

Draft
Clarence Valley
Local Housing
Strategy - For
Exhibition
October 2023





Acknowledgment

We acknowledge the Bundjalung, Gumbaynggirr and Yaegl people as the Traditional Owners of the land on which we live and work. We honour the First Nations peoples culture and connection to land, sea and community.

We pay our respects to their Elders past, present and emerging.



Proudly funded by the NSW Government.

CONTENTS

Acknowledgement of Country	2
Executive summary.....	5
1.0 Introduction.....	8
1.1. Planning policy and context.....	9
1.2. LGA snapshot	11
1.3. Housing vision	13
2.0 The evidence	14
2.1 Demographic trends	15
2.2 Housing demand	18
2.3 Housing supply.....	21
2.4 Theoretical dwelling capacity	24
2.5 Factors affecting supply	27
2.6 Key findings.....	37
3.0 The strategy	38
3.1 Priorities & actions	39
3.2 Land use planning approach	53
4.0 Implementation	55
4.1 Implementation and delivery plan.....	56
4.2 Stakeholders	59
4.3 Planning proposal	60
4.4 Monitoring and review	61
Annexure 1 – Planning and policy context.....	62
State context	62
Regional context	63
Local context	65
Annexure 2 – The evidence.....	68
Demographic trends.....	68
Housing demand	101
Housing supply.....	120

Annexure 3 – Stakeholder engagement	143
Engagement activities	143
Engagement findings	144
Annexure 4 – planning interventions.....	149
Grafton (+ 334 dwellings)	149
South Grafton (+338 dwellings).....	150
Yamba (+ 152 dwellings).....	152
Iluka (+ 38 dwellings)	153
Macleay (+ 58 dwellings)	154
Clarence (+ 353 dwellings).....	155
Gulmarrad (+ 437 dwellings)	157

EXECUTIVE SUMMARY

Council is open to exploring new ideas and investment opportunities that help provide housing to meet the diverse needs of our growing population, while protecting our stunning natural environment and local character. The Clarence Valley is in a strategic location with enviable accessibility, natural assets and lifestyle. Council's collaborative approach to supporting business and community aspirations means we are well placed for future prosperity.

The Local Housing Strategy (LHS) provides an evidence base to progress with actions to better provide for new forms of housing to respond to demographic and socioeconomic needs of our community. It will also help achieve Council's vision for the Clarence Valley to be a *community of opportunity*, with a focus on core community expectations around jobs and housing.

This LHS and draft Affordable Housing Policy, including the supporting evidence base in the Annexures, examines the issues and opportunities associated with Housing in the Clarence Valley. It has been prepared to give effect to Action 4.4 of the Clarence Valley Local Strategic Planning Statement. In line with this action, the form and content of the Strategy is consistent with the Department of Planning and Environment's Local Housing Strategy Guideline 2018 and incorporates liveability principles. Together with Clarence Valley's Employment Land Strategy, Rural Land Strategy and Green Infrastructure Strategy (and our Development Servicing Plans), the Strategy will inform future land use and decision making for growth management to guide sustainable development to 2041.

The draft strategy establishes the demographic, housing and affordability context to gain an understanding of local housing needs. Key findings are summarised below:

- In recent years, we have experienced greater than expected housing demand resulting in a lack of housing availability and increasing housing costs, and this is likely to continue in the coming decades.
- There is sufficient residential zoned land in the Clarence Valley LGA to accommodate forecast demand, but not all land that is currently zoned for housing can or will be developed. There are issues with activating latent zoned supply to bring housing 'to market' due to barriers such as infrastructure provision and servicing, development feasibility, land-banking and environmental constraints.
- There is also a mismatch between the housing that is needed by our diverse population and what is provided in existing and new housing. There is a growing need for more diverse and affordable housing to better meet current and future needs, including smaller homes and housing for students, older people, and key workers, but delivery of diverse and affordable housing is a significant challenge. It is unlikely that the market alone will adequately respond to the challenge.
- Most local housing continues to be delivered in the form of large, detached dwellings. The lack of smaller dwellings means one or two person households have few options, whilst the low supply of rental housing and tight vacancy rates mean some households cannot find a home. This situation places certain residents at risk of homelessness or forces them to live in substandard housing, including dwellings that are overcrowded.

- A lack of housing diversity in terms of housing types, size, tenure and price, is a serious issue that will worsen over time if the types of housing that are supplied, predominantly large, detached houses, do not change to meet changing housing needs.
- Smaller, accessible dwellings that are located close to centres and services are needed to house Clarence Valley's ageing population and to provide appropriate accommodation for smaller households. There are also broader environmental, social and economic benefits of minimising urban sprawl in favour of more compact growth patterns.
- Despite the high and growing need for diverse housing including smaller dwellings and higher densities, external factors and market demand is resulting in continued development of large single dwellings in the Clarence Valley. There is also ongoing demand for rural residential housing which needs to be balanced with the need to manage environmental constraints and protect agricultural productivity.
- Prioritising infill development in existing areas such as Grafton and Yamba could improve the efficiency of infrastructure and service delivery and support improved housing diversity and affordability. However, to date, current planning policies and mechanisms to encourage diverse and affordable infill housing have had limited impact due to market forces.
- Recent events have highlighted that many people's needs are not being met by the private housing market, particularly the rental market. This situation is exacerbated by short term rental accommodation reducing availability of longer-term rentals.
- The LGA's housing market is vulnerable to spikes in demand caused by seasonal or temporary workers and tourism. While both are important for the local economy and productivity, these can negatively impact on housing supply and affordability.

The draft Strategy (Part 3) outlines Council's priorities and actions for housing and how we plan to achieve these priorities. The priorities will be used to guide planning, delivery and management of housing supply and supporting infrastructure over the next 5-20 years and beyond.

In terms of the overall land use planning approach, it is anticipated that new development (greenfield housing) in the Clarence Valley will continue as the dominant form of new housing. However, increasing the share of housing that occurs in the established urban areas (infill development) is also important, as this will maximise the use of existing infrastructure and provide access to a range of existing services and facilities.

In the short to medium term, encouraging compatible and resilient infill housing in Grafton, South Grafton, Yamba, Maclean and Iluka can provide more housing options with good access to public transport, parks, shopping, schools and important social infrastructure. This can encourage a greater diversity of housing products, including townhouses and apartments above shops. These can provide housing forms suitable for the ageing population, households seeking to 'downsize' or locate close to employment opportunities and entry points for young people and families to enter the housing market.

The Strategy identifies opportunities to amend local planning controls to create capacity for an additional 1,730 dwellings in the Clarence Valley LGA, with capacity for 1025 additional dwellings in the upper clarence area (59%) and capacity for 705 additional dwellings in the lower clarence area (41%) (former Maclean Shire area).

Future opportunities for housing identified for investigation in the long term (+20 years) include: the investigation area at James Creek identified in the North Coast Regional Plan; land to the east of Clarence Urban Release Area; and land to the east of Junction Hill URA (east of Trenayr Road).

Market Factors

The Clarence Valley has a relatively large supply of land that is zoned for residential purposes, and this land is mostly serviced and ready for development. However, there are a range of factors that inhibit housing supply and the actual number dwellings delivered in Clarence Valley over the coming decades is likely to be considerably less than the 'theoretical capacity' of zoned residential land identified in this Strategy.

One of the factors that affects housing supply in Clarence Valley is the presence of environmental constraints (particularly flood, bush fire, biodiversity, and heritage conservation). However, environmental constraints are not the only factor, and there is still a considerable amount of land available to accommodate future housing after environmental constraints are taken into account.

More importantly is that housing will only be delivered where there is both planning capacity and market capacity. The main risk factors holding back delivery of housing development at present are market based, given the current economic climate, including:

- building risk - pressures from inflation, supply and skill shortages, building standards bonds, lack of competition in the tendering process, inability to secure fixed-price contracts.
- liquidity risk – financing costs, which have increased from 3 - 4% up to 6.5 - 7.5%, due to RBA increasing the cash rate; loan to value ratios increasing, meaning developers need their own equity; increased pre-sales covenants; and
- sales risk – demand for off the plan sales remains subdued and alternative forms of housing (smaller houses, town houses, units and higher density) is viewed as higher risk than traditional housing product (3-4 bed homes).

The draft housing strategy notes that the market cycle has historically pushed the property development industry through boom-bust phases. The current bust phase is a perfect storm with risk spread over many different factors. The recovery will therefore be complex and most likely extended.

With the Government's interest in continued house supply and affordability, housing solutions cannot be limited to land supply solutions. Building costs, certainty, productivity, development liquidity and consumer confidence must be addressed too.

The strategy provides a range of Actions to improve planning processes and infrastructure delivery, but there is also a range of initiatives outside of the planning system that need to be leveraged to ensure community needs and expectations for good quality housing are provided for.

1.0 INTRODUCTION

This section identifies the planning and policy context within which this Strategy was developed; provides an overview of Clarence Valley in its regional context; and establishes Council's long-term housing vision for the local area.



1.1. Planning policy and context

The Clarence Valley Local Housing Strategy was developed in the context of:

- Commonwealth and State legislation covering environmental protection, environmental planning and assessment, development, and heritage.
- State Environmental Planning Policies (SEPPs) that apply across NSW including Clarence Valley LGA, covering a range of matters, including housing, building design and development controls.
- Strategic plans, including the NSW Housing Strategy 2041 and associated Action Plan, the North Coast Regional Plan 2041, Clarence Valley Community Strategic Plan and Local Strategic Planning Statement (LSPS).

At the local level, the Clarence Valley Local Housing Strategy will sit alongside the Clarence Valley Employment Lands Strategy and Rural Lands Strategy and will inform the preparation of a Local Growth Management Strategy (see figure 1 on the next page). Together, these plans and strategies will inform future reviews of the Clarence Valley Local Environmental Plan 2011 and Development Control Plans.

Strategic directions

Based on a review of the strategic planning framework and policy context in Annexure 1, the Local Housing Strategy needs to be consistent with and give effect to the strategic directions summarised in table 1 below.

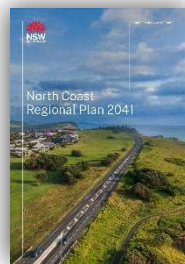
Table 1: Strategic directions

Strategic directions	Response
<i>Ensure housing diversity</i>	<ul style="list-style-type: none"> - Increase supply of multi-dwelling / small lot housing (<400m²). - Investigate opportunities for shop-top housing in Grafton.
<i>Encourage infill housing</i>	<ul style="list-style-type: none"> - Concentrate housing growth in Grafton, Maclean and Yamba. - Target 40% infill housing in suitable locations across the LGA.
<i>Respond to housing affordability challenges</i>	<ul style="list-style-type: none"> - Increase the supply of a mix of affordable and low-cost market housing.
<i>Enhance liveability</i>	<ul style="list-style-type: none"> - New housing to be sympathetic to character and amenity of the area. - New or infill development to be supported by infrastructure, including green infrastructure.
<i>Protect natural environments</i>	<ul style="list-style-type: none"> - Encourage growth on already zoned land. - Locate most new urban release areas and rural residential areas away from the coastal strip.
<i>Plan to reduce impact of natural disasters</i>	<ul style="list-style-type: none"> - Adapt to climate change and reduce exposure to natural hazards. - Locate urban release areas away from areas of known high bushfire risk, flood and coastal hazard areas.

State



Regional



Local

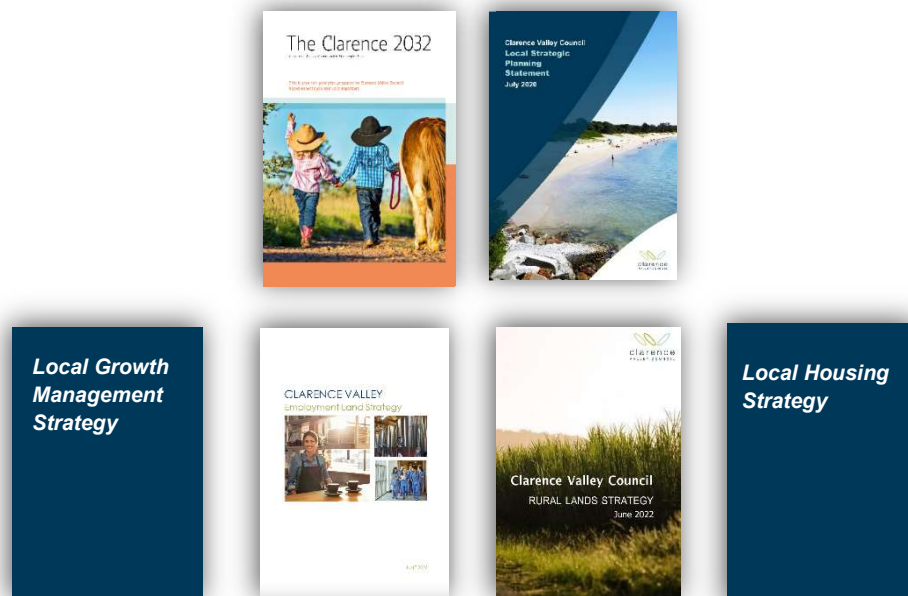


Figure 1: Strategic planning context

1.2. LGA snapshot

The Clarence Valley is approximately 600 kilometres north of Sydney and 300 kilometres south of Brisbane. It is the largest LGA in Coastal NSW and a linking Council between the Northern Rivers and the Mid North Coast sub-regions (Figure 2).

Grafton, the largest town in the Clarence Valley, is within an hour drive of Coffs Harbour. Maclean is just over an hour south of Lismore and Ballina.

The shorter and safer drive offered by the upgrade to the M1 Motorway is strengthening the economic and functional links between Clarence Valley and south-east Queensland, with easy access to Brisbane and the Gold Coast. For our freight and logistics, forestry, fisheries and agricultural products, which are key economic drivers, the Clarence Valley is within a 12hr drive of almost 13 million people, representing 97% of New South Wales and Queensland's population in 2020.

Although the Clarence Valley is defined as part of the Mid North Coast sub-region under the North Coast Regional Plan, it has strong ties with the Northern Rivers sub-region as part of:

- the Northern NSW Local Health District,
- the Northern Rivers according to Regional Development Australia
- one of the 7 LGAs covered by North Coast Community Housing (NCCH)
- the Northern Rivers for Tourism and marketing purposes
- Clarence Valley Council's active participation on the Northern Rivers Joint Organisation for Councils.

Clarence Valley's large areas of national park and the coast are key features and contributors to its lifestyle and tourist attraction. The links to the heritage of the Bundjalung, Gumbaynggir and

Yaegl nations, provide a platform for understanding the rich history and culture of its first peoples.

The growing agriculture, forestry and fishing sector is a key economic driver in the region, along with construction, manufacturing and health and aged care. Marine Industry in the lower Clarence is a specialist and growing industry. Investment of \$264 million in the Grafton Base Hospital will further reinforce the importance of Grafton as the region's service centre and the centre of a growing aged care sector.

Urban development and employment opportunities are concentrated in the centres of Grafton, Maclean and Yamba along the Clarence River. The coastal and hinterland areas include dispersed settlements which place pressure on infrastructure provision, expose communities to natural hazards and increased costs of living pressures and rising travel costs.





Figure 2: Clarence Valley in its regional context

1.3. Housing vision

While Council doesn't control the supply of housing and can only facilitate the types of housing through regulatory controls, this strategy sets out ways that we could work with the private sector, government and the community to achieve a vision so that the Clarence Valley is a **Community of Opportunity**, and our residents:

- have access to safe, secure, diverse and affordable housing that meets their needs at every stage of life.
- can afford a safe and comfortable home to live in, without compromising on basic needs.
- live in an area of their choice, connected to local services, facilities, jobs and social networks.
- have a range of housing choices available to them, no matter what their life circumstances – whether they are experiencing a crisis, living in social housing, renting in the private market or aspiring to home ownership.

Housing in the Clarence valley:

- is appropriately located, to reduce the risk of natural hazards, optimise the use of existing infrastructure, and minimise environmental and amenity impacts.
- is designed to be consistent with the desired character of the area, ecologically sustainable and resilient to natural hazards.
- is diverse, affordable and adaptable to respond to the diverse demographics of our community, including young people, seniors and particular groups in need.



2.0 THE EVIDENCE

This section establishes the demographic, housing and affordability context for the Clarence Valley LGA to gain an understanding of local housing needs.



2.1 Demographic trends

This section draws on the demographic overview in Annexure 2 to identify the key demographic trends that need to be considered in planning for housing.

Population growth has been higher than anticipated in the past 5 years.

The Clarence Valley population has grown faster in the five years between 2016 and 2021 at an average of 1.4% per annum, than in previous periods when growth averaged 0.4% per annum. This is driven by an acceleration of people moving to the LGA for the lifestyle, movement associated with the COVID-19 pandemic and the relative affordability of the area.

This extent of growth has been largely unanticipated by government and statutory planning documents. The Department of Planning and Environment has forecast that the population would reach 54,352 people by 2041. The 2021 Census recorded a population of 54,115 people resident in the LGA.

The population forecast prepared by demographers .id suggests that the population in 2041 is likely to reach 64,121 people, representing an average growth rate of 0.8% per annum.

Clarence Valley is attractive to households seeking lifestyle changes.

A shift in lifestyle preferences, with households seeking a slower pace of life, escape from the stress and congestion of cities, proximity to the ocean, rural or semi-rural areas, stronger sense of community and a greater connection with nature

has led to households moving for a 'sea change' or 'tree change'.

Increasing levels of remote working creates opportunities for households to relocate from cities and larger towns. Housing affordability when compared with larger cities and a range of diverse housing opportunities including rural properties and retreats have also been drivers behind the sea change and treechange movement, including movements to Clarence Valley.

Almost 7,500 people moved to the area between 2016 and 2021, with many relocating from Greater Sydney, Coffs Harbour, overseas, Gold Coast, Brisbane, Tweed and the Central Coast. This has contributed to pressure on the availability and affordability of housing.

The population is ageing.

From 2016 to 2021, the largest change in the age structure of the population was an increase in people aged over 60 years from 27% of the population to 36% of the population. The housing needs of this group will change over time, and it will be important to ensure that there are appropriate housing options for this group.

Household size is decreasing.

From 2011 to 2021, the average number of persons per household in Clarence Valley marginally decreased from 2.4 to 2.3. This corresponds with the ageing population, and the notable recorded increase in older couples without children and older lone person households. This trend is being experienced across NSW.

Labour force participation and wages are lower than other parts of NSW.

Currently, Clarence Valley LGA has a smaller labour force than elsewhere in NSW, with fewer full-time workers and more part time workers. This is largely reflective of the age structure.

Residents generally had lower incomes than elsewhere in regional NSW, with a higher

proportion of very low-income earners. A large proportion of residents receive their main income from government benefits and allowances, and fewer from employee wages or salary, compared to elsewhere in regional NSW.

There is a lack of employment opportunities in Clarence Valley for higher-income earners, although opportunities for remote/hybrid work have increased. By far the largest industries providing employment opportunities locally include health care and social assistance, followed by retail trade, and construction. This suggests that there is a high number of key workers in the LGA.

Many residents own their own home.

Compared to other parts of NSW, a much smaller proportion of dwellings are rented in the Clarence Valley compared to NSW, whilst far more households own their dwelling outright.

Housing costs are increasing rapidly in the Clarence Valley, but at a lower rate than elsewhere in the North Coast region.

Clarence Valley's median dwelling sale price in 2022 was \$605,000. This represents a doubling of median dwelling sale prices over the past six years, with strong growth recorded over the past three years. It is noted that dwellings sales prices are generally higher in locations such as Yamba (lower Clarence) and lower in locations such as Grafton (upper Clarence).

Most LGAs in the North Coast region have shown high growth rates in their median sales price. When compared with other LGAs, the Clarence Valley's median price has increased at a lower proportional rate than Ballina (+124%) and Byron Bay (+120%), and at a rate similar to Tweed Shire (100%) and Coffs Harbour (103%).

Similarly, average weekly rentals have increased in Clarence Valley over the past six years by an average of 40% from \$323 per week in 2016 to \$443 per week in 2022. The proportionate increase was relatively consistent over all dwelling types and dwelling sizes.

These increases in housing costs have occurred despite an increase in the number of dwellings in the LGA. This can be attributed to increasing demand resulting from a growing population and smaller average household sizes, and a reduction in the number of available dwellings with increasing use of dwellings for short-term rental accommodation. In 2021, there were 900+ STRA listings in the LGA, most of which were to rent the entire dwelling.

Rental stress is high in the Clarence Valley.

According to the 2021 Census data, 23% of householders living in rented dwellings. Of these households, 43% were in rental stress, with rent payments exceeding 30% of their household income. This exceeded the averages for both NSW and the rest at the state.

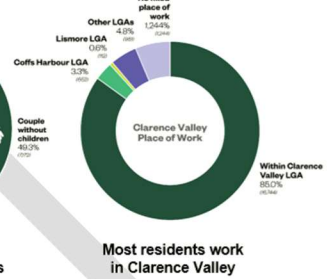
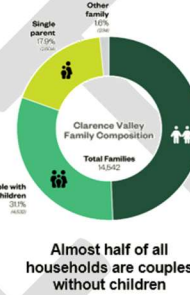
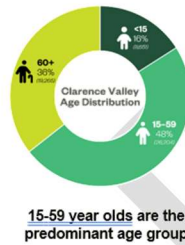
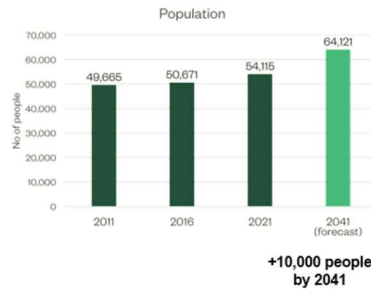
On the other hand, 14% of households with mortgages experienced housing stress with mortgage repayments exceeding 30% of their household income. This is slightly lower than the NSW average but higher than the rest of NSW at 13%. Households with mortgages represented 27% of households in 2021.

Housing stress can contribute to an increased demand for social and affordable housing as individuals and families facing affordability challenges often rely on government housing assistance programs.

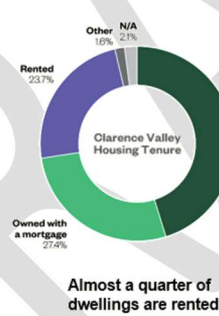
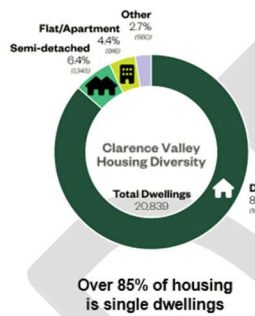


Clarence Valley at a glance

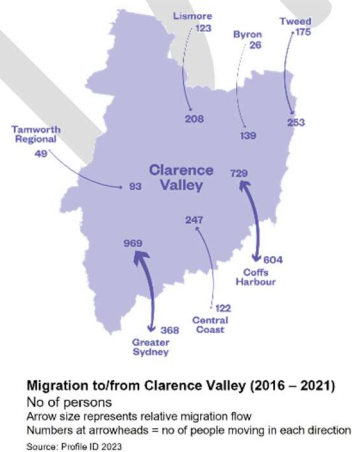
Demographic Profile



Housing profile



Median Weekly Rent \$310 NSW Average: \$420	Median Monthly Mortgage Payment \$1,378 NSW Average: \$2,167
Rental Stress > 30% of household income 43.4% NSW Average: 35.5%	Mortgage Stress > 30% of household income 14.1% NSW Average: 17.3%
Median Weekly Household Income \$1,123 NSW Average: \$1,829	Average Household Size 2.3 NSW Average: 2.6



2.2 Housing demand

This section draws on the housing demand analysis in annexure 2 and the outcomes of community engagement activities in annexure 3 to identify current and projected demand for housing.

Housing demand will be greater than previously anticipated.

Based on data sourced from demographers *.id*, by 2041, Clarence Valley LGA requires 3,729 additional dwellings, which equates to 190 additional dwellings per year.

According to the Department of Planning and Environment's dwelling projections, Clarence Valley LGA requires only 2,088 additional dwellings (or 105 dwellings per year) by 2041.

This Strategy adopts the higher growth scenario given that population growth over the past five years has been greater than previously anticipated and is likely to continue at a higher rate.

As outlined in sections 2.3 to 2.6, while the LGA is on track to meet this demand in terms of overall numbers, the type and location of housing is unlikely to meet the needs of the community, and there are a range of factors that could impact the timing or ability of the housing to be delivered.

There is growing demand for diverse housing options, including smaller dwellings.

Based on an analysis of demographic trends in section 2.1, there is high and growing theoretical demand for more diverse housing options including compact apartments and small lot housing.

By 2041, it is projected that Clarence Valley will have an additional 1800 to 2000 small households comprising only 1-2 people. Based on current trends, these households are likely to comprise, lone households, single parent households and couple households with no children.

Providing a diverse range of dwellings is important to cater to the needs of these households, and to provide low-cost market solutions for people on lower incomes.

Despite this, market demand is predominately for single dwellings. This is demonstrated by the residential development applications for a total of 1,948 dwellings lodged over the past three years.

Between 2021 to 2023, single dwellings dominated, comprising a total of 1,176 dwellings or 60% of all dwellings forming part of residential development applications. In comparison, medium density housing development applications accounted for 756 dwellings (39%).

There is high and growing demand for social and affordable housing.

As at the 2021 Census, 2,034 households were identified as needing cheaper rental housing; most of which were low or very low-income households. It is likely that this situation has worsened in the wake of rental affordability trends in the period since the Census.

The Department of Communities and Justice (DCJ) waitlist reflects the demand and urgency for social and affordable housing.

As at 30 June 2022, the total number of applications for social housing across the Lower Clarence Valley and Grafton allocation zones was 471 households, with 60 households identified as priority households.

As of 30 June 2022, the wait time for all dwelling types in the Grafton allocation zone were consistently 5 to 10 years, while the Lower Clarence Valley allocation zone reflected significantly longer wait times of over 10 years for 1-bed and 4-bed dwellings. The significant length of the DCJ waitlist for Clarence Valley highlights the scarcity of available social and affordable housing options and the need for increased investment and support in addressing housing affordability issues.

The City Futures Housing Need dashboard forecasts an 8.6% annual growth of current social

housing required to meet the projected demand by 2041 in the Clarence Valley.¹⁷

Targeted housing solutions for First Nations residents are important.

The 2021 Census data identified 8% of Clarence Valley's population was of Aboriginal and/or Torres Strait Islander origin as compared to 7% in Regional NSW. The areas with the highest percentages were Grafton (11%) and Maclean (10%).

Indigenous households are particularly over-represented in the social housing sector due to difficulties experienced in accessing private rental accommodation. These include challenges of meeting criteria for properties, intergenerational trauma, racial discrimination within the rental markets or lack of good quality housing.¹ This emphasises the critical need for targeted housing solutions.

Adaptable housing is needed to meet the needs of seniors and people with disability.

There is growing demand for adaptable housing to meet the needs of the elderly and people with disability.

A greater proportion of Clarence Valley residents require assistance with core duties compared with other parts of NSW. This includes people requiring assistance with self-care, mobility, and communication due to a long-term health condition, a disability, or through old age. Given the LGA's age structure, it is likely that old age is the dominant factor.

Between 2011 to 2021, the number of Clarence Valley residents requiring assistance with core

duties increased from 7.6 percent to 8.5 percent. It is expected that this trend will continue.

Council's Affordable Housing Policy encourages the delivery of 'adaptable housing' to meet the needs of seniors and people with disability.

Community values and aspirations.

As outlined in Annexure 3, the community was invited to give feedback on their housing needs and preferences as part of the preparation of this Strategy. Key findings are summarised below.

- Few respondents believed they could find a new home (to rent or purchase) in the Clarence Valley if they had to
- Almost all respondents support housing that is resilient, well-built, suited to the climate, flood free and with adequate car parking.
- High level of support for housing located close to services and amenities, such as work, shops, parks and social infrastructure.
- Despite the high and growing number of smaller household sizes, there is high and continued demand for detached dwellings in the LGA, both for rent and purchase.
- Many young people are unable to move out of home and/or remain in the area due to a lack of affordable or suitably sized dwellings.
- Some older people may be interested in downsizing or moving out of more remote parts of the LGA but cannot afford to do so.

¹ Moskos M, Isherwood L, Dockery M, Baker E and Pham A (2022): 'What works' to sustain Indigenous tenancies in Australia, AHURI Final Report No. 374, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/374>

- The community recognises that there is latent demand for smaller, well-located dwellings in the region, as evidenced by downsizers moving into manufactured home estates.
- When asked what type of housing they would like to live in, there was:
 - A positive response for detached dwellings and duplexes
 - A neutral response for granny flats, low rise apartments, and townhouses; and
- A somewhat negative response for high and medium rise apartments.
- When asked what types of housing they would support being delivered in their area, there was:
 - A positive response for granny flats and detached houses
 - A positive response for townhouses, duplexes, and low-rise apartments; and
 - A somewhat negative response for high and medium rise apartments.

2.3 Housing supply

This section draws on the analysis of housing supply data in annexure 2 to identify whether the housing supply pipeline is sufficient to meet projected demand. It also considers some of the factors that affect the supply of housing, including environmental constraints, ownership patterns, the practice of land banking, infrastructure funding and delivery, and external market factors.

Clarence Valley is on track to meet projected dwelling demand in terms of total numbers.

According to ABS 2021 Census data, the total number of private dwellings in Clarence Valley on Census night was 26,060, reflecting a 6.4% increase from the 24,487 dwellings recorded in 2016. Over this period, there was a 10% increase in the number of dwellings across NSW. The number of households in the LGA increased by 5.4% between 2016 and 2021, whilst total population increased by 6.8%.

Table 2 provides an estimate of the supply pipeline based on analysis of dwelling approvals, completion trends and subdivision approvals. As new applications are approved, these will add to the supply pipeline.

Table 2: Estimated Current Housing Supply Pipeline

Timeframe	Estimated Housing Supply
Short-term (0-5 years)	1,320 dwellings (including MHEs)
Medium term (5-10 years)	1,080 dwellings
Long term (10+ years)	1,000 dwellings

Housing is concentrated mostly in the LGA's main centres.

As a result of the Clarence Valley Settlement Strategy 1999, most (55%) of housing is concentrated around the LGA's three key settlements: Grafton, Yamba and Maclean. These areas have relatively good access to services and facilities, particularly the Strategic Centre of Grafton. The remaining 11,202 (or 45%) in smaller towns and villages, dispersed throughout the LGA, with varying levels of access to services and facilities and transport.

Since 2019, the top five locations for dwelling approvals are Yamba (30%), Grafton (22%), Gulmarrad (6%), Woombah (5%) and South Grafton (4%). The location and types of approved dwellings since 2019 are shown in Figure 4.

Housing supply is predominantly single dwellings.

In Clarence Valley LGA, housing overwhelmingly consists of large (3-4 bedroom) standalone houses, with only a small portion of semi-detached or apartment housing available.

Analysis reveals that 86% of all dwellings consisted of separate houses. Medium density dwellings, including semi-detached, terrace, or townhouses, accounted for 6% of the total, while apartment-style dwellings constituted 4% of dwellings. Other dwelling types comprised 3% of the overall count.

Of these private dwellings, 12% (3127 dwellings) were recorded as unoccupied on Census night. This is higher than the rate of unoccupied dwellings across NSW. This may reflect the prevalence of short-term rental accommodation across the LGA as well as a level of investment in investment properties.

Housing is not affordable for households on low incomes.

Housing in Clarence Valley is not affordable for households on low incomes and a high and growing number of rental households are experiencing housing stress.

According to the Rental Affordability Snapshot 2023, on the snapshot weekend of 18 March 2023, private rentals listings on realestate.com.au were surveyed in the North Coast to assess the affordability for varying types of households on low incomes.

Out of 100 listings in the Clarence Valley, only 30 properties were suitable for couples with two children on minimum wage and supported by other income sources. This data highlights the significant challenges faced by families in securing adequate and affordable housing options in the region.²

Within the Clarence Valley LGA, there are a total of 194 community housing properties, comprising 170 general housing types, 23 crisis accommodation units, and 1 dedicated affordable housing unit. North Coast Community Housing is the leading Community Housing Provider, managing a significant portfolio of 155 dwellings. The other notable CHP is Anglicare North Coast (34 dwellings).¹⁶

There is growing demand for suitable rental accommodation across the LGA.

Most rental houses in the LGA are large standalone houses, with only a small amount of semi-detached or apartment dwellings available for rent. Further, most rental dwellings in the LGA are limited to Grafton, with few options in other areas. Despite Grafton having the largest amount of rental housing, rental vacancy rates in the area

are very low, suggesting an unmet demand for rental housing.

Overcrowding is an emerging issue.

Between 2016 and 2021, people living in compromised dwelling conditions increased by 10%. One of the key issues, being overcrowding, is being driven by the combination of high rental prices, low incomes and lack of appropriate rental supply. Severe overcrowding can contribute to homelessness by exacerbating housing shortages and affordability issues.³

Some progress has been made in delivering First Nations housing.

The Birrigan Gargle Local Aboriginal Land Council (LALC) operates from Yamba and Ngaru Village accommodates one of the largest indigenous communities in the Clarence Valley.

The LALC are currently progressing the 'Birrigan Iluka Beach' project which comprises 141 multi-residential subdivision lots on LALC Land at Iluka. As of June 2023, Stage 3 lots have been released for sale, with Stage 4 development lots to roll out in the near future.

Further engagement and a collaborative approach is needed to identify options to address housing needs, particularly aged care. A focus on specific needs of first nations communities also presents opportunities to improve skills across the local community, better achieve economic self determination and flow on benefits for community wellbeing.

Manufactured home estates are plugging part of the gap in the housing market.

Manufactured Home Estates (MHEs) are becoming an increasingly popular housing choice for Clarence Valley residents. In August 2023, there were four MHEs in the LGA, providing 520

² Anglicare Australia (2023): Rental Affordability Snapshot Regional Reports

³³ Brackertz N, Davison J, Borrowman L and Roggenbuck C (2019): Overcrowding and severe overcrowding: an analysis of literature, data, policies and programs, AHURI <https://www.ahuri.edu.au/sites/default/files/migration/documents/overcrowding-and-severe-overcrowding-report.pdf>

dwelling. A further three estates with a total of 525 dwellings have been approved since 2021, of which two are under construction. At the time of writing this Strategy, another development application involving an MHE with 216 dwellings is under assessment. Five of these seven estates are located in Yamba.

MHEs operate in a similar way to a caravan park – the resident purchases or constructs a relocatable home on a site rented from the operator. These estates are marketed as ‘lifestyle’ or retirement estates.

These homes are especially attractive to older households experiencing constrained housing choices as they do not have significant housing equity. They are generally lower priced than housing in surrounding areas. In Grafton, a dwelling in an estate is in the range of \$350,000⁴, whilst in Yamba the advertised price range is between \$400,000 and \$500,000 for a 2-bedroom dwelling.⁵ This price reflects the price of the dwelling only.

While these estates provide an affordable housing alternative and are financially attractive for operators, they are not without challenges. MHEs require approval under the Local Government Act 1993 and operate under the Residential (Land Lease) Communities Act 2013 and the associated regulations. They fall outside the planning framework and so can be located on land which has not been identified for residential development.

As they are not subject to the same planning requirements as seniors housing developments, they can be located in locations, such as flood

affected land, which place residents at risk e.g. evacuation may not be well considered.

They can also be developed in locations which are not proximate to medical and retail facilities or have access to these facilities. As the majority of residents of these estates tend to be reliant on the Commonwealth Age Pension and Commonwealth Rent Assistance, the costs of travel to access services is a further drain on the limited finances of residents.



⁴ https://mckimms.com.au/listings/residential_sale-3293322-grafton/ (accessed 10/06/2023)

⁵ <https://www.realestate.com.au/project/clifton-yamba-600036371> (accessed 10/06/2023)

2.4 Theoretical dwelling capacity

Clarence Valley Local Strategic Planning Statement and North Coast Regional Plan identifies Clarenza, Junction Hill, Gulmarrad, James Creek and West Yamba as priority urban release areas that are intended to accommodate future housing growth.

Consistent with the Regional Plan, Council also seeks to encourage infill housing in select urban centres and villages. This will help to achieve much needed housing diversity outcomes, maximise the use of existing infrastructure and allow people to live close to jobs, services and facilities, and public transport.

Theoretical dwelling capacity

This section provides an estimate of the *theoretical* quantity of dwellings that could potentially be delivered under existing zoning and planning controls. This estimate is based on the analysis of approved release areas and planned urban release areas in Annexure 2.

The actual number of new dwellings delivered in the coming decades is likely to be considerably lower than the theoretical capacity due to a range of factors that affect housing supply, which are discussed in Section 2.5 of this Strategy entitled 'factors affecting supply'.

Overall, it is estimated that there is theoretical capacity for an additional 9,229 new dwellings across the LGA under existing zoning controls. Table 3 and 4 provide a breakdown of theoretical capacity by location, and these areas are mapped in Figure 6.

Table 3: Capacity for new housing under existing planning controls (Upper and Lower Clarence)

Location	Theoretical capacity (dwellings)
Upper Clarence Valley	5,754
Lower Clarence Valley	3,474
Total Capacity	9,229

Table 4: Capacity for new housing under existing planning controls (URAs, R5 and urban centres and villages)

Location	Theoretical capacity (dwellings)
Capacity within Urban Release Areas	3,185
Large lot residential (R5) locations*	1027
Urban centres and villages	5,017
Total capacity	9,229

Note: Large lot residential locations include R2 zoned land in these locations (Source: Mecone GCOM modelling)

Urban Release Areas and R5 Large Lot Residential Areas

The Urban Release Areas and R5 Large Lot Residential Areas are considered the 'vacant land' within the LGA. The Urban Release Areas offer opportunity for 'greenfield' subdivision and development. Development

of R5 land is often subdivision of large remaining lots to offer large lot rural lifestyle lots. Together these areas contain 46% of the remaining housing capacity (with a combined total of approximately 4,212 dwellings) as indicated in Tables 5 and 6 below.

Table 5: Urban Release Area - remaining theoretical capacity

Urban Release Area	Theoretical capacity (dwellings)
Clarenza	613
Gulmarrad	368
James Creek	331
Junction Hill	1,088
West Yamba	784
Total	3,185

Table 5: R5 Large Lot Residential - remaining theoretical capacity

Large lot residential (R5) location	Theoretical capacity (dwellings)
<i>Coutts Crossing/Lewenstrath</i>	279
<i>Gulmarrad</i>	253
<i>Waterview Heights</i>	120
<i>Ashby/Ashby Heights</i>	120
<i>Woombah</i>	98
<i>Glenreagh</i>	90
<i>Illarwill</i>	37
<i>Yamba</i>	30
Total	1,027

Source: Mecone GCOM modelling, 2023

Figure 6 indicates the geographic distribution of theoretical dwelling capacity across the LGA.

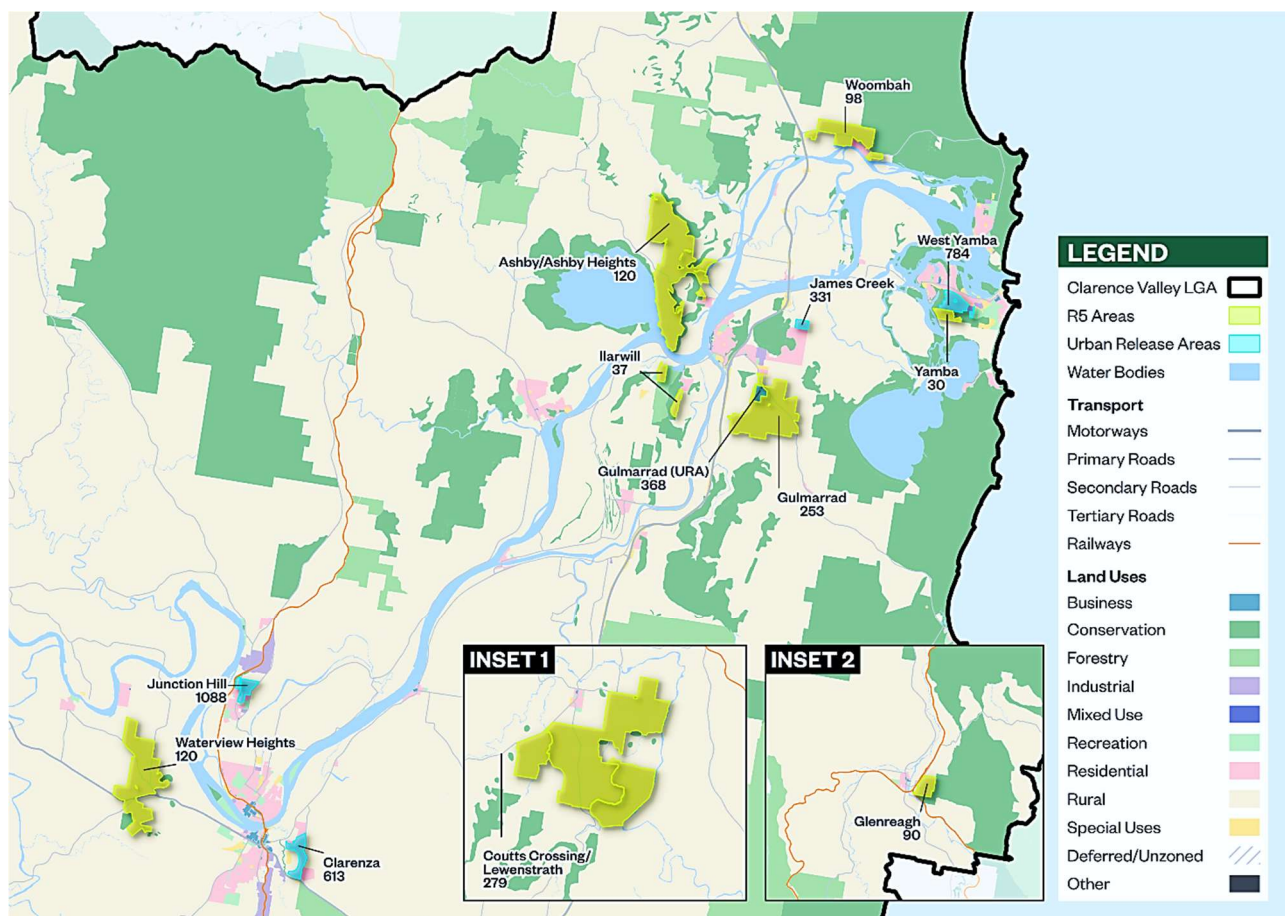


Figure 5: Theoretical dwelling capacity, by location

2.5 Factors affecting supply

While there is sufficient residential zoned land in Clarence Valley LGA to accommodate forecast demand, not all land that is currently zoned for housing can or will be developed. There are issues with activating latent zoned supply to bring housing 'to market' due to barriers such as land-banking, infrastructure provision and servicing, development feasibility, and environmental constraints. These matters are discussed below.

A large proportion of Clarence Valley LGA is affected by environmental constraints.

The unique natural environment of Clarence Valley is its biggest asset. However, this presents challenges when planning for housing, since large parts of the LGA are identified as bush fire prone and the floodplain along the Clarence River from Grafton to the Clarence River mouth is prone to flooding.

Clarence Valley experienced compounding disasters from 2019-2022. Between July 2019 and January 2020, 548,698 hectares, 59% of Clarence Valley was burnt. The fires directly impacted 1,500 rural residents, with a total of 168 houses lost in the western and southern parts of the LGA.

In February to April 2022, heavy rainfall caused major flooding of towns along the Clarence River including Grafton and Maclean. Yamba, Iluka, Woolli and surrounding areas were isolated for six days. According to news reports, in June 2023 there are still many people unable to return to live in their homes due to flood damage.

Figure 5 shows the extent of constrained land in Clarence Valley LGA. It is noted that the map

identifies land already approved for subdivision as 'constrained' to give an indication of what is remaining for potential development.

Large parts of the Clarence Valley are protected as National Parks and other areas contain important fauna and flora.

Parts of Clarence Valley have been identified as areas of regional koala significance as part of the NSW Saving our Species Koala Project, a state-wide program to secure the koala in the wild in NSW for 100 years. Koala hubs –significant areas of koala habitat with small localised populations – have been identified across the LGA and a Koala Plan of Management has been prepared for land around Ashby.

Future development in areas of important biodiversity requires careful consideration.

Heritage conservation areas apply to a large portion of areas that are suitable for housing

Clarence Valley LEP has an extensive schedule of identified heritage items and nominates areas as Heritage Conservation Areas. Conservation and management of the heritage significance of these areas is ensured through the application of Clause 5.10 of the LEP and Part F of the Residential Zones DCP 2011. The DCP sets out detailed requirements for development within the heritage conservation areas.

The heritage conservation areas apply to large areas of Grafton, South Grafton and Maclean, as well as to smaller villages including Brushgrove, Chatsworth, Harwood, Lawrence, Ulmarra and Yamba. The controls can increase uncertainty, risk and costs for developers, thereby serving as a deterrent.

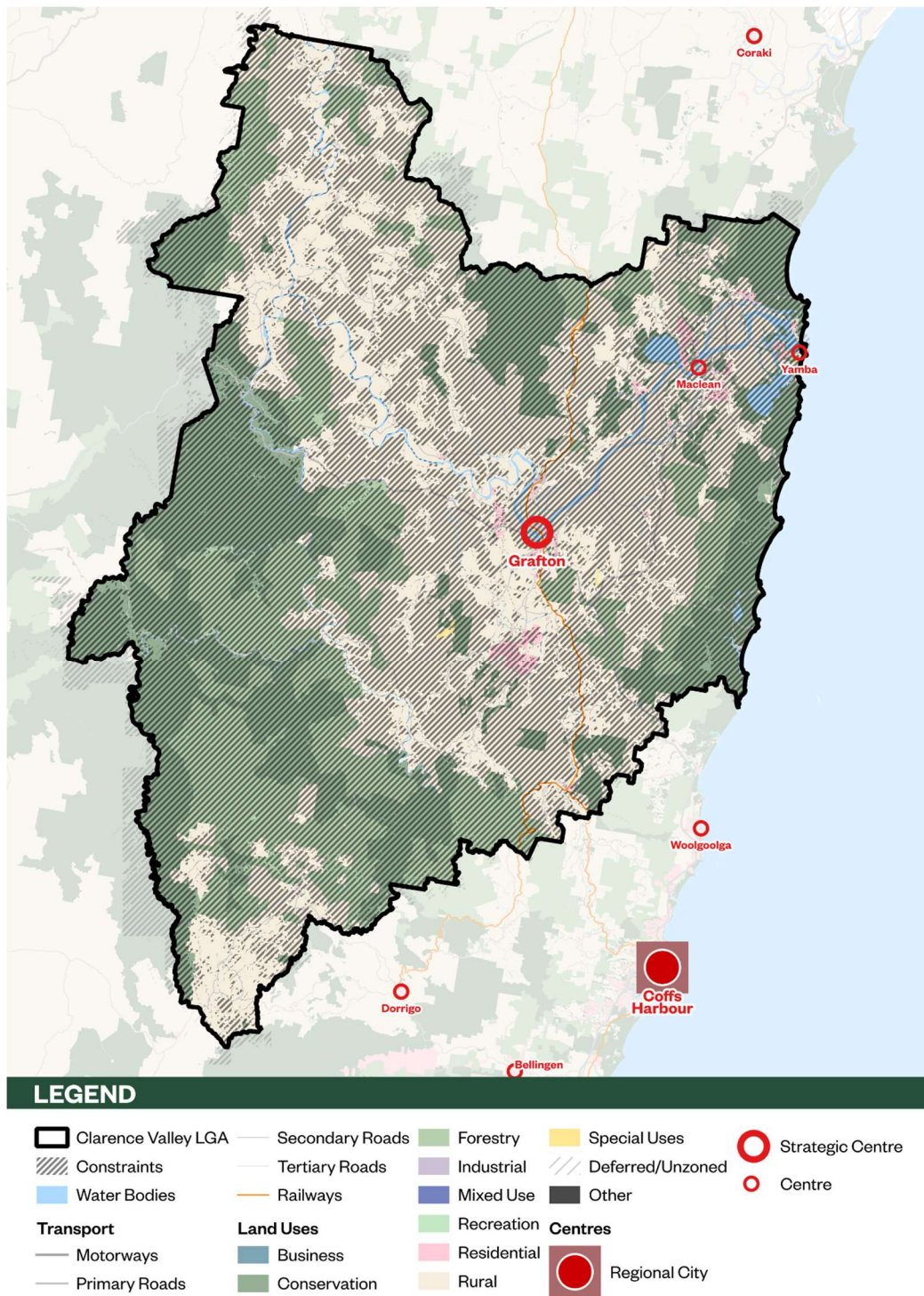


Figure 6: Constraints mapping

Promoting the supply of diverse and affordable housing is a significant challenge, particularly in regional NSW.

