Dwelling Supply and Demand

We have analysed the remaining developable land and recent dwelling completions within the Milton-Ulladulla Study Area. This helps to determine how much developable land remains within the Study Area and estimate when this is likely to be exhausted based on dwelling completion rates and development trends.

Remaining Land / Dwelling Capacity

The capacity **analysis was undertaken during late 2020-early 2021**. It examined:

- Residential lots in new subdivisions currently under construction;
- Remaining development potential of zoned greenfield areas, accounting for known site constraints;
- Development / subdivision potential of larger residential-zoned lots in existing urban areas; and
- Redevelopment opportunities for land in existing urban areas zoned for medium density development, based on current planning controls and ownership patterns.

Infill sites with dual occupancy or secondary dwelling development potential were excluded from this analysis, as this development type is driven by market demand and landowner intentions and is impossible to quantify in advance.

At the time, the analysis found a potential remaining **capacity of approximately 1,540-1,725 additional dwellings,** if developed, based on:

965* additional residential lots in greenfield and larger urban infill areas.

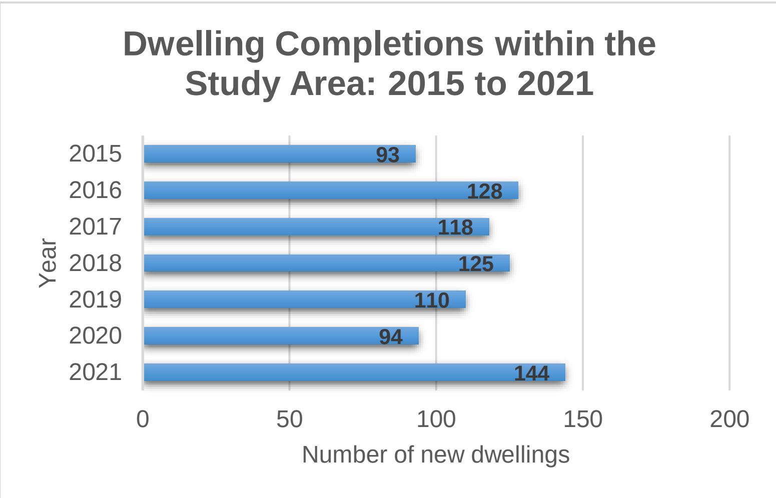
575 additional multi-unit dwellings in medium density-zoned areas.

**Some of these additional residential lots will potentially deliver additional housing stock through multi-dwelling housing, with a potential dwelling yield of 965-1,150.*

Current Development Trends

Development trends since the beginning of 2015 indicate an average completion rate of approximately **115 additional dwellings per year** within the Study Area.

This figure does not include "knock-down rebuild" developments, which do not provide any net increase to housing supply.



There was a noticeable dip in dwelling completions in 2020, but this increased in 2021 with 144 new dwellings completed. Early indicators also suggest a higher-than-average rate of completion this year, with 75 dwellings already completed in the six months to June 2022.

Since 2015:

- **657 (or 74%) of all new dwellings** have been delivered in **greenfield areas.**
- **165** of these have been completed **since the beginning of 2021, 40** of which were **dual occupancies or secondary dwellings.**

662 (or 75%) of all new dwellings are **single, detached homes.**

Most new multi-unit dwellings are **dual occupancies or secondary dwellings,** rather than higher-density dwelling types.

Impacts on Capacity

Development since early 2021 has reduced the estimated remaining capacity greenfield capacity in the Study Area to about **820 lots**. Based on recent development trends, this amounts to a remaining capacity of **between 7-8 years**, assuming all lots are actually developed. However, this figure may not be fully realised depending on landowner intentions or site constraints.

Since the original supply analysis was undertaken, no multi-unit housing has been delivered in medium-density zoned areas. As a result, the original estimated capacity of **575 additional dwellings** in these areas remains unchanged.

This suggests there is a remaining capacity for about **1,400 – 1,560 additional dwellings** in the Study Area if recent trends in dual occupancy and secondary dwellings continue.

Expert Analysis of Demographic Change and Market Trends

Consultants were engaged to undertake analyses of the Study Area's demographic change and housing needs, and residential market trends and behaviour.

The Demographic and Housing Analysis estimated a population increase of 25% by 2051, **from 16,900 to 20,800.** This level of growth suggests a need for **at least 1,900 new dwellings by 2051.** However, this estimate is **constrained by current planning controls and known development approvals,** rather than recent development trends.

The Market Analysis suggests that, based on recent trends and market behaviour, planning for growth should be based on historic development rates as this is considered more representative of ongoing demand. Extrapolating historic development rates indicates a potential need for **approximately 3,250 new dwellings by 2051**.

Housing Demand

+1,900 to 3,250 additional homes by 2050

Subtracting the current capacity (1,400) from the potential need (3,250) indicates a need to identify opportunities to deliver capacity for an additional 1,850 homes to meet future demand.

Both analyses (Demographic & Housing, and Market):

- Concluded that additional housing capacity needs to be made available to cater for demand to 2051, and

- Indicated a shift in demand towards smaller households and greater diversity of housing types to accommodate changing household size and structure.

The Market Analysis also noted that future need for additional land for housing will be influenced by the mix of housing that is provided:

Land required to maintain the current ratio of detached : multi-dwelling housing:	Land required if the dwelling mix shifted towards higher densities:
• **80ha of additional greenfield land**, and • **4ha of land zoned for higher density** infill development.	• Total of about **50ha of additional zoned land** to accommodate both greenfield and infill development.

The Preliminary Growth Scenario looks to provide a possible 66+ha of additional greenfield land and 12ha of infill land to accommodate future demand to 2051. This proposed approach recognises historic dwelling preferences for single detached homes, while also enabling higher densities at an appropriate scale within Ulladulla.