant and potential new rural residential lots.

The number of vacant and potential rural residential lots in localities across the Shire are shown in the following graph.


Total Vacant and Potential Rural Residential Lots
Tilba/Corunna
Narooma
Bodalla/Tuross Head
Congo/Bergalia/Meringo/Bingie
Moruya/Mogendoura/Wamban/Moruya Heads
Rosedale/Tomakin
Bimbimbie/Mogo/Jeremadra
Catalina/Batehaven/Lilli Pilli/Surf Beach/Malua Bay
Benandarah/Longbeach/Surfside/North...
Nelligen
28
99
27
74
227
17
47
173
87
64
0
50
100
150
200
250

Proportion of Residential Dwellings by Type

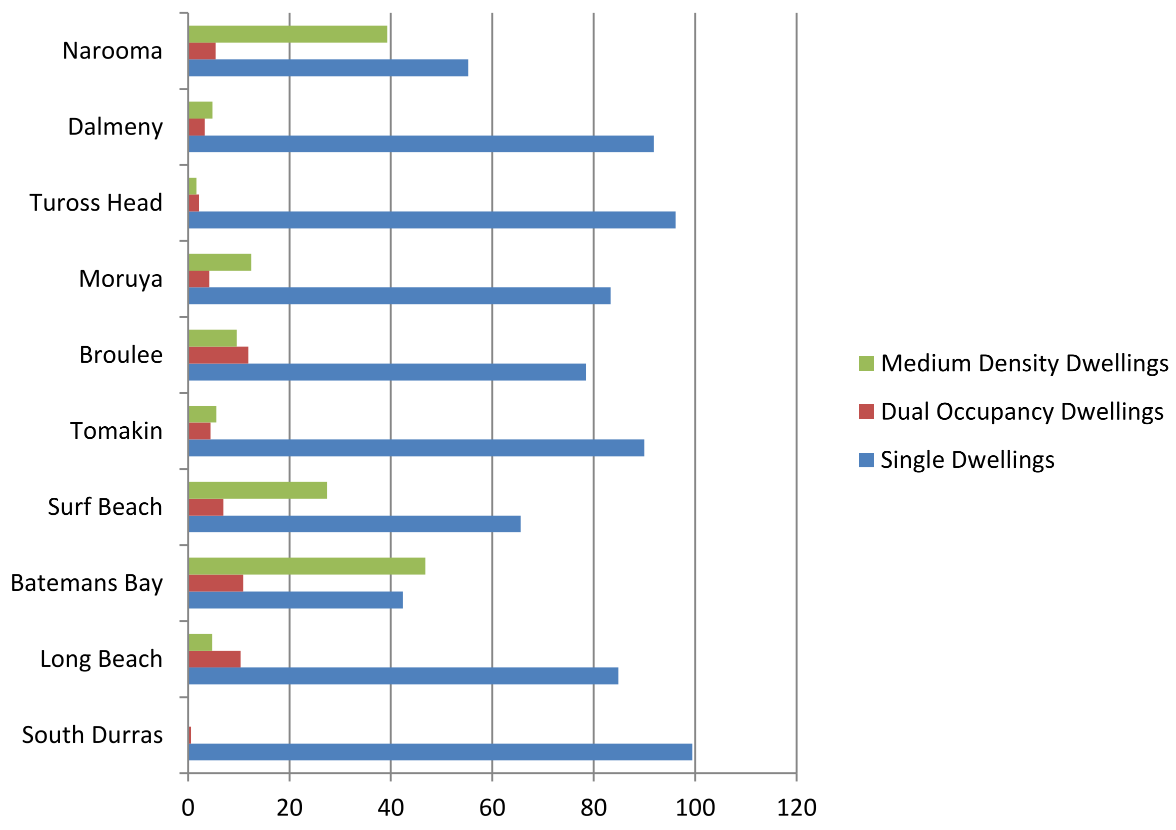
Across the residential areas of the Shire, the predominant dwelling form is single detached dwellings at 81% of all dwellings. Dual occupancy dwellings make up 6% of all dwellings, while medium density dwellings comprise 13% of all dwellings. There was no change in the proportions of dwelling type since 2012/13.

In some suburbs, there is a greater variety of dwelling types compared to others, as shown in the graph below. In particular, the suburbs of Batemans Bay and Narooma have a high proportion of medium density development compared to other suburbs. There was no substantial change in the proportions of dwelling type in any suburb since 2012/13.