The planning system is one mechanism that can influence the supply of diverse and affordable housing. The role of the NSW planning system as outlined in the objects of the Environmental Planning and Assessment Act 1979 (EP&A Act) includes the promotion of the orderly and economic use of land and development and the delivery and maintenance of affordable housing, with these objectives balanced against other considerations such as ecologically sustainable development, environmental protection, the management of built and cultural heritage, and the promotion of amenity, design, and construction quality.

There are other key factors influencing the supply of diverse and affordable housing. These include population growth and mobility, financial and taxation settings, interest rates, economic growth, Federal and State housing policy (including housing assistance), and construction activity.

State Government policies and mechanisms to promote diverse and affordable housing

In recent years the NSW Government has introduced various planning policies and mechanisms to facilitate housing supply, improve the design and sustainability of new dwellings, and encourage development of affordable and diverse housing types. These include:

- Planning incentives and expanded permissibility for targeted housing types (Housing SEPP)
- Inclusionary zoning (Housing SEPP)
- Fast-tracked assessments (Codes SEPP, including the Housing Code; Rural Housing Code; Low Rise Housing Diversity Code; Greenfield Housing Code)

- Improved built form standards (SEPP 65 and BASIX)
- Dedicated approvals framework for alternative accommodation (Housing SEPP)
- Regulation of short-term rental accommodation (Housing SEPP) including a 180-day limit for non-hosted accommodation in Clarence Valley and other select areas.

State-wide planning controls for diverse and affordable housing

Part 1 of Chapter 2 of the Housing SEPP identifies the need for affordable housing across the State and sets out requirements that a local council, as a consent authority, must consider before imposing an affordable housing condition on a development consent in accordance with clause 7.32 of the Act. It is noted that Council may only impose a condition of consent for affordable housing if it has an Affordable Housing Contributions Scheme in place (refer next section).

Chapter 2 of the Housing SEPP contains planning provisions to promote the delivery of diverse and affordable housing options across the state, including affordable infill housing (attached dwellings, dual occupancies, dwelling houses, manor houses, multi dwelling housing, residential flat buildings, semi-detached dwellings and shop top housing) and boarding houses.

In Clarence Valley, the infill affordable housing provisions under the Housing SEPP only apply to residential developments within 800 metres of certain business (or equivalent) zones. In certain instances, this potentially limits opportunities to deliver diverse and affordable housing on sites that do not strictly meet the locational requirements of the SEPP but are otherwise suitable. More flexibility is needed to apply the SEPP provisions where appropriate.

Fast track approval processes

The Low-Rise Housing Diversity Code contained in Part 3B of the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* (the Codes SEPP) aims to increase the range of market housing available in NSW by making it quicker and easier to build homes that offer an alternative to apartments and freestanding houses. It allows dual occupancies, manor houses and terraces (up to 2 storeys) to be built under fast-track complying development approval. To benefit from the fast-track approval processes, both the development and the site must meet certain requirements in Part 1 of these Codes SEPP. The land-based requirements significantly reduce the scope for infill housing to be assessed as complying development in Clarence Valley given the extensive bushfire or flooding affectations in the local area. Expanding on Council's existing fast-track approval processes for smaller infill developments may help to increase the supply of diverse housing types.

Voluntary inclusionary zoning

As a separate and distinct mechanism to facilitate the delivery of affordable housing, Part 2, Division 1 of Chapter 2 of the Housing SEPP provides voluntary inclusionary zoning incentives. That is, a floor space ratio (FSR) bonus and other non-discretionary development standards to offset the on-site delivery of affordable infill housing.

The bonus FSR provisions are voluntary and currently only apply to development that proposes to use a minimum 20% of the total floor space as affordable housing. Larger floor space bonuses are available as the percentage of affordable floor space increases, with bonuses capped for developments that include at least 50 per cent of gross floor area (GFA) as affordable housing. The nominated affordable housing dwellings must be used for affordable housing and managed by a registered CHP for a minimum 15 years. In any case, it is noted that Clarence Valley LEP does not apply an FSR control to the identified areas.

In June 2023, the NSW Government announced that the Housing SEPPs bonus provisions will be revised to provide further incentives for developers to provide affordable housing on-site. This will likely include height and density bonuses of up to 30 per cent for developments that propose at least 15 per cent affordable and social housing to be used for that purpose for at least 10 years. Developments with a capital investment value of at least \$75 million may also be determine as State Significant Development.

Across NSW, there has been low uptake of the Housing SEPP's voluntary inclusionary zoning provisions⁶ which are likely to persist in certain areas despite the proposed further incentives. This is particularly the case for areas with relatively low land values. Key impediments include:

- difficulties in accommodating the full FSR bonus while complying with development standards and other local council controls such as those relating to height of building, setbacks and landscaping, and uncertainty around the application of clause 4.6 to vary development.
- the availability of other local environmental plan (LEP) bonuses (for example, design excellence provisions) that offer better incentives which allow for additional FSR without the requirement to deliver affordable housing, and
- financing limitations due to the requirement that affordable housing floor space must be used for that purpose for a minimum 15 years and managed by a CHP.

In general, there are a range of barriers to infill development⁷, including:

- higher construction costs for medium and high-density dwellings compared with those for detached dwellings, including land acquisition and demolition costs for infill.
- difficulties aggregating and preparing land for construction.

⁶ *Explanation of Intended Effects: Proposed amendments to the in-fill affordable housing, group homes, supportive accommodation and social housing provisions of the State*

Environmental Planning Policy (Housing) 2021 (DPE, November 2022)

⁷ National Housing Supply Council

- delays in securing development finance.
- lengthy and sometimes uncertain planning and development assessment processes
- securing legal title for high density residential projects.
- community opposition to infill and to medium to high-density dwellings.

Local policies and mechanisms to promote diverse and affordable housing

Following amendments to Environmental Planning and Assessment Act 1979 in 2017, local strategic plans have a statutory role, and these can be implemented through local environmental plans, development control plans and other local policies.

Clarence Valley LEP 2011

This is a statutory document that provides for the delivery of a range of housing options across the LGA, including affordable housing and low-cost market housing options. Clause 4.6 of the LEP provides a merit-based assessment process that can allow for the justified variation to existing development standards to realise floor space bonuses available under the in-fill affordable housing provisions of the Housing SEPP.

Affordable Housing Policy

Clarence Valley Housing Affordability Policy, adopted by Council in 2017, seeks to encourage the delivery of affordable housing as part of development applications and planning proposals (spot-rezonings). The Policy defines affordable housing, identifies target groups, proposes aims, identifies suitable zones, suggests amendments to planning instruments, describes public benefit and promotes the use of Voluntary Planning Agreements to capture land value uplift arising

from spot re-zonings and bonus provisions to increase development yield.

The policy requires updating to reflect the current evidence base regarding the need for affordable housing in the LGA and to reflect the current framework for affordable housing contributions, as discussed below.

Affordable housing contribution scheme

Under the current system, Council may only impose a condition of development consent if it has an Affordable Housing Contributions Scheme (AHCS) in place, and the AHCS is authorised by Council's LEP.⁸ This means that the Policy may only be applied to planning proposals, not development applications. This significantly limits the scope of the Policy.

While there is currently no legislative requirement for a council to adopt an AHCS, this is an important mechanism to expand the supply of much needed affordable housing in Clarence Valley. If an AHCS is developed for Clarence Valley LGA or the wider region, Council would be able to impose conditions on development consents requiring contributions towards affordable housing for proposed development on land identified under the AHCS.

The data gathering, and analysis undertaken as part of the preparation of this Local Housing Strategy, including affordable housing data, demographic analysis and needs analysis, can be used to inform the development of the AHCS.

Voluntary planning agreements

VPAs are a flexible and innovative way for local infrastructure to be negotiated and provided as part of a new development. However, they can be challenging, costly and time consuming to

⁸ *Environmental Planning and Assessment (Planning Agreements) Direction 2018*

negotiate, and create an ongoing administrative burden for Council.

Since the Policy was introduced some 8 years ago, no affordable housing VPAs have negotiated or executed in the Clarence Valley LGA. Anecdotal evidence suggests that this is primarily due to issues of feasibility. Many developers claim that delivering affordable housing on-site would render their development unfeasible. Similarly, many claim that they do not have adequate cash flow to make a monetary contribution towards affordable housing off-site (this is commonly required prior to the issue of a construction certificate stage).

Under the NSW contributions systems, VPAs are voluntary, and Council cannot refuse to progress a planning proposal on the basis that the developer refused to enter into a VPA.⁹

Providing the right infrastructure at the right time is key to supporting housing supply.

Water and Sewer

As the water and sewer provider for the LGA, Clarence Valley Council is responsible for servicing new development.

Development Servicing Plans (DSPs) for the LGA were last updated in 2017, with more recent updates completed for the West Yamba urban release area. Land use (Equivalent Tenement) projections in the 2017 plans utilised 2011 Census data, and the same growth rate as from 2011-2015.

The DSP assumes 825 Water ET since 2015 and 589 Sewer ET since 2015. Completions data shows that 1,331 dwellings have been delivered since 2015. Equivalent Tenement (ET) loads from the 2017 plans have likely been exceeded by stronger than expected development take up.

Council is undertaking a review of the decision to construct a new sewage treatment plant (STP) on

the existing north Grafton STP site. The plant is required to be replaced by end of 2027.

Power and Roads

Based on data from Essential Energy, new urban areas have adequate access to 22kv lines, some with access to 33kv and 66kv. No data on zoned substation capacity was publicly available, but it is assumed the network has adequate capacity to support further development.

A range of state road upgrades have been identified to service traffic generation from new developments. New and upgraded local roads are to be provided as part of a Subdivision Development Application.

Housing will only be delivered where there is both planning capacity and market capacity.

Planning capacity refers to the physical and legal ability of land to be developed, taking into account planning permissibility, environmental and infrastructure constraints.

Market capacity relates to whether development is financially feasible in the local market, based on input and development costs and achievable yields. There may be demand for housing in the local market, however, if development is not financially feasible to undertake, the demand will remain unmet.

Research and discussion with the development industry as part of the preparation of this Strategy suggests that, assuming planning capacity is secured, the main risk factors for development viability are:

- Building risk
- Liquidity risk; and
- Sale risk.

These are discussed below.

⁹ Part 2.1, *Planning Agreements Practice Note* (DPE, February 2021)

Building risk – high construction costs and certainty in delivery.

Building risk includes pressures from inflation, supply and skill shortages, building standards, building bonds, lack of competition in the tendering processes, and the inability to secure a fixed-price contract.

The high level of construction across the nation, particularly in the metropolitan centres has increased the demand for labour and materials. Combined with the reconstruction work in the Northern Rivers Region, this has resulted in increasing difficulties in attracting construction trades to and sourcing materials for regional areas.

The cost of construction materials has risen at its fastest pace since the early 1970s, while labour costs are rising at a more modest rate. Increasing costs affect the feasibility of projects and can lead to delays in commencement or projects not progressing.

Constructors may consider solutions to address building risk such as design-led solutions with value engineering, early contractor involvement, pre-agreed price adjustment processes for variations, adjustments that reflect cost increases beyond contractor control, a risk-sharing contract to help reduce contingency provisions and reduced time to collect the final drawing for construction to improve tendering and ordering of materials.

Across the construction industry, we expect that the price increases will moderate after the significant correction over the past few years, reducing building risk going forward.

Liquidity risk – it is becoming harder to finance development and proceed.

Financing costs are a relatively small part of the overall dwelling production cost (generally around five to seven per cent). However, financing is a critical precondition to any development proceeding.

Construction funding provided by major Australian banks is the primary source of funding for the industry. The rate is typically a fixed rate (three to four per cent) over the Bank Bill Swap Rate (BBSY). The BBSY moves with the cash rate set by the Reserve Bank of Australia (RBA). As the RBA has continually increased the cash rate, this has moved the rate of a construction loan from 3-4 per cent to 6.5-7.5 per cent. Whilst higher than typical pre-pandemic rates, this is not higher than has been experienced over the last 30 years.

More importantly, banks have been making attempts to better manage their risks through tightening lending criteria. Two critical changes include:

- Loan to value ratios have reduced from 65-75 per cent of the total project value to 50-60 per cent. This means that developers need to use their own equity or accept mezzanine debt to fund a greater portion of their development. Returns on equity are approximately 20 per cent and mezzanine finance is charged at approximately a 7-8 per cent premium on construction loans. This means finance is more expensive and fewer projects may be able to proceed. For a typical development, the weighted average cost of capital has approximately increased from 6.8 per cent to 11 per cent.
- Banks have increased presales covenant requirements. Previously developers would have needed between 55 per cent and 60 per

cent of the total construction loan to be covered by presales, this has increased to 100 per cent to 120 per cent of presales recently. This has increased the amount of time needed for projects to progress from development approval to construction, raising exposure to cost escalation. Loans allowing commencement with 55 per cent to 60 per cent of the initial loan are no longer available. This may lead to developers discounting presales more aggressively to achieve loan conditions.

The combined impact of these changes is that it is harder for developers to secure funding from banks.

Non-bank lenders are under significant pressure to meet the financing shortfall however their portfolios tend to be less diversified, making them more susceptible to downturns and delays. The capital turnover of these lenders has been affected by construction delays impacting their ability to fund new projects or raise additional capital as they wait for returns on the existing projects. Furthermore, the availability of capital across broader financial markets has reduced, which means that the access to capital of non-bank lenders has also decreased.

The drop in the number of presales (discussed below) has further amplified the risks outlined above. Addressing these challenges would require either a market upturn in line with the market cycle or targeted interventions that would improve liquidity in the sector. This could include:

- Increased dwelling demand from increased migration
- Increased wage growth
- Increased rental growth activity
- Improved productivity in the construction sector
- 'In-time' dwelling approval and infrastructure delivery

- Subsidies for essential worker housing with industry-assisted mortgaged and developer product discounts.

Sales risk – demand for off-the-plan sales remains subdued.

Effective demand is the actual demand for the product which is indicated by transactions. While underlying demand may increase as a result of population growth and dwelling sizes, effective demand may be stagnant or decrease. Factors that influence effective demand include wages, interest rates, price expectations, and individual preferences.

During the COVID-19 pandemic, from March 2020 to March 2022, there was a significant increase in detached dwelling values of approximately 21 per cent, accompanied by less substantial apartment price growth of 6 per cent. In the twelve months between March 2022 and March 2023, detached dwelling prices have fallen by 12 per cent and apartment prices by 13 per cent. When buyers purchase off-the-plan, the sale price is locked-in at the time of the transaction and then settled when the building is complete. Therefore, when prices are falling, prospective purchases will delay off-the-plan purchases on the expectation that prices will decline. This has amplified the liquidity risk, occurring as pre-sales requirements have increased. Through consultation, we have heard that completed housing products are continuing to sell well.

Since the announcement from the Building Commissioner regarding building quality not being up to standard, buyers have become hesitant to buy directly off-the-plan without physically inspecting and reviewing the end product. The Building Commissioner's response to re-establish trust in the process is highlighting this concern. However, the Building Commissioner's findings, recommendations and remedies, such as decennial insurance, cannot be implemented overnight. It will take time for buyers' confidence to be restored. The implementation of initiatives such as the Independent Construction Industry

Star-Rating Tool rating system may help to establish quality developers, builders and trustworthy players in the industry.

Purchasers are concerned about construction industry delays and insolvencies. Supply chain pressures have resulted in increased costs, delays in construction and labour shortages. This has led to high-profile insolvencies and delays in development completion. Off-the-plan purchasers are particularly sensitive to these delays as they are vulnerable to market movements between the time they have exchanged contracts and when settling. Furthermore, some buyers may be concerned that the development may not be complete, particularly where the developer is unable to secure liquidity to commence construction in time. Delays in liquidity coupled with increased construction costs can render otherwise feasible development unfeasible. In consultation, we heard that there was a preference for newly-completed apartments, or apartments that were nearing completion, due to perceived higher trust that they would be completed.

In combination, the above factors have made off-the-plan sales more difficult and slowed the rate of apartment sales. Along with financing concerns, this increases the challenge of delivering new housing. To secure funding for the development, a developer must mitigate the sales risk by ensuring that they sell a high portion of the apartments off-the-plan. However, to do this in a more price-competitive market, sale values are usually being discounted to ensure funding is achieved. Over time, we expect demand and sale values to recover due to underlying demand growth, but there are no easy solutions to rebuilding consumer confidence.

The market cycle has historically pushed the property development industry through boom-bust

phases. The current bust phase is a perfect storm with risk spread over many different factors. The recovery will therefore be complex and most likely extended.

With the Government's interest in continued house supply and affordability, housing solutions cannot be limited to land supply solutions. Building costs, certainty, productivity, development liquidity and consumer confidence must be addressed too.

Short term rental accommodation removes housing stock from the market.

In recent years, the popularity of short-term rental accommodations has surged, particularly for properties along the coastline with scenic waterfront views, access to beaches and natural areas. As of May 2023, a search of Airbnb accommodation listings in the Clarence Valley revealed a total of over 900 available listings within the LGA, with most listings in Yamba, Iluka and Grafton-Clarenza. These are homes that would be otherwise available for long-term rentals.

According to the Clarence Valley Regional Economic Development Strategy 2023 update, visitor expenditure in 2021 amounted to approximately \$290 million, demonstrating a year-on-year growth of +2.1% from 2011 to 2020. Notably, the growth in the visitor economy occurred despite substantial interruptions from the COVID-19 pandemic, coupled with the lingering effects of the drought and bushfires.

Stakeholder views

Targeted stakeholder engagement was carried out with local real estate agents, developers, planning consultants, government agencies and social housing providers (see Annexure 3). Below is a summary of key feedback in regards to the factors that affect housing supply and what can be done to address the key issues.

- Demand for affordable and social housing has grown rapidly since the floods. While the planning system in the Northern Rivers is generally supportive of innovative ideas and, while not holding back housing delivery, could do more to support affordable and social housing providers.
- Construction costs in regional areas are essentially the same as in Sydney, but sale values are far lower. This has a negative impact on project feasibility.
- Due to the relatively low cost of land in Clarence Valley it is generally more feasible for developers to deliver larger, detached dwellings.
- Feasibility issues are often the key limitation in delivering housing diversity – the market may not be able to deliver sufficient diversity in regional areas.
- Council and government owned land should be leveraged for housing delivery (including affordable or social housing, or innovative pilot projects).
- Need for more affordable housing for key workers and to support local industry struggling to attract or retain staff
- Build to rent and other options to create more affordable housing

2.6 Key findings

In recent years, Clarence Valley LGA has experienced greater than expected housing demand resulting in lack of housing availability and increasing housing costs, and this is likely to continue in the coming decades.

While there is sufficient residential zoned land in Clarence Valley LGA to accommodate forecast demand, not all land that is currently zoned for housing can or will be developed. There are issues with activating latent zoned supply to bring housing 'to market' due to barriers such as land-banking, infrastructure provision and servicing, development feasibility, and environmental constraints.

There is also a mismatch between the housing that is needed and what is provided in existing and new housing. There is a growing need for more diverse and affordable housing to better meet current and future needs, including smaller homes and housing for students, older people, and key workers, but delivery of diverse and affordable housing is a significant challenge. It is unlikely that the market alone will adequately respond to the challenge.

Most local housing continues to be delivered in the form of large, detached dwellings. The lack of smaller dwellings means one or two person households have few options, whilst the low supply of rental housing and tight vacancy rates mean some households cannot find a home. This situation places certain residents at risk of homelessness or forces them to live in substandard housing, including dwellings that are overcrowded. The lack of housing diversity in terms of housing types, size, tenure and price, is a serious issue that will worsen over time if the

types of housing that are supplied, predominantly large, detached houses, do not change to meet changing housing needs.

Smaller, accessible dwellings that are located close to centres and services are needed to house Clarence Valley's ageing population and to provide appropriate accommodation for smaller households. There are also broader environmental, social and economic benefits of minimising urban sprawl in favour of more compact growth patterns.

Despite the high and growing need for diverse housing including smaller dwellings and higher densities, external factors and market demand is resulting in continued development of large single dwellings in Clarence Valley. There is also ongoing demand for rural residential housing which needs to be balanced with the need to manage environmental constraints and protect agricultural activity availability.

Prioritising infill development in existing areas such as Grafton and Yamba could improve the efficiency of infrastructure and service delivery and support improved housing diversity and affordability. However, to date, current planning policies and mechanisms to encourage diverse and affordable infill housing have had limited impact, often due to a lack of feasibility.

Recent events have highlighted that many people's needs are not being met by the private housing market, particularly the rental market. This situation is exacerbated by short term rental accommodation reducing availability of longer-term rentals. The LGA's housing market is vulnerable to spikes in demand caused by seasonal or temporary workers and tourism. While both are important for the local economy and productivity, these can negatively impact on housing supply and affordability.

3.0 THE STRATEGY

The section outlines Council's priorities for housing and how we plan to achieve these priorities. The priorities will be used to guide planning, delivery and management of housing supply and supporting infrastructure over the next 5 years and beyond.



3.1 Priorities & actions

Priority 1: Accelerate the supply of development ready land in suitable locations supported by infrastructure and services.

The coordination and delivery of infrastructure to support housing delivery is a major barrier to the provision of new housing. Approaches to infrastructure planning, delivery and coordination must be improved to ensure the right type of infrastructure is delivered at the right time to unblock housing supply and support growth.

Upfront planning of infrastructure delivery for priority urban release areas including prioritisation, staging and coordination is vital. These areas need to be planned and released to align with enabling infrastructure provision and to ensure that new development is co-ordinated with infrastructure delivery and funding. This includes social infrastructure, as well as active travel infrastructure (such as walking and cycling paths).



Actions to accelerate the supply of development ready land in suitable locations supported by infrastructure and services

1.1	Increase awareness of the Clarence Valley Servicing and Delivery Plans that outline the infrastructure and servicing requirements and determines appropriate prioritising and staging of residential and employment land across the LGA, consistent with the Department of Planning's North Coast Settlement Planning Guidelines 2019.
1.2	For priority urban release areas (particularly Clarenza) prepare structure plans and development controls, including preferred densities and infrastructure servicing strategies to illustrate how land can be feasibly serviced, including aligning infrastructure and capital works programs, and existing social/green infrastructure and active travel strategies.
1.3	Undertake specific technical studies to investigate the viability of rezoning targeted planning intervention areas. In priority areas identified for future growth, carry out detailed studies (e.g. environmental, heritage, traffic and access) to determine the suitability and capacity of land for residential purposes.
1.4	Support the Department of Planning and Environment's efforts in maintaining the North Coast Housing and Land monitor by providing relevant data for the Clarence Valley LGA, including details of new development applications, subdivisions and dwellings completions.

Priority 2: Encourage a diverse range of housing options in well located areas, to meet community needs.

The predominance of large, detached dwellings in Clarence Valley LGA offers little choice in the market. More diverse housing options are required to respond to the changing needs of households, including smaller households and those with special needs.

Consistent with the North Coast Regional Plan, Council seeks to facilitate the delivery of diverse housing options in existing areas to give people more choice at different stages of life and to reduce pressure on greenfield release areas, farmland and biodiversity. This will also help to maximise the use of existing and new infrastructure and provide greater access to jobs, services and lifestyle opportunities.

Housing diversity includes lot sizes, the number of bedrooms, tenure, or whether housing is suitable for special needs groups, including seniors, students, people with disability, and/or is culturally responsive to the needs of First Nations communities.

To give effect to the North Coast Regional Plan, Clarence Valley Local Housing Strategy seeks to prioritise new infill development in select centres and a range of lot sizes in new release areas to assist in meeting the Region's overall 40% multi-dwelling / small lot housing target.

As discussed in previous sections, there are a range of barriers to infill development, many of which are beyond the sphere of influence of planning policy. Key barriers include: higher construction costs for medium and high-density dwellings compared with those for detached dwellings, including land acquisition and demolition costs for infill; difficulties aggregating and preparing land for construction; delays in securing development finance; lengthy and sometimes uncertain planning and development assessment processes; securing legal title for high density residential projects; community opposition to infill and to medium to high-density dwellings.

Examples of diverse infill housing



Dual occupancy - two dwellings on one lot but does not include a secondary dwelling. Can be attached or detached, with parking at front or rear.



Terrace houses – two-storey dwellings in a traditional terrace style, formed in a row. Parking may be at the front, rear or basement.



Manor house - three or four dwellings in a two-storey building. Historically, this building type contains two dwellings on the ground floor and two located directly above.



Shop top housing - one or more dwellings located above ground floor retail premises or business premises.

Actions to encourage a diverse range of housing options in well located areas, to meet community needs.

- | | |
|-----|--|
| 2.1 | Encourage compatible and resilient infill housing (including townhouses and apartments above shops) in Grafton, South Grafton, Yamba, Maclean and Iluka on sites with good access to public transport, parks, shopping, schools and important social infrastructure. Recommended targeted planning control amendments are presented in Annexure 4. |
| 2.2 | Update Clarence Valley DCP to include objectives and requirements to encourage diversity in lot sizes (including smaller lots under 400m ²); dwelling types; dwelling sizes/number of bedrooms; and to encourage adaptable housing with adequate parking arrangements. |
| 2.3 | Expand on Council's proposed fast-track approval processes and apply Housing SEPP provisions (in combination with other council strategies). |
| 2.4 | Consider opportunities to partner with the Department of Planning and Environment and LALCs to identify areas that may be appropriate for culturally responsive housing on Country. |
| 2.5 | Identify suitable Council and government-owned land and pursue a pilot project to demonstrate a well-designed and well-located housing development offering a range of dwelling types and sizes, with a focus on building market confidence in such developments. |
| 2.6 | Update local planning controls to ensure Manufactured Home Estates are located only in areas that have access to social infrastructure and services and to ensure there are ensure controls are in place to minimise potential interface issues with surrounding lands. |

Priority 3: Support the delivery of affordable housing in accessible locations.

Access to affordable, appropriate, and secure housing is a basic human right. It also essential for creating a prosperous and thriving community that is socially, economically, and environmentally sustainable in the long-term. Consistent with the North Coast Regional Plan, Council seeks to encourage and support the delivery of affordable and low-cost market housing in areas that are well-served by supporting infrastructure and services.

What is affordable housing?

Affordable housing is separate and distinct from social housing. The statutory definition of affordable housing specifically relates to housing that is developed under an environmental planning instrument for households with very low, low, and moderate incomes. Mortgage repayments or rents for such housing are priced so these households can meet their other essential living costs, such as food, clothing, transportation, medical care, and education.

Affordable housing can be delivered or owned by private developers, investors, Governments, charitable organisations, and not-for-profit community housing providers (CHPs). While some affordable housing dwellings are owner-occupied, in most cases they are leased and managed by a community housing provider or private investor.

Occupants of affordable housing include younger residents looking to move out of home, key workers, people with a disability, single parents and elderly residents looking to downsize. Given that the needs and preferences of occupants differ within and between each group, and change over time, diversity in this sector is essential.

Affordable housing is part of a wider 'housing continuum' ranging from homelessness and fully subsidised crisis housing at one end, to completely unsubsidised market housing/home ownership at the other. People may move back and forth along the spectrum throughout their lifetime, depending on life circumstances, aspirations, and capacity. For some people, affordable housing provides a stepping-stone to market housing. For others, it provides an essential safety net during challenging times so they can continue to fully participate in society. The diagram on the following page shows where affordable housing fits on the housing continuum, along with the key mechanisms and policy levers available to council to support the delivery of affordable housing for very low to low-income earners.



Housing continuum & key mechanisms to promote affordable housing



Affordable housing policy levers



Potential partnerships, objectives, and risks

Partner	Community Housing Providers	Other councils (regional approach)	NSW Government Organisations (Landcom, DPE and LAHC)	Private developers
Objective of partnership	Management and co-delivery	Regional coordination	Potential development partner	Potential development partner
Potential risks	<ul style="list-style-type: none"> Capacity to deliver Monetary contribution not spent in LGA 	<ul style="list-style-type: none"> Coordination or governance risks Monetary contribution not spent in LGA 	<ul style="list-style-type: none"> Governance risks Alignment of objectives Guarantee of 'buy-in' 	<ul style="list-style-type: none"> Limited certainty over quality of stock and provision of maintenance Subject to feasibility

Actions to support the delivery of affordable housing in accessible locations

3.1	Work with other councils in the North Coast Region to advocate for investment in, and increased supply of, social, affordable and community housing by all sectors (private, public and community).
3.2	To allow Council to impose conditions of consent requiring contributions towards affordable housing, progress the preparation of a local or regional Affordable Housing Contribution Scheme and update Clarence Valley LEP to authorise the Scheme.
3.3	Adopt the draft 2023 Clarence Valley's Affordable Housing Policy and prepare separate Voluntary Planning Agreements (VPA) Policy and Guideline to outline the processes, procedures and general requirements for negotiating and preparing VPAs, calculating the value of contributions, and assessing feasibility.
3.4	Investigate opportunities for affordable housing on Council owned land delivered through public-private partnerships using a competitive tender process.
3.5	Review Council staff delegations to determine all affordable housing development applications by community housing providers.

Developing an Affordable Housing Contribution Scheme

The Department of Planning and Environment's Guideline sets out the process for developing an Affordable Housing Contributions Scheme (AHCS) and includes an AHCS template.

Key decisions

In developing an AHCS, Council would need to reach an agreement on the following:

- What **location** should the scheme apply to?
- What **type** of development should be levied?
- What should the **rate** be based off?
- What should the **contribution** look like?
- What will the **ownership** structure be?
- Who will be responsible for the **management** of the affordable housing properties?

Once an affordable housing scheme is finalised and endorsed by Council, Council must then prepare and progress a planning proposal to amend its LEP to reference the affordable housing scheme.

Options for an AHCS

Two options for affordable housing contribution schemes are shown below.



Comparison of options

Approach	Description	Comments
Precinct Uplift – AHCS Guideline (Government)	<ul style="list-style-type: none"> • Uplift based on precincts (growth areas). • Dependent on a planning proposal. 	<ul style="list-style-type: none"> • Would only be able to be applied to areas that haven't undergone planning proposal for uplift. • Rate would likely be low due to relatively low land values, high construction costs, low returns.
Inclusionary Zoning	<ul style="list-style-type: none"> • Applies a broad-based approach to all development in the area. 	<ul style="list-style-type: none"> • Would apply to the whole LGA as an additional contribution. • Makes development viability more challenging, relying on house price growth and market movements instead of planning uplift.
Western Sydney Planning Partnership Approach	<ul style="list-style-type: none"> • Applies a broad-based inclusionary approach and uplift based on precincts as a combination on both approaches. • A higher rate applies to growth area. 	<ul style="list-style-type: none"> • Would apply to the whole LGA as an additional contribution. • Development feasibility for the inclusionary areas relies on housing price growth as opposed to planning uplift.
Latest DPE Feedback Approach (Newcastle)	<ul style="list-style-type: none"> • Uplift based on precincts. • Additional contributions based on uplift (LGA wide) outside of growth areas. 	<ul style="list-style-type: none"> • All areas that have uplift will be required to pay a contribution (regardless of planned area or not). • Develops a broad-based contribution while minimising reliance on market movements and land-banking for development viability.

Impact of contributions on feasibility

Once Council decides on its approach, feasibility testing will be conducted to determine the financial implications. This is vital to ensure that contribution rates are set at a reasonable level that facilitates delivery of affordable housing, without placing an unacceptable level of financial burden on developers and stymying development.

The image below shows that low contribution rates would likely have less of an impact on the total number of affordable housing dwellings delivered, whereas higher contribution rates may decrease the total number of developments but deliver more affordable dwellings per development.



Case studies

An overview of existing AHCS case studies is provided below. It is noted that, at the time of publishing this Strategy, a limited number of Council's have implemented AHCS. The only other council in the North Coast Region with an AHCS in place is Byron Shire. With much higher land values and return on investment in Byron, contribution rates are considerably higher than other areas and are not recommended to be adopted in Clarence Valley due to impacts on feasibility.

Scheme	Description
Byron Shire Affordable Housing Contributions Scheme	<p>The scheme applies to Byron Bay, Mullumbimby and Bangalow. The contribution rates are:</p> <ul style="list-style-type: none"> • <u>On-site</u>: 20% of the area of residential lots in the development must be provided as an affordable housing contribution. • <u>Monetary</u>: 20% of the area of residential lots in the development must be provided as an affordable housing contribution monetised. • <u>Other in-kind (dwellings)</u>: 20% of the area of residential lots in the development must be provided as an affordable housing contribution, as in-kind (dwellings) of equivalent value. • <u>Combined</u>: 20% of the area of residential lots in the development must be provided as an affordable housing contribution, in kind and monetised. <p>Where an affordable housing contribution is made in the form of land or dwellings, the land or dwelling/s will be owned by Council and retained as affordable housing in perpetuity. The dwellings provided under Byron Shire's Affordable Housing Implementation and Delivery Program will be owned and/or managed by a Community Housing Provider nominated by Council.</p>

City West Affordable Housing Program This scheme applies to residential and non-residential development, with exclusions, within Ultimo-Pyrmont. The contribution rates are:

(City of Sydney, 2010)

- 0.8% of the total residential floor area (\$34.61/sqm)
- 1.1% of the total non-residential floor area (\$49.73/sqm)

Once contributions are received, the City of Sydney retains ownership of all dedicated dwellings and provides all monetary contributions to the City West Housing community housing provider. The City of Sydney has allocated City West Housing as the manager for all their affordable housing units.

Kensington and Kingsford Town Centres Affordable Housing Plan
(Randwick City Council, 2019)

This scheme applies to residential development, with exclusions, in the Kensington and Kingsford Town Centers. The contribution rates are:

- 3% of total residential floor area (\$324.38/sqm) applying from 13 August 2020 to 13 August 2022
- 5% of total residential floor area (\$593.75/sqm) applying after 13 August 2022

Once contributions are received, Randwick retains ownership of all dedicated dwellings and monetary contributions. Randwick will elect a chosen community housing provider to manage their entire portfolio for a set period of time.

Glenmore Park and Orchard Hills North Affordable Rental Housing Contributions Scheme
(Penrith City Council, 2023)

This scheme applies to residential accommodation development, with exclusions, in the Glenmore park and Orchard Hills greenfield areas. The contribution rates are as follows:

- 1% per ha net developable area (\$76,000/ha) in Glenmore Park from 2024
- 3% per ha net developable area (\$228,000/ha) in Glenmore Park from 2027
- 1% per ha net developable area (\$76,000/ha) in Orchard Hills from 2024
- 2% per ha net developable area (\$152,000/ha) in Orchard Hills from 2027

Penrith does not have a preference for contributions and will transfer everything received to a chosen community housing provider after a tender process.

Waverley Affordable Housing Contributions Scheme
(Waverley Council, 2020)

This scheme applies to developments that deliver apartments across the entire LGA. The value per square meter of the contribution differs based on the suburb the development is located in. The rates are as follows:

- 1% of the gross floor area of new residential apartment development (\$14,000/sqm to \$21,000/sqm)
- 10% of the gross floor area of sites receiving uplift through planning controls (\$14,000/sqm to \$21,000/sqm)

Waverley's preference is for monetary contributions however they can accept dwellings. Once contributions are received, Waverly retains ownership of all contributions. Affordable housing units will be managed by a community housing provider on a case-by-case basis.

Priority 4: Deliver resilient, liveable and sustainable communities.

Resilience refers to the capacity to absorb, adapt to, and recover from shocks or disturbances. In housing, resilience involves the design, construction, and maintenance of homes to withstand and recover from various shocks like floods, bushfires, or public health crises like COVID-19.

Resilient housing reduces physical damage, protects inhabitants, enables quicker recovery, contributes to community stability, and presents long-term economic benefits. Managing these stresses involves combining effective design and construction, land use planning, building codes, emergency planning, and community education.

Mitigation Measures

Key mitigation measures include elevated building design to protect against floods, the use of fire-resistant construction materials for resilience against bushfires and enforcing building codes and standards to ensure overall housing resilience. For existing homes, retrofitting, which can involve structural reinforcements or protective additions such as installing flood doors and fire sprinklers and using flame-retardant paint can significantly enhance resilience. Incorporating climate-adaptive design principles, such as passive cooling and heating or efficient water management systems, can help homes withstand climate change-induced extreme weather events.

Proper land use planning to avoid building in high-risk areas, along with resilient infrastructure, ensures homes can function during and after disaster events. Critically, the recommendations from the flood and bushfire inquiries highlight the need for a risk-based approach to planning for natural hazards and include prioritising and encouraging new development in safe areas and ensuring evacuation routes are available and of sufficient capacity where new development is permitted in disaster-likely areas.

Educating homeowners on disaster preparedness and promoting the adoption of such measures, like emergency kits and evacuation plans, can greatly contribute to housing and community resilience.

Resilient Homes and Resilient Lands Program

The Resilient Homes Program provides financial assistance to homeowners in the Northern Rivers region, enabling them to enhance the flood resilience of their properties through retrofitting and promoting safer construction practices, ultimately creating resilient living spaces.

The Resilient Lands Program employs a place-based approach, combining strategy, policy and planning to empower Northern Rivers communities in their reconstruction efforts and bolster resilience.

This program has recently released the draft Northern Rivers Resilient Lands Strategy. The draft strategy identifies 22 short, medium and long-term sites for redevelopment across the local government areas to facilitate the construction of flood-resistant housing in the Northern Rivers region. One site at Junction Hill, Grafton, has been identified as a priority site.

Together, these initiatives form a comprehensive framework for fostering resilience and supporting the recovery and reconstruction efforts in the region.

Liveable and sustainable communities

To promote liveable and sustainable communities, the land use planning approach in section 3.2, and the Strategy more broadly, encourages:

- New housing to be delivered on land that is already zoned for residential uses, prioritising areas that are well-served by existing services and facilities.
- New housing in both greenfield and infill locations is supported by infrastructure, including social and green infrastructure.
- New urban release and rural residential to be located in areas away from the coastal strip.
- Protect and enhance the unique character of the LGA's towns and villages and incorporate a placemaking approach to create sustainable and liveable communities.
- Amendments to planning controls to provide for targeted infill on key sites in Grafton, Maclean and Yamba above the flood planning level.

Actions to deliver resilient, liveable and sustainable communities	
4.1	For key centres identified for targeted planning interventions in Action 2.1 (Grafton, South Grafton, Yamba, Maclean and Iluka), prepare precinct plans to apply placemaking principles to these areas.
4.2	Protect areas of high environmental value, employment productivity and strategic agricultural importance by limiting new rezoning applications involving residential/rural residential development in areas not identified in strategic planning documentation and/or with limited strategic merit.
4.3	Protect life and property by limited rezoning applications for residential/rural residential development in areas affected by environmental hazards such as flooding, bushfire or coastal erosion/inundation.
4.4	Review the application of development application requirements and processing practices for developments in heritage conservation areas in Clarence Valley's key centres to ensure the ongoing protection of heritage, while also allowing a reasonable level of development in these areas to meet community needs.
4.5	Incorporate best practice resilience measures, including flood resilient building guidance, into the Clarence Valley DCP.

3.2 Land use planning approach

New development (greenfield housing) in Clarence Valley is anticipated to continue as the dominant form of new housing. However, increasing the share of housing that occurs in the established urban areas (infill development) is also important, as this will maximise the use of existing infrastructure and provide access to a range of existing services and facilities. Table 5 sets out the types of infill housing that will be encouraged in selected centres to meet the needs of dominant household groups/life stages.

In the short to medium term, encouraging compatible and resilient infill housing in Grafton, South Grafton, Yamba, Maclean and Iluka can provide more housing options with good access to public transport, parks, shopping, schools and important social infrastructure. This can encourage a greater diversity of housing products, including townhouses and apartments above shops. These can provide housing forms suitable for the ageing population, households seeking to 'downsize' or locate close to employment opportunities and entry points for young people and families to enter the housing market.

The Clarence Valley Local Environmental Plan (LEP) and Development Control Plan (DCP) have planning provisions that support a mix of housing types. Specific opportunities identified in centres to encourage diversity are detailed in Annexure 4 – Planning interventions. Collectively, the opportunities identified above could create capacity for an additional 1,730 dwellings in the Clarence Valley LGA, with capacity for 1025 additional dwellings in the Upper Clarence area (59%) and capacity for 705 additional dwellings in the Lower Clarence area (41%).

Future opportunities for housing identified for investigation in the long term (+20 years) include: the investigation area at James Creek identified in the North Coast Regional Plan; land to the east of Clarenza Urban Release Area; and land to the east of Junction Hill URA (east of Trenyr Road).



Table 5: Infill housing types, locations and target groups

	Townhouse	Apartments
<i>Dwelling type</i>	Dwellings attached by a common wall with each dwelling on its own lot of land, each with access at ground level and private open space.	<p>Smaller and more generally affordable dwellings in a central location.</p> <p>These can suit smaller households in a range of incomes and/or needing easy access to services, facilities, and employment opportunities.</p> <p>Some premium developments may deliver luxury fittings and amenity inclusions aimed at downsizers and professionals.</p>
<i>Life stage</i>	Older couples and singles, young singles and couples, small families	Older couples and singles, young singles and couples, students
<i>Target dwelling size</i>	Mixed. Primarily two and three bedrooms	Mixed. Should include studio, one- and two-bedroom dwellings.
<i>Focus Areas</i>	Grafton, South Grafton, Yamba, Maclean, Iluka	<p>Grafton City Centre</p> <p>South Grafton CBD</p> <p>Yamba Centre</p>

4.0 IMPLEMENTATION

This section outlines the actions required to implement the Local Housing Strategy. This includes an implementation and delivery plan, potential future planning proposals, and monitoring and review of the Strategy.



4.1 Implementation and delivery plan

This section summarises the priorities and actions outlined in Section 3.0 and provides an indication of the timeframe in which council will implement each of these.

- Immediate: Work has begun
- Short Term: Within 12 months of adoption of the strategy
- Medium term: Within 2-3 years of the adoption of the strategy
- Long Term: Within 5 years of the adoption of the strategy

Priority 1 - Accelerate the supply of development ready land in suitable locations supported by infrastructure and services

No.	Action	Rationale	Responsibility	Timeframe
1.1	Increase awareness of the Clarence Valley Servicing and Delivery Plans that outline the infrastructure and servicing requirements and determines appropriate prioritising and staging of residential and employment land across the LGA, consistent with the Department of Planning's North Coast Settlement Planning Guidelines 2019.	Aligning growth with the timely delivery of supporting infrastructure	Council	Short-term
1.2	For priority urban release areas (particularly Clarenza) prepare structure plans, development controls including preferred densities and infrastructure servicing strategies to establish land can be feasibly serviced and align infrastructure and capital works programs, and existing social/green infrastructure strategies.	Facilitate delivery of diverse housing options in the right locations, supported by infrastructure	Council	Short-term
1.3	Undertake specific technical studies to investigate the viability of rezoning targeted planning intervention areas. In priority areas identified for future growth, carry out detailed studies (e.g. environmental, heritage, traffic and access) to determine the suitability and capacity of land for residential purposes.	Gain an understanding of land capability and critical issues to be resolved as part of rezoning and/or future development.	Council	Short-term
1.4	Support the Department of Planning and Environment's efforts in maintaining the North Coast Housing and Land monitor by providing relevant data for the Clarence Valley LGA, including details of new development applications, subdivisions and dwellings completions.	Ensure accurate information is available on housing supply.	Council	Ongoing

Priority 2 - Actions to encourage a diverse range of housing options in well located areas, to meet community needs.

No.	Action	Rationale	Responsibility	Timeframe
2.1	Encourage compatible and resilient infill housing (including townhouses and apartments above shops) in Grafton, South Grafton, Yamba, Maclean and Iluka on sites with good access to public transport, parks, shopping, schools and important social infrastructure. Recommended targeted planning control amendments are presented in Annexure 4.	Encourage supply of diverse housing options in key centres.	Council	Short-term
2.2	Update Clarence Valley DCP to include objectives and requirements to encourage diversity in lot sizes (including smaller lots under 400m ²); dwelling types; dwelling sizes/number of bedrooms; and to encourage adaptable housing with adequate parking arrangements.	Encourage supply of diverse housing options in greenfield areas.	Council	Short-term
2.3	Expand on Council's proposed fast-track approval processes and apply Housing SEPP provisions (in combination with other council strategies).	Improve certainty and timeliness of development approvals.	Council	Immediate
2.4	Consider opportunities to partner with the Department of Planning and Environment and LALCs to identify areas that may be appropriate for culturally responsive housing on Country.	Provide culturally appropriate housing.	Council, DPE, LALCs	Ongoing
2.5	Identify suitable Council and government-owned land and pursue a pilot project to demonstrate a well-designed and well-located housing development offering a range of dwelling types and sizes, with a focus on building market confidence in such developments.	Direct delivery of diverse and affordable housing.	Council, DPE, CHPs	Immediate
2.6	Update local planning controls to ensure Manufactured Home Estates are located only in areas that have access to social infrastructure and services and to ensure there are ensure controls are in place to minimise potential interface issues with surrounding lands.	Encourage diverse and affordable housing in the right locations.	Council, DPE	Short-term

Priority 3 - Actions to support the delivery of affordable and alternate housing in accessible locations.

No.	Action	Rationale	Responsibility	Timeframe
3.1	Work with other councils in the North Coast Region to advocate for investment in, and increased supply of, social, affordable and community housing by all sectors (private, public and community).	Advocate for affordable housing.	Council	Ongoing
3.2	To allow Council to impose conditions of consent requiring contributions towards affordable housing, progress the preparation of a local or regional Affordable Housing Contribution Scheme and update Clarence Valley LEP to authorise the Scheme.	Support delivery of affordable housing as part of new developments.	Council	Immediate
3.3	Adopt the draft 2023 Clarence Valley's Affordable Housing Policy and prepare a separate Voluntary Planning Agreements (VPA) Policy to outline the processes, procedures and general requirements for negotiating and preparing VPAs, calculating the value of contributions, and assessing feasibility.	Support delivery of affordable housing as part of new developments.	Council	Immediate
3.4	Investigate opportunities for affordable housing on Council owned land delivered through public-private partnerships using a competitive tender process.	Direct delivery of affordable housing.	Council, private developers, CHPs.	Short-term
3.5	Review Council staff delegations to determine all affordable housing development applications by community housing providers.	Support the delivery of affordable housing by reducing timeframes and increasing certainty.	Council	Immediate

Priority 4 - Actions to deliver resilient, liveable and sustainable communities

No.	Action	Rationale	Responsibility	Timeframe
4.1	For key centres identified for targeted planning interventions in Action 2.1 (Grafton, South Grafton, Yamba, Maclean and Iluka), prepare precinct plans to apply placemaking principles to these areas.	Encourage diverse housing in accessible locations.	Council	Short-term
4.2	Protect areas of high environmental value, employment productivity and strategic agricultural importance by limiting new rezoning applications involving residential/rural residential development in areas not identified in strategic planning documentation and/or with limited strategic merit.	Ensure residential development is appropriately located.	Council	Ongoing
4.3	Protect life and property by limited rezoning applications for residential/rural residential development in areas affected by environmental hazards such as flooding, bushfire or coastal erosion/inundation.	Ensure residential development is appropriately located.	Council	Ongoing
4.4	Review the application of development application requirements and processing practices for developments in heritage conservation areas in Clarence Valley's key centres to ensure the ongoing protection of heritage, while also allowing a reasonable level of development in these areas to meet community needs.	Balance the need for housing supply and heritage protection.	Council	Short-term
4.5	Incorporate best practice resilience measures, including flood resilient building guidance, into the Clarence Valley DCP.	Increase resilience.	Council	Short-term.

4.2 Stakeholders

Council will work with internal and external stakeholders to support the delivery of housing and essential growth infrastructure. Key stakeholders include:

- Council's professional planning staff, other internal technical experts (for example, water cycle, engineering experts) and elected Councillors
- Clarence Valley residents
- Development industry

- Other relevant State agencies, including the Department of Planning and Environment
- Community housing providers.

4.3 Planning proposal

While there is sufficient theoretical capacity in existing zoned land to meet housing targets, changes to planning controls are required to facilitate the delivery of the right type of housing in the right locations.

Implementing the identified land use planning approach will require amendment to local planning controls contained in the Clarence Valley LEP and DCP.

A Council-initiated Planning Proposal will be required to amend the following LEP controls as identified for each precinct identified in the Land Use Approach section:

- Zone
- Height of Building
- Minimum Lot Size

To further encourage a diversity of housing, the LEP is to be amended to prohibit dwelling houses in the R3 Medium Density Residential zone. This would signal to the market that the intention of the zone is to support a diversity of 'medium density' housing forms rather than large (3-4 bedroom) standalone dwellings.

The above LEP changes are to be supported by amendments to the DCP to achieve the desired design outcomes. Specific provisions that will require review are:

- Building height controls: These currently specify a maximum height of top plate of building and building height for rear dwellings and on internal lots. Where building heights have been increased in the R3 zone, detailed design review will be required to determine the appropriate height to allow taller dwellings. Similarly, in the E1 Local Centre, the current maximum height of top plate of building control for Yamba CBD will require review.
- Parking controls: The current parking controls impact on the feasibility of development in the city centres, as they limit the amount of floor space that can be achieved. Reduced parking requirements in these areas within walking distance of services, facilities, recreation and leisure opportunities should be considered. This is particularly important in Yamba and Grafton. Opportunities for carsharing initiatives and provision of cycling infrastructure should also be explored.

Further changes to planning controls will be required following further investigations and precinct planning. We expect to complete this work by the next five-year review.

Analysis of dwelling capacity has shown that many of the remote villages or areas that have historic village-type subdivision plans are highly constrained by environmental considerations, especially bushfire and biodiversity. The zoning of these is R5 and R2 is unlikely to ever be realised through development. In some cases (for example, Dumbarton) National Parks and Wildlife is in the process of acquiring the land. Council may wish to consider review of the zoning of these villages and rezoning to a zone such as C3 Environmental Management or C4 Environmental Living.

4.4 Monitoring and review

To ensure its ongoing improvement and relevance, the Strategy will be monitored and reviewed on an annual, five yearly and 10 yearly basis consistent with the NSW Local Housing Strategy Guideline.

- Annual reviews will consider annual housing delivery and supply against the implementation and delivery plan to ensure that the Strategy and the LEP are delivering the LHS objectives in a timely manner. The annual review provides an opportunity to monitor and identify trends which will help to inform and be considered as part of the five-year review.
- Five-yearly reviews will consider the evidence base and housing stock against the broader aims of the North Coast Regional Plan to ensure that the Strategy is aligned with the housing needs. The five-yearly review will also include a review of the policies to influence the supply and demand for housing in the local area.
- The 10 yearly review will ensure that the 20-year vision statement, the evidence base and the strategic and planning contexts are aligned with the goals of the community, the broader aims of regional plans, and the Strategy's implementation and delivery plan.

Whenever regular monitoring identifies considerable changes in the housing supply or demand, or demographic, economic or environmental conditions, Council will consider a holistic review of the Strategy.

ANNEXURE 1 – PLANNING AND POLICY CONTEXT

State context

NSW Housing Strategy

Published by the NSW Department of Planning and Environment (DPE) in March 2021, *Housing 2041: NSW Housing Strategy* (the NSW Housing Strategy) envisions that by 2041, 'NSW will have housing that supports security, comfort, independence, and choice for all people at all stages of their lives.

The NSW Housing Strategy acknowledges that housing is a key contributor to the socio-economic wellbeing and health of individuals and communities. To meet the diverse needs of the local communities at every stage of life, it is not enough to simply increase the supply of housing. People's circumstances, lifestyle and culture influence their needs, and where and how they choose to live is about more than just the dwelling itself. In recognition of this, the NSW Housing Strategy provides a range of actions, focused around the following four 'housing pillars':

- **supply**—housing supply delivered in the right location at the right time.
- **diversity**—housing is diverse, meeting varied and changing needs of people across their life.
- **affordability**—housing that is affordable and secure.
- **resilience**—housing that is enduring and resilient to natural and social change.

Housing SEPP

The NSW Government introduced the State Environmental Planning Policies (Housing) 2021 (the Housing SEPP) in November 2021, which repealed and replaced the following SEPPs.

1. Affordable Rental Housing SEPP 2009
2. Housing for Seniors and People with a Disability SEPP 2004
3. SEPP 70 – Affordable Housing (Revised Schemes)
4. SEPP 21 – Caravan Parks
5. SEPP 36 – Manufactured Home Estates.

The Housing SEPP contains planning provisions, including bonus incentives, to encourage the delivery of diverse and affordable housing in the right locations, to meet the diverse needs of communities at every stage of life.

Codes SEPP

The State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 (Codes SEPP) aims to streamline development that is considered to have minimal environmental impacts. Works can either be carried through exempt or complying development to enable a faster approval and construction process. Regarding complying development, there are four key codes that enable a Principal Certifying Authority

(PCA) to approve certain types of residential development, subject to compliance with relevant statutory controls, including:

- **Part 3 Housing Code** applies to land not applicable under the Greenfields Housing Code or zoned for rural or environmental protection purposes.
- **Part 3A Rural Housing Code** applies to land zoned for rural purposes or R5 Large Lot Residential.
- **Part 3B Low Rise Housing Diversity Code** which sets development standards and permissibility for certain medium density housing types.

Regional context

North Coast Regional Plan 2041

In December 2022, DPE published the *North Coast Regional Plan 2041* (the Regional Plan) which sets the strategic vision for 12 LGAs, including Clarence Valley. Table 1 summarises key goals and priorities identified in the Regional Plan in relation to housing.

Table 1: Relevant goals/priorities for the North Coast Region

Goal/priority	Objective(s)
Goal 1: Liveable, sustainable and resilient	<ul style="list-style-type: none"> ▪ Objective 1: Provide well-located homes to meet demand <ul style="list-style-type: none"> ▪ Strategy 1.1: A 10 year supply of zoned and developable residential land is to be provided and maintained in Local Council Plans endorsed by the Department of Planning and Environment ▪ Strategy 1.2: Local Council plans are to encourage and facilitate a range of housing options in well located areas. ▪ Strategy 1.3: Undertake infrastructure service planning to establish land can be feasibly serviced prior to rezoning. ▪ Strategy 1.4: Housing strategies must prioritise new infill development to assist in meeting the region's overall 40% multi-dwelling / small lot housing target and are encouraged to work collaboratively at a subregional level to achieve the target. ▪ Strategy 1.5: New rural residential housing is to be located on land which has been approved in a strategy endorsed by the Department of Planning and Environment and is to be directed away from the coastal strip. ▪ Strategy 1.6: Councils and LALCs can partner to identify areas which may be appropriate for culturally responsive housing on Country. ▪ Objective 2: Provide for more affordable and low-cost housing <ul style="list-style-type: none"> ▪ Several policy frameworks support the delivery of affordable housing, including infill affordable housing and boarding house provisions in the Housing SEPP. ▪ Councils can also consider providing for low cost dwelling types in their local strategies and plans to assist housing affordability. Low cost

Goal/priority	Objective(s)
	<p>housing types remain in perpetuity, unlike some affordable housing dwellings which revert to market rates after a set period.</p> <ul style="list-style-type: none"> ▪ Councils can encourage diversity of housing types through a range of mechanisms such as: Bonus development provisions, where a percentage of affordable housing is included in a proposal; Reduced contributions or other development incentives that may boost construction of secondary dwellings as alternative affordable housing. ▪ Council must have an affordable housing contributions plan in place to impose a condition of consent to require contributions towards affordable housing. <p>▪ Objective 5: manage and improve resilience to shocks and stresses, natural hazards, and climate change</p> <ul style="list-style-type: none"> ▪ Strategy 5.1 When preparing local strategic plans, councils should be consistent with and adopt the principles outlined in the Strategic Guide to Planning for Natural Hazards. ▪ Strategy 5.2 Where significant risk from natural hazard is known or presumed, updated hazard strategies are to inform new land use strategies and be prepared in consultation with emergency service providers and Local Emergency Management Committees (LEMCs). Hazard strategies should investigate options to minimise risk such as voluntary housing buy back schemes. ▪ Strategy 5.3 Use local strategic planning and local plans to adapt to climate change and reduce exposure to natural hazards. An example of this is locating urban release areas away from areas of known high bushfire risk, flood and coastal hazard areas to reduce the community's exposure to natural hazards.
Goal 3: Growth, change, and opportunity	<p>▪ Objective 18: Plan for sustainable communities</p> <ul style="list-style-type: none"> ▪ Strategy 8.1 Local planning should protect and maintain agricultural productive capacity in the region by directing urban, rural residential and other incompatible development away from important farmland.
Regional priorities	<ul style="list-style-type: none"> ▪ Develop Grafton's importance and role in the region through placemaking improvements, growing the economy and providing job opportunities, housing and services.
Liveable and resilient	<ul style="list-style-type: none"> ▪ Provide adaptation and mitigation strategies in response to natural hazards, including climate change. ▪ Retain and enhance the unique heritage values of the built environment, through well-designed development in historic centres. ▪ Support environmentally sustainable development that is responsive to natural hazards.
Housing and place	<ul style="list-style-type: none"> ▪ Enable appropriate housing development throughout the LGA, including at Grafton, Clarenza, James Creek, Junction Hill and West Yamba. ▪ Explore opportunities to provide more affordable housing near supporting infrastructure and services. ▪ Provide a diverse range of housing types with access to facilities and services that meet population and demographic needs. ▪ Protect and enhance the unique character of the LGA's towns and villages. ▪ Incorporate a placemaking approach to create sustainable and liveable communities.

Source: NSW DPE (2022)

Resilient Lands Strategy

Following the 2022 flooding across the Northern Rivers region, the Northern Rivers Reconstruction Corporation (NRRC) was established. The NRRC – now part of the NSW Reconstruction Authority – is intended to coordinate and lead reconstruction and adaptation efforts across the region.

The NRRC is responsible for the Resilient Lands Program, which aims to deliver a sustainable supply of suitable land for housing in the Northern Rivers and develop a *Northern Rivers Resilient Lands Strategy* (the *Resilient Lands Strategy*). The strategy will identify land suitable for residential development and providing flood-affected residents with options for relocation within the region.

As at the time of drafting this LHS, the NRRC has released a draft summary report of the *Resilient Lands Strategy*, which identifies Clarence Valley as a ‘high risk area’.

According to the draft summary report, the *Resilient Lands Strategy* identifies 22 sites across the Northern Rivers region, with the potential to deliver up to 10,300 dwellings. This includes one site within the Clarence Valley LGA, located to the north of Grafton (within the existing locality of Junction Hill), the Junction Hill urban release area (URA). The draft summary report identifies this site as ‘C1’ and classifies it as a short-term site that is both able to be serviced and not subject to flood risk; with capacity for between 850 and 1,270 dwellings. This site is discussed further in section **Error! Reference source not found..**

Development of the sites identified in the strategy will be supported by \$100 million in funding – available under the Resilient Lands Program – to support feasibility, enabling infrastructure, pilot programs, social and affordable housing, land acquisition, and government-led residential development.

Local context

Clarence Valley Local Strategic Planning Statement

Published by Clarence Valley Council in July 2020, the *Clarence Valley Local Strategic Planning Statement* (LSPS) gives effect to the Northern Rivers District Plan and establishes a long-term strategic vision for land use planning in the Clarence Valley LGA based on local needs and aspirations. Key priorities and actions relating to housing in the LSPS are summarised in Table 2.

Table 2: Relevant priorities and actions for Clarence Valley

Priority 1: Take a proactive place making approach to create great places to live, work and play [...].

- **Action 1.1:** Prepare a Local Growth Management Strategy for the Clarence Valley.

Priority 3: Plan for a growing population and provide safe, resilient and sustainable places for communities to grow

- **Action 3.2:** Undertake a strategic housing needs assessment study to inform the development of our local growth management strategy for the Clarence Valley, in collaboration with our community, other Councils and state agencies.

- **Action 3.4:** Investigate measures to encourage a wide range of smaller homes in appropriate locations of our existing centres to help achieve a target of 40% infill housing across the Clarence LGA.

Priority 4: Provide housing choice to meet community needs, including social and affordable housing

- **Action 4.1:** Provide for a planning framework and processes that enable more dual occupancies, townhouses, villas and smaller dwellings within appropriately planned areas, where these provide for safe housing sympathetic to the character and amenity of the area.
- **Action 4.2:** Monitor levels of social and locational disadvantage, in order to provide targeted support and services such as the ageing population and delivering programs aimed at providing opportunities for young people, and affordable housing.
- **Action 4.3:** Investigate whether there are planning impediments to the establishment and operation of not-for-profit community service providers to ensure key community services can be delivered as effectively as possible.
- **Action 4.4:** Develop a Housing Strategy in line with the DPIE Local Housing Strategy Guideline 2018 (and a particular emphasis on integrating liveability principles), to sit alongside a local growth management strategy.

Priority 5: Provide for healthy, safe and well connected communities, particularly providing for social infrastructure

- **Action 5.1:** Work with Department of Planning, Industry and Environment to establish social infrastructure benchmarks, minimum standards and social impact assessment frameworks for local planning.
- **Action 5.2:** Deliver Crime Prevention Through Environmental Design (CPTED) outcomes through the planning process, particularly strategic planning, rezoning and development applications.

Priority 6: Preserve and enhance the local character of and heritage of our diverse places and communities

- **Action 6.1:** Work with Department of Planning, Industry and Environment to update the North Coast Design Guidelines and ensure new development adheres to the principles and expected outcomes.
- **Action 6.2:** Work with local communities to prioritise and then develop site specific Local Character Statements or Character Narratives for all existing and proposed Heritage Conservation Areas and associated development controls for coastal communities such as [...].
- **Action 6.4:** Encourage appropriate re-use of Grafton gaol with regard to local character and vitality of the Grafton CBD.

Priority 7: Coordinate local and state funded infrastructure delivery with land use planning

- **Action 7.1:** Ensure the development of a Local Growth Management Strategy (LGMS), housing strategies and other plans strategies are informed by and co-ordinated with infrastructure delivery and funding. This includes social infrastructure, as well as active travel infrastructure (such as walking and cycling paths).

Priority 17: Plan for safer, more disaster resilient communities

- **Action 17.1:** Ensure that decision making helps create safer, more disaster resilient communities, with particular regard to the long-term social and economic costs of the potential effects of natural hazards, and issues relating to risk to life and evacuation capacity.
- **Action 17.5:** Promote the use of flood resilient building practices for development in areas at risk of flooding in the Clarence up to Probable Maximum Flood and explore the economic feasibility and implications of planning controls.
- **Action 17.8:** Incorporate new knowledge on regional climate projections and related cumulative impacts in local plans for new urban development, including to consider the regional systems transition model as outlined in NERA Repot 2019.

Priority 18: Promote a low-carbon community

- **Action 18.1:** Update relevant planning controls to ensure that areas for investigation for urban or employment land must also consider energy efficiency, infrastructure efficiency and sustainability impacts through the planning process.

Priority 19: Promote a low-carbon community

- **Action 19.1:** Plan for the development of the regions natural, mineral and forestry resources, and direct land uses such as residential development, urban roads and infrastructure that are sensitive to impacts from noise, dust, vibration and light to suitable locations.

Source: Clarence Valley Council (2020)

Clarence Valley Local Environmental Plan 2011

The *Clarence Valley Local Environmental Plan 2011* (CVLEP) is the local environmental planning instrument for the Clarence Valley LGA. It has been revised and amended numerous times since commencement, including changes to the supply of land for housing. An analysis of planning controls can be found on pages 136.

Clarence Valley Development Control Plans

There are five Development Control Plans (DCPs) that Council has developed and implemented for the LGA. Each DCP relates to development in a particular category of zone, therefore where residential development is permitted in a zone, the DCP is relevant to this LHS. The relevant DCPs are:

- *Business Zones Development Control Plan 2011*
- *Residential Zones Development Control Plan 2011*
- *Rural Zones Development Control Plan 2011.*

Clarence Valley Affordable Housing Policy

In 2015, Council adopted version three of its Affordable Housing Policy. Under the current framework for affordable housing, Council may only impose a condition of consent requiring contributions towards affordable housing if it has a local or regional Affordable Housing Contributions Scheme to be in place. This means the only other mechanism available to Council to directly influence the supply of affordable housing under the policy is the use of voluntary planning agreements as part of spot-rezonings.

While planning agreements can be useful tool to ensure developers to contribute towards local infrastructure to support growth, there are certain limitations that must be acknowledged. Developers often refuse to enter into a planning agreement to deliver affordable housing on the basis that it is not financially feasible to do so. Under the current system, planning agreements are voluntary, and Council cannot refuse to progress a planning proposal on the basis that the developer does not offer to enter into one.

Other local plans and strategies

Council has also developed a range of other strategic planning strategies, including the recently adopted *Employment Lands Strategy* and *Rural Lands Strategy*. These strategic planning activities and the development of this LHS have been informed by *The Clarence 2032*, Council's Community Strategic Plan, which was developed through wide community consultation and outlines a shared vision for the LGA.

This LHS accompanies these strategies, and will support the development of a Local Growth Management Strategy (LGMS). In addition, the LHS and LGMS will assist in undertaking future reviews of the CVLEP and DCPs.

ANNEXURE 2 – THE EVIDENCE

Demographic trends

This section analyses demographic data and information to identify changes and trends within the population, and to understand the housing need of the future population.

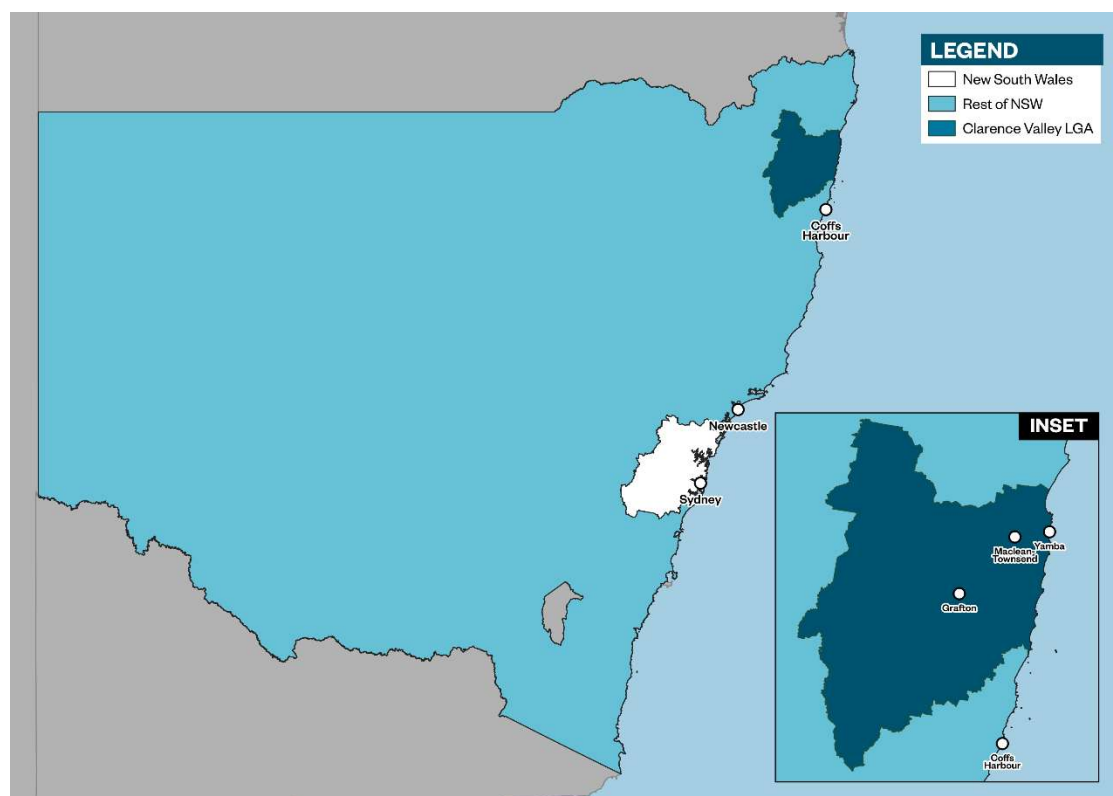
The demographic analysis contained within this chapter generally pertain to the Clarence Valley LGA as a whole. Where relevant, data from other areas is been presented to enable comparative analysis and provide further context. The comparator areas used in this chapter are:

- New South Wales (the entire State)
- Rest of New South Wales (the entire State excluding Greater Sydney).

These are shown in Figure 1.

In addition, smaller areas have been utilised in some sections to enable differences across demographic variables between parts of the Clarence Valley LGA to be examined. These areas are identified and shown as necessary in the relevant section.

Figure 1: Demographic study areas: Clarence Valley LGA, Rest of NSW, and NSW



Source: Mecone

Population change

Historic population profile

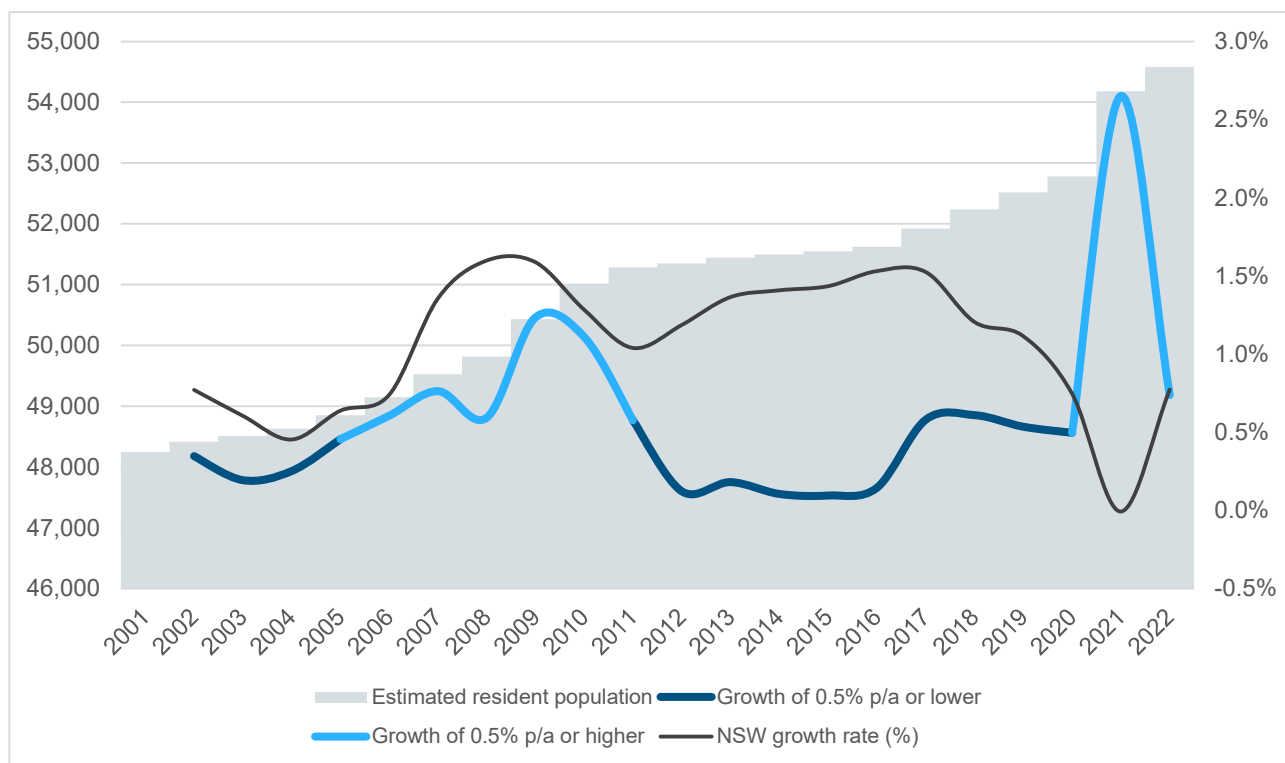
As at the 2021 Census, the Clarence Valley LGA had a total population of 54,115 persons. The most recent available data for the LGA (for 2022) shows an additional increase, to a total estimated resident population of 54,580 persons.

Figure 2 shows the estimated resident population for the Clarence Valley LGA over the period 2001 to 2022, along with the annual growth rate. The annual growth rate shows distinct phases of minimal or slow population growth (2001-2004, 2012-2020) interjected by relatively rapid population growth (2005-2011, 2020-2022).

Overall, across the period 2001 to 2022, the Clarence Valley LGA grew by over 6,300 people. A wide range of factors are likely to have contributed to this, including an acceleration of people moving to the LGA for the lifestyle, including in-migration associated with the COVID-19 pandemic, which was largely unanticipated. The relative affordability of the area is likely to be another important attractor.

The Clarence Valley LGA is also home to a significant and growing First Nations population. As at the 2011 Census, over 2,800 people in the LGA (just below six per cent of the overall population) identified as Aboriginal and/or Torres Strait Islander. At the most recent 2021 Census, this figure had risen to almost 4,400 people, or more than eight per cent of the overall population.

Figure 2: Historic population growth and growth rates, Clarence Valley LGA and NSW (2001-2022)



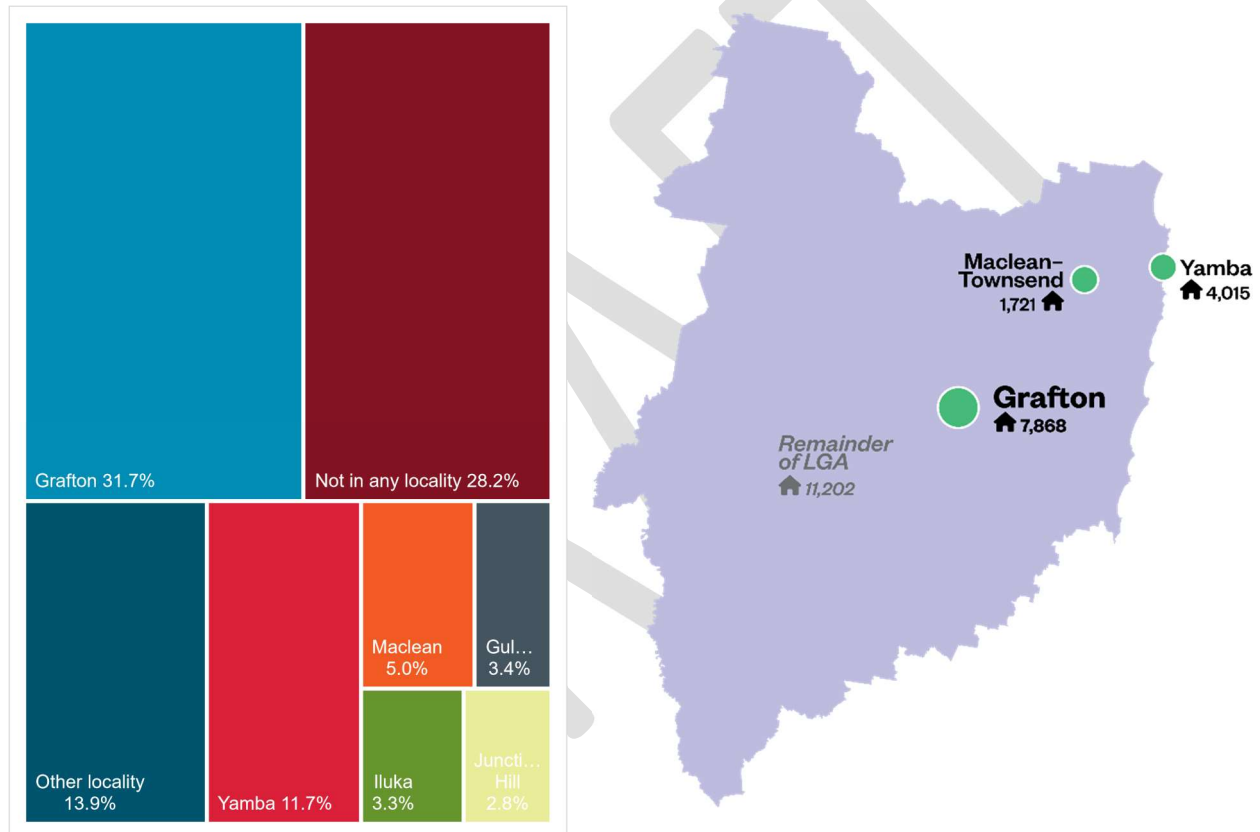
Source: ABS *Regional Population* (2023)

Figure 2 also shows the population growth rate recorded across NSW for the same period. Between 2002 and 2011, the Clarence Valley LGA's population growth rate was generally similar to that of NSW. Following this period, NSW maintained a significantly higher population growth rate than the Clarence Valley LGA for around a decade. Between 2020 and 2022, the Clarence Valley LGA's population growth rate soared, whilst the opposite occurred across NSW. In 2021, the Clarence Valley LGA's annual population growth rate was 2.5 per cent whilst NSW grew by 0 per cent. This likely reflects exurban migration trends associated with the onset and peak of the COVID-19 pandemic in Australia.

The Clarence Valley LGA's population is distributed unevenly across its area, as shown in Figure 3 Grafton and Yamba are the main centres of the LGA, with nearly a third of the entire Clarence Valley LGA's 2021 population residing in Grafton alone, and over ten per cent in Yamba. The next largest settlement by share of population is Maclean, with less than half of Yamba's share (five per cent of the total LGA population).

Most settlements in the LGA are concentrated along or near the Clarence River. The LGA's urban centres – and therefore, more than half of Clarence Valley LGA residents (57.9 per cent) – are exclusively located along or near the Clarence River, with only a selection of the smaller and less populated localities being significantly separated from the watercourse.

Figure 3: Settlements by proportion of Clarence Valley LGA population (2021)



Source: HillPDA, ABS TableBuilder (2023)

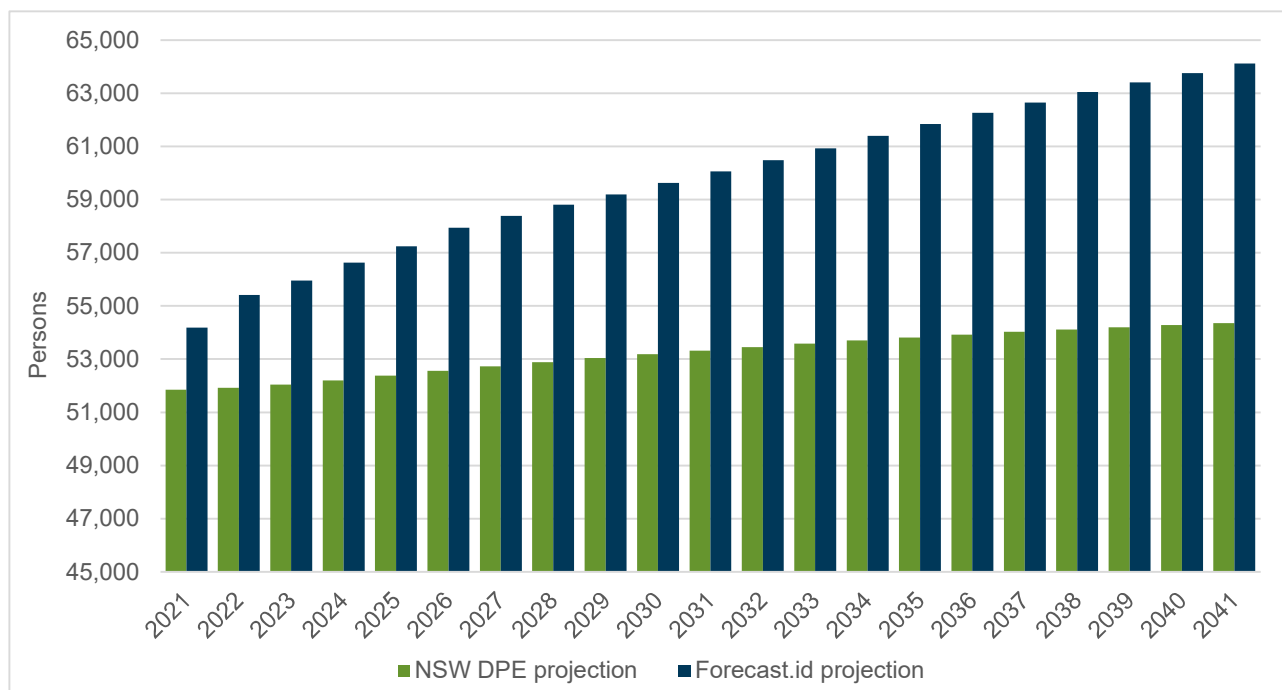
Projected population profile

DPE's projections estimate that the Clarence Valley LGA will reach 54,352 people by 2041. Whilst this would have represented steady population growth from the starting point used for those projections, ABS estimates of the resident population indicate that this figure was surpassed in 2022. Conversely, .id projects that the

Clarence Valley LGA's population will grow to 64,121 people by 2041, representing an average growth rate of 0.8% per annum.

Over the period 2021-2041, DPE's projections now effectively anticipate zero population growth, whilst .id projects almost 10,000 additional Clarence Valley residents by 2041. This is shown in Figure 4.

Figure 4: Population projections comparison, Clarence Valley LGA (2021-2041)



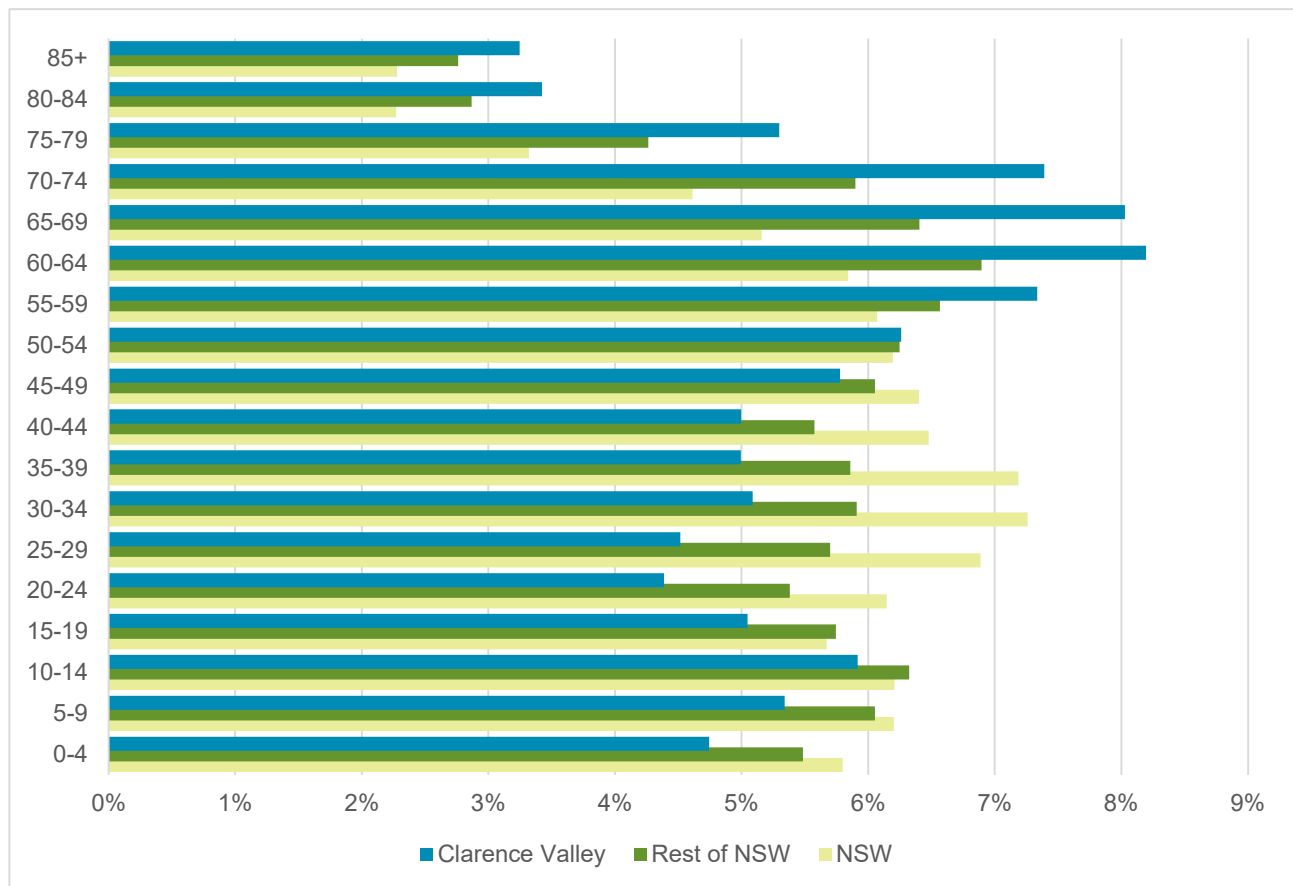
Source: NSW DPE (2022), .id (2023)

Age structure

Historic age structure

As at the 2021 Census, the median age in the Clarence Valley LGA was 49 years, significantly older than that recorded across the Rest of NSW (43 years) and NSW as a whole (39 years), reflecting a population with proportionally few young people. This is illustrated in Figure 5.

Figure 5: Population age structure, Clarence Valley LGA and comparator areas (2021)



Source: HillPDa, ABS Table Builder (2023)

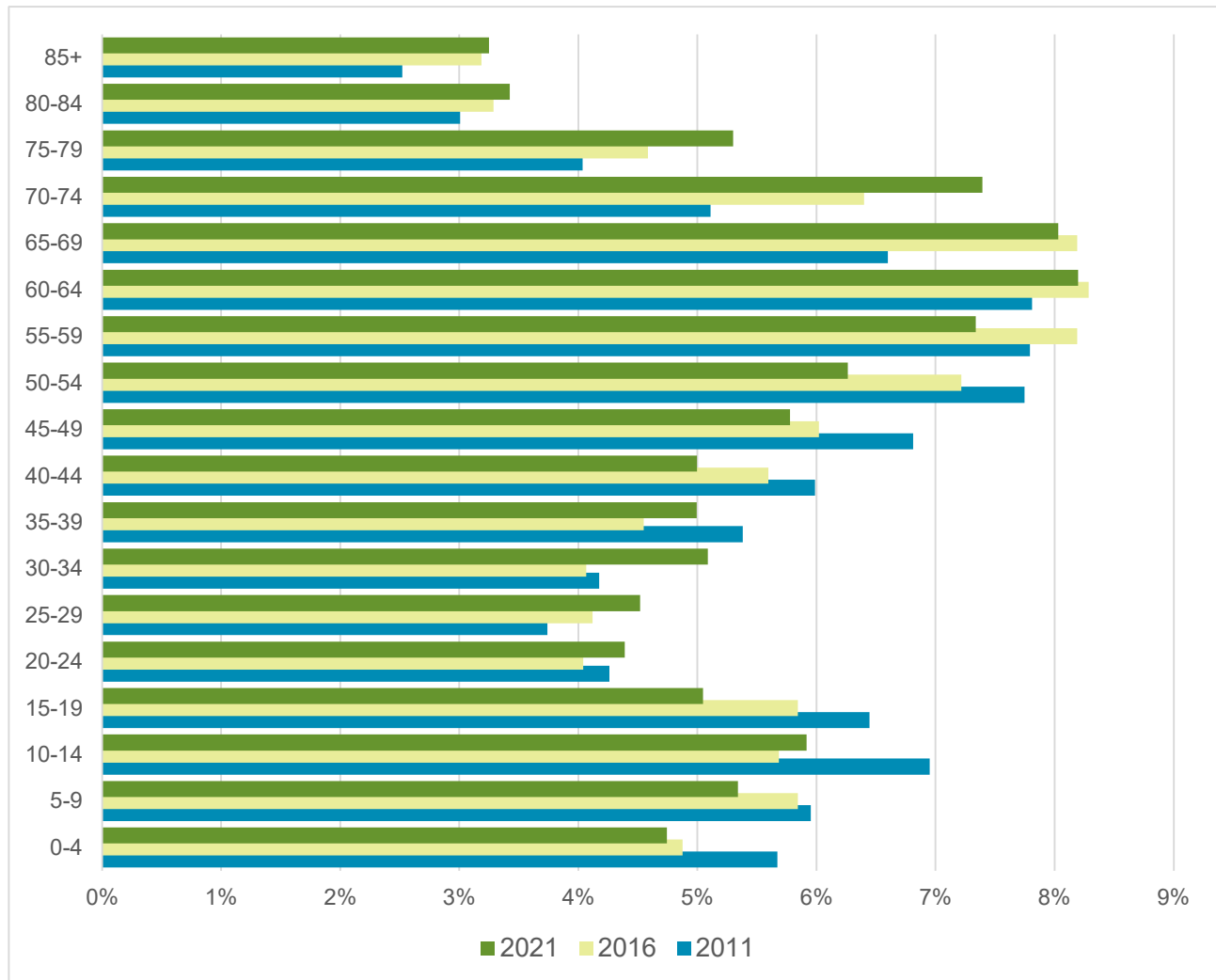
For all five year age groups below 50 years of age, there were proportionally fewer residents in the Clarence Valley LGA compared to the comparator areas, whilst the opposite is true for five year age groups over 50 years of age.

The most significant difference can be seen in young adult age groups (20-39 years of age), which collectively constitute slightly less than one fifth of the Clarence Valley LGA's population, much lower than the same figure for the Rest of NSW (around 23 per cent) or NSW (around 28 per cent). The Clarence Valley LGA however, has a far higher proportion of residents aged over 55 years (around 43 per cent) compared to the Rest of NSW or NSW (roughly 36 and 30 per cent respectively).

Figure 6 shows how the LGA's age structure has changed over the ten year period between 2011 to 2021. Compared to in 2011, the Clarence Valley LGA in 2021 had proportionally less children and teenagers, as well far fewer adults aged between 35 and 54 years. Interestingly, the high proportion of residents aged 10-19 years old at the 2011 Census has not been reflected in the 2021 Census results for the corresponding age group (20-29 years). This may be indicative of (at least during the ten year period from 2011 to 2021)

young people departing the LGA. In 2016 and 2021, the Clarence Valley LGA showed proportionally far higher numbers of older adults, aged 60 and over. In particular, residents aged 65 to 79 years made up much more of the LGA's population in 2021.

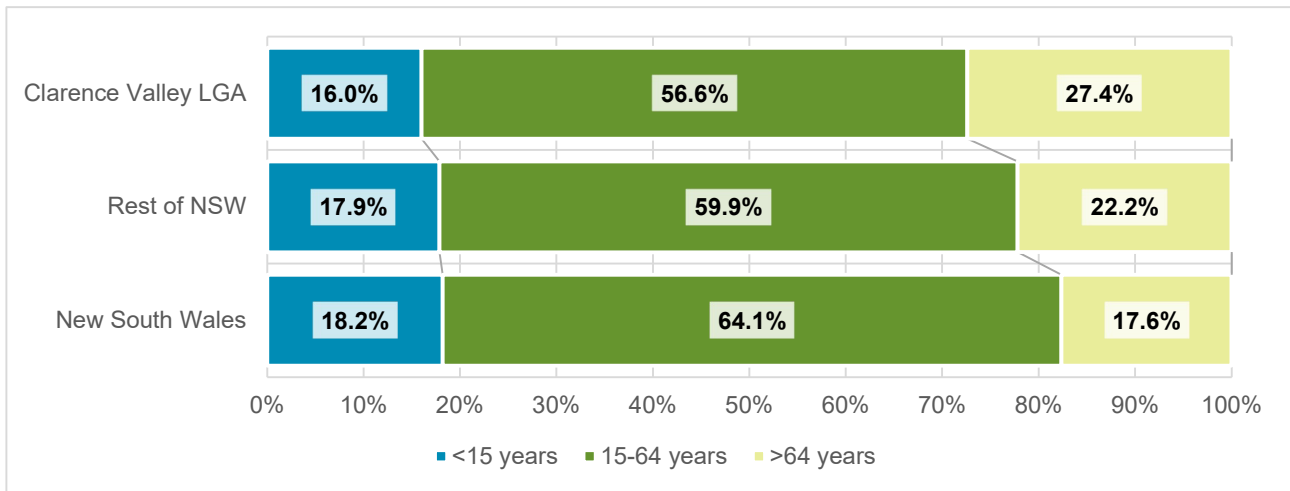
Figure 6: Comparative population age structure Clarence Valley LGA (2011-2021)



Source: HillPDA, ABS TableBuilder (2023)

Clarence Valley's working aged population (aged between 15 and 64 years at the time of the Census) was lower than other parts of NSW in 2021 (Figure 7).