As noted above, the residential land monitor does not include residential development on land zoned for commercial purposes or development for senior's housing, such as retirement villages and nursing homes, which would add to the medium density dwelling proportion for the Shire as a whole.

The proportion of residential dwellings by type in select suburbs is shown in the following graph:

Proportion of Residential Dwellings by Type, Select Suburbs



Development in Land Release Areas

The majority of potential new residential development will take place within identified land release areas, as shown in the following table. For the purposes of this report, land release areas include all current and proposed subdivision estates with a capacity for more than 20 new lots.

Release area name	Number of Lots			
	Current	Next 5 years *	Beyond 5 years	Total
Longbeach (Longbeach Estate)	582	25	64	671
Longbeach (Longbeach East)	0	5	63	68
North Batemans Bay (Bay Ridge Estate)	18	25	107	150
Catalina (Glenella Road)	0	10	50	60
Batehaven (Grantham and Edward Roads)	49	35	0	84
Sunshine Bay	394	40	98	532
Malua Bay (Lilli Pilli Beach Estate)	178	12	0	190
Malua Bay (Seabreeze Estate)	132	15	39	186
Malua Bay (Ridge Road)	0	15	15	30
Malua Bay (Surfing Beach Estate)	8	10	28	46
Malua Bay (Sylvan Street West)	0	15	55	70
Malua Bay (Elford Way)	23	4	0	27
Malua Bay (Reservoir Road)	0	0	100	100
Rosedale (Marsim)	0	0	791	791
Rosedale (Rosedale Farm)	0	16	122	138
Tomakin (Barlings Beach)	84	40	77	201
Broulee	0	20	300	320
Moruya South (The Brae)	0	0	393	393
Moruya East (Braemar)	0	0	41	41
Moruya East (Blue Mist)	0	0	77	77
Tuross Head	0	0	71	71
Dalmeny	0	0	320	320
Kianga	0	20	0	20
Narooma	0	0	280	280

In the 2013/14 financial year, 13 new lots were created in the above release areas, one third of the total number of new lots created in residential areas (39).

In the above release areas, it is estimated that an additional 307 lots will be developed over the next five years with the remaining development potential (3091 lots) beyond that period. This equates to approximately 61 new lots created every year over the next five years. Given the recent slow rate of subdivision in the Eurobodalla in recent years, this is an ambitious prediction. However, if this rate of subdivision is achieved and continues, all of the above release areas would be completed within 56 years.

* It is important to note that the predictions in the table for development in the next five years is a best estimate based on a range of factors, including recent trends, infrastructure capacity and environmental constraints. Whether or not these estimates are achieved will depend upon market forces and any changes to development timing due to more detailed assessments of infrastructure capacity and environmental constraints on a site by site basis.

Achieving the Population Projections

The population of Eurobodalla in 2031 is predicted to be between 40,650 (Department of Planning and Environment forecast) and 42,638 (id forecast). To determine whether the predicted population growth can be matched with new housing, the current supply (across all residential, rural residential and rural areas) needs to be established, as shown in the following table:

Area	No. of Dwellings (2014)	Dwelling Occupancy Rate (2011)	Average Household Size (2011)	Population (2014 estimate)
Residential Areas	18644	72.23	2.23	30030
Rural and Rural Residential Areas*	4489	72.23	2.23	7231
Total	23133	72.23	2.23	37261

* including rural villages

To predict the number of dwellings in 2031, the average number of Occupation Certificates issued for dwellings over the last 3 years is assumed to remain unchanged over the period to 2031, as follows:

- Residential Areas – Average 160 dwellings per year, x 17 years = 2720
- Rural and Rural Residential Areas – Average 45 dwellings per year, x 17 years = 765

Based on the above assumptions, the following table outlines the predicted dwelling and population numbers in 2031:

Area	No. of Dwellings (2031 forecast)	Dwelling Occupancy Rate (2031 forecast)	Average Household Size (2031 forecast)	Population (2031 forecast)
Residential Areas	21364	72.59	2.16	33498
Rural and Rural Residential Areas*	5254	72.59	2.16	8238
Total	26618	72.59	2.16	41736

* including rural villages

The above tables demonstrate that, should the forecasts of dwelling occupancy rate, average household size and dwelling approvals be accurate, the predicted population in 2031 will be able to be accommodated. Further, more than half of the new dwellings required to 2031 can be accommodated within the supply of existing vacant zoned lots.