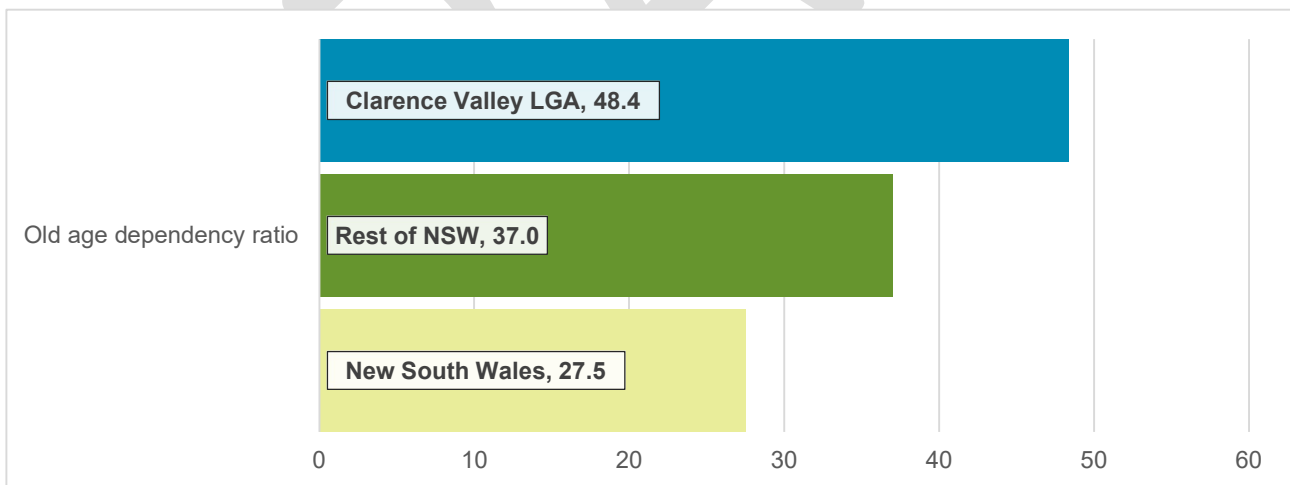
Figure 7: Working age population, Clarence Valley LGA and comparator areas (2021 Census)



Source: HillPDA, ABS TableBuilder (2023)

This relationship between working age and older than working age residents can be described using an 'old age dependency ratio'. In 2021, the Clarence Valley LGA had almost fifty residents above working age per one hundred working age residents. This was much higher than that seen across the Rest of NSW (37 per 100) and NSW (around 28 per 100).

Figure 8: Old age dependency ratio, Clarence Valley LGA and comparator areas (2021)



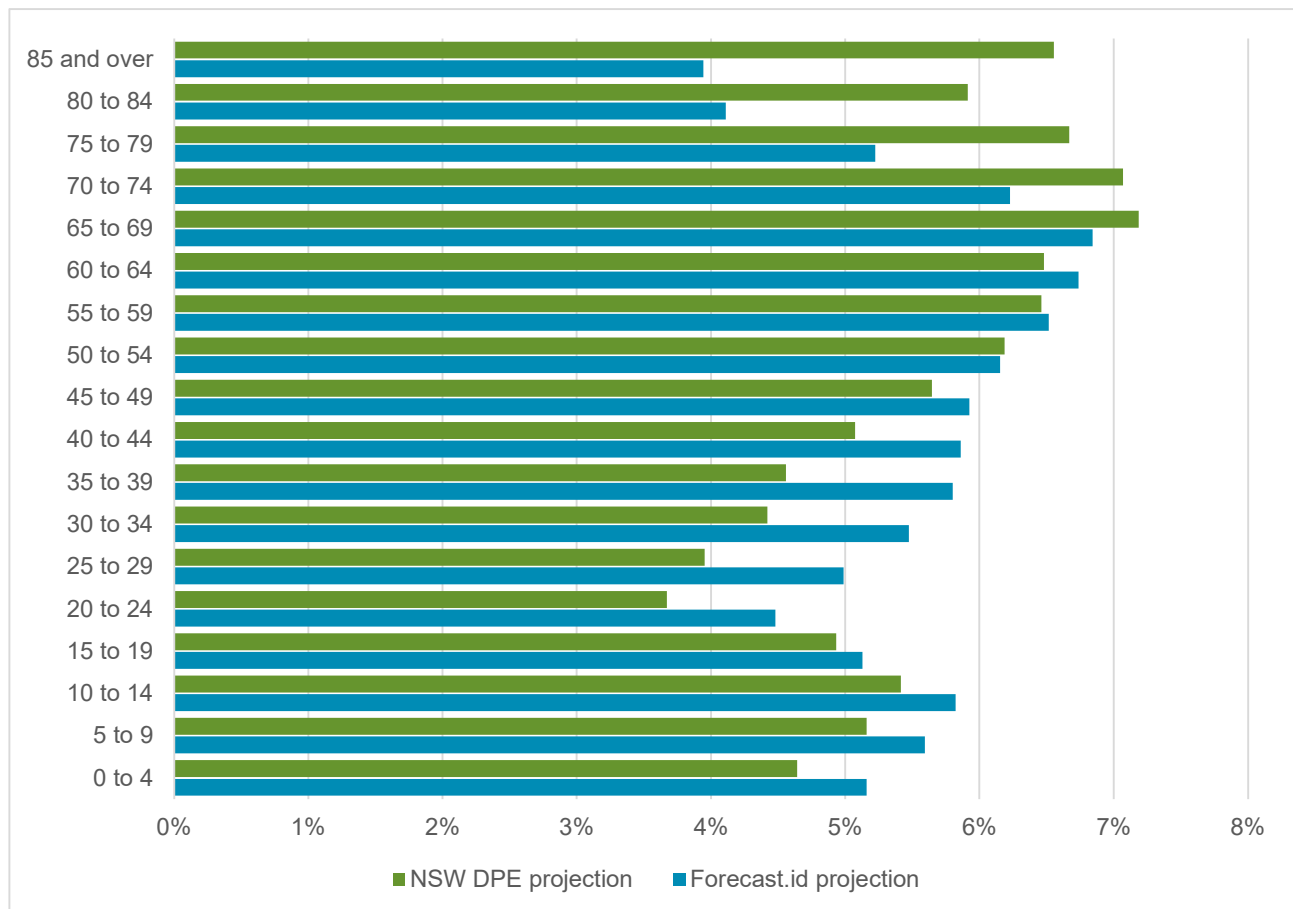
Source: HillPDA, ABS TableBuilder (2023)

Age projections

NSW DPE and .id project population by age structure, shown in Figure 9. As noted previously, DPE's projections are informed by older data, and as such project a continuation of existing trends observed in the Clarence Valley LGA, resulting in a significantly older population, with a projected median age of around 52 years.

.id's projections however, anticipate a reversal of past trends. Their projected 2041 age structure for the LGA includes a much higher proportion of adults aged between 20 and 44 years, as well as a somewhat higher proportion of children. .id projects that a far lower proportion of residents aged 65 years or older in the Clarence Valley by 2041, though it is noted that with the large number of additional residents projected by .id overall, this lower proportion of older residents remains significant in number.

Figure 9: Projected population age structure, Clarence Valley LGA (2041)



Source: NSW DPE (2022), .id (2023)

Households

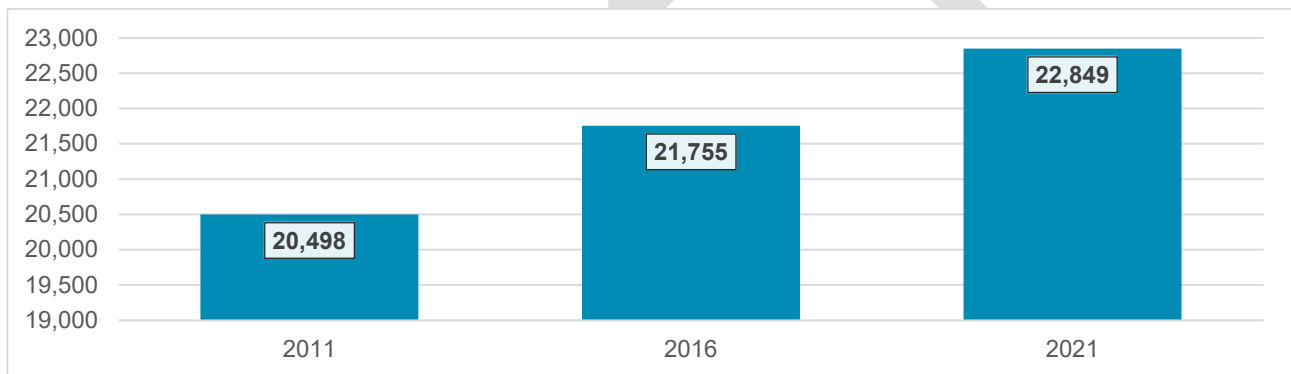
Historic number of households

As at the 2021 Census, there were almost 23,000 households recorded in the Clarence Valley LGA.

This equates to an increase of over 2,300 households since the 2011 Census. Between the 2011 and 2016 Censuses, the number of households in the Clarence Valley LGA increased by around 1,250, whilst between the 2016 and 2021 Censuses, a slightly smaller increase of around 1,100 households was recorded.

These findings are shown in Figure 10.

Figure 10: Number of households, Clarence Valley LGA (2011-2021)

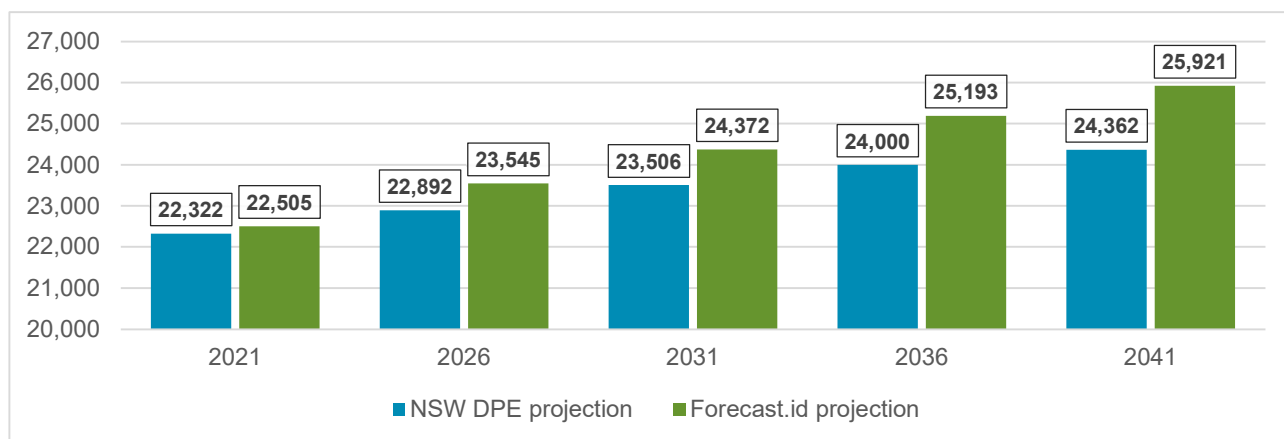


Source: ABS Time Series Profile (2022)

Projected number of households

By 2041, the Clarence Valley LGA will be home to around 24,350 households according to DPE's projection, and almost 26,000 households according to .id's projection. This is shown in Figure 11.

Figure 11: Projected count of households, Clarence Valley LGA (2021-2041)

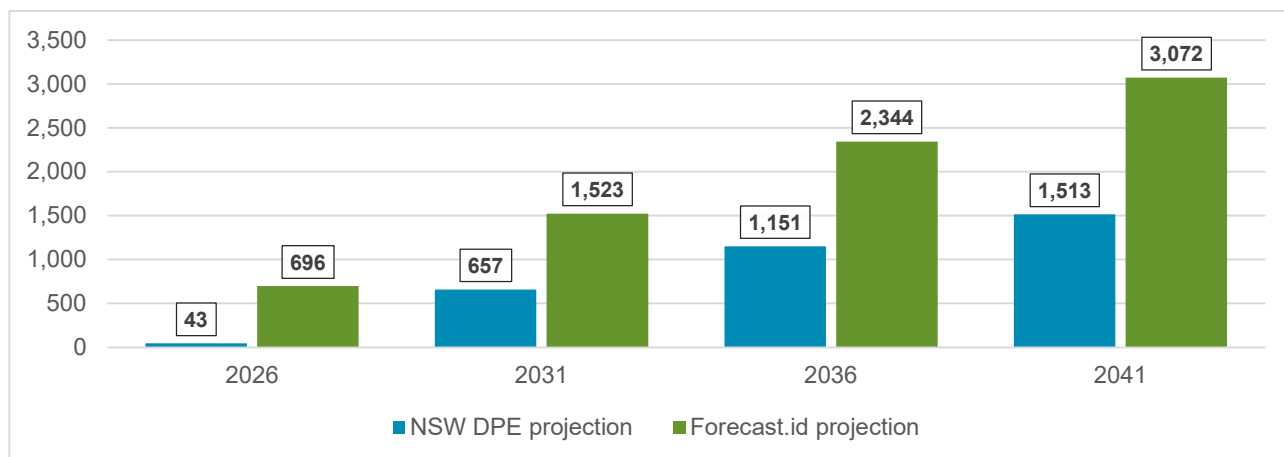


Source: NSW DPE (2022), .id (2023)

Figure 12 shows the above projections by the count of additional households over that recorded at the 2021 Census. Under DPE's projection, the Clarence Valley LGA will have approximately 650 additional households by 2031, and around 1,500 additional households by 2041.

Under .id's projection, the Clarence Valley LGA will have around 1,500 additional households by 2031, and close to 3,100 additional households by 2041.

Figure 12: Projected count of additional households, Clarence Valley LGA (2026-2041)



Source: ABS QuickStats (2022), NSW DPE (2022), .id (2023)

Average household size

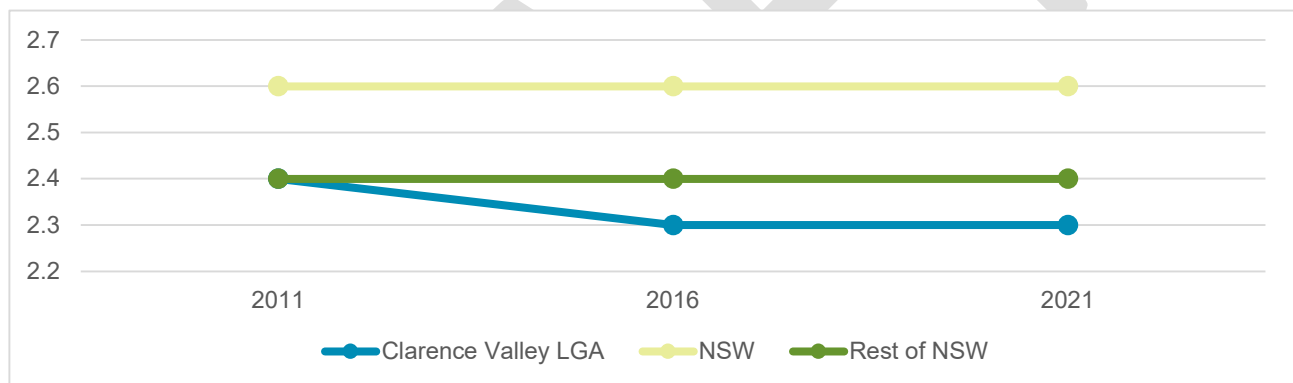
Historic household size

As at the 2021 Census, the Clarence Valley LGA recorded an average household size of 2.3 persons. This figure remained steady across the 2016 and 2021 Censuses, but has decreased slightly since the average of 2.4 persons per household recorded at the 2011 Census.

Across both the Clarence Valley LGA and the Rest of NSW, average household size is lower than that of NSW as a whole. This has been steady over the period 2011 to 2021, with both the Rest of NSW and NSW as a whole recording the same average household size in each Census (2.4 persons and 2.6 persons respectively).

These findings are shown in Figure 13.

Figure 13: Average household size, Clarence Valley LGA and comparator areas (2011-2021)

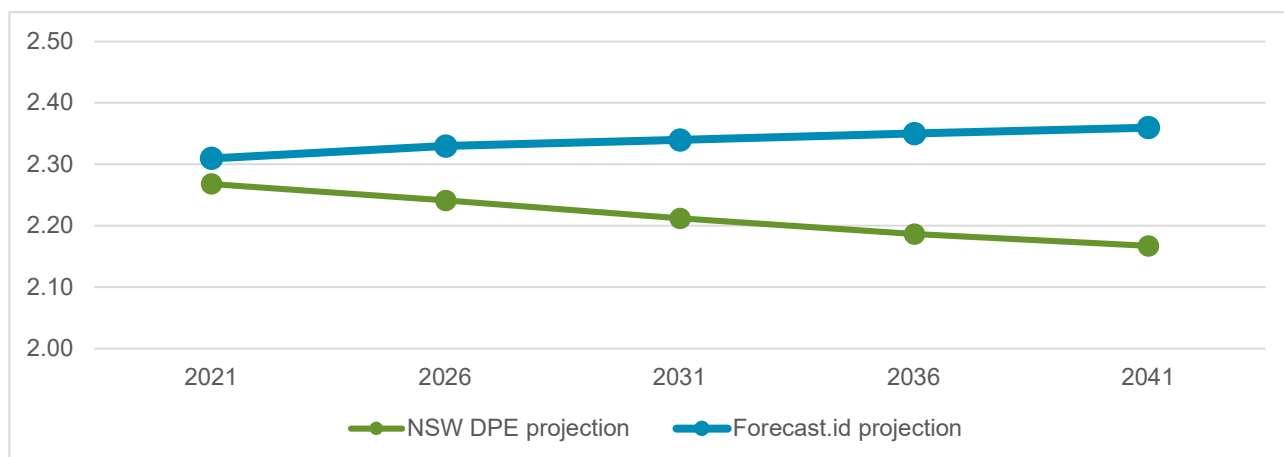


Source: ABS QuickStats (2022)

Projected household size

Error! Reference source not found. A comparison of DPE and id's projections for average household size to 2041 has been undertaken. Overall, both scenarios project only a very minor change, with DPE projecting a reduction from just below 2.3 to just below 2.2 persons per household; whilst .id project an increase from around 2.3 persons per household to closer to 2.4 persons per household.

Figure 14: Average household size projections, Clarence Valley LGA (2021-2041)



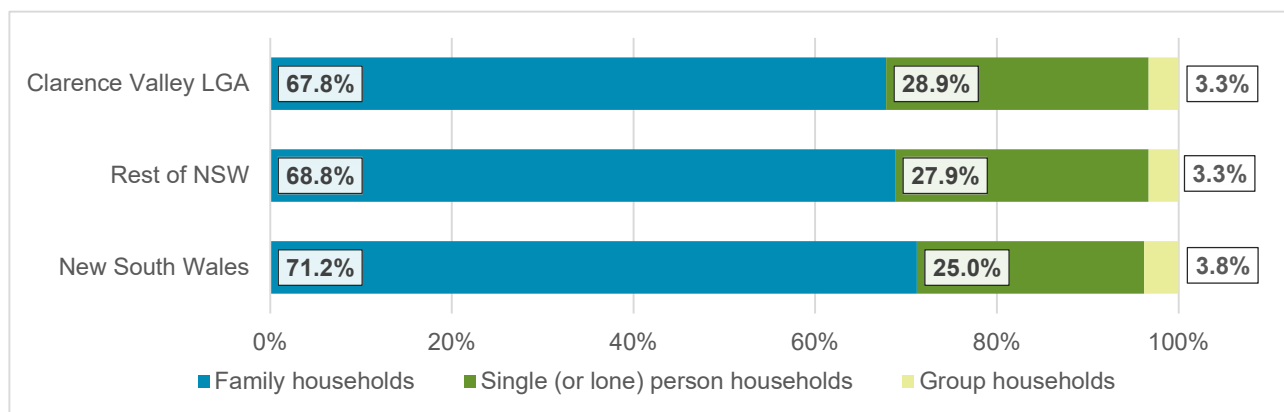
Source: NSW DPE (2022), .id (2023)

Household types and family composition

Household composition in the Clarence Valley LGA was found to be similar to the Rest of NSW. At the time of the 2021 Census, slightly over two thirds consisted of family households, a very small proportion of group households, and the remainder made up of lone person households (Figure 15)

The Clarence Valley LGA has a higher proportion of lone person households and a correspondingly smaller proportion of family households compared to other parts of NSW. This reflects the dominance of older age groups in the LGA.

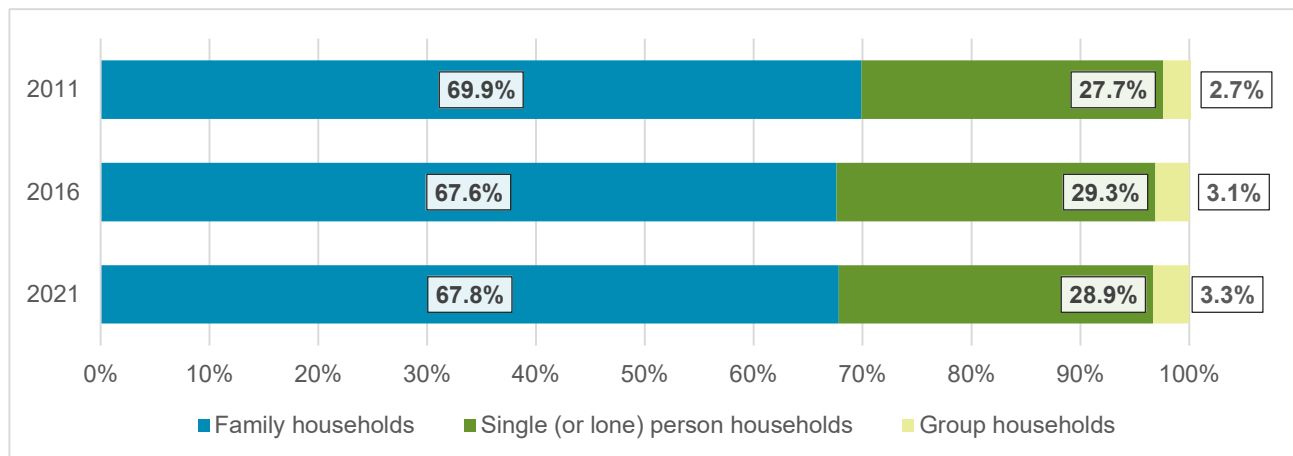
Figure 15: Household composition, Clarence Valley LGA and comparator areas (2021)



Source: ABS QuickStats (2022)

Between 2011 and 2021, the proportion of both lone person households and group households has increased and, during the same period, the proportion of family households decreased from around 70 per cent to slightly below 68 per cent (Figure 16).

Figure 16: Household composition, Clarence Valley LGA over time (2011-2021)



Source: ABS QuickStats (2022)

As per the previous section, in 2021, family households constituted around two thirds of households in the Clarence Valley LGA. A breakdown of family households by type across the Clarence Valley LGA and comparator areas is shown in Figure 17. The Clarence Valley LGA has a much higher proportion of couple families without children, and a much lower proportion of couple families with children compared to the Rest of NSW, and even more so compared to NSW as a whole.

Figure 17: Families by composition, Clarence Valley LGA and comparator areas (2021)

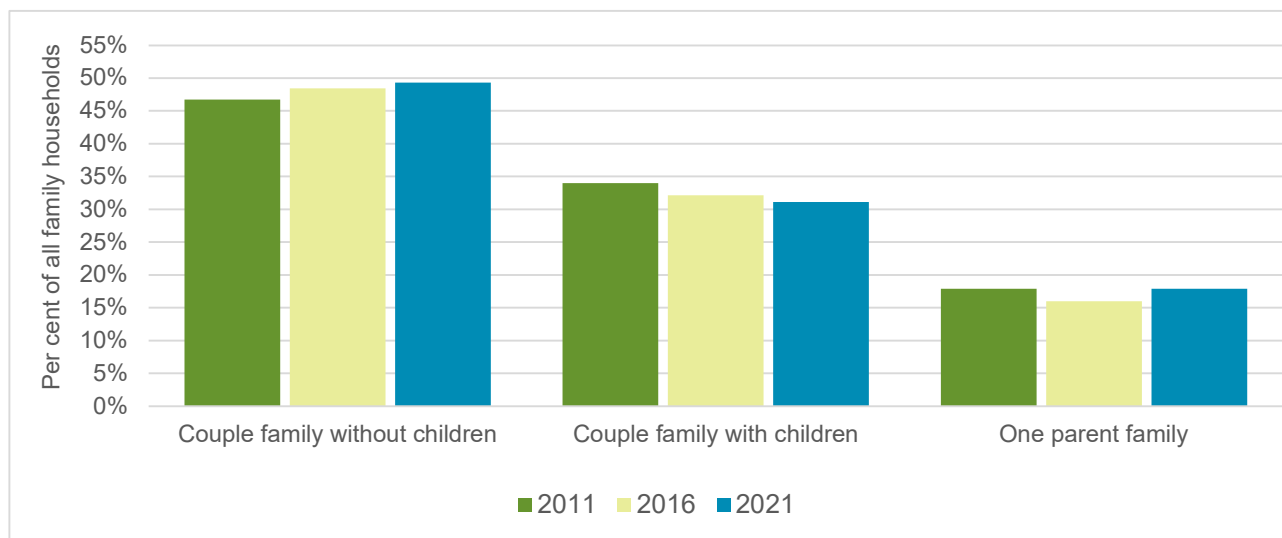


Source: ABS QuickStats (2022)

Figure 18 shows how the proportion of families by composition has changed in the Clarence Valley LGA over the period 2011 to 2021. Whilst there has not been a large degree of change over the period, there is a clear trend toward more couple families without children and fewer couple families with children. Overall, in 2021,

couple families without children constitute around 2.6 per cent more of all family households in the Clarence Valley LGA compared to in 2011, whilst couple families with children constitute around three per cent less.

Figure 18: Families by composition, Clarence Valley LGA (2011-2021)

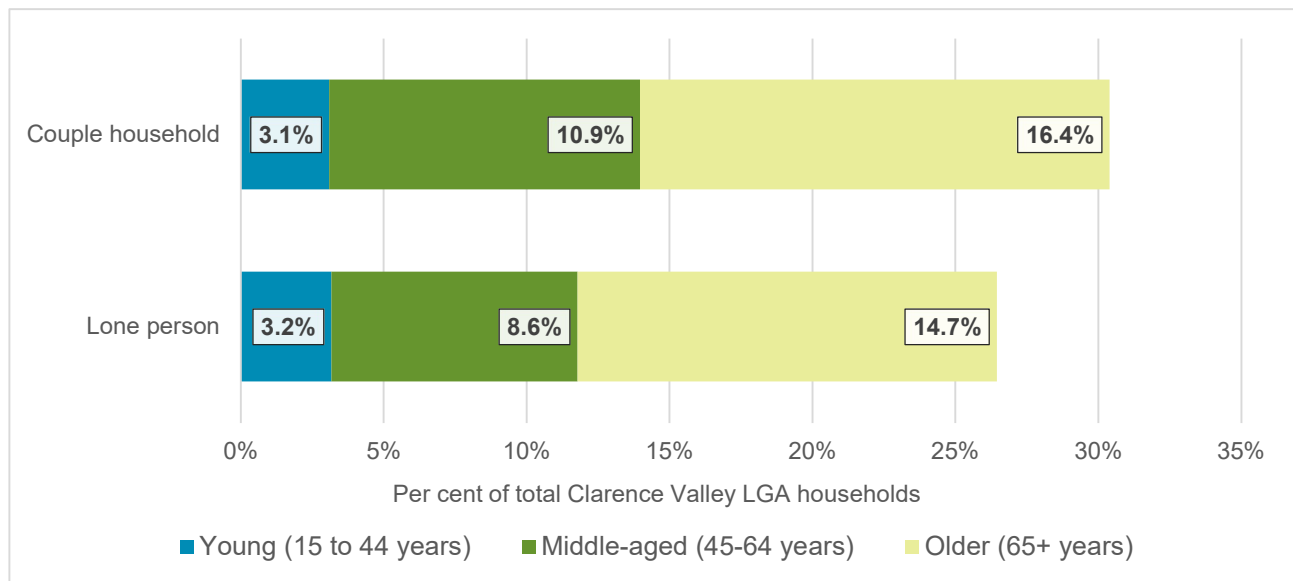


Source: ABS QuickStats (2022)

To consider families without children in more detail, Figure 19 shows households without children by age cohort. For couple households, the age cohort is based on the age of the 'household reference person' when the Census is completed. In total, roughly 60 per cent of Clarence Valley households did not include children, compared to around 57 per cent for the Rest of NSW, and 52 per cent across NSW. In other words, well over half of Clarence Valley LGA households consist of two people or less.

The prevalence of smaller households with no children is significant, as these households are likely to have different needs compared with families, especially as they age. Young couple households without children, for example, may be planning to expand their family in the near future and may have purchased or rented a larger dwelling than they currently require, in anticipation of future need. In contrast, older lone person or couple households without children are more likely to desire a smaller dwelling with lower maintenance requirements, and/or that occupies a single level.

Figure 19: Households without children, by type and age group, Clarence Valley LGA (per cent of total households, 2021)



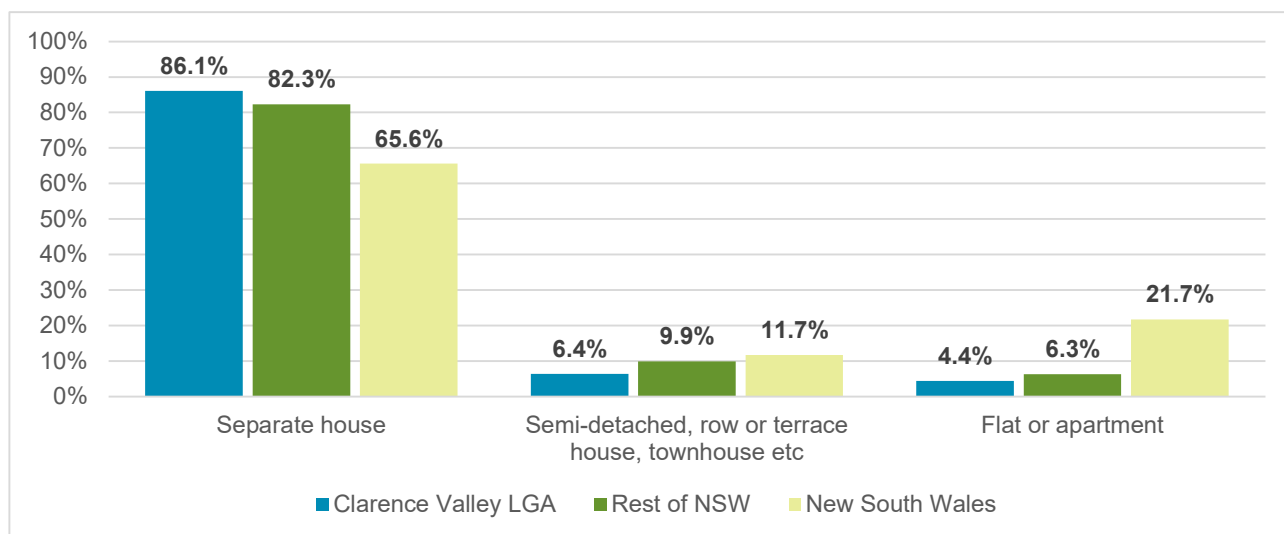
Source: ABS Census (2021), compiled by profile.ID (2023)

Dwelling structure

Dwellings in the Clarence Valley LGA are overwhelmingly separate houses, as shown in Figure 20. As at the 2021 Census, over 85 per cent of dwellings in the LGA were separate houses, over 20 per cent higher than the proportion of separate houses across NSW as a whole. This figure was also higher than the proportion recorded across the Rest of NSW, by around four per cent.

Though a small proportion of the difference between the Clarence Valley LGA and NSW arises from having a lower proportion of semi-detached dwellings (around five per cent less), the majority is due to having proportionally far fewer flat or apartment dwellings. In 2021, less than five per cent of Clarence Valley dwellings were flat or apartment dwellings, compared to around 22 per cent of NSW dwellings.

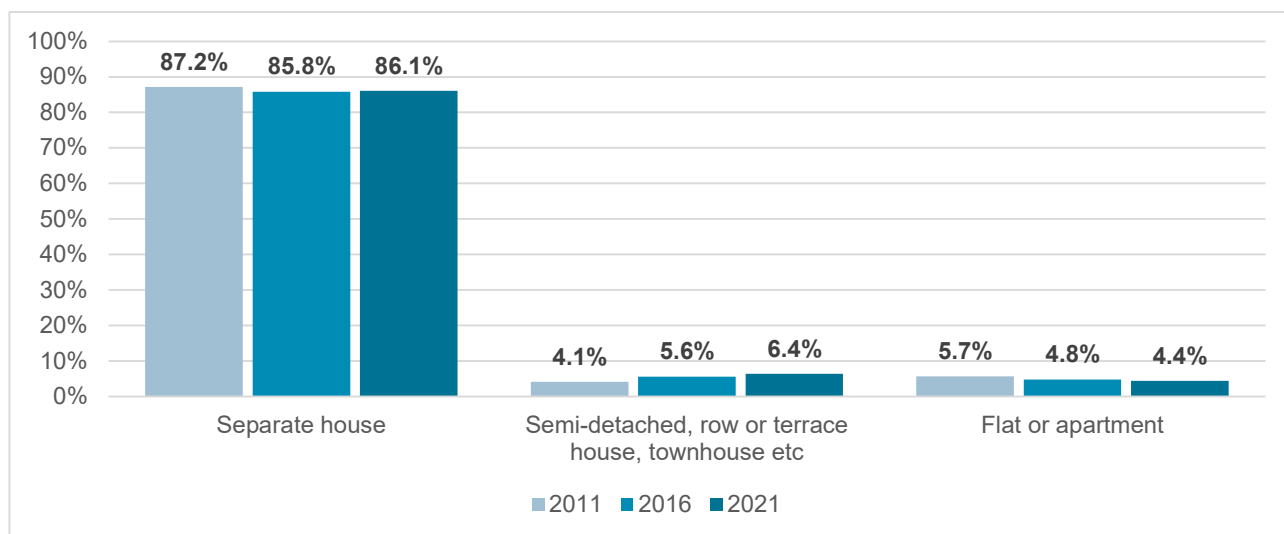
Figure 20: Occupied private dwellings by dwelling structure, Clarence Valley LGA and comparator areas (2021)



Source: ABS QuickStats (2022)

Figure 21 shows how this has changed over the period 2011 to 2021. Overall, the proportion share of different dwelling types has largely remained steady. Despite this, the proportion of separate house dwellings has decreased slightly, as have flat and apartment dwellings. The proportion of semi-detached dwellings has increased slightly over the same period, by just over two per cent.

Figure 21: Occupied private dwellings by dwelling structure, Clarence Valley LGA (2011-2021)

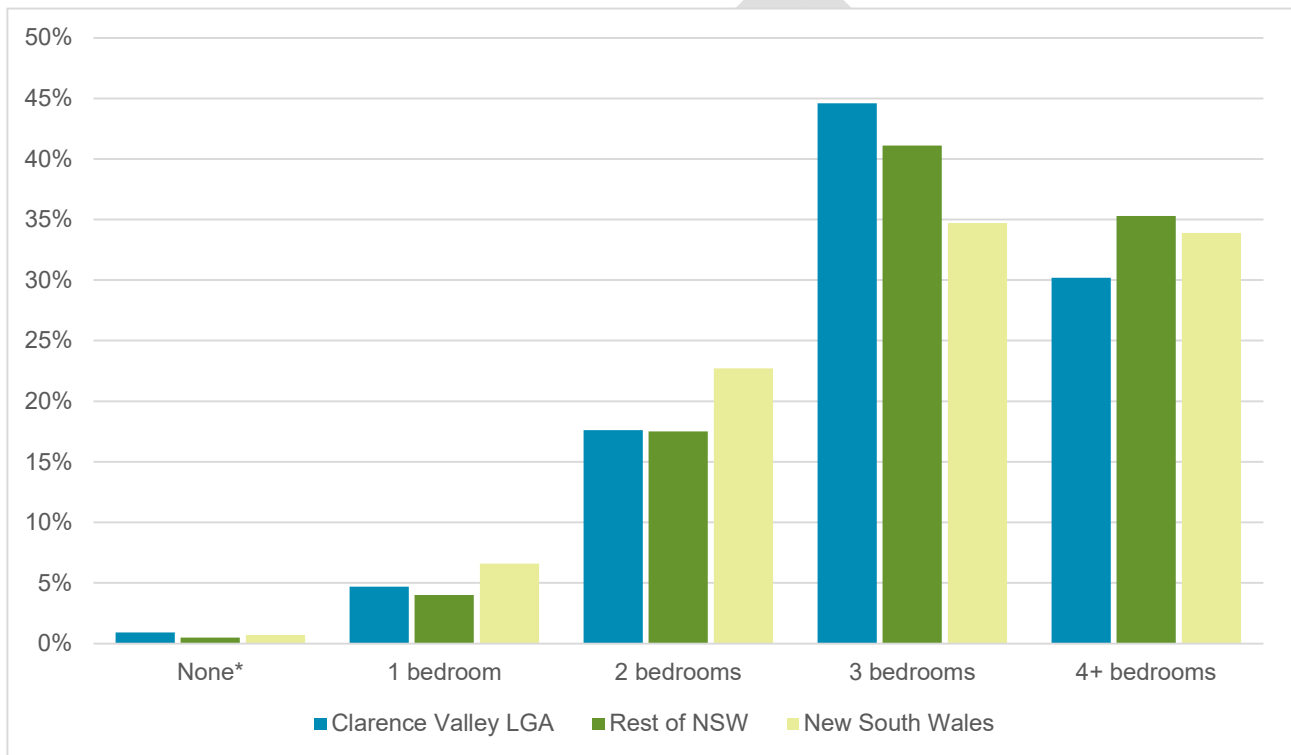


Source: ABS QuickStats (2022)

Number of bedrooms

As at the 2021 Census, dwellings in the Clarence Valley LGA were generally similar in number of bedrooms to those across the Rest of NSW and NSW, as shown in Figure 22. The main exception to this was seen in three bedroom dwellings, which constituted a much larger proportion of dwellings in the Clarence Valley compared to the other areas. Two and four bedroom dwellings, meanwhile, constituted a smaller proportion of dwellings in the LGA than across the Rest of NSW and NSW.

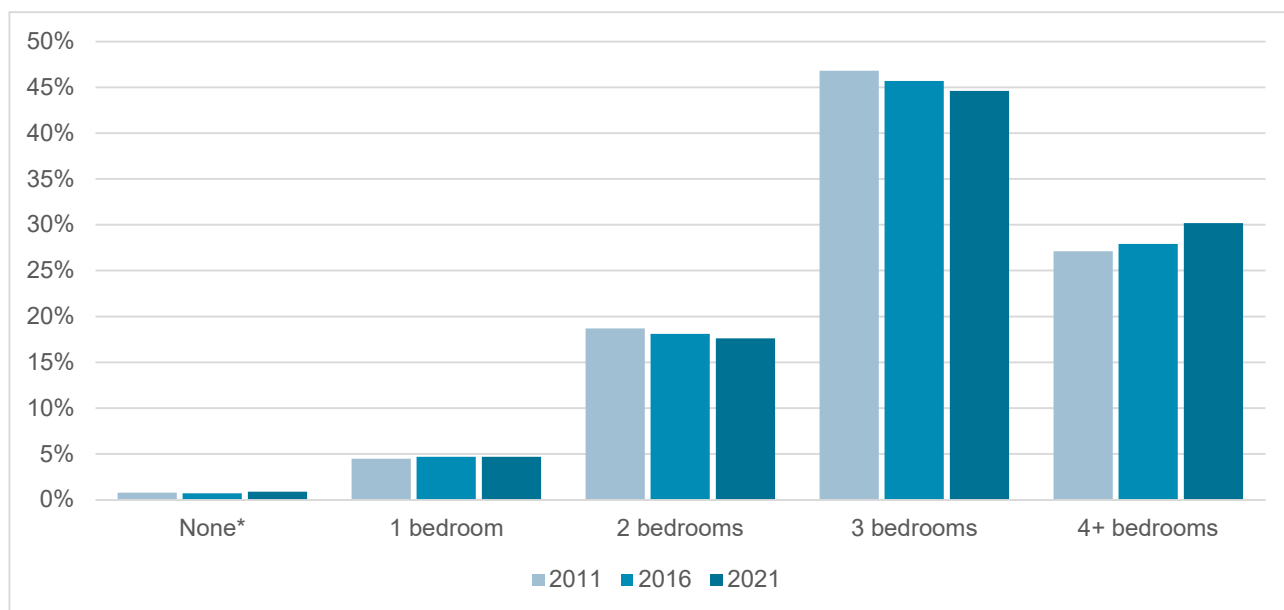
Figure 22: Occupied private dwellings by number of bedrooms, Clarence Valley LGA and comparator areas (2021)



Source: ABS QuickStats (2022) * 'None' includes studios and bedsits

Figure 23 displays the proportion of dwellings by number of bedrooms in the Clarence Valley LGA over the period 2011 to 2021. Studio, bedsit, and one bedroom dwellings have remained proportionally static over the period, whereas two and three bedroom dwellings have decreased by around one and two per cent, respectively. Four bedroom dwellings, have increased in proportion by around three per cent, and constituted almost a third of dwellings in the LGA as at the 2021 Census.

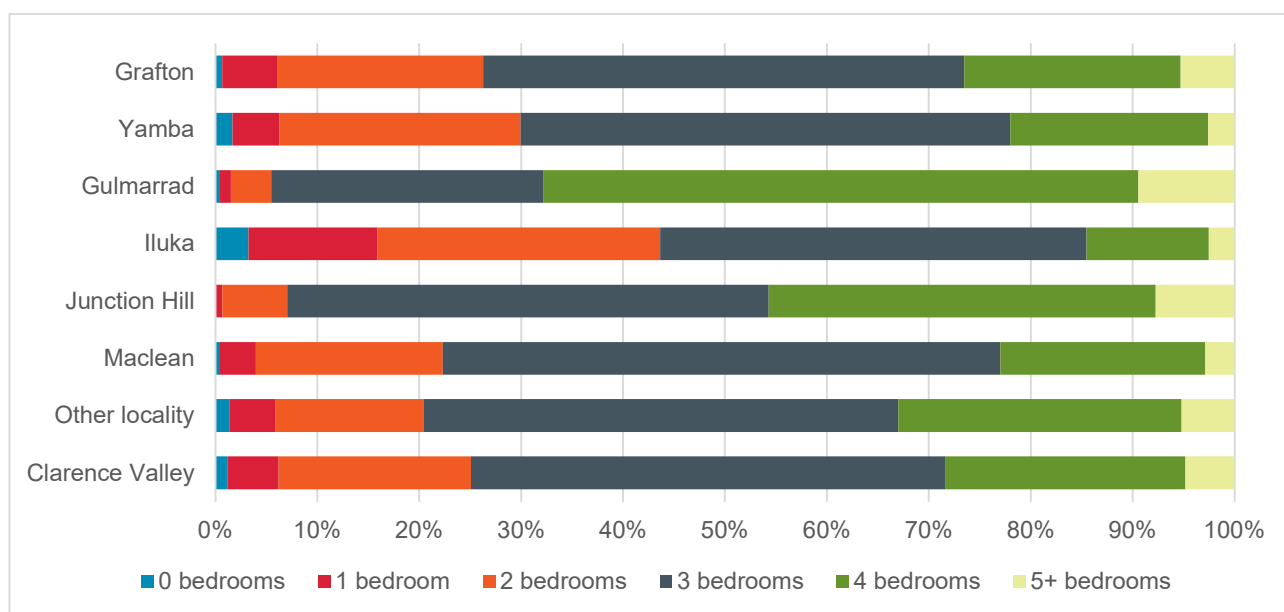
Figure 23: Occupied private dwellings by number of bedrooms, Clarence Valley LGA (2011-2021)



Source: ABS QuickStats (2022) * 'None' includes studios and bedsits

Figure 24 shows dwellings by number of bedrooms across different localities within the Clarence Valley LGA, as at the 2021 Census. The larger dwelling size in Gulmarrad and Junction Hill is clearly visible in the figure, which almost exclusively consist of three and four bedroom dwellings. Grafton, Yamba, Iluka, and Maclean have a higher proportion of dwellings with two or fewer bedrooms, though only in Iluka does this approach one third of the total number of dwellings.

Figure 24: Occupied private dwellings by number of bedrooms, selected Clarence Valley LGA localities (2021)

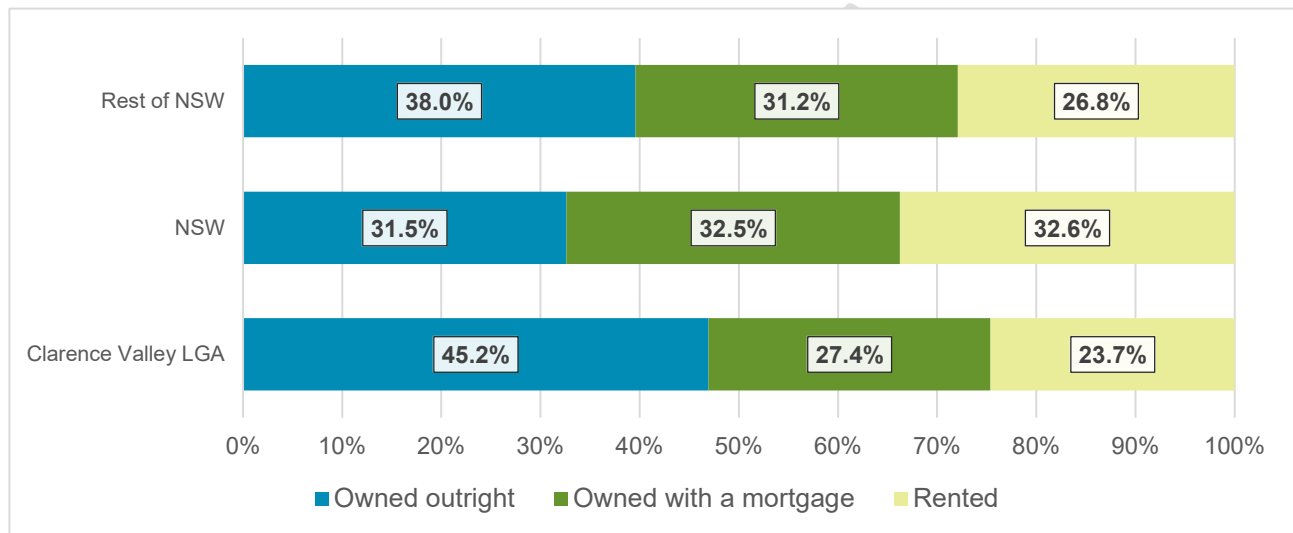


Source: HillPDA, ABS TableBuilder (2023)

Tenure and landlord type

Tenure refers to the arrangement under which a property such as a dwelling is held or occupied. Figure 25 shows households in the Clarence Valley LGA and comparator areas by tenure type, as at the 2021 Census.

Figure 25: Households by proportion of tenure type, Clarence Valley LGA and comparator areas (2021)



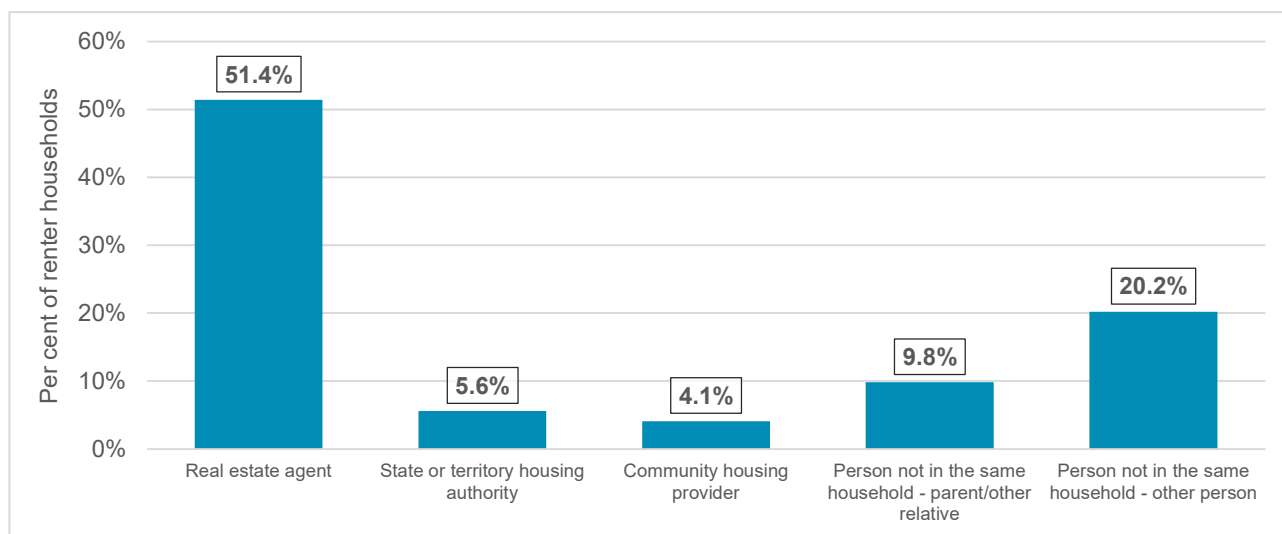
Source: ABS QuickStats (2022)

As at the 2021 Census, the distribution of households by tenure type in the Clarence Valley LGA was notably different from both NSW and the Rest of NSW. There were far fewer renter households in the Clarence Valley LGA, particularly compared to NSW (a near 10 per cent difference in proportion). Almost three quarters of Clarence Valley LGA households (around 73 per cent) owned their dwelling, either with or without a mortgage, a far higher share than in NSW or Rest of NSW (64 per cent and around 69 per cent, respectively).

Also notable is the discrepancy seen in the proportion of households owned outright between the Clarence Valley LGA and the comparator areas. Whilst less than a third of NSW households, and around 38 per cent of Rest of NSW households owned their dwelling outright, closer to half of Clarence Valley LGA households were owned outright (45.2 per cent).

Figure 26 shows renter households in the Clarence Valley LGA proportionally by landlord type as at the 2021 Census. Real estate agents constitute the overwhelming majority of landlords for Clarence Valley renters, at over half the total. Around 30 per cent of renters rent directly from a person outside their household, around ten per cent of which rent directly from a parent or other relative. Slightly less than ten per cent of renter households rented from a state or territory housing authority or community housing provider.

Figure 26: Clarence Valley LGA renter households by landlord type (2021)



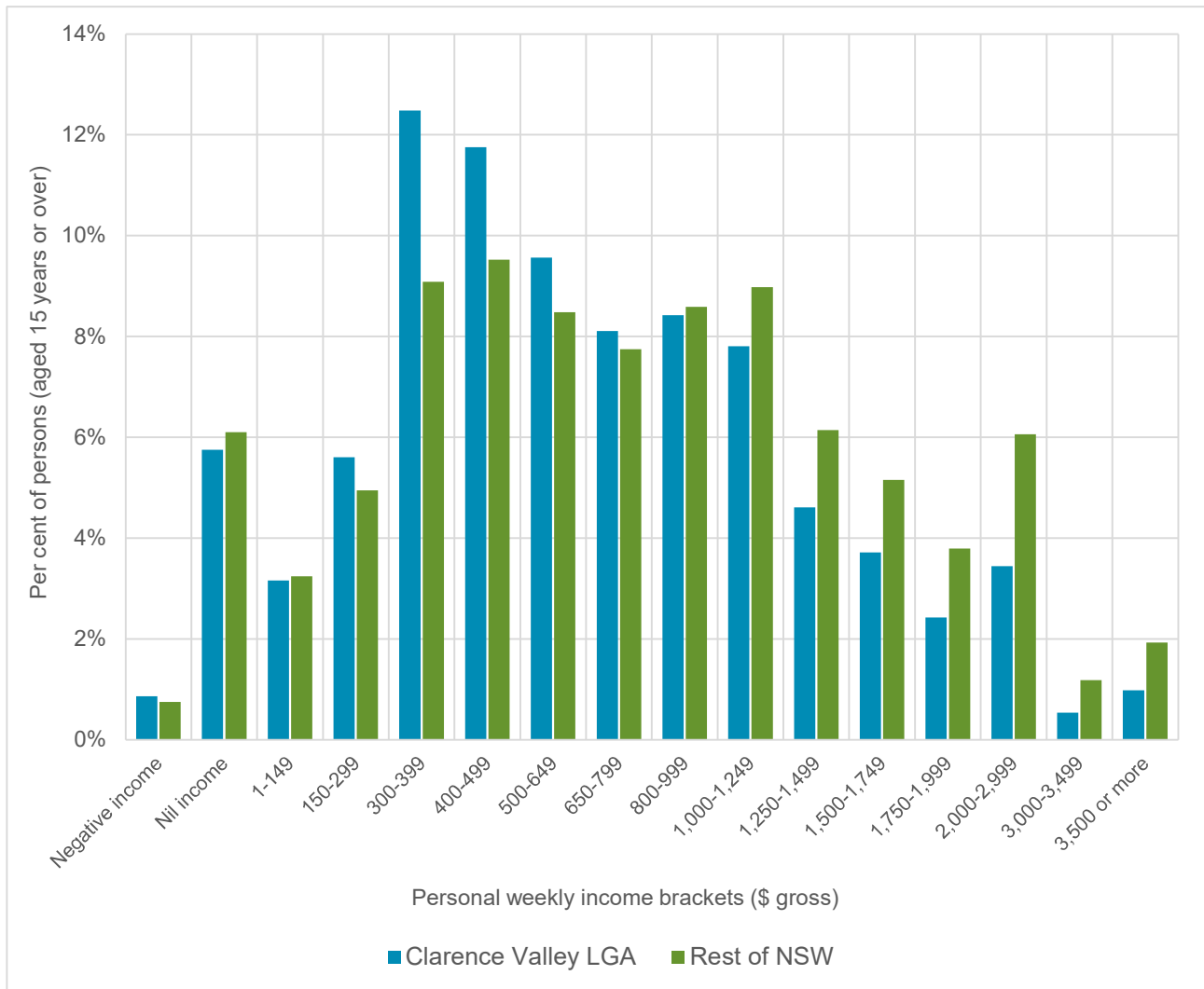
Source: HillPDA, ABS TableBuilder (2023)

Household income

In general, Clarence Valley LGA residents were more likely to have lower incomes than across the Rest of NSW. Figure 27 shows how the distribution of residents across income brackets differs between the two areas. Whilst the proportion of Clarence Valley residents who fall into the lower and middle income brackets (from negative income to \$299 per week and from \$500 per week to \$1,249 per week) is roughly similar to that of the Rest of NSW, the lower-middle and higher income brackets represent areas of significant difference. Far more Clarence Valley LGA residents earned between \$300 and \$499 per week, whilst far fewer earned between \$1,250 and \$3,500 or more per week compared to the Rest of NSW.

This is indicative of the high proportion of (particularly older) residents receiving government benefits and allowances (explored further below). Additionally, the comparative lack of high income earners suggests a lack of job opportunities in specialist fields or for late-career roles.

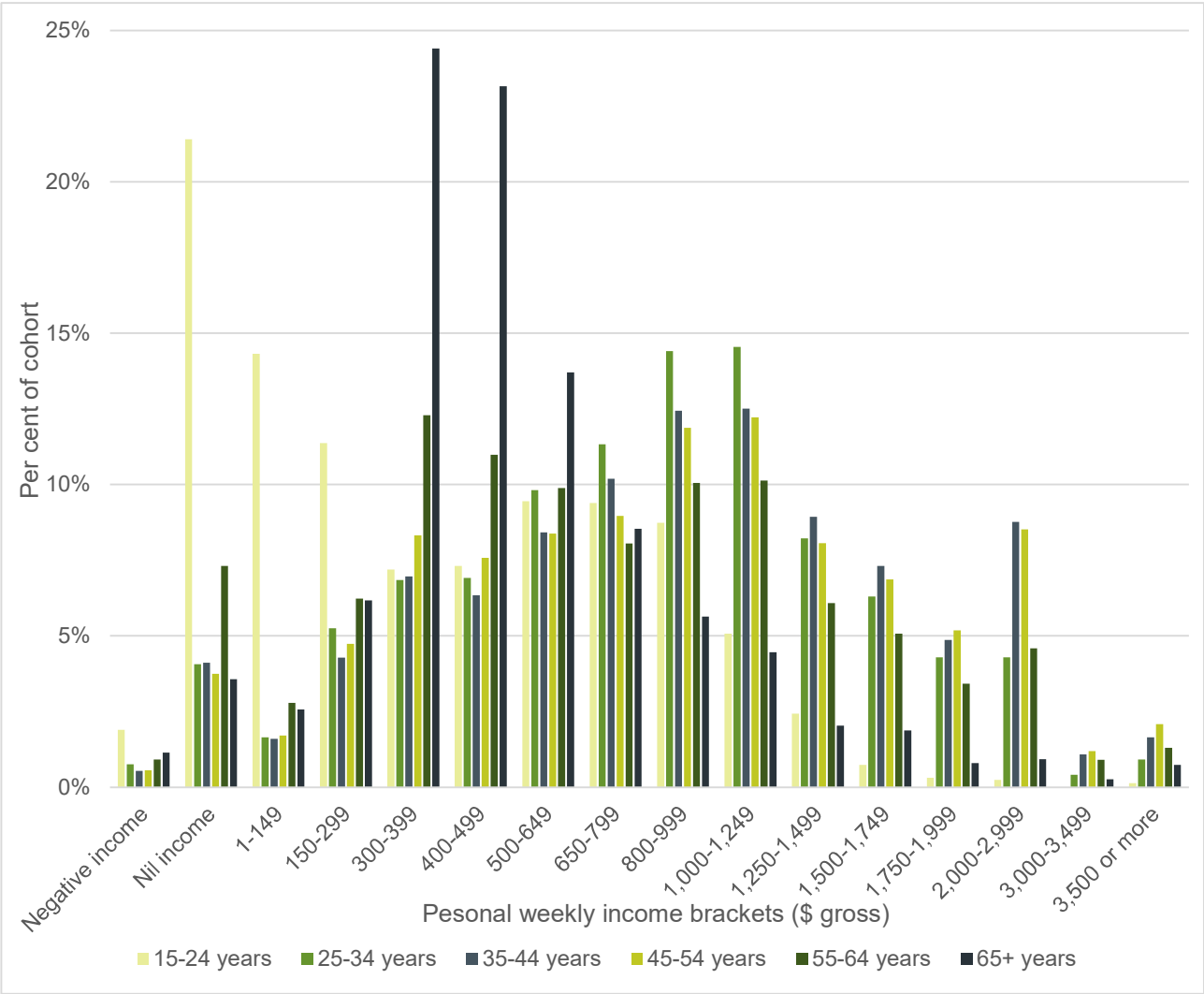
Figure 27: Gross weekly personal income brackets, Clarence Valley LGA and Rest of NSW (2021)



Source: HillPDA, ABS TableBuilder (2023)

This is explored further in Figure 28, which shows weekly income brackets by age cohort. It is clear that the largest proportion of older residents in the Clarence Valley LGA receive a fairly limited income, with nearly three quarters earning less than \$650 per week. Around three quarters of Clarence Valley residents aged between 15 and 24 also earned less than \$650 per week, though this is inclusive of a large number of residents aged between 15 and 19 who earned nil income – likely full time students living at home. Considering only 20 to 24 year old residents, almost half (47.9 per cent) earned less than \$650 per week.

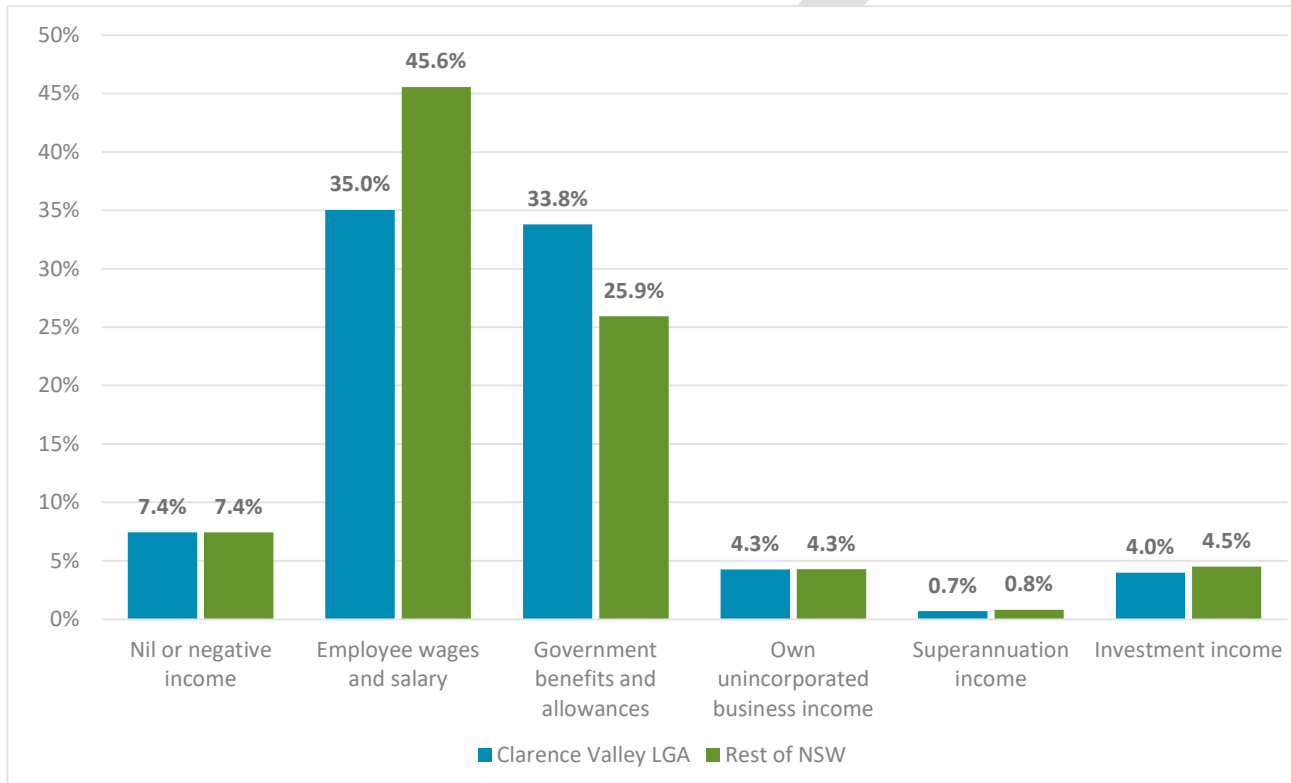
Figure 28: Gross weekly income by age cohort, Clarence Valley LGA (2021)



Source: HillPDA, ABS TableBuilder (2023)

Figure 29 compares the Clarence Valley LGA and the Rest of NSW by their residents' main source of personal income as at the 2021 Census. The major difference between the two areas is in the proportion of residents whose main income is employee wages or salary and government allowances or benefits. Across the Rest of NSW, a significantly higher proportion of residents receive wages or salary than in the Clarence Valley, whilst correspondingly fewer receive government allowances or benefits as their main source of income.

Figure 29: Main source of personal income, Clarence Valley LGA and Rest of NSW (2021)



Source: HillPDA, ABS TableBuilder (2023)

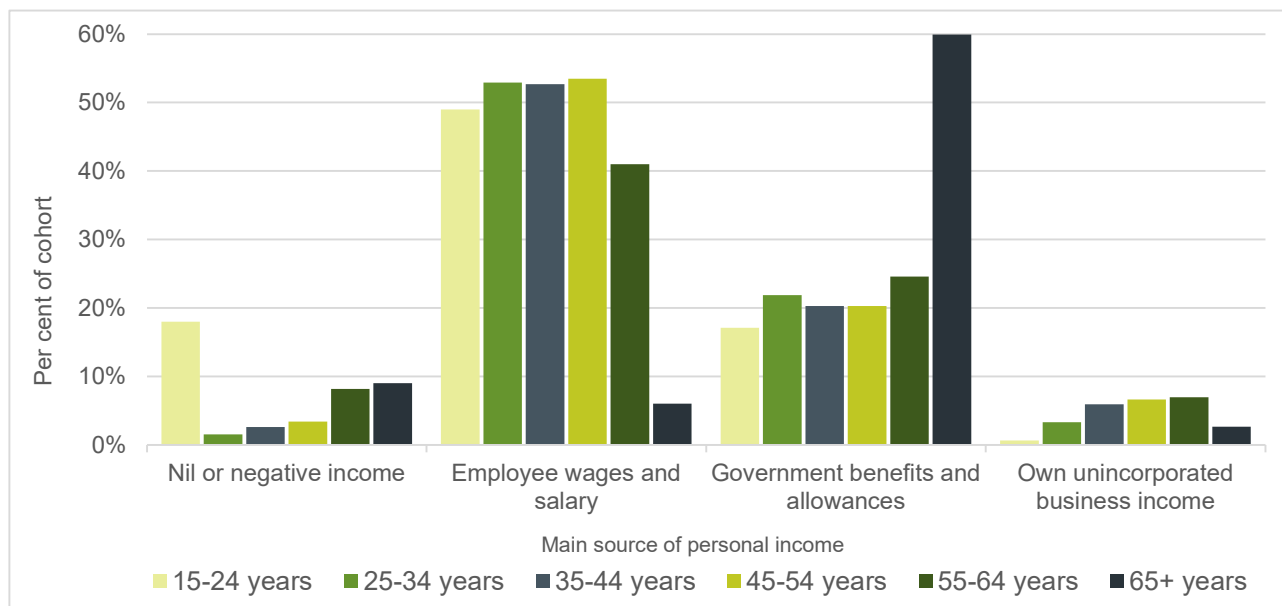
Grafton, Gulmarrad, Junction Hill, and those parts of the LGA not included in any locality have proportionally more residents with wages or salary from employment as their main income source. This is also true across the LGA as a whole. Yamba, Maclean, and especially Iluka, however, have proportionally more residents receiving government benefits or allowances as their main source of income.

This is detailed further in Figure 30, which shows Clarence Valley LGA residents by their main source of personal income by age group. The figure clearly shows the significance of the over 65 year old cohort, the vast majority of which receive government benefits or allowances as their main source of income. The other

significant finding from the below figure is the proportion of residents across the age cohorts under 65 years that receive their main income from government benefits and allowances – around 20 per cent.

This is an important finding, as many people receiving government benefits or allowances as their main source of income would experience a hard limit on the amount of money they have available to spend on housing, even if their rent or mortgage payments were to increase.

Figure 30: Main source of personal income (by age cohort), Clarence Valley LGA (2021)



Source: HillPDA, ABS TableBuilder (2023)

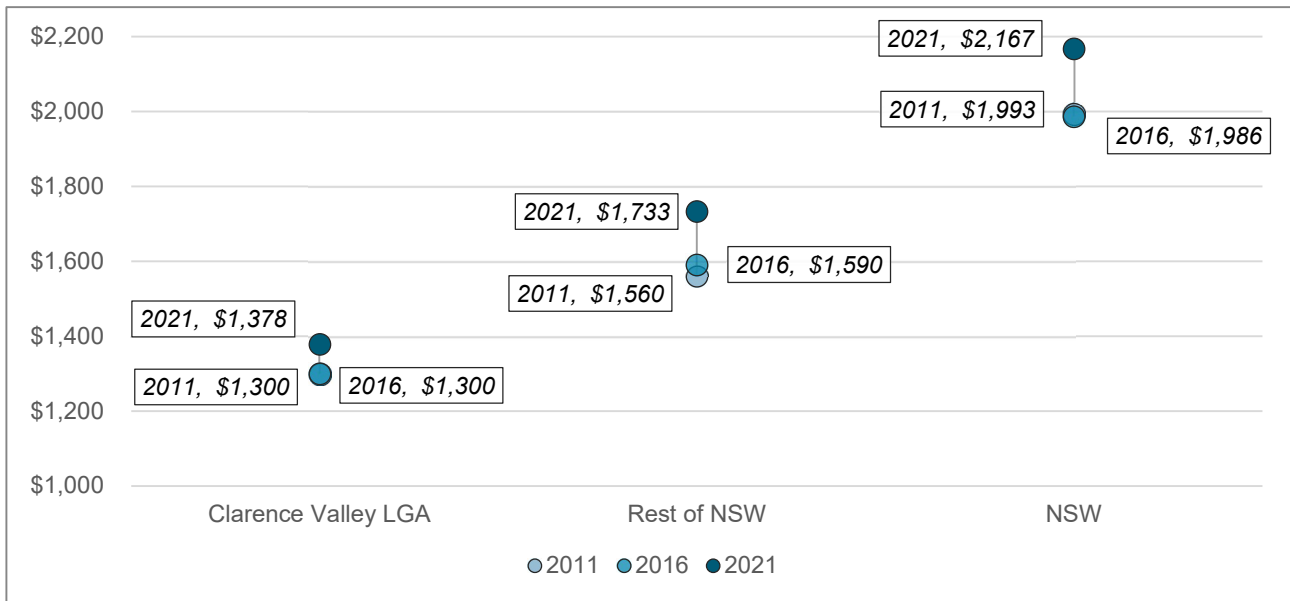
Rental and mortgage stress

Mortgage stress

At the time of the 2021 Census, there were around 15,700 owner and owner with a mortgage households in the Clarence Valley LGA. This represented almost 70 per cent of dwellings in the LGA, a much higher proportion than that of NSW as a whole, though roughly similar to that recorded across the Rest of NSW.

Figure 31 shows how the median monthly mortgage payment has changed in the Clarence Valley and comparator areas from 2011 Census to the 2021 Census. Compared to the Rest of NSW and NSW as a whole, there has been significantly less movement in median monthly mortgage payments in the Clarence Valley LGA, with payments remaining stable over the 2011 and 2016 Censuses, and adding less than \$100 per month at the 2021 Census.

Figure 31: Median monthly mortgage repayments over time, Clarence Valley LGA and comparator areas (2011-2021)

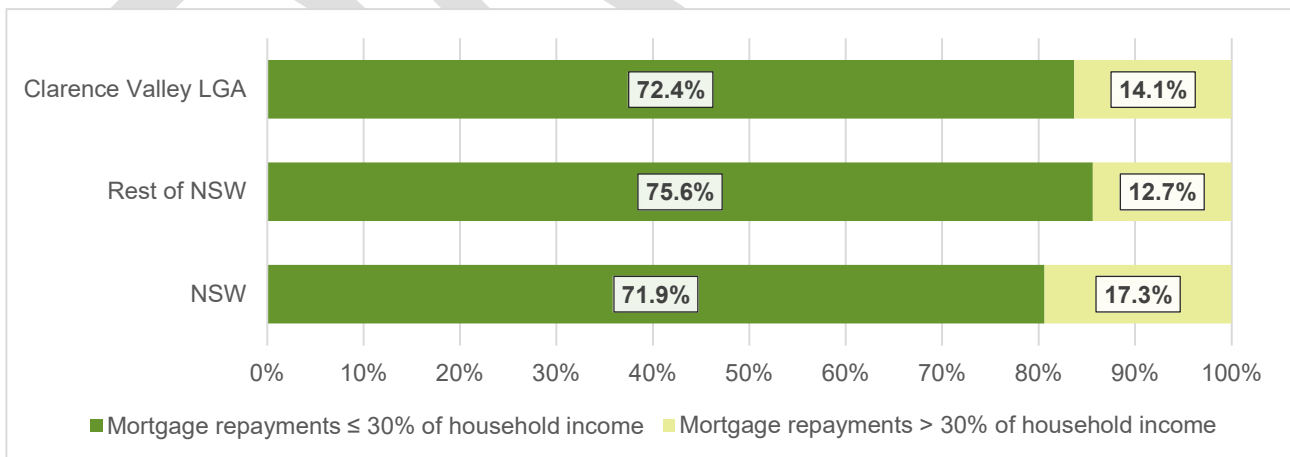


Source: ABS QuickStats (2022)

Figure 32 shows the proportion of mortgagee households in the Clarence Valley LGA and comparator areas experiencing mortgage stress as at the 2021 Census.

Overall, fewer mortgagee households in the Clarence Valley LGA experienced mortgage stress as at the 2021 Census compared to NSW as a whole, though the Rest of NSW recorded an even lower overall proportion.

Figure 32: Mortgagee households experiencing mortgage stress, Clarence Valley LGA and comparator areas (2021)



Source: ABS QuickStats (2022)

Table 1 shows the monthly mortgage repayment quartiles for NSW from the 2011 to the 2021 Census, which enables comparisons to be made between mortgagee households in the Clarence Valley LGA and the Rest of NSW.

Table 1: NSW mortgage repayment quartile ranges (2011-2021)

Mortgage quartile ranges (NSW)	2011	2016	2021
Lowest group	\$0 to \$1,266	\$0 to \$1,263	\$0 to \$1,381
Medium lowest	\$1,267 to \$1,995	\$1,264 to \$1,989	\$1,382 to \$2,123
Medium highest	\$1,996 to \$2,853	\$1,990 to \$2,865	\$2,124 to \$3,203
Highest group	\$2,854 and over	\$2,866 and over	\$3,204 and over

Source: ABS Census (2021), compiled by profile.ID (2023)

The above mortgage quartile ranges have been applied mortgagee households in the Clarence Valley LGA and the Rest of NSW, as shown in Table 2.

Overall, mortgage repayments in the Clarence Valley LGA differ significantly from NSW as a whole, as well as the Rest of NSW. At the 2021 Census, over 80 per cent of mortgagee households in the Clarence Valley LGA were within the lowest and medium lowest quartile, that is, within the bottom half of all mortgages across NSW. Slightly more than ten per cent of mortgages were in the medium highest quartile, whilst only around five per cent were in the highest quartile.

The distribution of Clarence Valley LGA mortgagee households across the NSW mortgage quartiles has not seen significant or drastic change over the period 2011 to 2021. However, there has been a steady trend toward the lowest mortgage repayment quartile over the period, which constituted nearly fifty per cent of all mortgagee households at the 2021 Census.

This is likely due to the significant differences in dwelling and land value between the Clarence Valley LGA and Greater Sydney and NSW as a whole. Clarence Valley LGA mortgagees would therefore be more likely to have comparatively smaller mortgages. The older age profile of the LGA may contribute to this difference, as mortgagee households with older owners would be more likely to have paid off a higher proportion of their home loan.

Table 2: Mortgage repayment quartile distribution, Clarence Valley LGA and Rest of NSW (2011-2021)

Mortgage quartiles (NSW)	Clarence Valley LGA			Rest of NSW		
	2011	2016	2021	2011	2016	2021
Lowest group	46.7%	46.5%	49.8%	35.8%	34.3%	35.9%
Medium lowest	32.4%	35.0%	33.7%	30.7%	32.3%	32.1%
Medium highest	13.7%	12.7%	11.4%	20.8%	21.3%	20.6%
Highest group	7.2%	5.9%	5.1%	12.7%	12.1%	11.5%

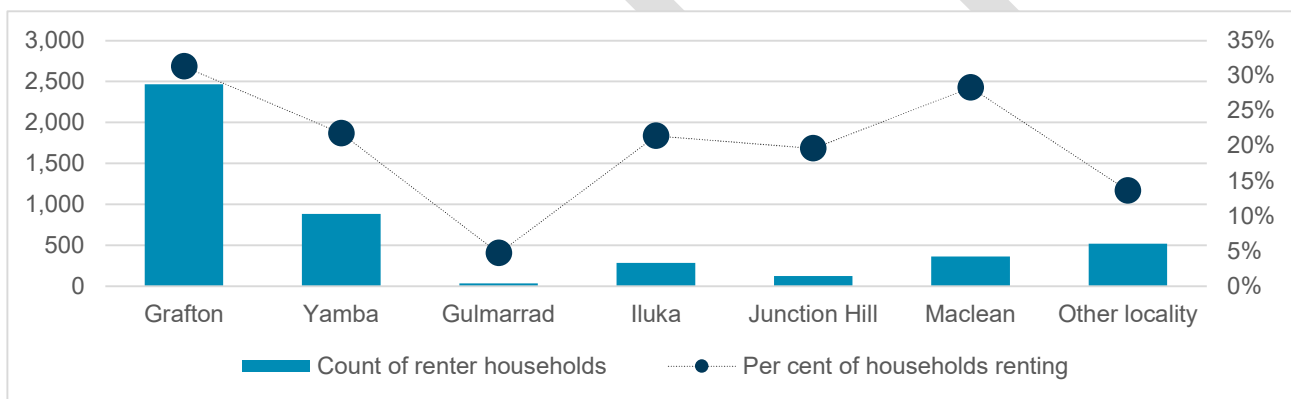
Source: ABS Census (2021), compiled by profile.ID (2023)

Rental stress

At the time of the 2021 Census, there were around 5,200 renter households in the Clarence Valley LGA. Around 23 per cent of dwellings in the LGA were rented, a much smaller proportion than that of the Rest of NSW or NSW as a whole. Figure 33 shows Clarence Valley LGA localities by count and proportion of renter households, showing that the vast majority of renter households are located in Grafton, with Yamba, Maclean, and Iluka hosting a large proportion of the remainder.

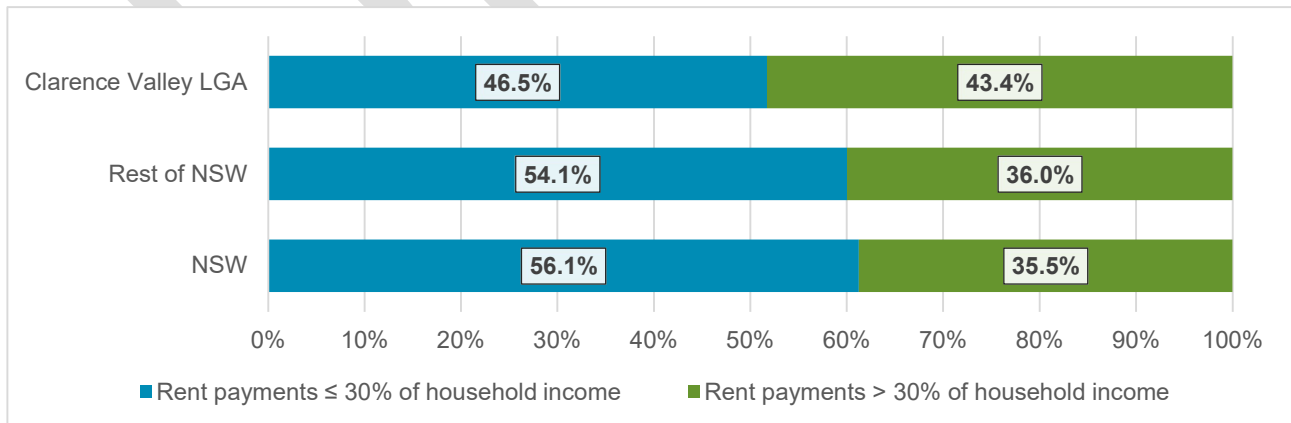
Figure 34 shows the proportion of renter households in the Clarence Valley LGA and comparator areas experiencing rent stress as at the 2021 Census. 'Rent stress' is a term used to indicate where a household's expenditure on housing is likely to impact on their ability to afford other essentials such as groceries, bills, or transport. Typically, a household is considered to be experiencing rent stress when rental payments exceed 30 per cent of household income.

Figure 33: Proportion and count of renter households, Clarence Valley LGA localities (2021)



Source: HillPDA, ABS TableBuilder (2023)

Figure 34: Renter households experiencing rent stress, Clarence Valley LGA and comparator areas (2021)



Source: ABS QuickStats (2022)

Overall, more Clarence Valley renter households experienced rent stress as at the 2021 Census than households across the Rest of NSW or NSW as a whole, with around 43 per cent of renter households recording rent payments equal to greater than 30 per cent of their household incomes. Across the Rest of NSW and NSW, this figure was around 36 per cent of renter households.

Table 3 shows the weekly rental payment quartiles for NSW from the 2011 to the 2021 Census. Weekly rental payments across NSW at each Census are distributed from lowest to highest and divided into four equal groups, or rental quartiles. This enables comparisons to be made between renter households in the Clarence Valley LGA and across the Rest of NSW.

Table 3: NSW rental quartile ranges (2011-2021)

Rental quartile ranges (NSW)	2011	2016	2021
Lowest group	\$0 to \$202	\$0 to \$266	\$0 to \$314
Medium lowest	\$203 to \$311	\$267 to \$391	\$315 to \$432
Medium highest	\$312 to \$421	\$392 to \$529	\$433 to \$562
Highest group	\$422 and over	\$530 and over	\$563 and over

Source: ABS Census (2021), compiled by profile.ID (2023)

In Table 4, the rental quartiles have been applied to renter households in the Clarence Valley LGA and the Rest of NSW. Compared to 2011 and 2016, a significantly proportion of 2021 renter households in the LGA were within the medium highest and highest rental quartiles. At the same time, however, the LGA retains a significant proportion of households within the lowest rental quartile, almost half.

Overall, the changes in the Clarence Valley LGA's rental quartile distribution reflect those recorded across the Rest of NSW. The Rest of NSW has recorded a shift mainly from the medium lowest quartile to the highest quartile, whilst the Clarence Valley LGA has recorded a shift from the medium lowest quartile to all other quartiles.

Table 4: Rental quartile distribution, Clarence Valley LGA and Rest of NSW (2011-2021)

Rental quartiles (NSW)	Clarence Valley LGA			Rest of NSW		
	2011	2016	2021	2011	2016	2021
Lowest group	39.0%	47.7%	46.5%	40.4%	46.4%	43.0%
Medium lowest	46.5%	42.6%	36.4%	35.8%	35.3%	30.9%
Medium highest	11.6%	6.9%	12.7%	17.7%	13.8%	17.7%
Highest group	3.0%	2.8%	4.4%	6.1%	4.6%	8.4%

Source: ABS Census (2021), compiled by profile.ID (2023)

Vacancy rates vary across the Clarence Valley, as indicated in Table 5. A vacancy rate of three per cent is generally considered to reflect a balance between supply and demand. A lower vacancy rate suggests a shortage of rental properties. The postcode 2460 area, which includes the Grafton area, has experienced a tight rental market for some time, with the vacancy rate at the end of July 2023 recorded as 0.8 per cent. Vacancy rates in the lower Clarence Valley and in the coastal villages are high and increasing.

Table 5: Vacancy rates, selected Clarence Valley postcodes (as at end July 2023)

Area	Postcode	Vacancy Rate (%)
Maclean	2463	5.4%
Tucabia – Minnie Water	2464	5.2%
Upper Clarence Valley (Grafton)	2460	0.8%
Yamba/Iluka	2466	3.1%

Source: SQM Research

At the end of July 2023, there were 107 dwellings available to rent in the Clarence Valley. The majority of these properties were in the three key main centres of Grafton, Yamba and Maclean-Townsend, as shown in Table 6.

Table 6: Dwellings available to rent, by location (as at end July 2023)

Location	No of dwellings available to rent
Yamba	34
Grafton	22
South Grafton	10
Maclean	10
Brooms Head	7
Iluka	6
Townsend	4
Wooloweyah	4
Other	10
Total	107

Source: Domain (2023)

Detached houses were the most common form of dwelling for rental, representing almost 60 per cent of advertised dwellings. Duplexes (dual occupancies) and apartments (units) constituted 16 per cent and 15 per cent of available rental properties respectively.

Almost 45 per cent of properties advertised for rent were three bedroom dwellings, while 28 per cent of properties advertised were two bedroom dwellings. The two bedroom dwellings were mainly apartments, dual occupancies and multi-dwelling housing.

As a general rule, where a household spends less than 30 per cent of its household income on housing, it is considered 'affordable'. Affordable housing enables households to access other essential goods and services such as groceries and transport, as well as providing less tangible benefits such as contributing to personal wellbeing and providing a sense of security.

To indicate the level of affordable housing need present in the Clarence Valley LGA, we have assessed 2021 Census data for household incomes and rental expenditure. Table 7 shows how households have been categorised based on their income and capacity to rent affordable housing.

Table 7: 2021 Census affordable housing types

Household type	Household income (weekly)	30% of household income spent on rent (weekly)
Very low income	Up to \$717	Up to \$215
Low income	\$718 - \$1,147	\$216 - \$344
Moderate income	\$1,148 - \$1,721	\$345 - \$516

Source: HillPDA, ABS Census (2022)

The above categories have been applied to the Clarence Valley LGA, as shown in Table 8.

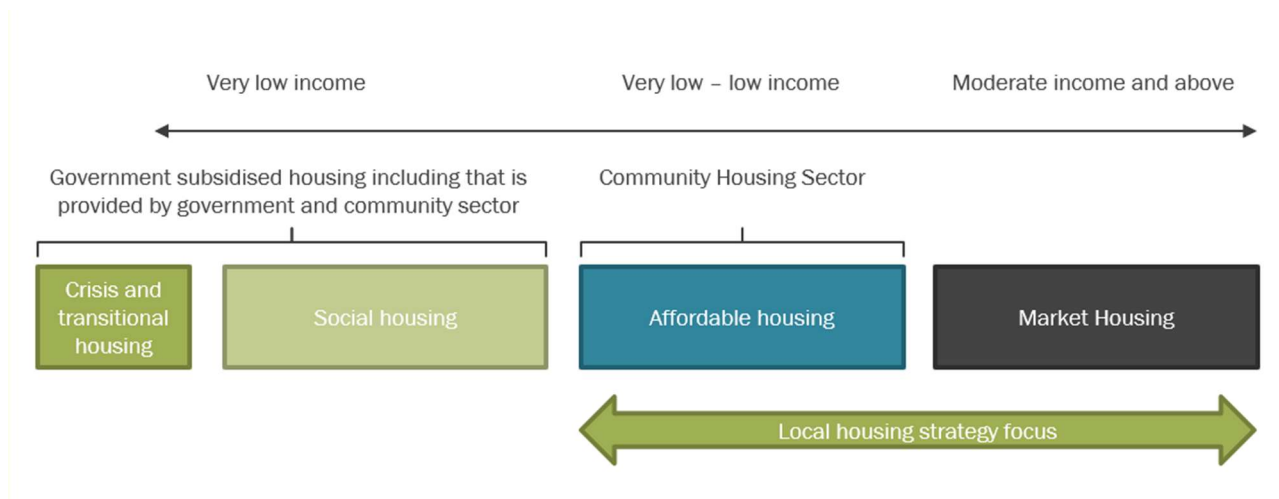
Table 8: Clarence Valley LGA affordable housing need (2021)

Household type	Households in category	Households not in affordable housing	Proportion in need of affordable housing
Very low income	1,606	1,371	85%
Low income	964	573	59%
Moderate income	679	90	13%
Total eligible for affordable housing	3,249	2,034	63%

Source: HillPDA, ABS Census (2022)

This suggests that some low-income households and most moderate-income households are able to access affordable housing in the Clarence Valley, though a significant number of very low-income households were not in affordable housing as at the 2021 Census. In total, there was a shortfall of over 2,000 affordable rental houses. This is of high importance considering the large increase in median rents observed over recent years, much of which has occurred after the 2021 Census was undertaken. Therefore, it is likely that the affordable housing shortfall is higher still. This LHS focuses on affordable and low-cost market housing to meet the needs of very low, low and moderate income households, as shown in Figure 35.

Figure 35: LHS housing supply continuum

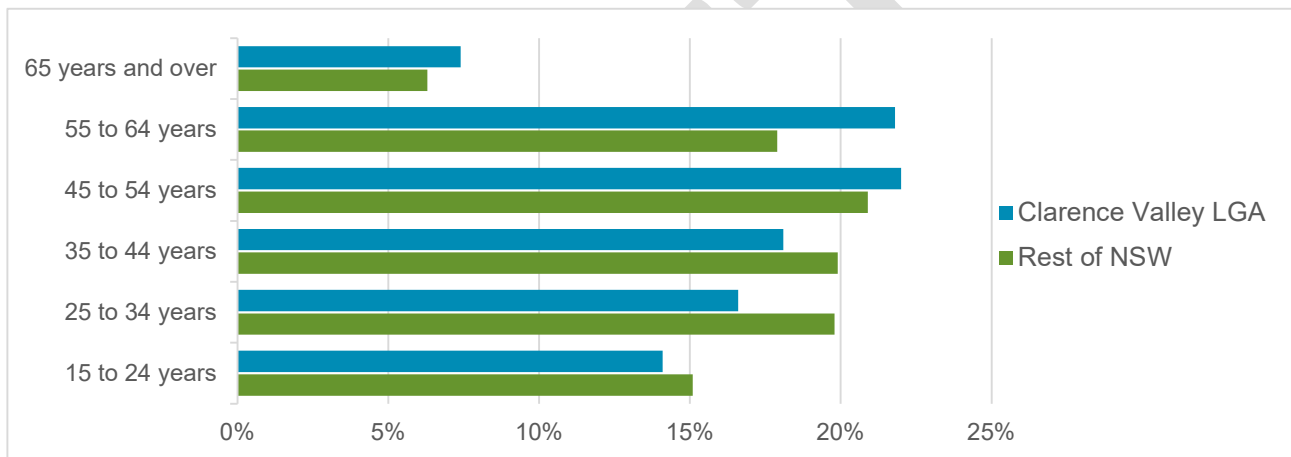


Employment and local or key workers

As at the 2021 Census, less than half of Clarence Valley LGA residents aged over 15 were recorded as being in the labour force (46.4 per cent). This was over ten per cent lower than that recorded across the Rest of NSW and NSW as a whole (56.4 per cent and 58.7 per cent, respectively).

Clarence Valley LGA residents who were in the labour force at the time of the 2021 Census were generally older than the Rest of NSW's labour force. The LGA's labour force is weighted more toward workers aged 45 and over, with significantly fewer workers aged between 25 and 44. This is shown in Figure 36.

Figure 36: Residents in the labour force by ten year age group, Clarence Valley LGA and Rest of NSW (2021)



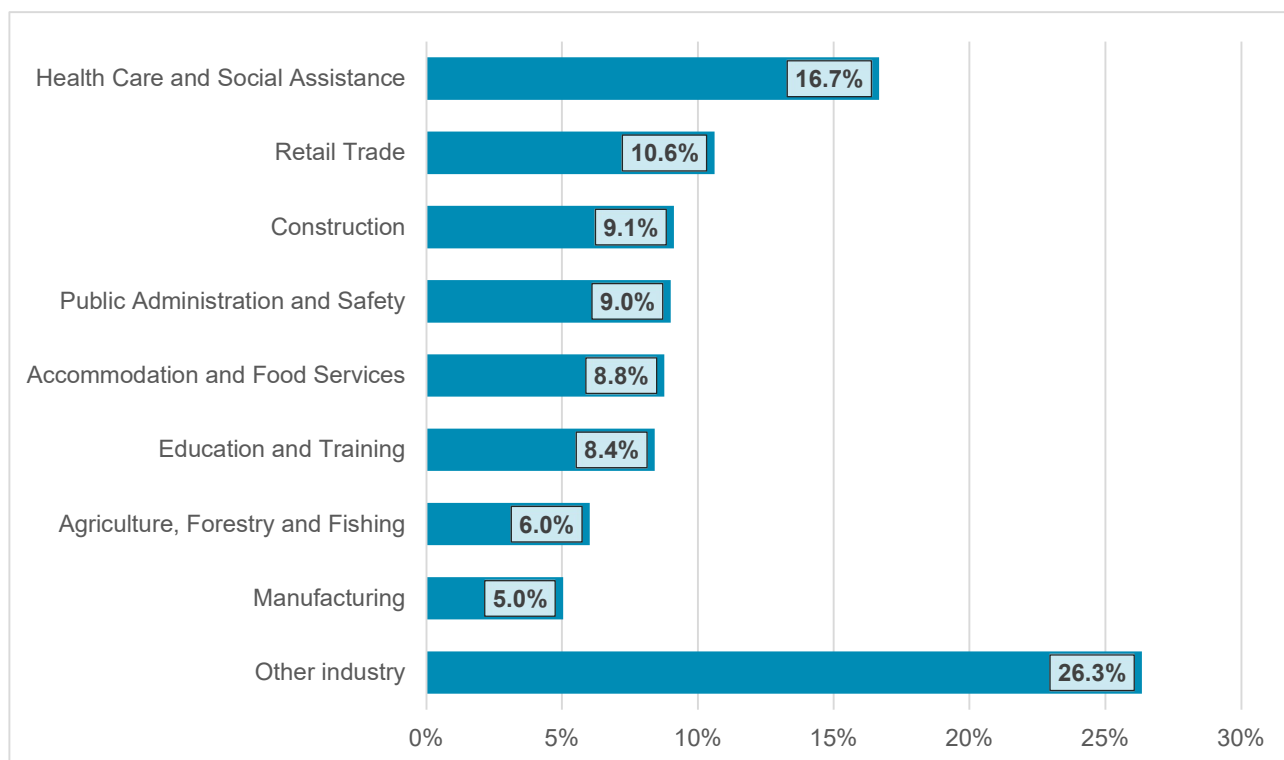
Source: ABS Census (2021), compiled by profile.ID (2023)

As at the 2021 Census, just over half (50.7 per cent) of the Clarence Valley LGA's labour force worked full time. Over a third (36.7 per cent) worked part time, whilst 6.8 per cent were away from work and 6.2 per cent reported being unemployed. These figures were broadly similar to those recorded across the Rest of NSW and NSW as a whole, however, a smaller proportion of the Clarence Valley LGA's labour force worked full time. This was accompanied by a correspondingly higher proportion of part-time workers.

Compared to the same figures recorded at the 2011 Census, the Clarence Valley labour force is made up of proportionally more full and part time workers, the total share of which has risen by around two per cent. Fewer residents in the labour force reported being unemployed at the 2021 Census, with this figure decreasing from around nine per cent to around six per cent.

The Clarence Valley LGA labour force is employed in a variety of fields. Employment is concentrated in particular industries, however, and eight industries accounted for (approximately) 1,000-plus resident workers. Of these, only *Health Care and Social Assistance* and *Retail Trade* account for more than 10 per cent of the total workforce. This is shown in Figure 37.

Figure 37: Industries of employment by proportion of total resident workers



Source: ABS Census (2021), compiled by profile.ID (2023)

Compared to NSW as a whole, significantly fewer Clarence Valley LGA resident workers are employed in industries including *Financial and Insurance Services* and *Professional, Scientific and Technical Services*, and *Information Media and Telecommunications*.

Significantly more Clarence Valley workers are employed in industries including *Agriculture, Forestry and Fishing*, *Retail Trade*, *Accommodation and Food Services*, *Public Administration and Safety*, and *Health Care and Social Assistance* compared to NSW overall.

Housing demand

This section analyses the demand for new housing to identify the type and level of housing needed to support the local government area.

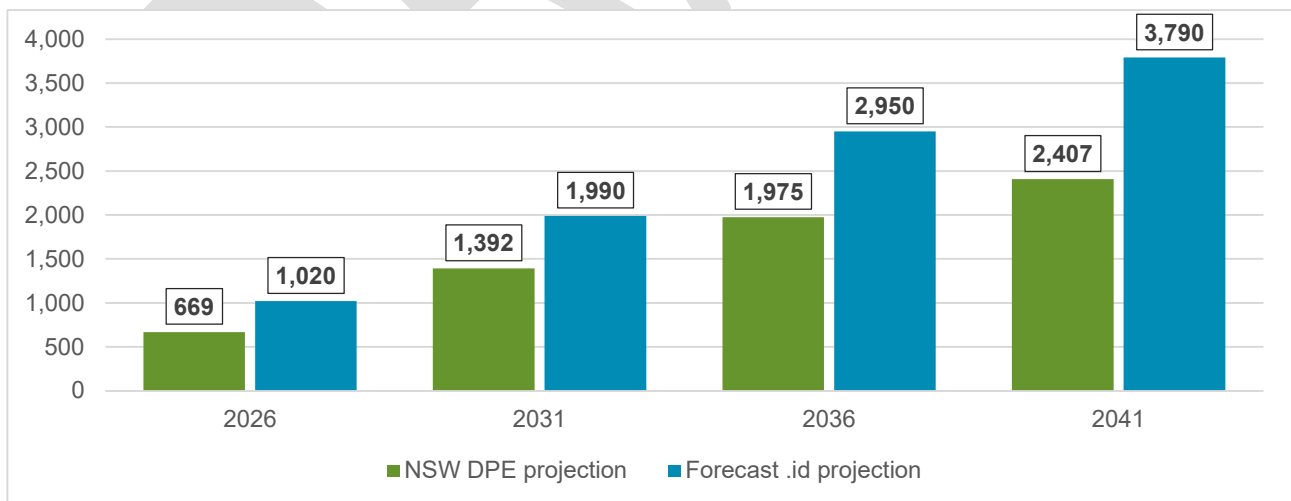
Dwelling projections

Two projection scenarios have been considered to prepare this LHS, the first of which is from the NSW Department of Planning and Environment (DPE), whilst the second is sourced from demographers .id. This is because, at the time of writing, DPE's most up to date projections were based on estimated resident population data from June 2020, and therefore do not capture much of the significant change arising from the drivers and trends associated with or accelerated by the COVID-19 pandemic. In contrast, .id's projections were updated in late 2022 and therefore account for more up to date population estimates and other demographic factors. Though NSW DPE's projections indicate little population growth, both DPE and .id project significant additional demand for dwellings over the period to 2041.

Count of additional dwellings

Figure 38 shows the cumulative number of additional dwellings anticipated to be required to 2041 under each projection scenario, calculated from the 2021 figure in the respective scenario. These figures represent the total number of dwellings, inclusive of both occupied and unoccupied dwellings.

Figure 38: Additional private dwellings required to 2041 (cumulative)



Source: HillPDA, NSW DPE (2022), .id (2023)

DPE's dwelling projections estimate that the number of dwellings required to house the projected population in the Clarence Valley LGA will increase to 28,153 by 2041. This change represents an increase of approximately 2,088 dwellings over that recorded at the 2021 Census, or around eight per cent, representing an annual growth rate of 0.39 per cent.

In contrast, .id's dwelling projections estimate that the number of dwellings required in the Clarence Valley LGA will increase to 29,857 by 2041. This would equate to 3,729 additional dwellings above the figure recorded at the 2021 Census, or around 14.5 per cent, representing an annual growth rate of 0.68 per cent.

Over the 20 year forecast period, across the Clarence Valley LGA, DPE's forecast would require around 105 additional dwellings per year, whilst .id's forecast would require around 190 additional dwellings per year.

Household and dwelling type projections

This section combines the above projections with an analysis of household, dwelling, and tenure types over the period 2011 to 2021. By applying this bespoke housing propensity model, we can predict the types of housing that are likely to be in demand over the period to 2041, based on trends observed over the past decade.

The findings of the housing propensity model are reliant on existing trends that are observable in the Census data during the study period (2011 to 2021). They therefore represent a 'status quo' scenario that assumes all trends will continue, and are not able to capture significant recent changes that have occurred outside the study period.

Table 9 shows how the projected additional dwelling demand would be distributed between different dwelling types according to the housing propensity model, for both projections. Under the DPE projection, slightly under 2,000 separate houses are anticipated to be required by 2041, whilst the .id projection indicates a need for over 3,200 such dwellings. Both models project a high level of growth for semi-detached dwellings, although this is calculated from a low baseline, and would only total slightly over 300 dwellings by 2041 in either scenario.

Table 9: Additional dwellings by dwelling structure (2021-2041)

Dwelling type	Dwellings 2021		Dwellings required by 2041			
	Count	% of total	Count	% of total	Growth	
					#	%
DPE projection						
Separate house	22,095	85.8%	24,006	85.3%	1,911	8.7%
Semi-detached	1,675	6.5%	1,976	7.0%	301	18.0%
Flat or apartment	1,154	4.5%	1,255	4.5%	102	8.8%
Other dwelling	699	2.7%	766	2.7%	67	9.6%
DPE total	25,746	100.0%	28,153	100.0%	2,407	9.3%
.id projection						
Separate house	22,425	86.0%	25,658	85.9%	3,233	14.4%
Semi-detached	1,671	6.4%	1,913	6.7%	328	19.7%

Dwelling type	Dwellings 2021		Dwellings required by 2041			
	Count	% of total	Count	% of total	Growth	
					#	%
Flat or apartment	1,146	4.4%	1,237	4.1%	91	7.9%
Other dwelling	702	2.7%	811	2.7%	109	15.6%
.id total	26,067	100.0%	29,857	100.0%	3,790	14.5%

Source: HillPDA, NSW DPE (2022), .id (2023)

Table 10 shows how the proportion of household types in the Clarence Valley is anticipated to change under the projection scenarios. Under the DPE projection, the vast majority of the roughly 2,000 additional households anticipated across the LGA would be couple only, one parent family, and lone person households. The .id projection projects approximately 3,400 additional households across the LGA, with couple only, couple with children, and lone person household types constituting roughly 1,000 additional households each.

Whilst the .id projection may be indicative of continuing demand for larger, separate dwellings more likely to be desired by family with children households, both scenarios project significant numbers of couple only and lone person households – DPE projects around 1,800, whilst .id projects around 2,000 additional households. These households consist of one or two people only, and whilst many may seek a larger dwelling than required, this is indicative of a high need for smaller dwellings.

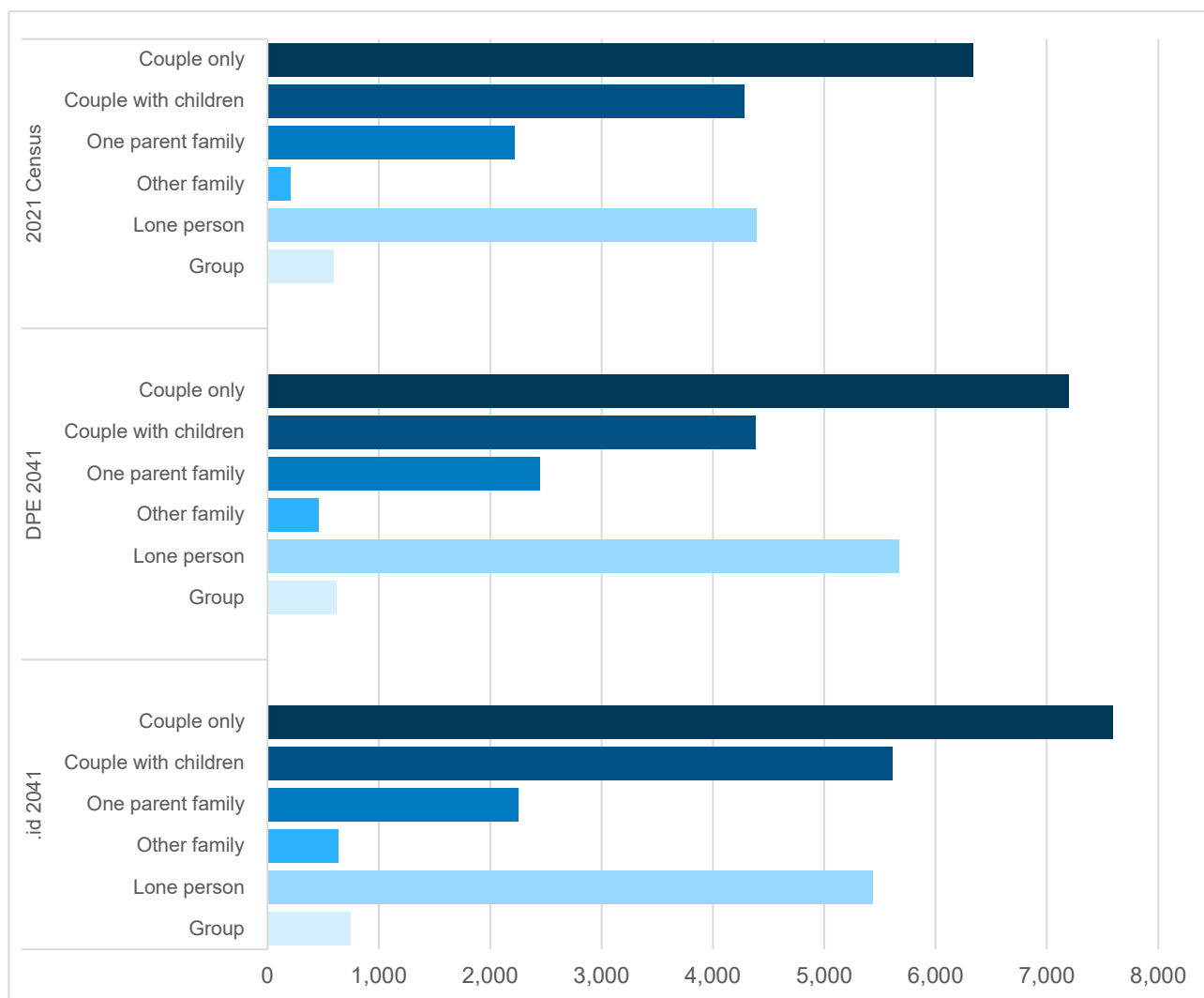
Table 3: Household type projections, Clarence Valley LGA (2021-2041)

Household type	DPE 2041			.id 2041		
	#	%	% change '21-'41	#	%	% change '21-'41
Couple only	7,880	32.3%	-0.2%	8,315	32.1%	-0.6%
Couple with children	4,588	18.8%	-1.7%	5,889	22.7%	+1.4%
One parent family	2,748	11.3%	-0.1%	2,541	9.8%	-1.3%
Other family	537	2.2%	-0.2%	749	2.9%	+0.2%
Lone person	7,764	32.9%	+2.3%	7,440	28.7%	+0.2%
Group	719	2.9%	-0.2%	855	3.3%	+0.0%
Total	24,362	100.0%	0.0%	25,921	100.0%	0.0%

Source: HillPDA, NSW DPE (2022), .id (2023)

Figure 39 combines the above dwelling structure and household type projections to present the anticipated demand for separate houses by household type for LGA. Both projection scenarios indicate significant additional demand for separate houses, though under the DPE 2041 scenario, this is almost exclusively from couple only and lone person households, whereas under the .id 2041 scenario, additional demand is also anticipated from couple with children households.

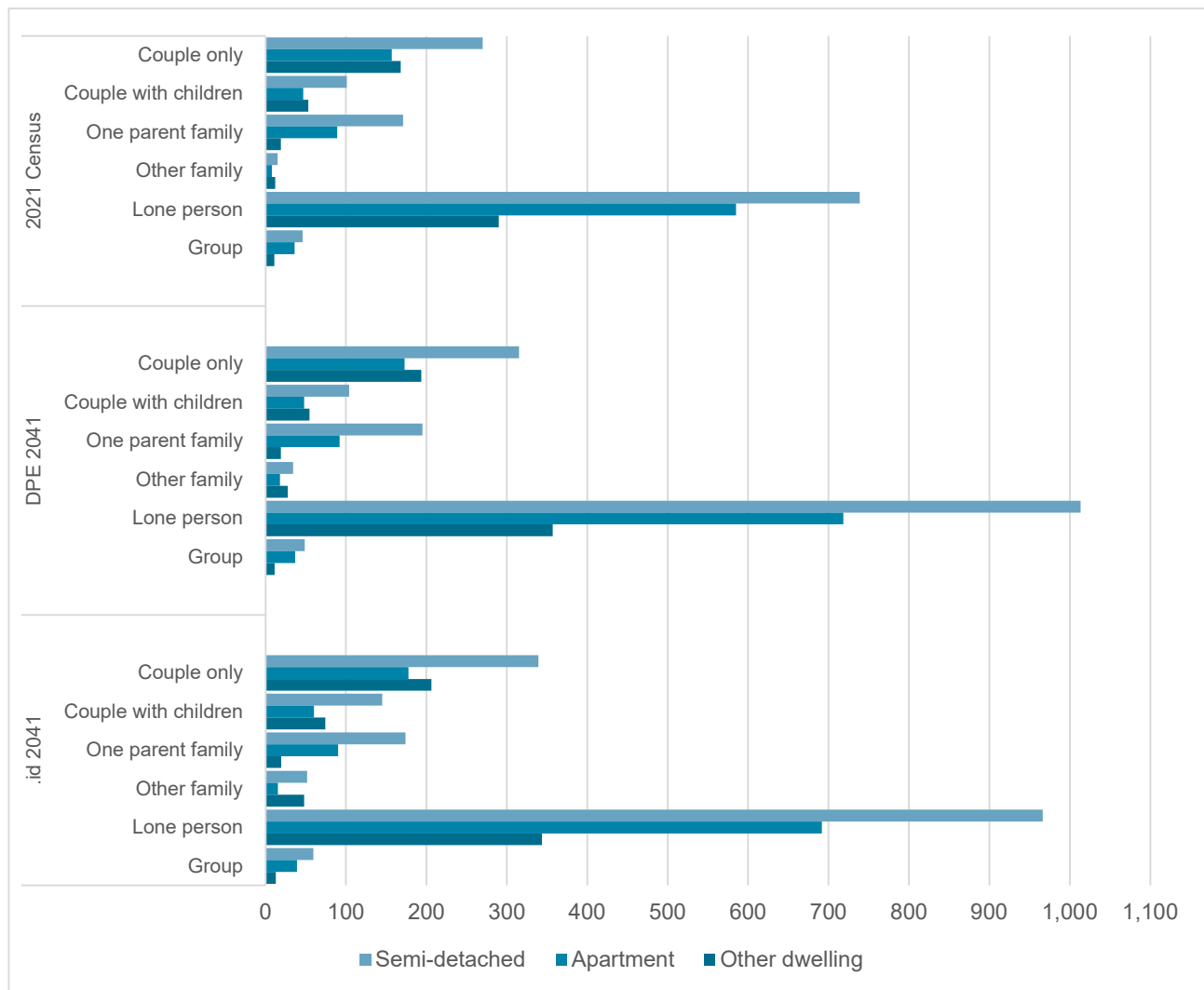
Figure 39: Separate house household types, Clarence Valley LGA, 2021 Census and 2041 projection scenarios



Source: HillPDA, ABS TableBuilder (2023), NSW DPE (2022), .id (2023)

Figure 40 shows the 2021 Census results and the above scenarios for the remaining dwelling types. The two projections anticipate very similar distributions of households between dwelling types. The most significant point of difference is that .id's projection anticipates more couple only and couple with children households residing in semi-detached dwellings, and far fewer lone person households overall.

Figure 40: Other household types, Clarence Valley LGA, 2021 Census and 2041 projection scenarios



Source: HillPDA, ABS TableBuilder (2023), NSW DPE (2022), .id (2023)

Tenure type

Trends in tenure type have also been considered and projected, including across dwelling types, as shown in Table 11. Under both scenarios, a gross increase in households is anticipated for almost all tenure types to 2041. Both scenarios anticipate that mortgagees will constitute a smaller proportion of total households, with more households owning their dwelling outright. Further, both models also project proportionally fewer households renting through social housing, and more households renting through the private market, however, the DPE scenario projects a slightly higher increase in private market renter households.

Under the .id scenario, by 2041, the Clarence Valley LGA would have almost 2,500 additional households that own their dwelling, with or without a mortgage, with only around 800 additional renter households. Under the DPE scenario, only around 1,400 additional owner households and slightly less than 600 additional renter households are anticipated by 2041.

Table 11: Households by tenure type, 2041 projections

Tenure type	DPE				.id			
	2021	2041	Change		2021	2041	Change	
			#	%			#	%
Owned outright	10,170	11,490	1,320	+1.6%	10,267	12,291	2,024	+1.8%
Owned with a mortgage	6,244	6,313	69	-2.1%	6,306	6,751	445	-2.0%
Rented (private market)	4,615	5,293	678	+1.1%	4,638	5,560	921	+0.8%
Rented (social housing)	580	473	-107	-0.7%	581	484	-97	-0.7%
Total	22,322	24,362	2,040	0.0%	22,505	25,921	3,416	0.0%

Source: HillIPDA, NSW DPE (2022), .id (2023)

Table 12 shows projected tenure types by dwelling type. There are only marginal differences between the two in terms of proportional changes, with the most notable being that the .id projection anticipates that a slightly higher proportion of dwellings will be owned, outright or with a mortgage, and a slightly smaller proportion would be rented, compared to the DPE projections.

Under both scenarios, the rental household market is concentrated within separate house dwellings. Housing diversity across the Clarence Valley LGA has been shown to be limited, and the below table suggests that the minimal amount of diverse dwellings are generally not on the rental market. This may contribute to housing affordability issues, with renter households being limited to larger, standalone dwellings, with few semi-detached or apartment dwellings available for rent.

Table 4: Tenure type by dwelling type projections, Clarence Valley LGA (2041)

Tenure type	Separate house		Semi-detached		Apartment		Other	
	DPE	.id	DPE	.id	DPE	.id	DPE	.id
Owned outright	43.0%	43.3%	3.1%	3.1%	2.0%	2.0%	1.4%	1.4%
Owned with a mortgage	22.9%	23.0%	1.7%	1.6%	1.1%	1.1%	0.7%	0.7%
Rented - private market	19.2%	19.0%	1.4%	1.4%	0.9%	0.9%	0.6%	0.6%
Rented - social housing	1.7%	1.6%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Total	86.8%	87.0%	6.3%	6.2%	4.1%	4.0%	2.8%	2.8%

Source: HillIPDA, NSW DPE (2022), .id (2023)

Implied demand by location

It is estimated that, across the Clarence Valley LGA, between 2,090 and 3,790 additional dwellings will be required by 2041, as indicated in Table 13. This is also shown in Figure 41.

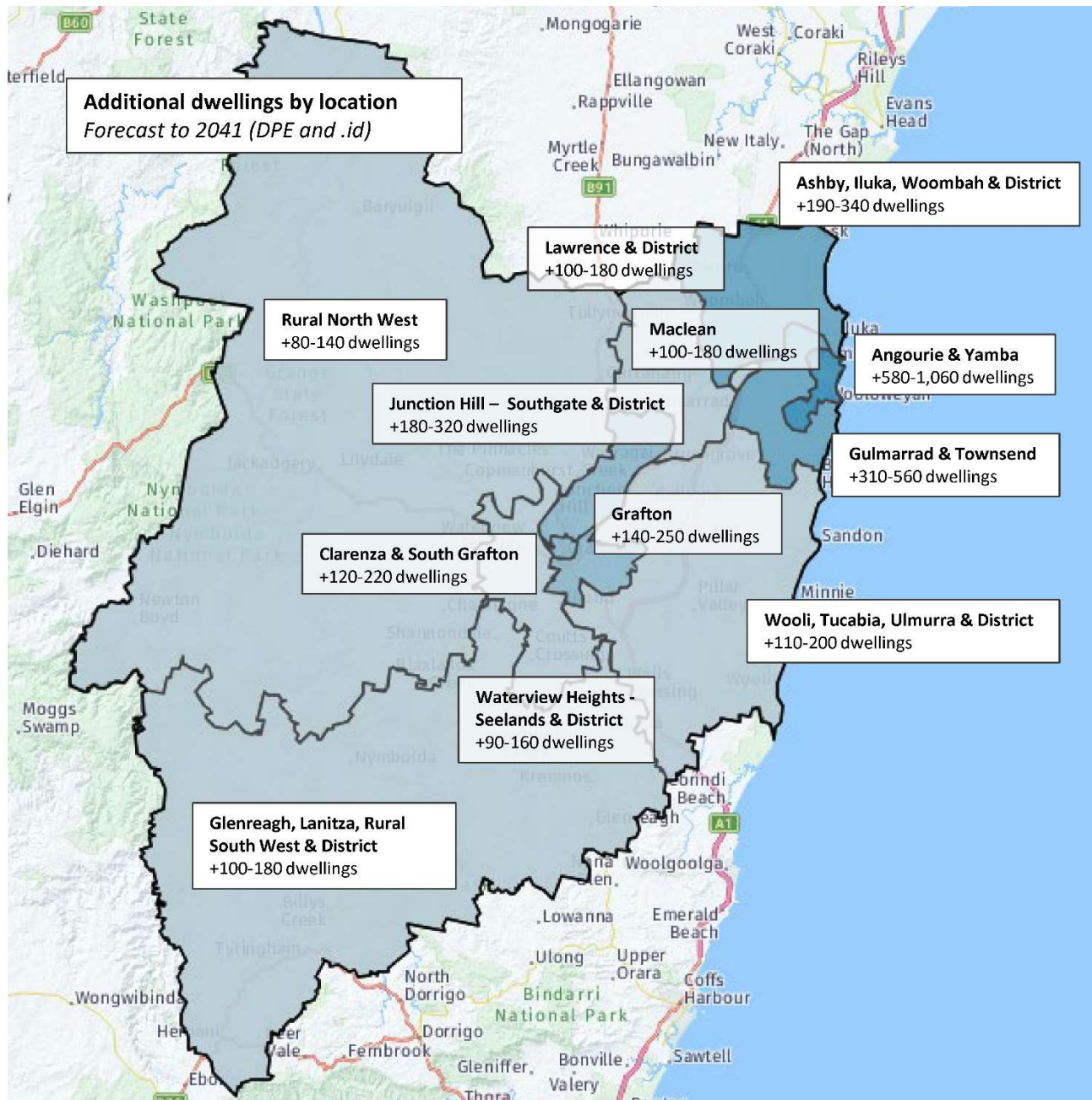
Table 13: Overall demand assessment

Area	Additional dwellings, 2041		
	DPE	.id	% of total
Angourie & Yamba	580	1,060	28.0%
Ashby, Iluka, Woombah & District	190	340	9.0%
Clarenza & South Grafton	120	220	6.0%
Glenreagh, Lanitza, Rural South West & District	100	180	5.0%
Grafton	140	250	6.5%
Gulmarrad & Townsend	310	560	15.0%
Junction Hill - Southgate & District	180	320	8.5%
Lawrence & District	100	180	5.0%
Macleay	100	180	5.0%
Rural North West	80	140	3.5%
Waterview Heights - Seelands & District	90	160	4.5%
Wooli, Tucabia, Ulmarra & District	110	200	5.5%
Total	2,090	3,790	100.0%

Source: HillIPDA, NSW DPE (2022), .id (2023)

Note: figures have been rounded

Figure 41: Implied dwelling demand (ranges) by location, 2041



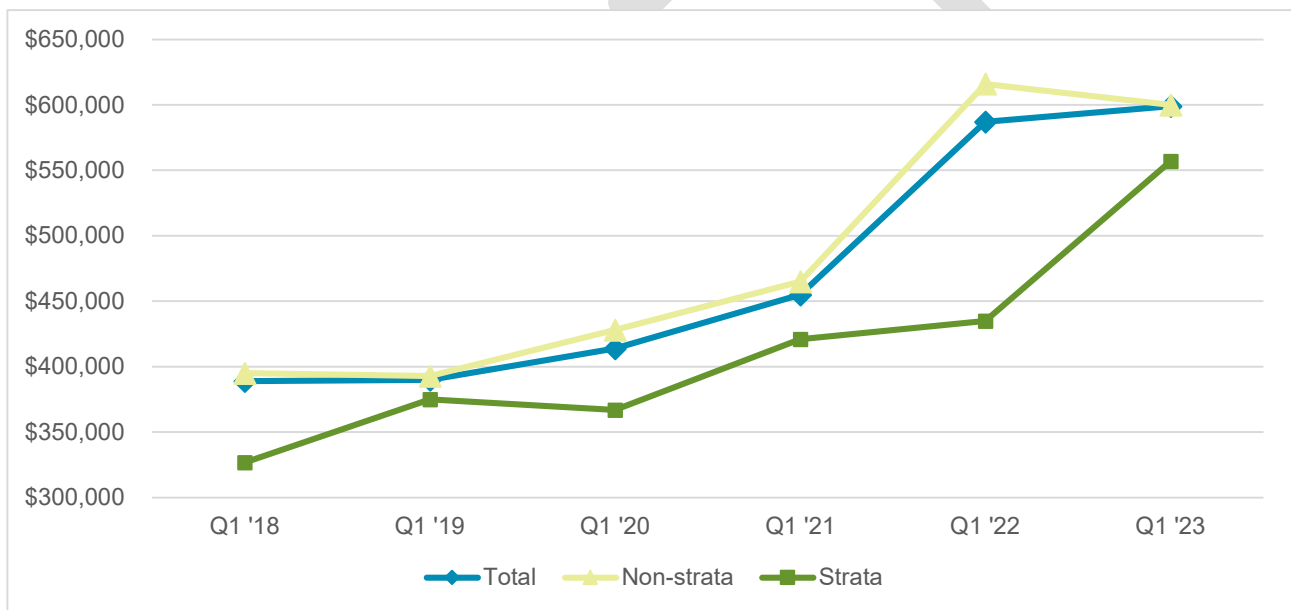
Source: HillIPDA, NSW DPE (2022), .id (2023)

Rent and sales prices

Sales prices

Figure 42 shows median dwelling sale prices in the Clarence Valley LGA by dwelling strata status for the five year period to March 2023. As with rental prices, a step change clearly differentiates the period up to 2020 and the period from 2022 on. In the earlier period, median sale prices for non-strata dwellings were around \$400,000, whilst for strata dwellings, sale prices were around \$350,000. For the period from 2022 on, the median sale price for non-strata dwellings was above \$600,000, whilst for the March 2023 quarter, the median sale price for strata dwellings exceeded \$550,000.

Figure 42: Median sale price by dwelling type, Clarence Valley LGA (Q1 2018 to Q1 2023)

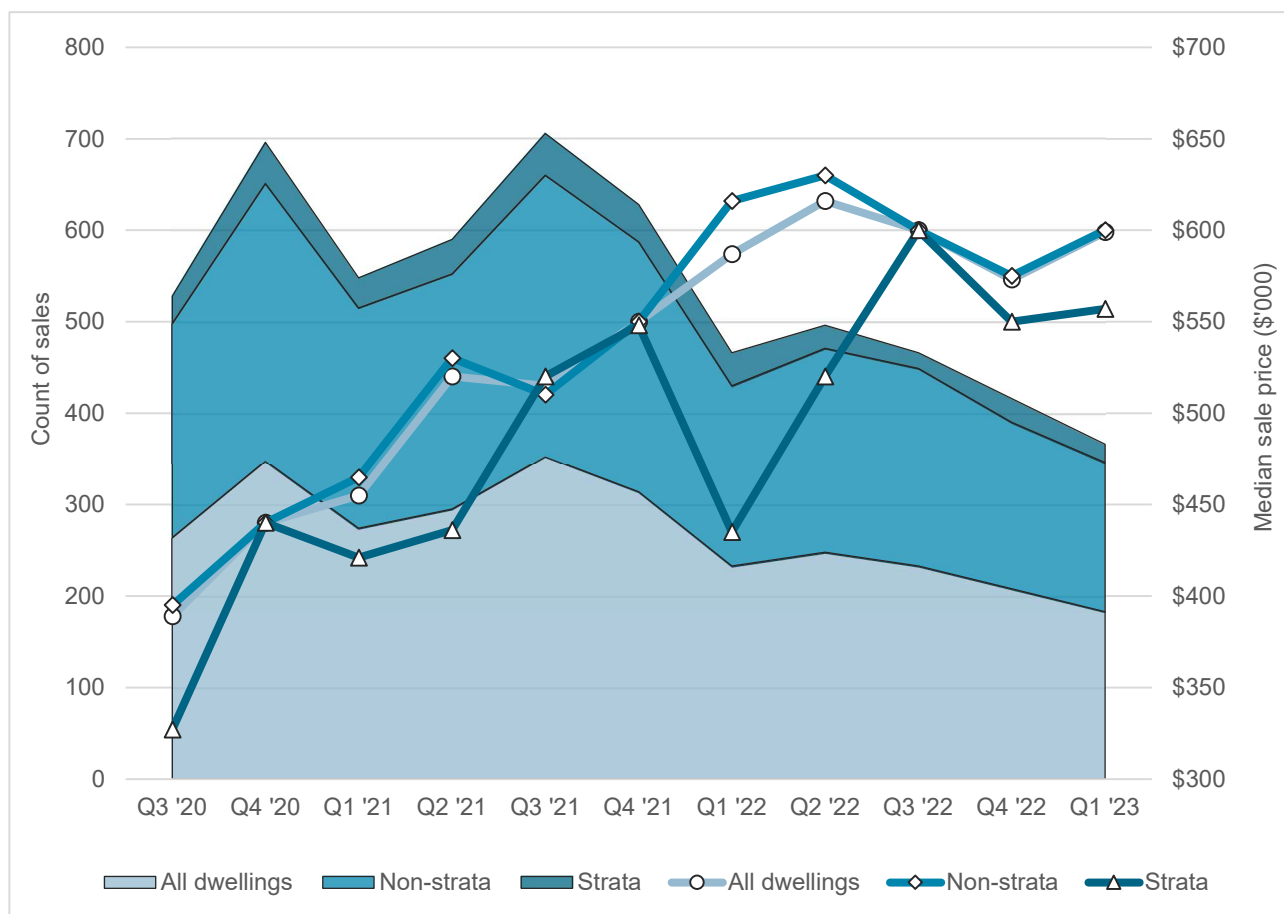


Source: NSW Department of Communities and Justice (2023)

Figure 43 shows the total count of sales alongside median sale price for the Clarence Valley LGA over the period Q3 2020 to Q1 2023. The figure shows the fast rise in median sale price across all dwellings from late 2020 to mid-2022, with similar growth in sale volume. Overall median sale prices in late 2020 were around \$400,000, with quarterly sales totalling around 250 dwellings.

A plateau in median sale prices appears from around late 2022, with a reduction to around \$600,000 from well above this figure. This decrease occurred after a significant decrease in sale volume from early 2022 onwards, with strata and non-strata quarterly sale volume peaking in Q3 2021 at 38 and 307 dwellings, respectively. By the first quarter of 2023, these figures had nearly halved, with 163 non-strata sales and 20 strata sales.

Figure 43: Count of sales and median sale price, Clarence Valley LGA (Q3 2021 to Q1 2023)



Source: NSW Department of Communities and Justice (2023)

In terms of sale prices, the Clarence Valley's median dwelling sale price in December 2022 was \$573,000 (NSW Department of Communities and Justice, 2023). This represents a significant increase in median dwelling sale prices over the past five years, with the median sale price in the December 2017 quarter being \$370,000. Dwelling sale prices vary across Clarence Valley with areas of higher demand and amenity such as Yamba having higher prices.

Most LGAs in the North Coast region have shown high growth rates in their median sales price. When compared with other LGAs Clarence Valley's median price has increased at a lower proportional rate than Ballina (+124 per cent) and Byron Bay (+120 per cent), and at a rate similar to Tweed Shire (100 per cent) and Coffs Harbour (103 per cent). However, dwellings in Clarence Valley are relatively more affordable than elsewhere in the North Coast region. This is shown in Table 14.

Table 14: Median dwelling sale price by dwelling title type (selected LGAs), quarter to March 2023

LGA	Strata		Non-strata		All dwellings	
	Median sale (\$)	#	Median sale (\$)	#	Median sale (\$)	#
Ballina	\$715,000	53	\$1,010,000	79	\$945,000	132
Coffs Harbour	\$550,000	76	\$835,000	173	\$765,000	249
Richmond Valley	\$580,000	15	\$460,000	54	\$460,000	69
Clarence Valley	\$557,000	20	\$600,000	163	\$599,000	183

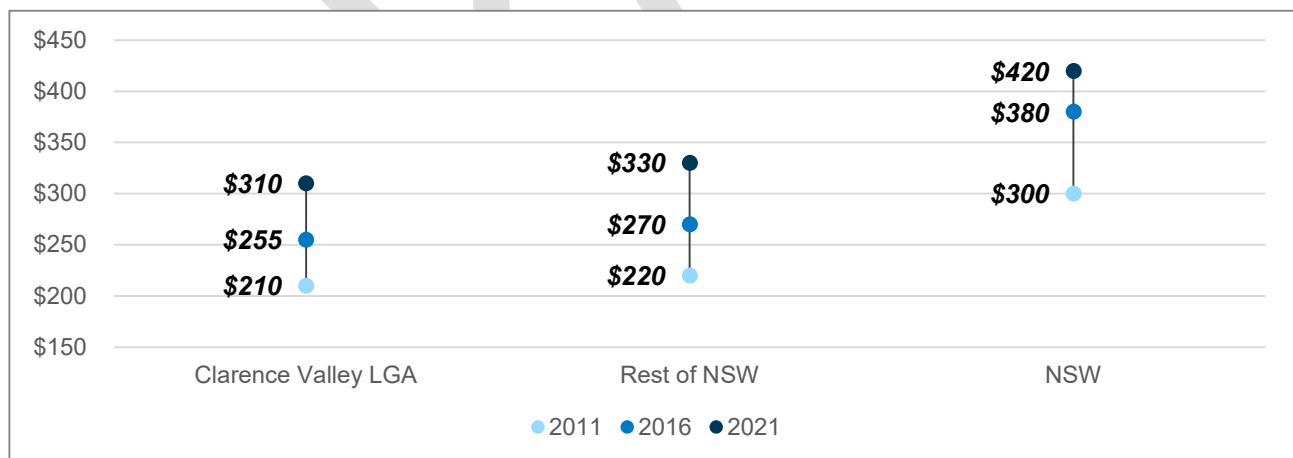
Source: NSW Department of Communities and Justice (2023)

At the end of July 2023, there were 313 properties listed for sale in the Clarence Valley (Domain, 2023). Analysis based on property listings suggested that 261 properties were in the residential zones. From available information, the majority of the listed properties were detached houses (66 per cent). 70 properties were vacant lots (27 per cent).

Rent prices

Figure 44 shows how the median weekly rent has changed over the period 2011 to 2021 in the Clarence Valley LGA and comparator areas. In alignment with the Rest of NSW, the LGA experienced a significant increase (over 25 per cent) in median rent from 2016 to 2021, though median weekly rent in the Clarence Valley remains slightly lower than across the Rest of NSW.

Figure 44: Median weekly rent over time, Clarence Valley LGA and comparator areas (2011-2021)

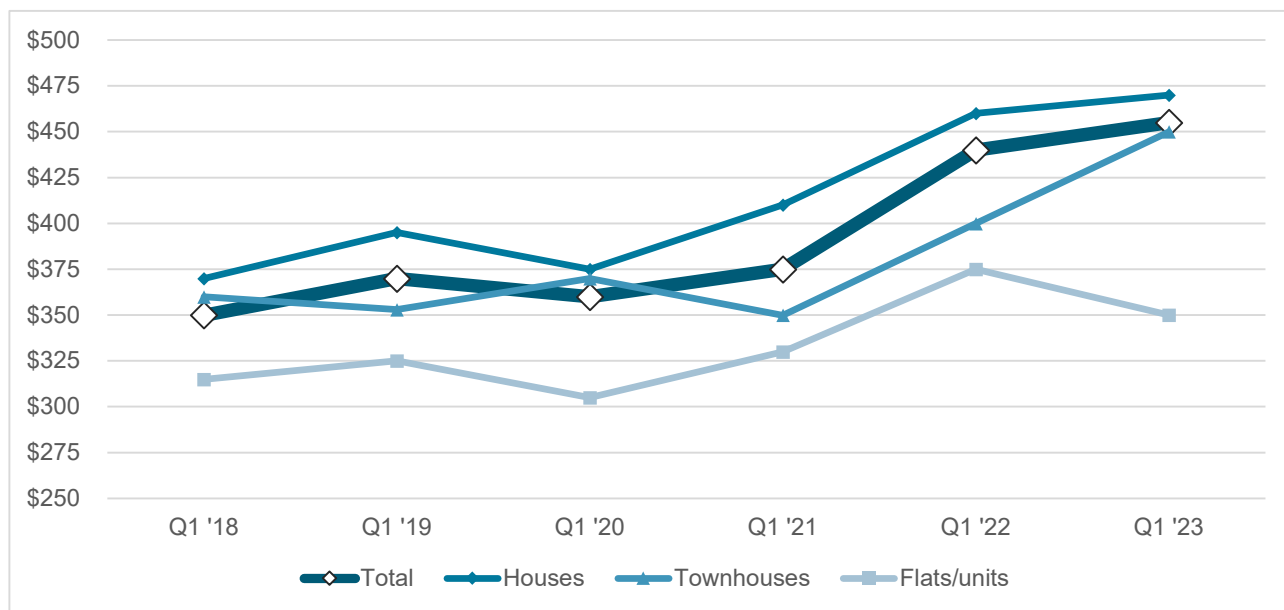


Source: ABS QuickStats (2022)

Figure 45 shows median weekly rent in the Clarence Valley LGA by dwelling type, as per newly lodged rental bonds, for the five year period to March 2023. This therefore provides a better indicator of the present rental market, and shows that median weekly rents for houses and townhouses have completed a step change in

price, increasing from around \$350 to \$400 per week prior to 2020, to around \$450 to \$475 per week by 2023. Weekly rental prices for units have also increased over the period, but to a lesser degree.

Figure 45: Median weekly rents (new bonds) by dwelling type, Clarence Valley LGA (Q1 2018 to Q1 2023)



Source: NSW Department of Communities and Justice (2023)

Table 15 shows median weekly rental data for new bonds as at the quarter to March 2023) for the Clarence Valley and neighbouring Northern Rivers coastal LGAs. This suggests general parity in rental prices between the Clarence Valley and Richmond Valley markets. Coffs Harbour rents were slightly higher, and Ballina rents were significantly higher.

Table 15: Median weekly rent (new bonds) by dwelling type (selected LGAs), quarter to March 2023

LGA	House		Townhouse		Unit		All dwellings	
	Median rent (\$/w)	#	Median rent (\$/w)	#	Median rent (\$/w)	#	Median rent (\$/w)	#
Ballina	\$690	270	\$640	n/a	\$520	69	\$650	367
Coffs Harbour	\$600	415	\$550	66	\$450	160	\$550	710
Richmond Valley	\$480	98	n/a	n/a	\$300	n/a	\$460	128
Clarence Valley	\$470	275	\$450	n/a	\$350	72	\$450	372

Source: NSW Department of Communities and Justice (2023)

Social housing wait times

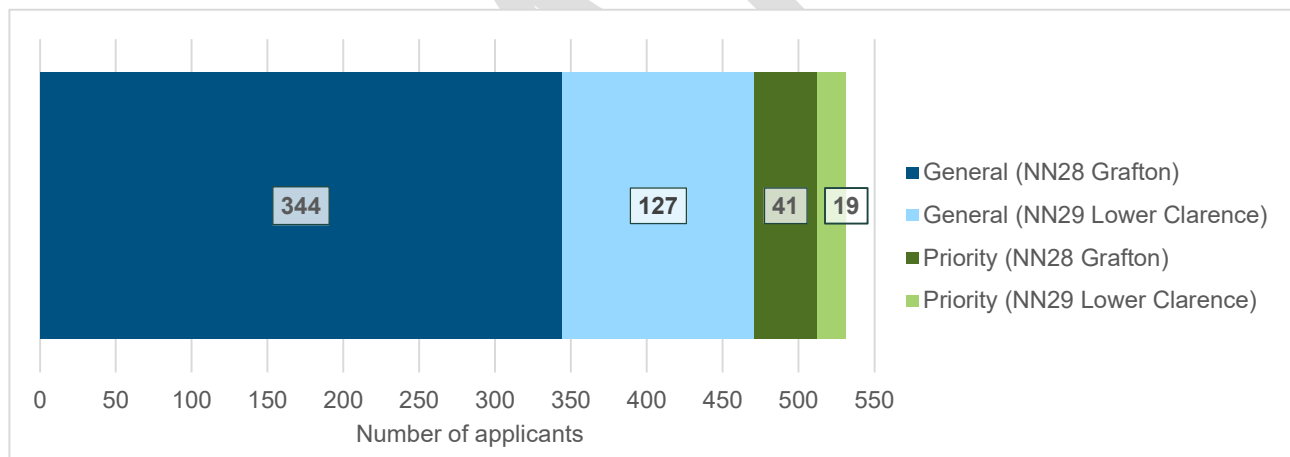
Social housing allocation zones are areas within which the NSW Government (through Families & Community Services (FACS)) provides social housing. There are two allocation zones within the Clarence Valley LGA:

- NN28 Grafton, which includes Grafton and its surrounds.
- NN29 Lower Clarence (includes Yamba, Iluka, Maclean and surrounds).

As at 30 June 2022, both Clarence Valley LGA allocation zones had a large number of applicants on their respective waitlists, as shown in Figure 31. Overall, there were 531 applicants on waitlists for social housing in the Clarence Valley LGA, consisting of 471 general applicants and 60 priority applicants.

The waitlist for social housing in the NN28 Grafton allocation zone reported the most applicants, totalling 385, with 344 general applicants and 41 priority applicants. In contrast, there were less than half that number of applicants on the waitlist for social housing in the NN29 Lower Clarence allocation zone, which recorded 146 applicants, consisting of 127 general applicants and 19 priority applicants.

Figure 46: Social housing waitlist by location and applicant type, Clarence Valley LGA allocation zones (as at 30 June 2022)



Source: NSW Department of Family and Community Services (2023)

FACS also provides information for applicants on the length of time they should expect to wait for a social housing property to become available in an allocation zone (as at 30 June 2022). Table 16 shows this guidance for each of the Clarence Valley LGA allocation zones, by dwelling type. The minimum expected waiting time for almost all categories of social housing dwelling in the Clarence Valley LGA was reported as 5-10 years. Two exceptions to this guidance were reported for studio or one bedroom dwellings and four or more bedroom dwellings in the NN29 Lower Clarence allocation zone which were 10 plus years.

Table 16: Expected social housing waiting times (for general applicants) by dwelling size (as at 30 June 2022)

Type of dwelling	NN28 Grafton	NN29 Lower Clarence
Studio/1 bedroom	5-10 years	10+ years
2 bedroom	5-10 years	5-10 years
3 bedroom	5-10 years	5-10 years
4+ bedroom	5-10 years	10+ years

Source: NSW Department of Family and Community Services (2023)

Overall, just two per cent of all dwellings in the Clarence Valley LGA (or 530 dwellings) were tenured under non-market arrangements at the 2021 Census. Of these, slightly more were rented from a state or territory housing authority (1.2 per cent) than those rented from a community housing provider (CHP) (0.9 per cent). Altogether, households renting from a state or territory housing authority or a CHP accounted for just under ten per cent of all renter households in the LGA (5.6 per cent and 4.1 per cent respectively).

The total number of social and affordable renter households in the LGA is approximately equal to the total number of persons on the latest FACS social housing waitlist.

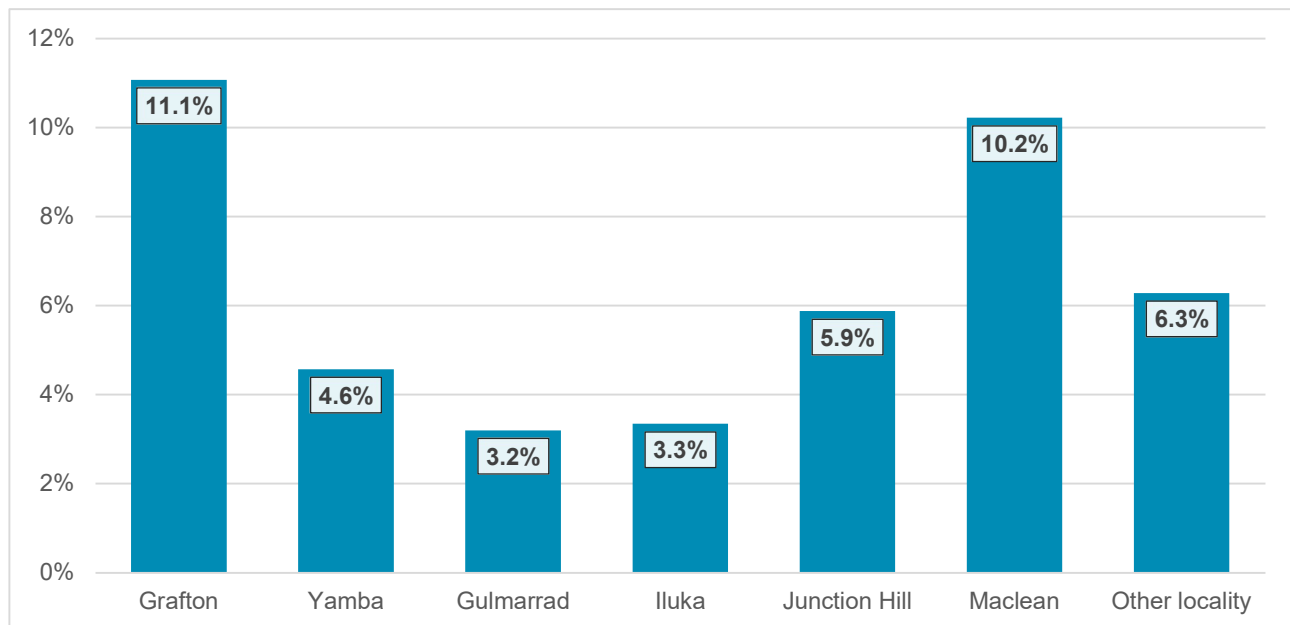
Whilst no centralised waitlist exists to consider the above in terms of community-provided housing, engagement undertaken by HillPDA with representatives of the community housing sector in the Clarence Valley LGA and the Northern Rivers more broadly indicated high and growing levels of demand for affordable housing in the area. Housing providers reported that there was significant unmet demand for housing at below market rates in the LGA, further noting that demand for affordable housing was now coming from segments previously able to access market housing (e.g. 'working family' households).

Housing for particular needs

Housing for First Nations populations

The Clarence Valley LGA is home to a relatively large First Nations population of almost 4,400 people or 8.1 per cent of the LGA's population, as at 2021. Figure 47 shows the First Nations population as a proportion the total population for selected Clarence Valley localities. Grafton and Maclean have the highest proportion of First Nations residents by a significant margin, whereas Yamba, Gulmarrad, and Iluka have proportionally very small First Nations populations.

Figure 47: First Nations population (as proportion of total population) by Clarence Valley LGA locality (2021)



Source: HillPDA, ABS TableBuilder (2023)

First Nations households are often overrepresented in the social housing sector due to difficulties experienced in accessing private rental accommodation. Whilst the reasons for these difficulties are unique and varied, they may include challenges of meeting criteria for properties, intergenerational trauma, racial discrimination within rental markets or a lack of suitable housing.¹⁰ It is important that housing policy addresses First Nations housing solutions where relevant.

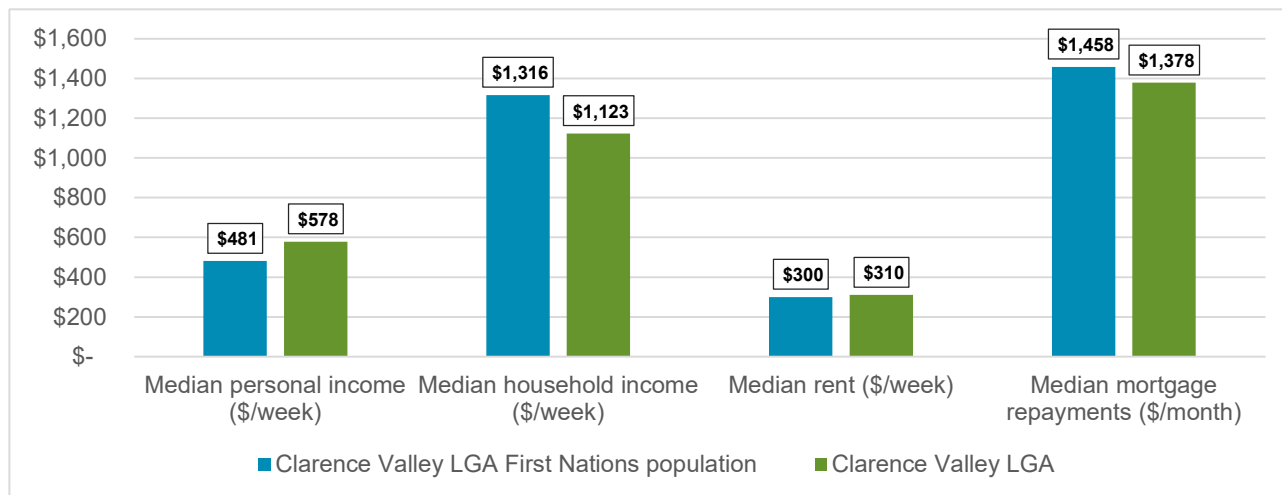
Compared to the overall population of the LGA, First Nations residents were typically much younger, with a median age of 25 (compared to 49 for the overall population), and lived in larger households, with an average of 3.1 people per household (compared to 2.3). Almost 150 First Nations dwellings in the Clarence Valley LGA were identified as requiring one or more extra bedrooms at the 2021 Census, representing around eight per cent of all First Nations dwellings in the LGA.

First Nations residents of the Clarence Valley also recorded lower median personal incomes (\$481 per week) compared to the overall LGA (\$578 per week), though their median household incomes were higher (\$1,316 per week compared to \$1,123 per week). Contributing factors to this may include the larger household size resulting in additional income earners per household, and the rest of the Clarence Valley LGA's households being more likely to have older residents that are earning only through a government benefit or allowance.

Moskos, M., Isherwood, L., Dockery, M., Baker, E. and Pham, A. (2022) 'What works' to sustain Indigenous tenancies in Australia, AHURI Final Report No. 374, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/374>, doi: 10.18408/ahuri3122901.

First Nations households were paying approximately equivalent amounts in median rent as all households (\$300 per week compared to \$310 per week), and significantly more per month in median mortgage payments (\$1,458 compared to \$1,378). This may indicate that affordability is an issue for First Nations households.

Figure 48: Housing costs and income, Clarence Valley LGA First Nations residents and overall residents (2021)



Source: ABS QuickStats (2022)

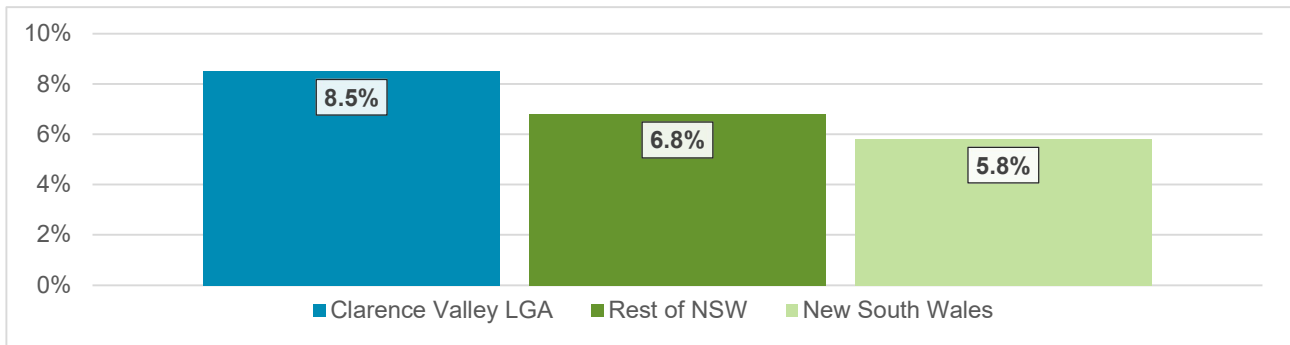
First Nations households were significantly more likely to be renter households (around 46 per cent of households) compared to the LGA as a whole (around 24 per cent of households), with around 46 per cent of households. First Nations households owned with a mortgage at a slightly higher rate than LGA households in general (28.3 per cent compared to 27.4 per cent), though a far smaller proportion owned their dwelling outright (around 20 per cent compared to around 45 per cent).

Housing for people with special needs

As discussed in previous sections, residents of the Clarence Valley LGA are significantly older overall compared to NSW as a whole. This may be a significant contributing factor in the high proportion of people who require assistance with core activities. This Census metric consists of people that require assistance with one or more of three areas: self-care, mobility, and communication; either through having a long term health condition, a disability, or through old age.

As at the 2021 Census, around 8.5 per cent of Clarence Valley LGA residents required assistance with core activities, higher than the rate recorded across both the Rest of NSW and NSW overall. This is shown in Figure 49.

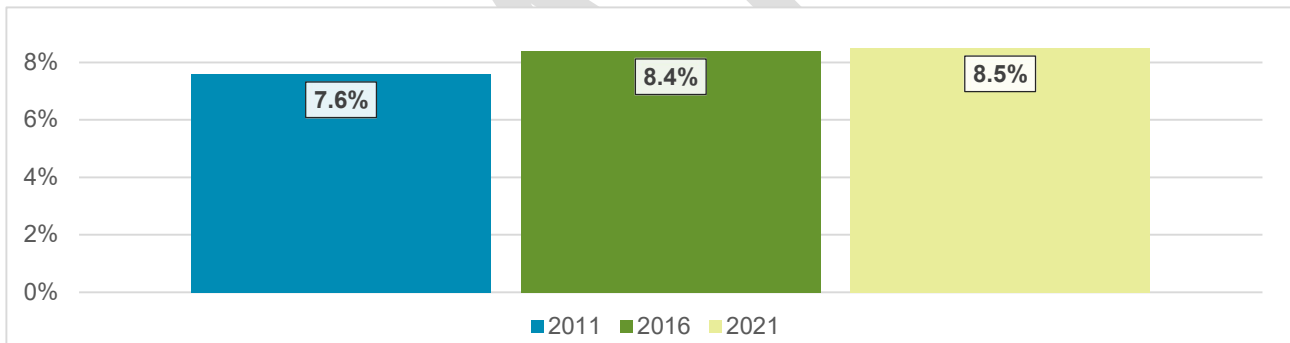
Figure 49: Persons needing assistance with core activities, Clarence Valley LGA and comparator areas (2021)



Source: ABS Census (2021), compiled by profile.ID (2023)

Figure 50 shows how this metric has changed over time in the Clarence Valley LGA. The proportion of residents requiring assistance with core activities has grown by roughly one per cent over the period 2011 to 2021, reflecting the changing population age structure.

Figure 50: Persons needing assistance with core activities over time, Clarence Valley LGA (2011-2021)

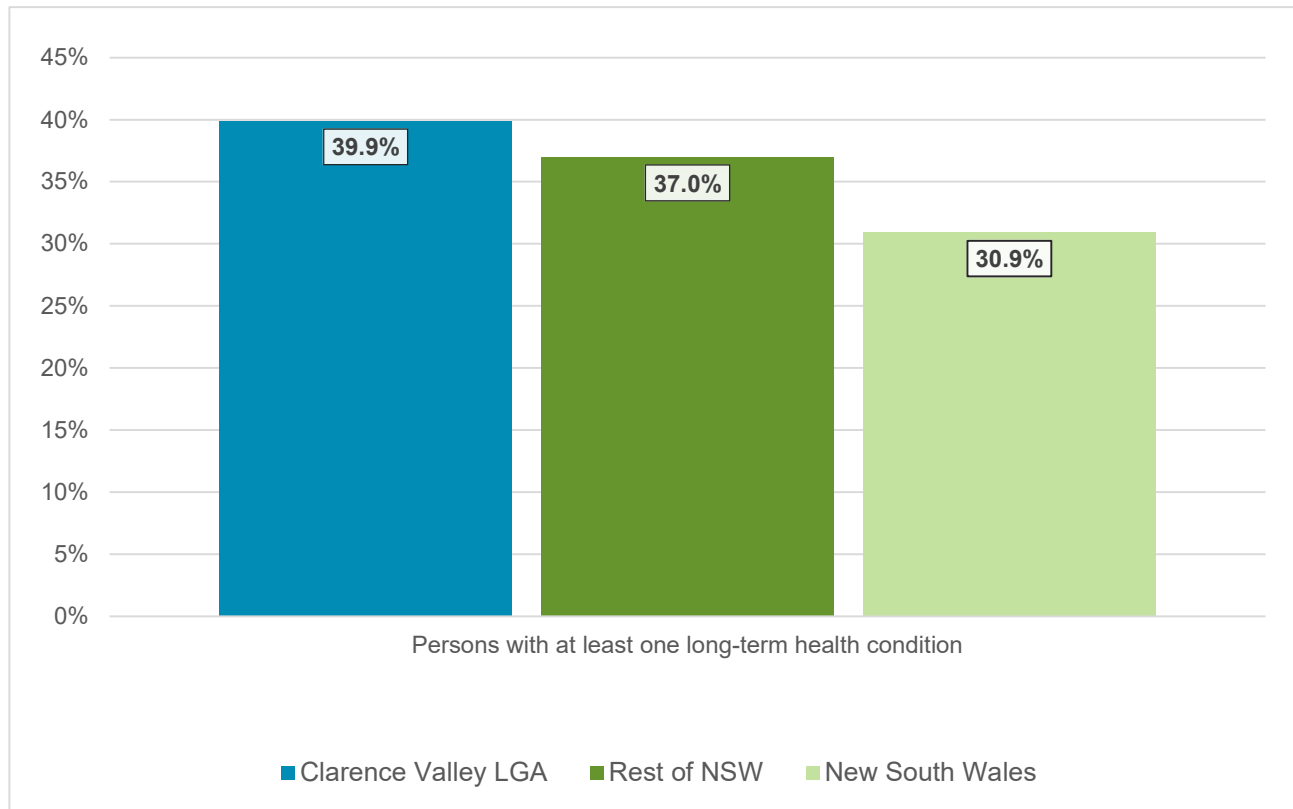


Source: ABS Census (2021), compiled by profile.ID (2023)

Finally, Figure 51 shows the proportion of Clarence Valley LGA residents with at least one long-term health condition. The proportion of residents with at least one long-term health condition is somewhat higher than the rate recorded across the Rest of NSW, and significantly higher than the rate across NSW as a whole, by almost ten per cent.

These findings are indicative of a strong and potentially unmet need for housing that is suitable for residents with reduced mobility in the LGA.

Figure 51: Persons with at least one long-term health condition, Clarence Valley LGA and comparator areas (2021)



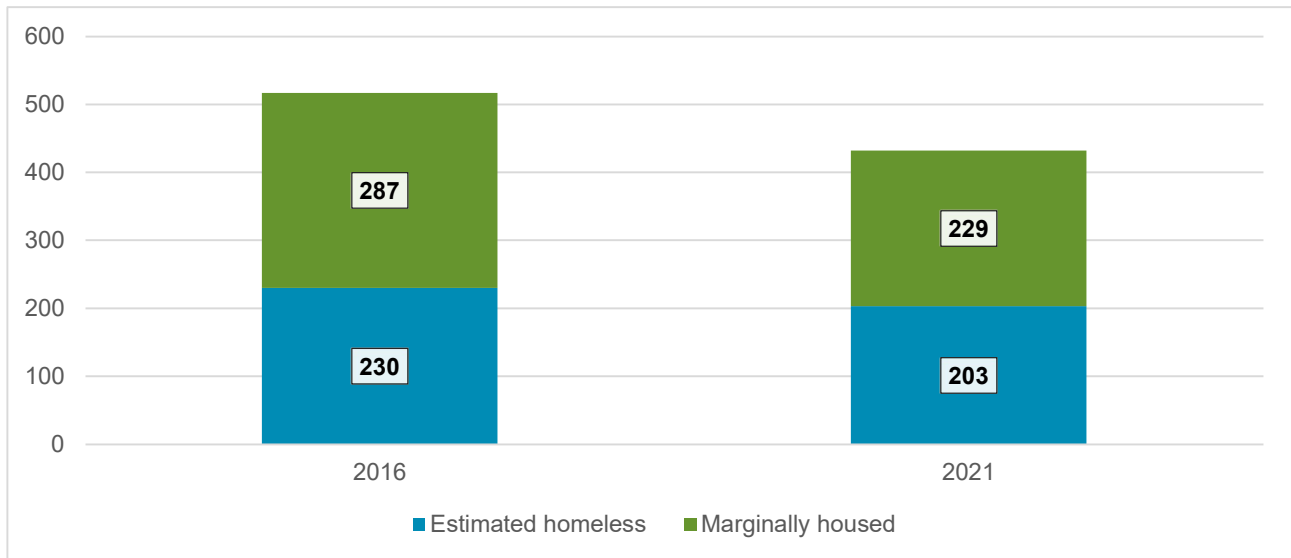
Source: ABS Census (2021), compiled by profile.ID (2023)

Homelessness

Homelessness is a complex issue, with a wide range of determinant factors as well as difficulties in measuring its extent. In general terms, however, housing availability and affordability likely contributes significantly to changes in the number of homeless people in an area.

ABS Census estimates of homelessness and marginally housed people show a small decrease in the Clarence Valley LGA from 2016 to 2021, as shown in Figure 52.

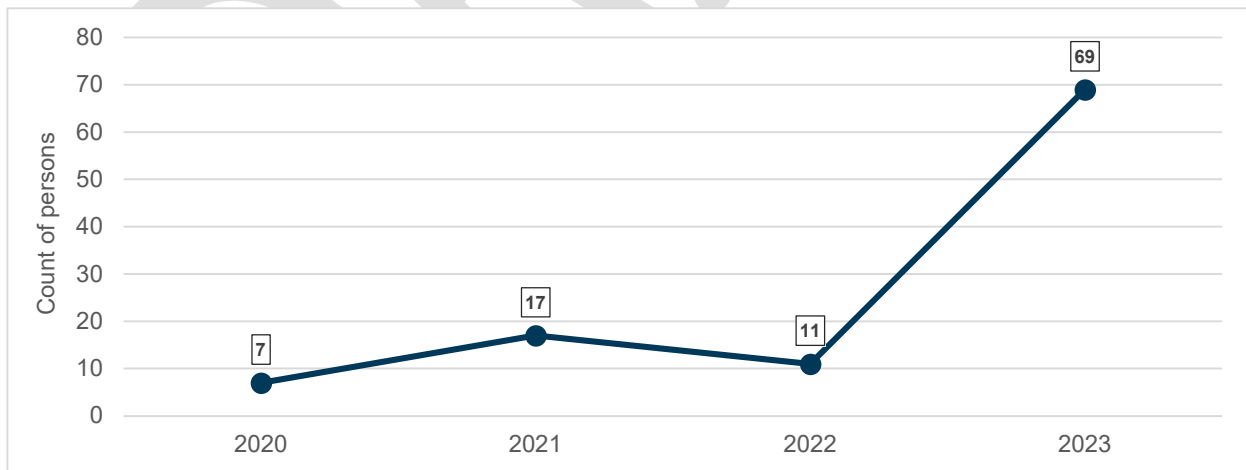
Figure 52: Estimated homelessness, Clarence Valley LGA (2016-2021)



Source: *Estimating Homelessness*, ABS (2018, 2023)

The findings of the NSW Statewide Street Count, an observational survey undertaken annually by the NSW Government, showed a marked uptick in the count of observed homeless persons in the Clarence Valley LGA in 2023 (to almost 70 persons), following relatively steady figures of under 20 persons from 2020 to 2022 (Figure 53). It is noted that the Statewide Street Count has improved its methodology over time, and that 2022 surveys were impacted by flooding in the Northern Rivers. Therefore, the increase in observed homeless persons may be less sharp than indicated below.

Figure 53: Count of observed homeless persons, Clarence Valley LGA (2020-2023)



Source: *NSW Statewide Street Count*, NSW Government Department of Communities and Justice (2020-2023)

Housing supply

This section analyses the supply of housing, the capacity and feasibility of the existing planning controls, and other sources of new housing.

Number and location of existing dwellings

According to ABS 2021 Census data, the total number of private dwellings in Clarence Valley on Census night was 26,060.

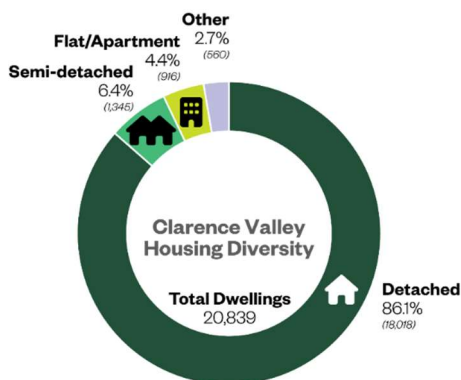
Almost 55 per cent of the housing in Clarence Valley is located in and around the three main centres of Grafton, Maclean-Townsend and Yamba. The Grafton area has almost one third of all housing in the LGA.

Of these private dwellings, 12 per cent were recorded as unoccupied on Census night. This is higher than the rate of unoccupied dwellings across NSW. This may reflect the prevalence of short-term rental accommodation across the LGA as well as a level of investment in investment properties.

Housing types

The predominant housing form is single detached houses, representing 86 per cent of housing stock. Medium density dwellings, including semi-detached, terrace, or townhouses, accounted for 6 per cent of the total, while apartment-style dwellings constituted 4 per cent of dwellings. Other dwelling types comprised 3 per cent of the overall count. These include cabins and caravans.

Figure 54: Housing typologies, Clarence Valley LGA (2021)



Source: ABS Census (2022)

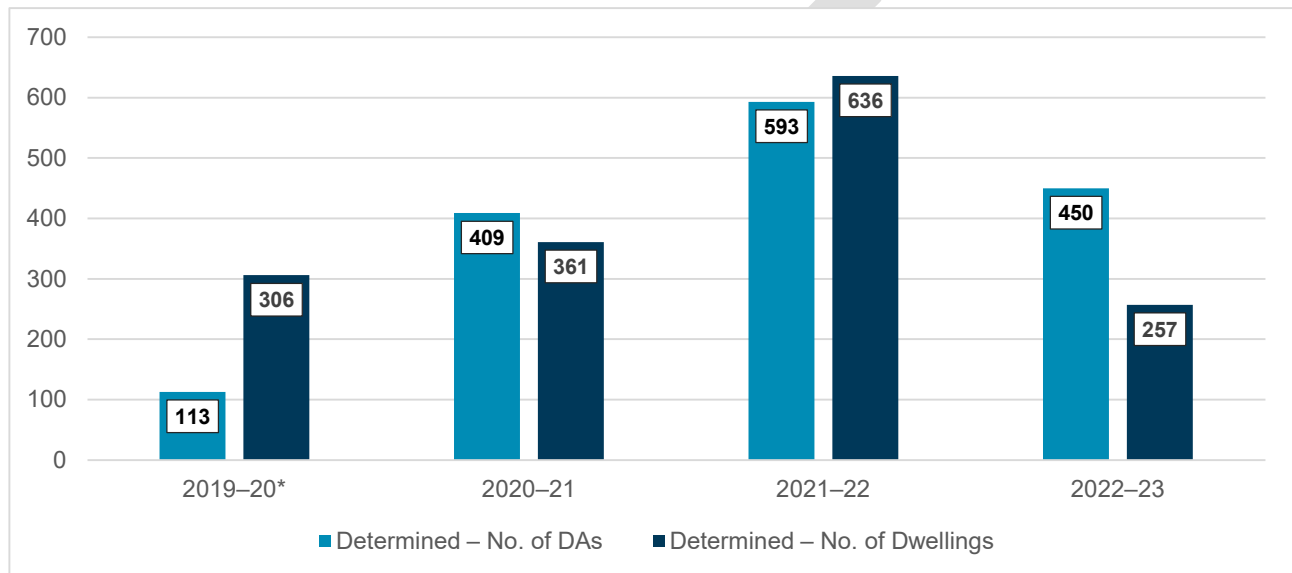
Dwellings are generally large, with three and four bedroom dwellings comprising 75 per cent of dwellings. Two bedroom dwellings represent 18 per cent of all dwellings.

Rental stock represents 24 per cent of dwellings in Clarence Valley LGA.

Dwelling approvals

In the four years between 2019 to 2023, a total of 1,560 residential dwellings were approved, as indicated in Figure 55. This represents an average of 390 dwelling approvals per year. However, these dwellings were not necessarily constructed, as discussed in the following section entitled 'dwelling completions'.

Figure 55: Residential development approvals in the residential zones (2019-2023)



Note: Residential zones include R1, R2, R3, R5, SP3, E1, E2 and E3 zones.

Source: NSW Planning Portal (2023)

Single dwellings dominated, comprising a total of 1,176 dwellings or 55 per cent of all dwellings forming part of residential development applications. In comparison, medium density housing accounted for 27 per cent of approved dwellings. Dwelling approvals were concentrated in Yamba and Grafton as shown in Table 17.

Table 17: Top five locations for dwelling approvals, Clarence Valley LGA (2019-2023)

Location	Number of dwellings approved
Yamba	476 (30%)
Grafton	343 (22%)
Gulmarrad	154 (6%)
Woombah	78 (5%)
South Grafton	62 (4%)

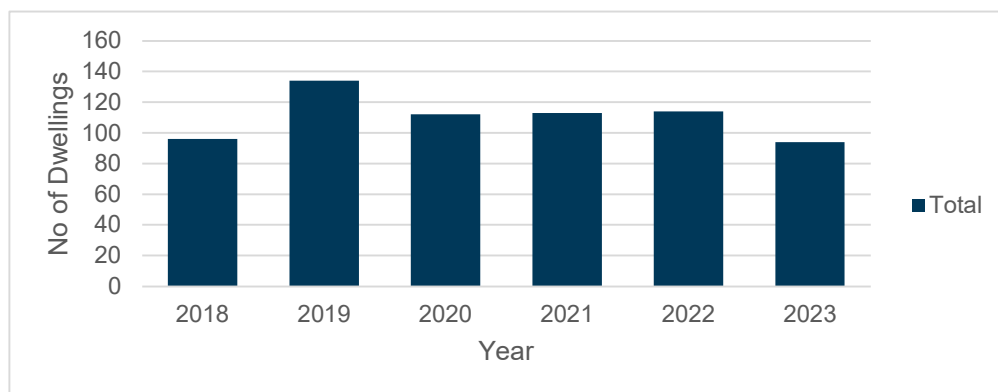
Source: NSW Planning Portal (2023)

Note: Totals exclude records which did not include a geolocation field.

Dwelling completions

Over the past five years, a total of 662 dwellings have been constructed in Clarence Valley, as shown in Figure 56. Some of these represent replacement of dwellings lost in fires and floods, while others are dwellings in the rural, non-urban and R5 Large Lot Residential Zone on lots with dwelling entitlements that would otherwise expire at the end of 2021. A total of 148 dwellings were constructed in the rural and non-urban zones.

Figure 56: Dwelling completions (2018-2023)



Source: Mecone, Clarence Valley Council (2023)

The top ten locations by number of new dwellings (between 2018 and 2023) are identified in Table 18. Over 80 per cent of new dwellings were single dwellings.

Table 18: Top ten locations for new dwelling completions (2018-2023)

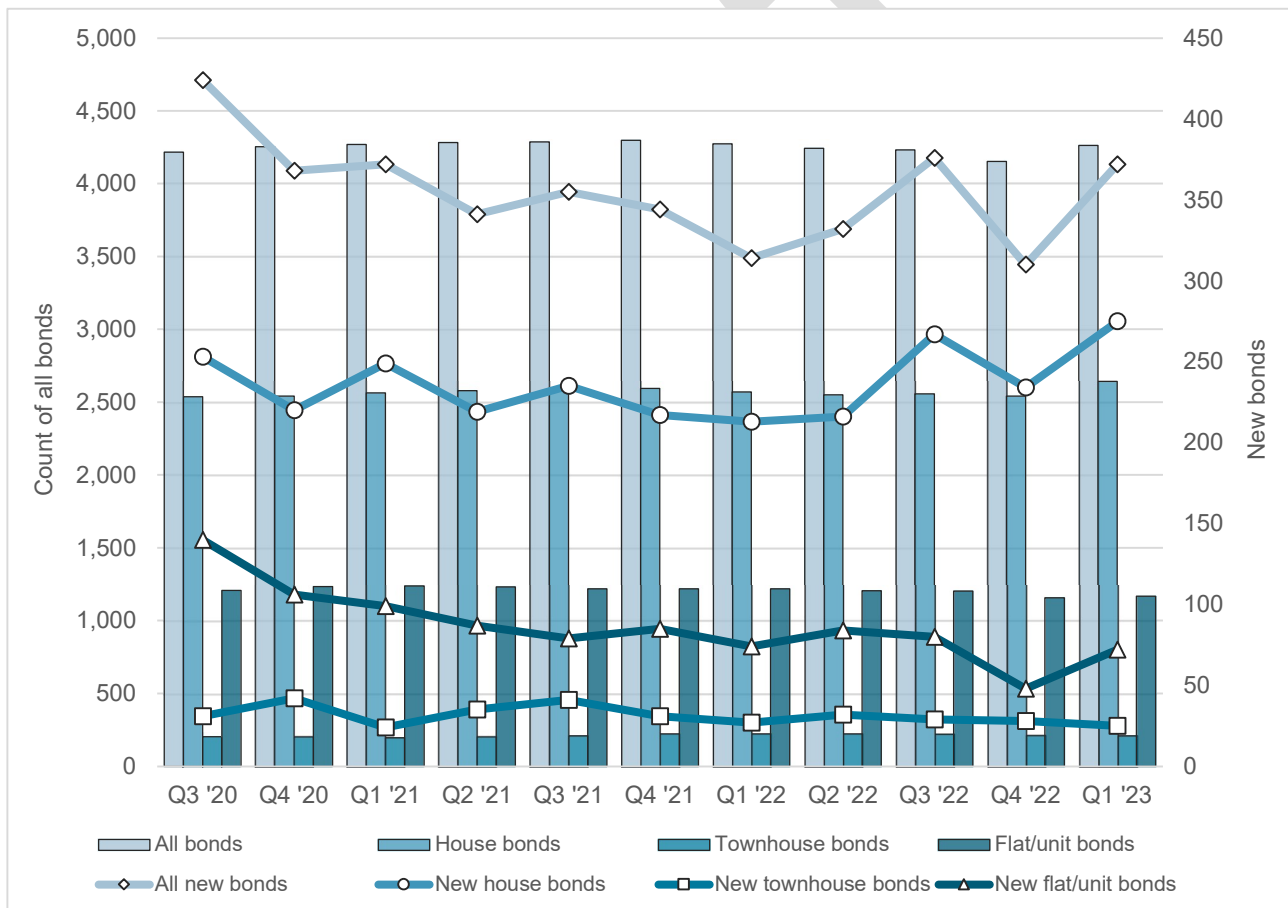
Location	Count of new dwelling completions
Yamba	88
Grafton	82
Gulmarrad	69
Townsend	31
Maclean	31
Junction Hill	29
Lawrence	23
Woombah	22
Mountain View	20
Glenreagh	14

Source: Mecone, Clarence Valley Council (2023)

Rental vacancies

Figure 57 shows the total count of all rental bonds and count of new rental bonds for the Clarence Valley LGA, quarterly, by dwelling type. Over the period Q3 2020 to Q1 2023, the number of new bonds per quarter remained steady overall for houses (around 400), but generally decreased for townhouses and flats. The overall count of total bonds was steady for townhouses and flats over the period, though the total number of flat bonds dipped toward the end of 2022. For houses however, the period saw an increase of around 100 rental bonds in total, from around 2,550 in late 2020 to around 2,650 in early 2023.

Figure 57: Count of total and new rental bonds by dwelling type, Clarence Valley LGA (Q3 2020 to Q1 2023)

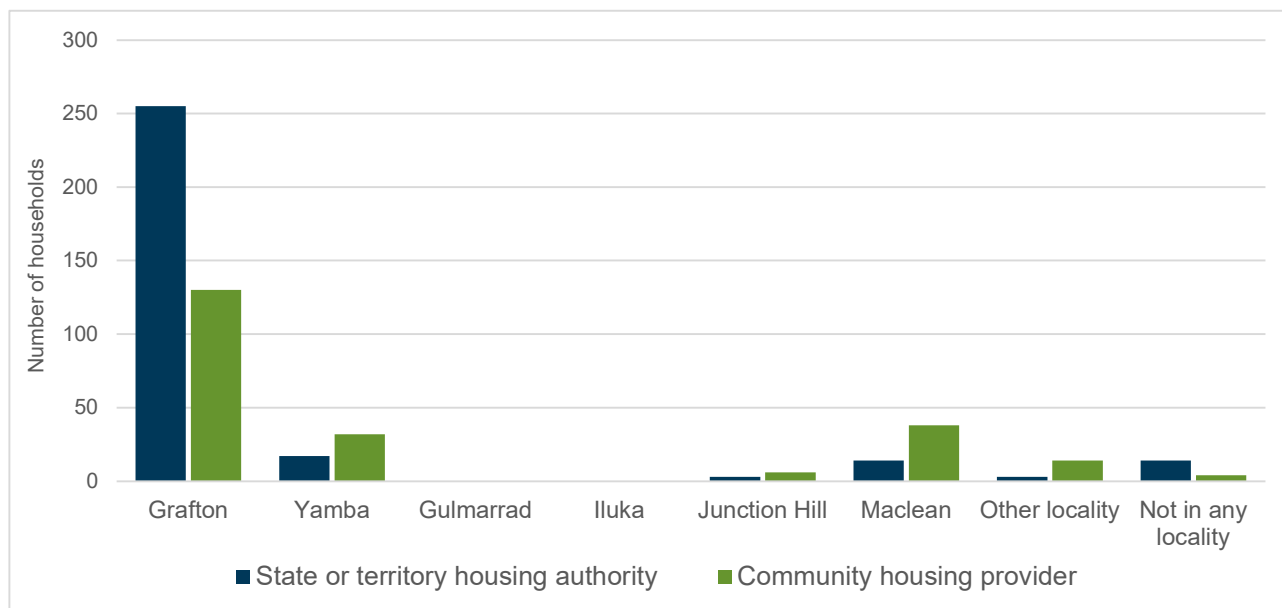


Source: NSW Department of Communities and Justice (2023)

Social housing count

Figure 58 shows the number of housing authority and CHP tenant households in the Clarence Valley by locality, as at the 2021 Census. Grafton, Maclean, and Yamba have the highest concentration of these households, though the vast majority are in Grafton. In terms of proportion of all renter households, Grafton and Maclean recorded the highest share of non-market renters, with around ten per cent of all renter households in Grafton renting from a state or territory housing authority, whilst a similar proportion of Maclean renter households rented from a CHP.

Figure 58: Count of non-market renter households by locality, Clarence Valley LGA (2021)



Source: HillPDA, ABS TableBuilder (2023)

Overall, of the roughly 530 dwellings with non-market tenure in the LGA, representing approximately 2 percent of total housing stock in the LGA. At the 2021 census, nearly all social housing dwellings were in Grafton (75% of all non-market rental households) followed by Maclean and Yamba (9% of all non-market renter households in each of these areas). The lack of supply of social housing reflects and contributes to long wait times for social housing in the LGA and increases the risk of homelessness.

Short-term rental accommodation

Short term rental accommodation (STRA) is a term that refers to dwellings used to provide accommodation on a commercial basis, for a temporary or short-term period, often facilitated through online booking platforms, such as Stayz or Airbnb.

The success of online booking platforms has seen a surge in the number of STRAs in NSW. This has led to local governments and other groups raising concerns with NSW DPE, particularly in regional communities with smaller housing markets. A Parliamentary Inquiry into the regulation of STRAs was undertaken in 2015

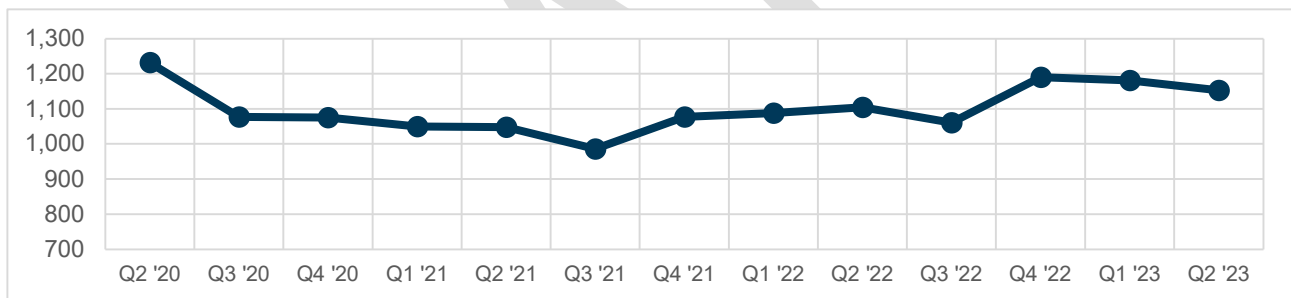
and 2016, with a final report published in October 2016. In response, the NSW Government made changes to the relevant legislation and planning policy.

These changes included the creation of an STRA policy and register, as well as adopting definitions and standards relating to STRA. The register requires STRAs to register their dwellings and ensure compliance with safety standards. The policy defines 'hosted' and 'non-hosted' STRAs, whereby a hosted STRAs has a host reside on the relevant premises whilst accommodation is provided, and non-hosted STRAs do not.

The STRA Register, whilst not publicly available, can be accessed by planning authorities and includes the number of STRA properties in an LGA, including whether they are hosted or non-hosted, and their status (registered, de-registered, or blocked). An STRA registration must be renewed every year. Where a registration is not renewed, it is held for three months, during which the STRA is blocked from accepting bookings from online platforms. After three months, the property is de-registered and a new property registration must be completed.

A review of STRA aggregator AirDNA showed that, as at August 2023, there were over 900 active listings within the Clarence Valley LGA. Whilst this represented a slight decrease on the roughly 1,150 active listings recorded 12 months ago, no obvious trend is indicated in the available data (as shown in Figure 59).

Figure 59: STRA listings by quarter, Clarence Valley LGA (2020-2023)



Source: AirDNA (2023)

As per the most recent available AirDNA findings, 96 per cent of the 900+ STRA listings in the Clarence Valley LGA were to rent the entire dwelling (as opposed to a room within a larger dwelling). Further, around 70 per cent of the total listings were two and three bedroom dwellings. This constitutes a significant number of dwellings that are not in the long-term rental market and that are not available for residents to live in. This is particularly noteworthy considering the large proportion of listings for two bedroom dwellings (around 34 per cent of listings), with such smaller dwellings in short supply across the LGA.

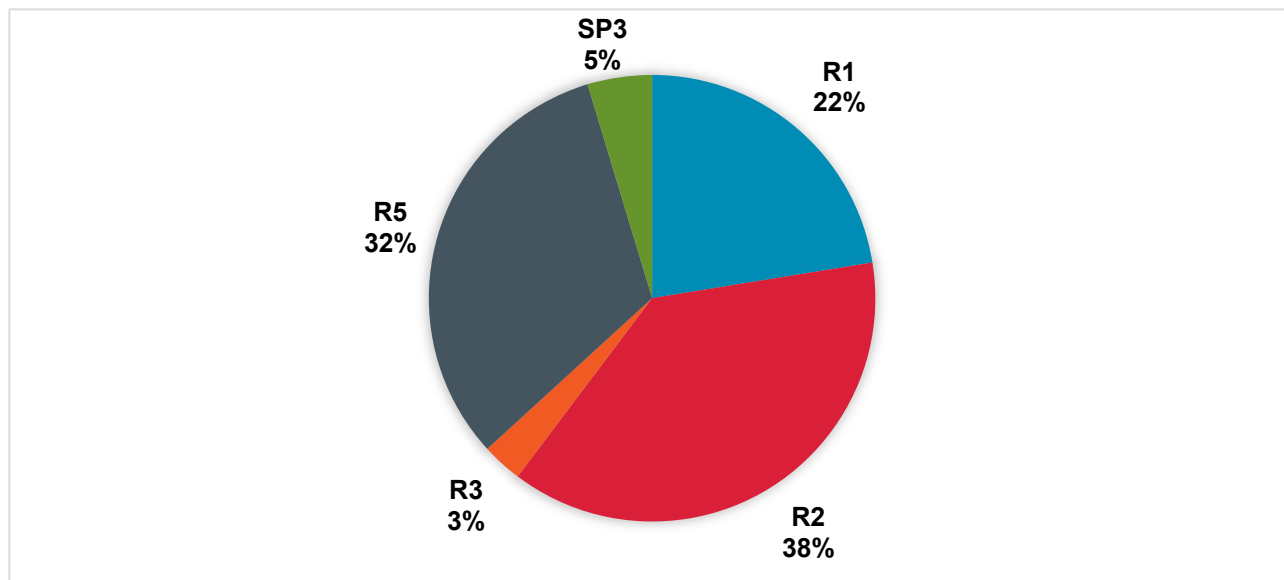
Approved release areas

Over the past five years, there have been 213 approved residential subdivision applications, resulting in a total of 729 new lots. Thirty-two of these have been applications in the rural and non-residential zones.

Within the towns and villages, a total of 611 new lots have been created. Just over half the new lots are in the R2 Low Density Residential zone.

In the past five years, a total of 579 additional residential lots have been created (registered) in the residential zones as indicated in Figure 60.

Figure 60: Distribution of additional approved residential lots by zone (2018-2023)



New registered lots are concentrated in Yamba (20 per cent), Townsend (17 per cent), Gulmarrad (17 per cent), Iluka (13 per cent) and Grafton (12 per cent). Table 19 summarises the largest residential subdivision approvals in the past 5 years.

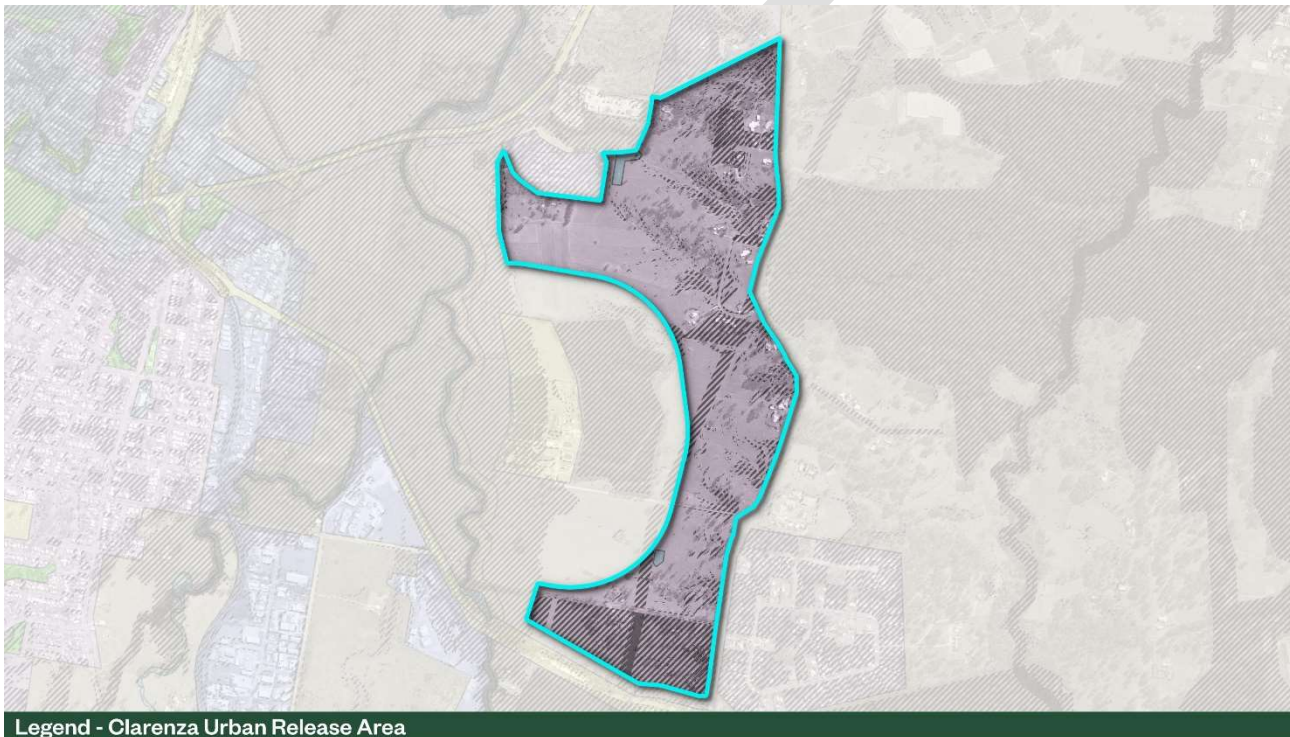
Table 19: Largest residential subdivisions (2018-2023)

Location	Zone	Application ID	Address	No of lots	Status
Iluka	R2	SUB2015/0034	Hickey Street	141	Approved 68 lots registered
Junction Hill	R1	SUB2019/0025	Summerland Way	70	Approved
Yamba	R1	SubCt2021/0054	22 Carrs Drive	56	Registered
Waterview Heights	R5	SUB2019/0034	Old Glen Innes Road	39	Approved
Yamba	R2	SUB2022/0017	4 Cameron Street	35	Approved
Townsend	R2	SUB2019/0024	21 Jubilee Street	32	Approved
Townsend	R2	SubCt2018/0033	Scullin Street	31	Registered
Mountain View	R5	SubCt2020/0005	Mountainview Circuit	20	Registered

Planned urban release areas

The Local Strategic Planning Statement identifies the priority urban release areas as Clarenza, Junction Hill, Gulmarrad, James Creek and West Yamba. Each of these is discussed below.

Clarenza URA



Legend - Clarenza Urban Release Area

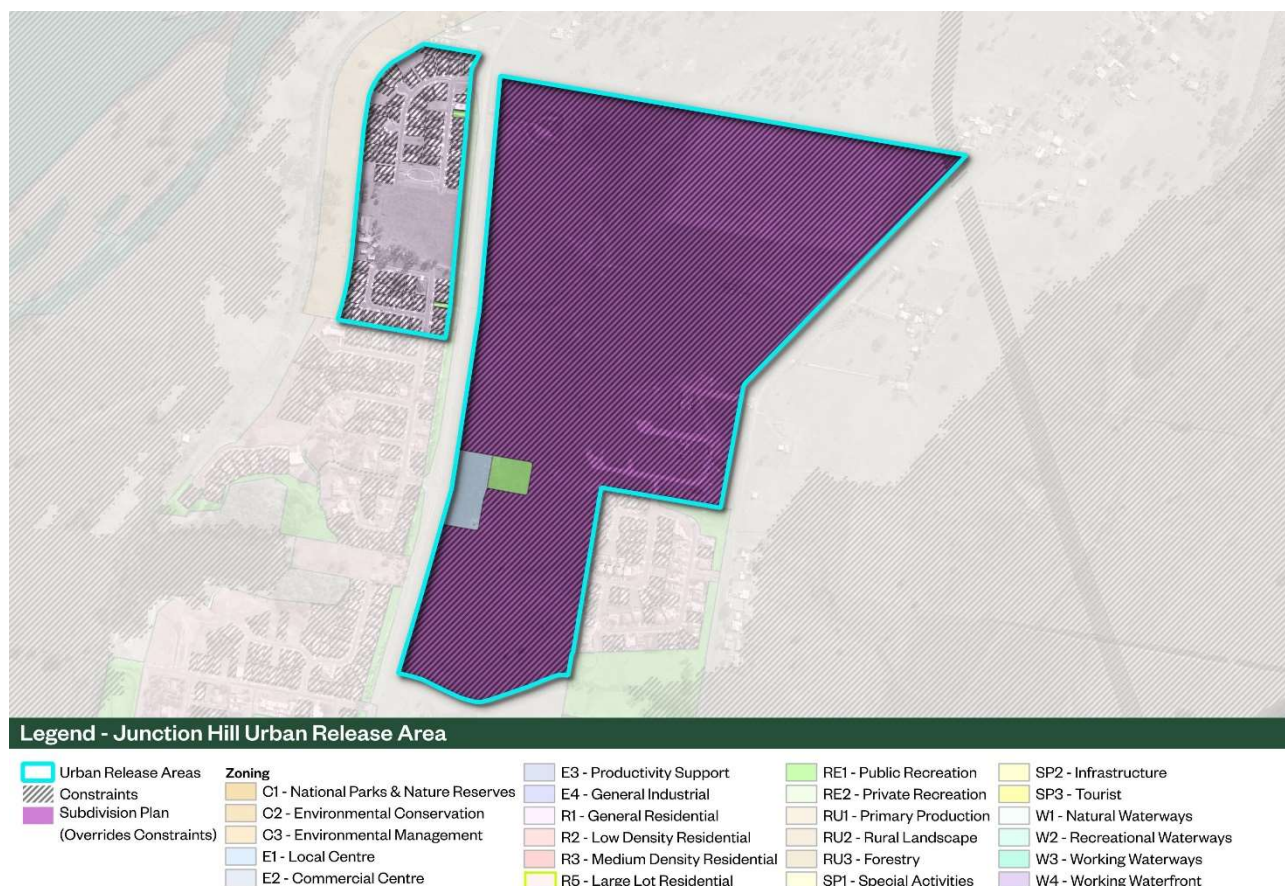
 Urban Release Areas	Zoning	 E3 - Productivity Support	 RE1 - Public Recreation	 SP2 - Infrastructure
 Constraints	 C1 - National Parks & Nature Reserves	 E4 - General Industrial	 RE2 - Private Recreation	 SP3 - Tourist
 Subdivision Plan (Overrides Constraints)	 C2 - Environmental Conservation	 R1 - General Residential	 RU1 - Primary Production	 W1 - Natural Waterways
	 C3 - Environmental Management	 R2 - Low Density Residential	 RU2 - Rural Landscape	 W2 - Recreational Waterways
	 E1 - Local Centre	 R3 - Medium Density Residential	 RU3 - Forestry	 W3 - Working Waterways
	 E2 - Commercial Centre	 R5 - Large Lot Residential	 SP1 - Special Activities	 W4 - Working Waterfront

Clarenza Urban Release area (124.9 ha) on the eastern side of South Grafton is zoned R1 General Residential. Approximately 6,500 m² is zoned E1 neighbourhood centre within 200m of McAuley Catholic College. Existing development can be characterised as large lot residential, with single dwellings on large lots along Centenary Drive. There are approvals for subdivision of individual lots within the area.

Parts of this area are constrained by environmental conditions, including bushfire and slope, as well as by north-south aligned utility easements.

There is no DCP or servicing strategy in place to guide future development of this area. Supporting supply in this area is reliant on extension of the water infrastructure and construction and extension of sewer infrastructure, with the costs borne by the developer. Other supporting infrastructure requirements are intersection upgrades, the construction of stormwater drainage, provision of footpaths, and open space.

Junction Hill URA



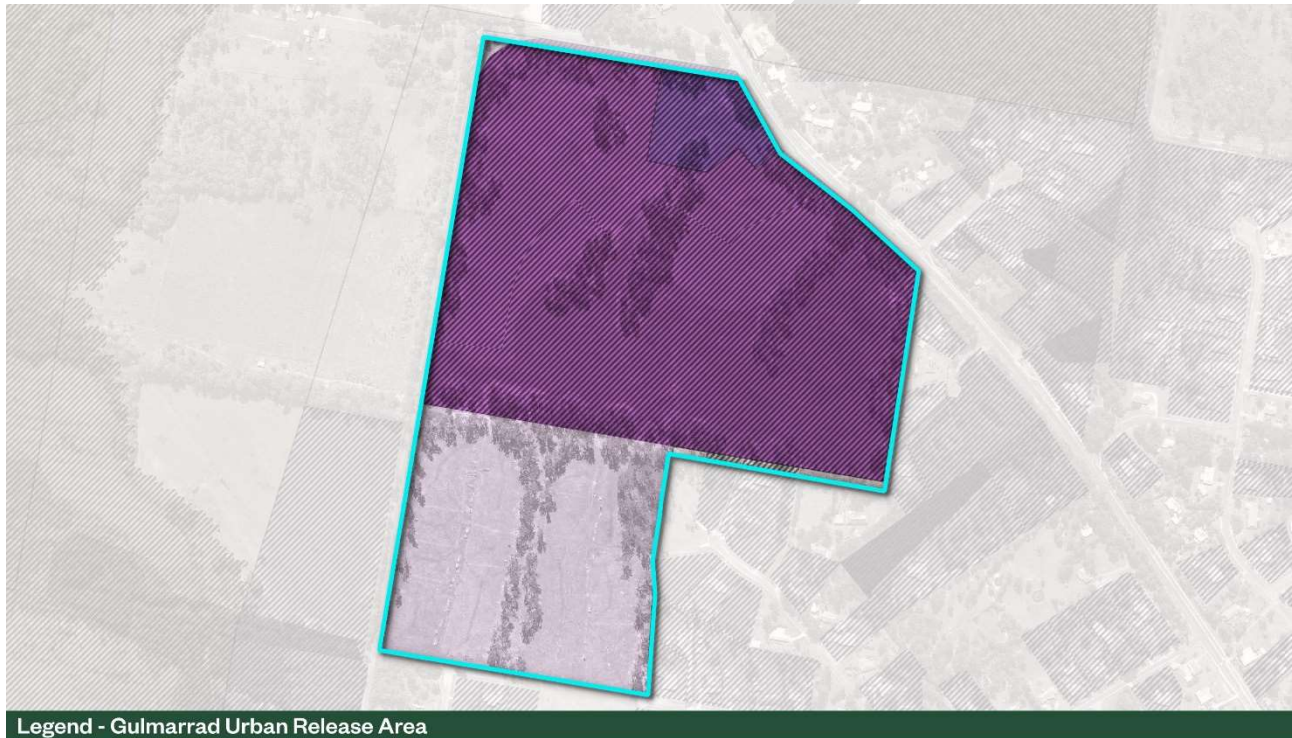
The Junction Hill release area is located to the north of Graton along Casino Road. It encompasses a 83.6ha lot on the east of the road and an area on the western side of the road. Development is not constrained by environmental conditions. The land on the eastern side of the road is vacant, except for some agricultural use in the north-eastern corner. Land on the western side of the road has been subdivided and is being developed.

The Draft Northern Rivers Resilient Lands Strategy identified Junction Hill as an immediate short-term development opportunity. This strategy suggested an indicative development yield of 850 - 1,270 dwellings, to be confirmed by detailed site investigations.

There is staged approval for a masterplan concept for development of 1,000 lots on the eastern lot. The masterplan includes general residential lots and seniors housing. The first stage, a 70 lot subdivision, located immediately to the north of the R2 land along Trenayr Road, is currently under construction.

Unlocking supply in this area is reliant on construction of a roundabout on Trenayr Road. Extension of the water infrastructure and extension and construction of sewer infrastructure will be required for future stages. Other supporting infrastructure requirements are the construction of stormwater drainage, provision of footpaths, and open space.

Gulmarrad URA



The 44.4 ha Gulmarrad Urban Release area is located in the north western corner of Gulmarrad. The site, which is not constrained by environmental conditions, is predominantly zoned R1 General Residential with an area zoned E1 Local Centre on the corner of Brooms Head Road and Sheehans Lane. The land is currently vacant.

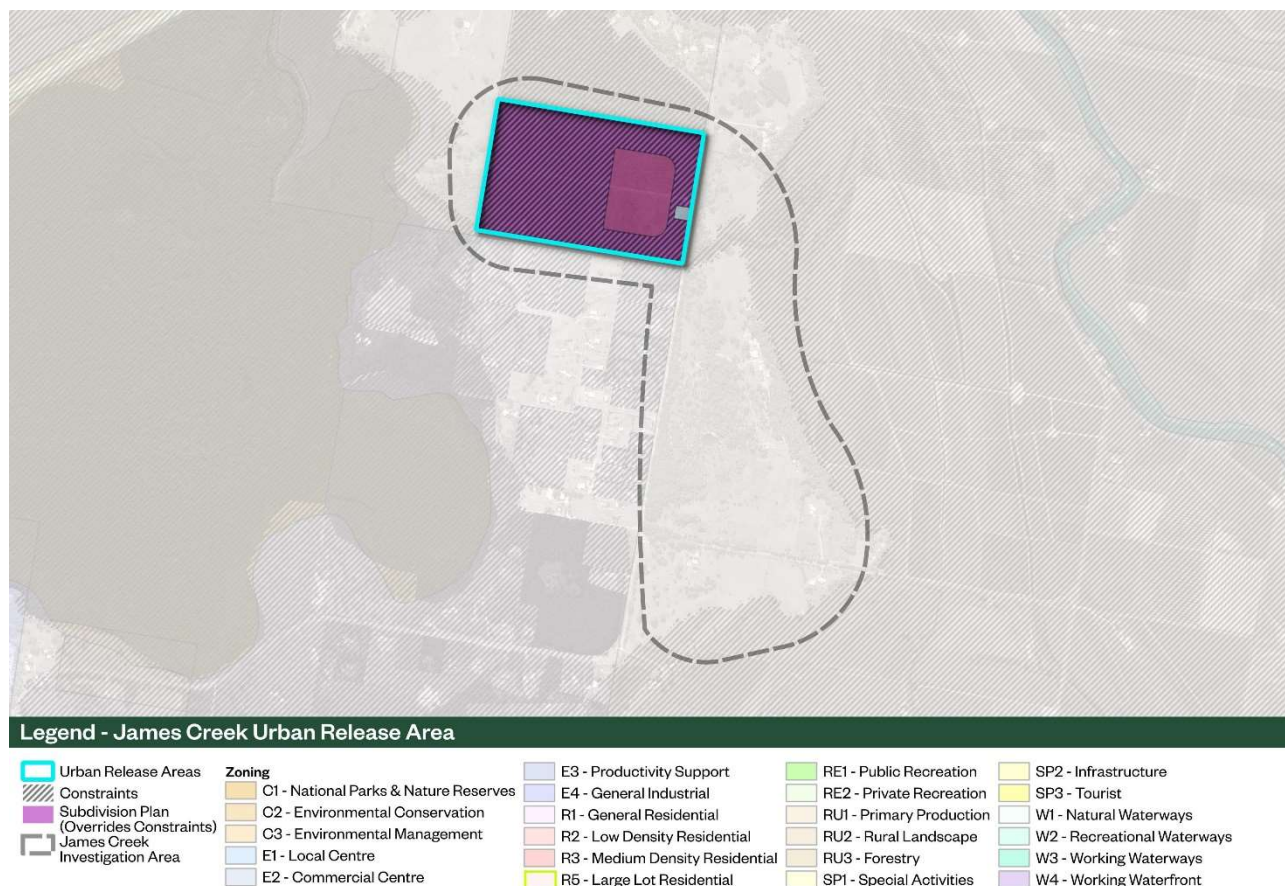
Uptake of the development potential has just commenced:

- A 250 home Manufactured Home Estate is under construction.

- A subdivision application which would yield 70 lots is currently being assessed.

There is a development services plan for this area. Unlocking supply in this area is reliant on the extension of infrastructure (including over 1km of sewer extension) and intersection upgrades. Other supporting infrastructure requirements are the extension of the water infrastructure, construction of stormwater drainage, provision of footpaths, and open space.

James Creek URA



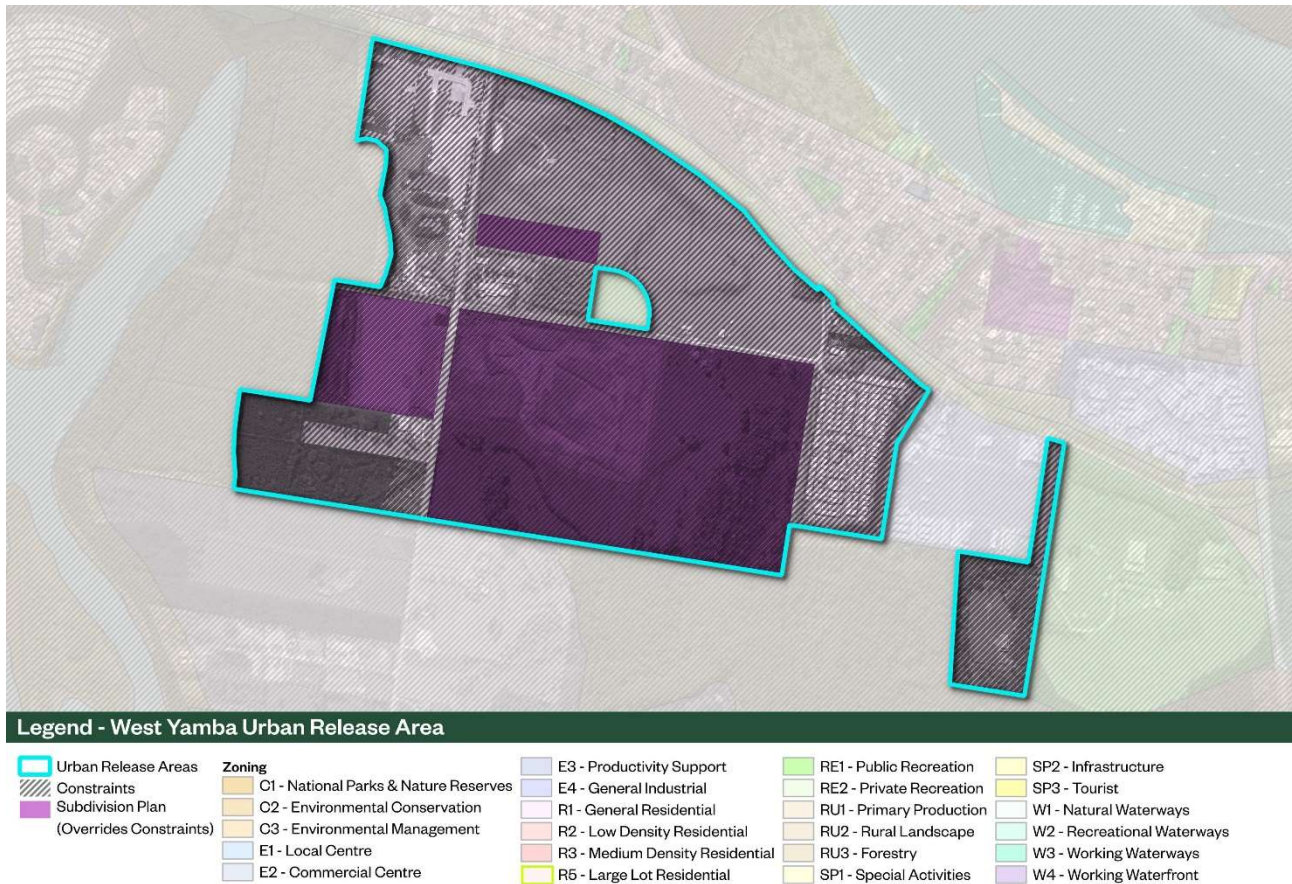
The 33.2 ha James Creek Urban Release area is predominantly zoned R5, with 6ha zoned R3 and a small component (approximately 2,000 m²) along James Creek Road zoned E1. The land is currently vacant. Although the site is not constrained by environmental conditions, future development is required to consider flood evacuation and possible land use conflict with the cattle lot to the east.

A recent subdivision application for 330 lots on the entire area has recently been refused by the Northern Regional Planning Panel.

Unlocking supply in this area is reliant on construction of sewer infrastructure and upgrading of multiple roads and intersections. Supporting infrastructure required is extension of water infrastructure, construction of stormwater drainage, provision of footpaths and open space.

The land to the east of the Urban Release Area has been identified in the North Coast Regional Plan as an Investigation Area.

West Yamba URA



The 127.4 ha Yamba West Urban release area is zoned R1.

Development in this area requires response to environmental constraints, including flood, bushfire and threatened species/biodiversity values. A high level review of the flood modelling for this area has recently been undertaken.

There has been strong uptake of the development potential of this area, with the following underway:

- Yamba Parklands, with Stages 1-3 underway, delivering 160 residential lots
- Manufactured home estate of 200 homes under construction
- Manufactured home estate for 210 homes currently under assessment

- Seniors living (Yamba Cove) with 50 residential lots approved
- Application for a 284 lot subdivision currently under assessment. This includes 277 low density residential lots and one medium density residential lot.
- Established manufactured home estate with 149 dwellings (36 Golding Street)

Together, these projects could provide for almost 1,050 dwellings in the area.

Supporting housing supply in this release area requires intersection/roundabout upgrades, extension of the sewer and water infrastructure, construction of stormwater drainage and provision of footpaths and open space. There is a servicing strategy and contributions plan in place to deliver these services.

R5 Large Lot Residential

There are significant areas zoned R5 Large Lot Residential in Clarence Valley. Current housing supply in these areas reflects a combination of the location, applicable minimum lot size, and environmental constraints as summarised in Table 10. These areas are unsewered.

Table 20: Large Lot Residential Areas in Clarence Valley

R5 Large Lot Residential Area	Commentary
Grafton	The R5 land around Earl St/North Street and Carr Street is mostly developed.
South Grafton/ Elland	The eastern parts of this land is mostly developed, with some vacant land remaining along Rushforth Road.
Clarenza	The new estate subdivision Clarenza Rise Estate is approved on this land, but has not yet been developed. Parts of this area are subject to environmental constraints. The unconstrained R5 area south-east of the URA reflects the minimum lot size for this area and is almost fully developed.
Gulmarrad	The Gulmarrad R5 area reflects a mix of developed large lot subdivisions and remaining large lots. Some of the remaining large lots have been recently subdivided e.g. Bloodwood Grove but development on these lots is yet to occur. Future development of some remaining large lots is limited by environmental constraints. Future development will be reliant on onsite sewer management.
James Creek	The western extent of the R5 land is subject to environmental constraints. The north eastern corner is relatively unconstrained and is developed with a mix of lot sizes.
Yamba	Land south of the West Yamba Urban Release area is zoned R5. Part of the land has environmental constraints and some parts have been recently subdivided.
Ashby/ Ashby Heights	This is an extensive area of R5 land, but is highly constrained due to bushfire and its biodiversity and ecological significance.
Coutts Crossing/Lewenstrath	This is an extensive area of R5 land, with development along Burragan Road. The area is largely constrained due to environmental factors.

R5 Large Lot Residential Area	Commentary
Illarwill	The R5 land south of Illarwill is highly constrained. The area to the east of the golf course is characterised by dwellings along Golf Links Road. Although some of the land is constrained, there are some areas of vacant land.
Lawrence	The R5 land lies to the north west of Lawrence. A small subdivision lies in the centre, with the remaining land sparsely developed on large lots. The area has some capacity for more dwellings.
South Arm	Development is concentrated on the western side of South Arm School Road. Parts of the area are affected by environmental constraints.
Tyndale	This R5 land is undeveloped as it is highly constrained.
Glenreagh	Highly constrained area in the southern part of the LGA.
Taloumbi	A small area of R5 land along Brooms Head Road. There is limited capacity for more development.
Seelands	Development is concentrated in the northern portion along Whiting Drive. The eastern edge is affected by environmental constraints.
Waterview Heights	The area is largely developed as large lot residential. There are remaining large lots on the northern , western and southern edges of the R5 land. The area has potential for more intense development but would require investment in sewer infrastructure.
Woombah	The R5 land lies to north and west of Woombah. The land immediately adjacent to the R2 zone has developed at the minimum lot size. Much of the remaining undeveloped land is affected by environmental constraints.

While these areas meet the current market demand for large residential lots, there is capacity within some of these areas for future housing development. Investment in enabling infrastructure will be required to support this.

Supply pipeline summary

The housing supply pipeline represents housing currently under construction and approvals which have not yet been turned into housing completions. Approved dwellings and dwellings where construction has commenced can generally be assumed to complete within 1-2 years, except for larger scale development such as residential flat buildings. This represents the short-term supply pipeline.

Large subdivision approvals for multiple lots can take longer to yield completed dwellings, especially where enabling infrastructure is not yet in place, as is the case in the urban release areas in Clarence Valley.

Smaller subdivision plans which are not associated with the same demand for enabling infrastructure can deliver dwellings more quickly, depending on market take-up. The larger subdivisions of this category have been identified in the R5 Large Lot Residential zone. These are contributors to the medium-term supply pipeline.

The timing of the realisation of housing supply associated with subdivisions can be influenced by interventions to deliver enabling and supporting infrastructure, and external factors influencing the broader housing market. This can include demographic shifts, growth or new employment opportunities etc.

Table 21 below provides an estimate of the supply pipeline based on analysis and synthesis of the available dwelling approvals, completion trends and subdivision approvals in the Clarence Valley LGA. As new applications are approved, these will add to the supply pipeline.

Table 21: Housing supply pipeline

Timeframe	Estimated Housing Supply
Short-term (0-5 years)	1,320 dwellings (including MHEs)
Medium term (5-10 years)	1,080 dwellings
Long term (10+ years)	1,000 dwellings

Planning capacity

Planning Capacity (also referred to as theoretical capacity) refers to the physical ability of land to be developed, taking into account permissibility under the planning framework.

In calculating this capacity for Clarence Valley, land which is subject to defined environmental constraints has been excluded from the calculations. In addition, land subject to recent development has been excluded. The agreed constraints have been agreed with Clarence Valley Council for the purposes of this modelling are set out in Table 22.

The total area of residentially zoned land affected by these constraints is 3,445 ha. This represents 57% of land where residential development is permitted.

Table 22: Housing capacity constraints

Constraint	Land excluded from additional capacity calculations	Mapping/Data Source
Bushfire	All land identified as Category 1 Bush Fire Prone Land	Bush Fire Prone Land Map (updated map provide by Clarence Valley Council June 2023)
Flood	All land below 1% AEP, except for land in the West Yamba URA and North Grafton	Clarence Valley Council August 2023
Riverbank erosion	All land identified as subject to riverbank erosion	Clarence Valley LEP 2011
Coastal Planning Risk	All land identified as subject to coastal risk	Clarence Valley LEP 2011
Slope	Land with slope greater than 15%	Clarence Valley Council and Mecone analysis
Biodiversity	Land identified as 'high biodiversity value'	NSW Biodiversity Values mapping
Infrastructure corridors	Main infrastructure corridors/easements	Clarence Valley Council
Heritage	Identified heritage items Yield in heritage conservation areas reduced by 10%	Clarence Valley LEP 2011 Mecone analysis
Recent development	All lots with residential completions within the last five years	Clarence Valley Council data
Proposed development	All lots with approved subdivisions which have not been registered or developed	Clarence Valley Council data
Strata property	Properties which have three or more strata titles	NSW Valuer General
Schools	Land on which schools are located	NSW Spatial Services POI dataset

Heritage conservation areas are considered a "soft constraint" on development as they do not prevent development. Rather, they act as a limitation on development. For the purposes of calculating capacity, a reduction factor has been applied to the yield in Heritage Conservation Areas.

It is a commercial reality that not all sites will be developed to their planning capacity. Market reasons for this are many, but include:

- Land is not in the location where there is market demand for housing
- The type of housing permissible is not the product that the market wants
- Financial feasibility
- Availability and costs of infrastructure and servicing
- Landowner strategies on land release.

Review of planning controls

The Clarence Valley Environmental Plan 2011 is the primary planning instrument. It contains the planning standards for development, including land use zoning, permissibility, height of building and minimum lot size. These control housing delivery in the LGA. The LEP also has specific provision relevant to identified Urban Release Areas.

The Clarence Valley Residential Zones Development Control Plan (DCP) 2011 provides finer grain development controls for development within the R1 General Residential, R2 Low Density Residential, R3 Medium Density Residential and R5 Large Lot Residential zones.

Controls for residential development in the SP3 zone and the Business Zones are contained in the Clarence Valley Development in Environmental Protection, Recreation and Special Use Zones DCP 2011 and Clarence Valley Business Zones DCP 2011 respectively.

The controls in LEP and DCPs are closely intertwined and work together to encourage well designed, high quality residential development within the Clarence Valley.

Land use zoning

Land use zoning is set in Clarence Valley LEP 2011 and controls the type of housing permitted in Clarence Valley's residential zones.

Table 23: Dwelling permissibility

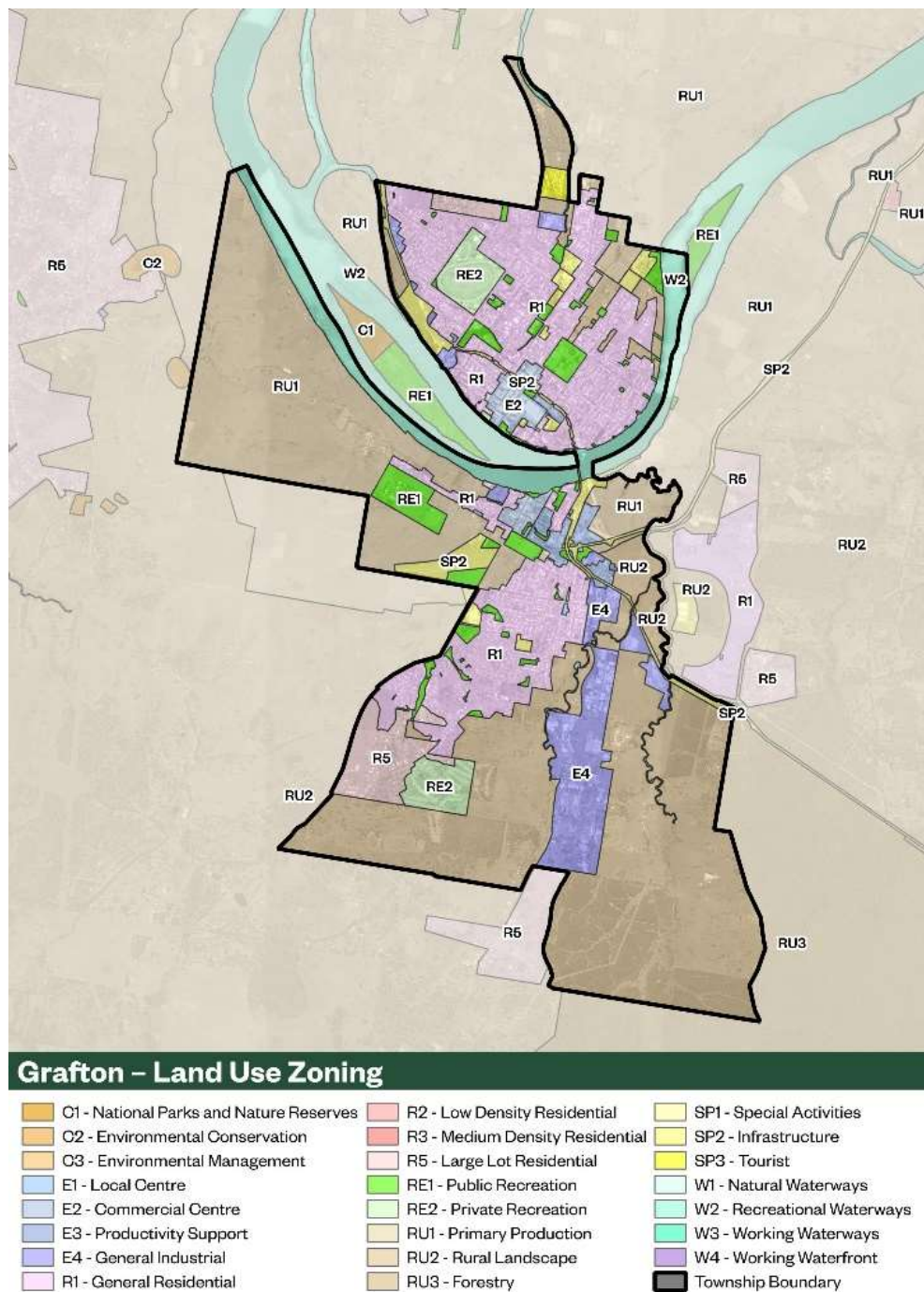
Land Use Zone	Low Density Housing	Medium Density Housing	High Density Housing
R1 General Residential	Dwelling houses Secondary dwellings	Attached dwellings Dual occupancies Multi dwelling housing Semi-detached dwellings	Residential flat buildings Shop top housing
R2 Low Density Residential	Dwelling houses Secondary dwellings	Dual occupancies Semi-detached dwellings	Shop top housing
R3 Medium Density Residential	Dwelling houses Secondary dwellings	Attached dwellings Dual occupancies Multi dwelling housing	Residential flat buildings

Land Use Zone	Low Density Housing	Medium Density Housing	High Density Housing
		Semi-detached dwellings	
R5 Large Lot Residential	Dwelling houses Secondary dwellings	Dual occupancies	
E1 Local Centre	Dwelling houses Secondary dwellings	-	Shop top housing
E2 Commercial Centre	-	-	Shop top housing
E3 Productivity Support	Dwelling house	-	Shop top housing
SP3 Special Purposes Tourist	Dwelling house Secondary dwelling	Attached dwellings Dual occupancy Multi dwelling housing Semi-detached dwelling	Residential flat building

The residential zones are applied to the towns and villages in the LGA:

- R1 General Residential zone applies to Grafton, South Grafton and the identified Urban Release areas.
- R2 Low Density Residential zone generally applies to the towns e.g. Iluka, Lawrence, Maclean, Townsend, Yamba and smaller villages e.g. Angourie, Ulmarra.
- R3 Medium Density Residential zone applies to small precincts in Maclean, Yamba and Iluka
- R5 Large Lot Residential zone applies to large areas of land which are close to the larger centres and smaller villages.
- SP3 Special Purposes Tourist applies to specific lots in some towns, especially Yamba.
- E1 Local Centre precincts in the larger towns and urban release areas
- E2 Commercial Centre applies to the Grafton CBD, South Grafton CBD
- E3 Productivity Support zone is applicable to land on the edge of the Grafton and South Grafton CBDs.

Figure 61: Illustrative example of land use zoning – Grafton



Urban Release Areas

Part 6 of the Clarence Valley LEP and the Urban Release Area Map designate three areas as Urban Release Areas:

- Clarenza
- Junction Hill
- West Yamba

Development of these areas for urban purposes can only occur if there are arrangements for the provision of designated State public infrastructure, public utilities and a development control plan has been prepared for the land.

Minimum lot size

Minimum lot sizes for subdivision are established by Clause 4.1 of Clarence Valley LEP and the accompanying Minimum Lot Size Map. The R5 Large Lot Residential Zone is the only residential zone which has a minimum lot size. This varies from 4,000 square metres to 4 hectares, depending on location.

Minimum site areas for specific forms of residential development

Minimum site areas for specific forms of residential development are set out in the Clarence Valley Development Control Plans 2011, and summarised in Table 24.

Table 24: Minimum site area for specific forms of residential development

Land Use Zone	Dwelling House	Dual Occupancy Semi-detached dwelling	Attached dwelling Residential flat building Multi dwelling housing
R1 General Residential	400m ² Must be possible to accommodate a rectangle suitable for building measuring 10m x 15m behind the building line	600m ² in Grafton and South Grafton 800m ² in unsewered localities	600m ² in Grafton and South Grafton
R2 Low Density Residential	400m ² Must be possible to accommodate a rectangle suitable for building measuring 10m x 15m behind the building line	800m ² (check sewerage and unsewered)	N/A
R3 Medium Density Residential	400m ² Must be possible to accommodate a rectangle suitable for building measuring 10m x 15m behind the building line	500m ² in Grafton and South Grafton No minimum in: Angourie Iluka Maclean	400m ² in Yamba Hill 500m ² in Grafton and South Grafton No minimum in: Angourie Iluka

Land Use Zone	Dwelling House	Dual Occupancy Semi-detached dwelling	Attached dwelling Residential flat building Multi dwelling housing
		Townsend Yamba	Maclean Townsend Yamba (except Yamba Hill)
R5 Large Lot Residential	-	-	-
E1 Local Centre	-	-	-
E2 Commercial Centre	-	-	-
E3 Productivity Support	-	-	-
SP3 Special Purposes Tourist	Must be possible to accommodate a rectangle suitable for building measuring 10m x 15m behind the building line		400m ² in Yamba Hill No minimum elsewhere

Height of buildings

The maximum height of buildings under the LEP is set by Clause 4.3 and the Height of Building map. The Clarence Valley DCP provides further design guidance in the expression of these heights. These controls are summarised in Table 25.

The maximum height of buildings in the residential zones is 9m, although there are some locality specific provisions. Combined with the controls on the height of the top plate of buildings, this generally permits a two-storey dwelling with a pitched roof.

Table 25: Summary of building height controls

Land Use Zone	Maximum height of buildings (m) LEP	Maximum height of top plate of building (m) DCP	Building height for rear dwellings and on internal lots (m) DCP
R1 General Residential	9m	6.5m	6.5m max height 4m to top plate
R2 Low Density Residential	9m 10m in Angourie 6.5m on land behind coastal dunes at Diggers Camp, Minnie Water, Sandon and Wooli	6.5m 4m	6.5m max height 4m to top plate
R3 Medium Density Residential	9m 10m in Angourie	6.5m 6.5m	6.5m max height 4m to top plate

Land Use Zone	Maximum height of buildings (m) LEP	Maximum height of top plate of building (m) DCP	Building height for rear dwellings and on internal lots (m) DCP
	12m in Yamba Hill, except land on eastern side of Ocean and Pilot Streets where HOB is 6.5m	9.5m, except where HOB is 6.5m then 4m	
R5 Large Lot Residential	-	-	-
E1 Local Centre	12m in Yamba CBD and Yamba Hill 10m in Angourie 9m elsewhere	9.5m in Yamba CBD and Yamba Hill 6.5m elsewhere	
E2 Commercial Centre	14m Grafton CBD		
E3 Enterprise Support	9 m	6.5m	
SP3 Special Purposes Tourist	Check heights 6.5m 9m 12m	4m 6.5m 9.5m	6.5m max height 4m to top plate

Design controls

The DCPs sets out a design controls for residential development. A summary of the key design controls is provided in Table 26.

Table 26: Summary of DCP design controls

Design consideration	R1 zone	R2 zone	R3 zone	SP3 zone	R5 zone	E zones
Front setbacks	6m	6m	6m	6m	10m	Nil setback
Side and rear setbacks	900mm up to 6.5m height 1.5m over 6.5m height up to 9m 3m over 9m				3m	900mm along a boundary adjoining a residential zone
Secondary frontage setbacks	3.5m	3.5m	3.5m	3.5m	6m	-

Design consideration	R1 zone	R2 zone	R3 zone	SP3 zone	R5 zone	E zones
Setbacks to levee walls	1.5m	1.5m	1.5m	-	3.5m	1.5m
Setback to canals and waterways	Locally specific controls			-	40m	-
Minimum landscaping requirements	45%	45%	35%	35%	-	-
Private open space	50m ² except for Secondary dwellings – 24m ² Residential flat building - 15m ² balcony	50m ² except for Secondary dwellings – 24m ²	50m ² except for Secondary dwellings – 24m ²	50m ² except for Secondary dwellings – 24m ² Residential flat building – 15m ² balcony	50m ² except for Secondary dwellings – 24m ²	15m ²
Parking spaces per dwelling *	Attached dwellings, dwelling house, semi- detached dwelling, secondary dwelling: 1 covered space Dual occupancy – 1 covered space behind the dwelling line					
Parking spaces per dwelling *	Multi dwelling housing and residential flat building - 1 space for 1 & 2 bedroom units; 1.5 spaces per 3 bedroom units; 2 spaces per 4 bedroom units. 1 visitor car space per 2 units or part thereof.					Residential flat building - 1 space for 1 & 2 bedroom units; 1.5 spaces per 3 bedroom units; 2 spaces per 4 bedroom units. 2 visitor car space per 2 units or part thereof.

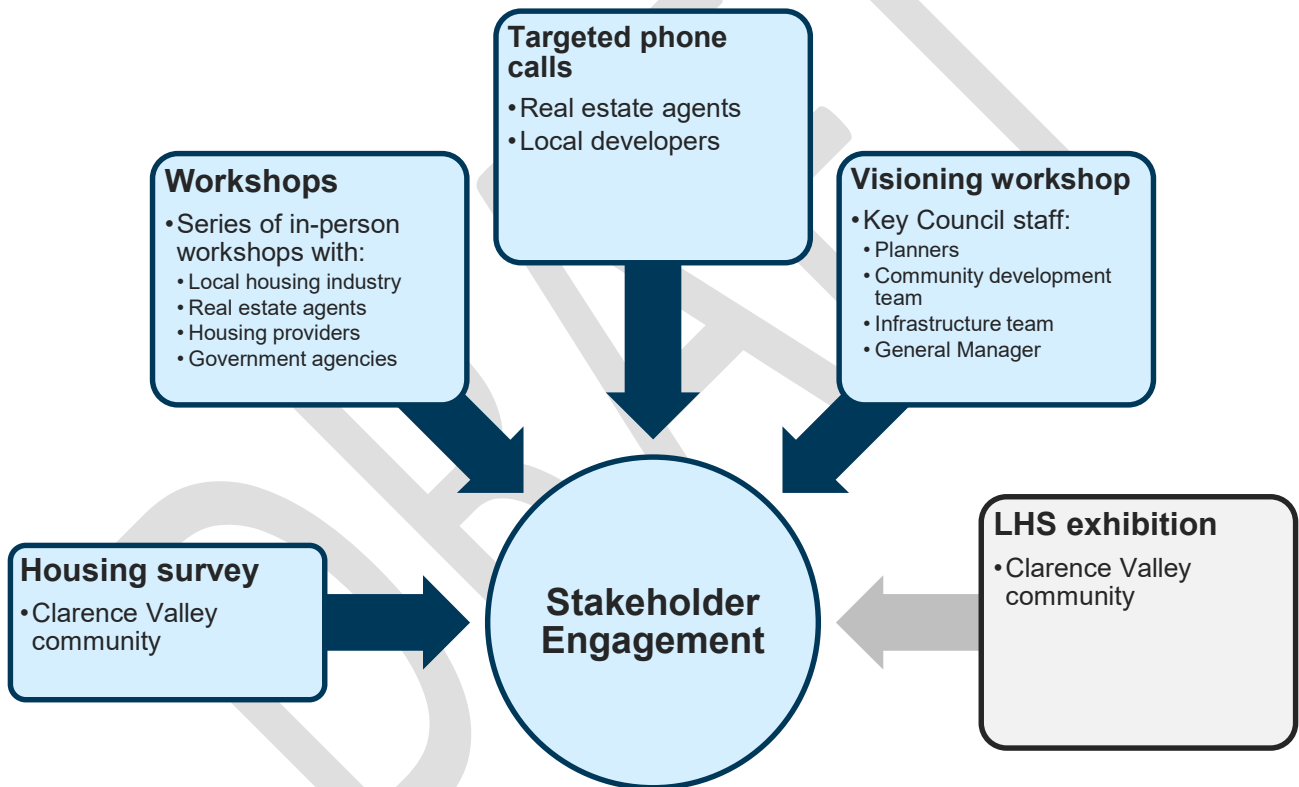
*Specific controls apply to Yamba Hill

Other relevant controls include:

- Dual occupancies in the R5 zone must be attached by a garage, carport or common roof with a maximum separation of 12m to give the appearance of a single building and designed to create a harmonious building.
- Specific parking requirements apply in Yamba Hill to all housing typologies except dwelling houses– 2 car spaces for 1 and 2 bedroom dwellings; 3 car spaces for 3 and 4 bedroom dwellings
- There are no parking requirements for shop top housing identified in the DCPs.

ANNEXURE 3 – STAKEHOLDER ENGAGEMENT

Engagement activities



Engagement findings

Workshops and targeted engagement

During the preparation of the LHS, HillPDA and Mecone attended a number of workshops with Council and various stakeholders. The workshops were designed to offer an opportunity to stakeholders to discuss housing matters in detail, and each workshop pertained to a specific theme, including social and affordable housing, development and construction, and opportunities and constraints for housing.

We also undertook a visioning workshop with Council staff to discuss potential interventions and generate and test ideas. Finally, we also completed targeted engagement with selected local real estate and development industry representatives to further inform our findings.

Some of the key findings to arise from these workshops were:

- There is high and consistent demand for detached dwellings in the LGA, both for rent and purchase
- Many young people are unable to move out of home and remain in the area due to a lack of affordable or suitably-sized dwellings
- Some older people may be interested in downsizing or moving out of more remote parts of the LGA but cannot afford to do so
- There is general consensus that there is latent demand for smaller, well-located dwellings in the region, as evidenced by downsizers moving into MHEs
- Demand for affordable and social housing had grown rapidly since the floods
- The planning system in the Northern Rivers is generally supportive of innovative ideas and is not holding back housing delivery, but could do more to support affordable and social housing providers
- Construction costs in regional areas are essentially the same as in Sydney, but sale values are far lower
- Feasibility and land value factors mean that in most parts of the Clarence Valley, developers will generally deliver larger, detached dwellings
- Feasibility issues are often the key limitation in delivering housing diversity – the market may not be able to deliver sufficient diversity in regional areas
- Council and government owned land should be leveraged for housing delivery (including affordable or social housing, or innovative pilot projects).

Survey

We conducted a survey to improve our understanding of how Clarence Valley residents feel about housing in the LGA at present and what their preferences would be for future housing delivery.

Over the survey period, we received a total of over 80 responses. The responses provided to demographic questions in the survey showed that:

- Most respondents were Yamba or Grafton residents.
- The vast majority of respondents were older, with well over half aged over 55 years. Fewer than ten respondents were aged under 35 years, and only two people aged 24 years or younger participated in the survey.
- Over 70 respondents indicated that they had lived in the Clarence Valley for five years or more, and of these, almost 40 claimed to have lived here for over 20 years.
- Around 80 per cent of respondents indicated that owned their home (with a mortgage or outright), with most of the remaining one fifth indicating that they were renters.
- Nearly all respondents indicated that their current dwelling was a house. Of these, around two thirds were houses located in an urban setting, and one third were houses located in a rural setting.
- Almost half of respondents were retirees, whilst around one third were employed full time or self-employed. Most of the remainder of respondents indicated that they were employed part-time, and a small number of respondents indicated that they were full time students, or were not currently working or studying.

Whilst the survey respondents provide a good indication of community sentiment in many ways, the demographic profile of respondents is not representative of the whole Clarence Valley community. As such, the findings in this section should be considered a starting point, but cannot be relied upon as a holistic picture of the LGA.

Values

We asked questions about the type of housing people live in at present, what they consider when choosing a new place to live, and what their beliefs were in relation to housing in general.

Some of the most significant findings were:

- Comparatively few respondents believed they could find a new home (to rent or purchase) in the Clarence Valley if they had to
- Near-universal strong support for
 - Resilient, well-built housing suited to its climate
 - Diverse housing

- Affordable housing
- Adequate car parking
- Flood-free housing
- There was also a good level of support for housing being located close to services and amenities, such as work, shops, parks and social infrastructure.

Housing typologies

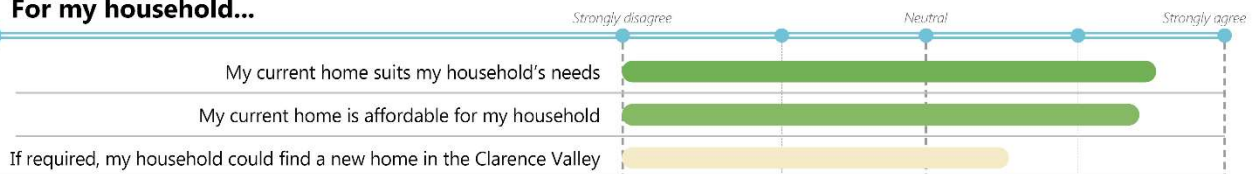
We also included a section in the survey that asked residents to provide their opinion on different types of housing. We provided participants with information on a range of different 'housing typologies' and asked questions about each of them, such as whether a respondent would like to live in a dwelling of a certain typology, or to what degree they would support more development of a certain housing typology in their local area.

Some of the most significant findings were:

- When asked what type of housing they would like to live in, there was:
 - A positive response for detached dwellings and duplexes
 - A generally neutral response for granny flats, low rise apartments, and townhouses; and
 - A somewhat negative response for high and medium rise apartments.
- When asked what types of housing they would support being delivered in their area, there was:
 - A strongly positive response for granny flats and detached houses
 - A generally positive response for townhouses, duplexes, and low rise apartments; and
 - A somewhat negative response for high and medium rise apartments.

A visual overview of the survey results is shown on the following pages.

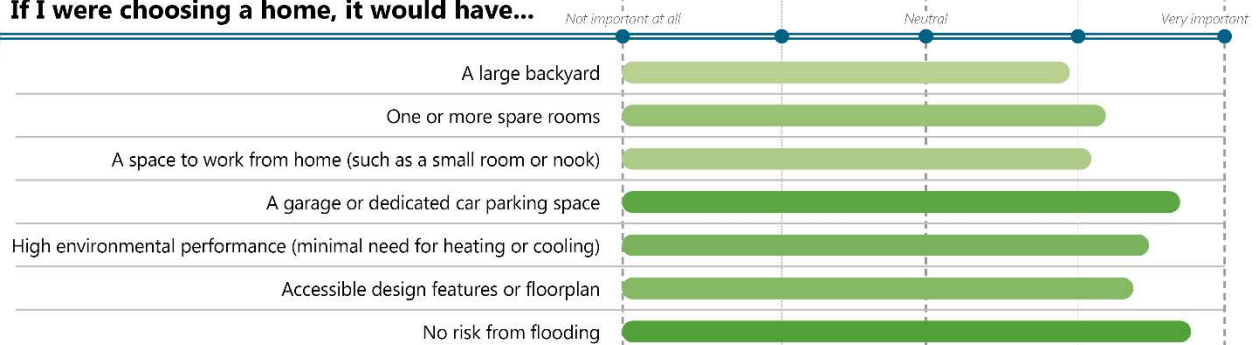
For my household...



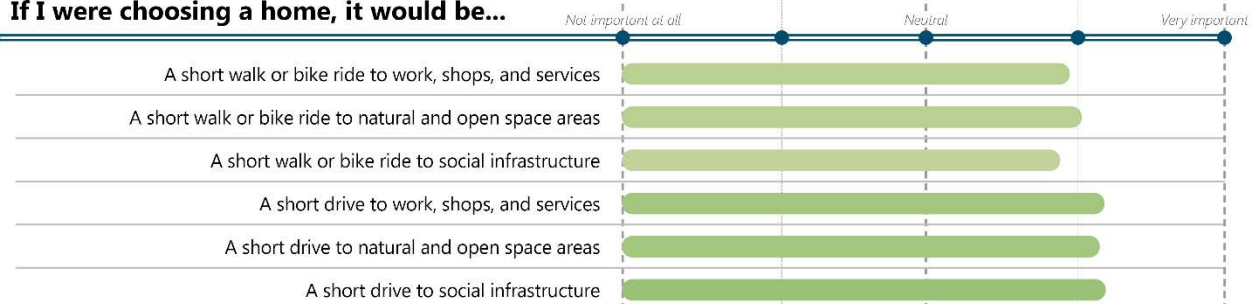
When it comes to housing, I believe...



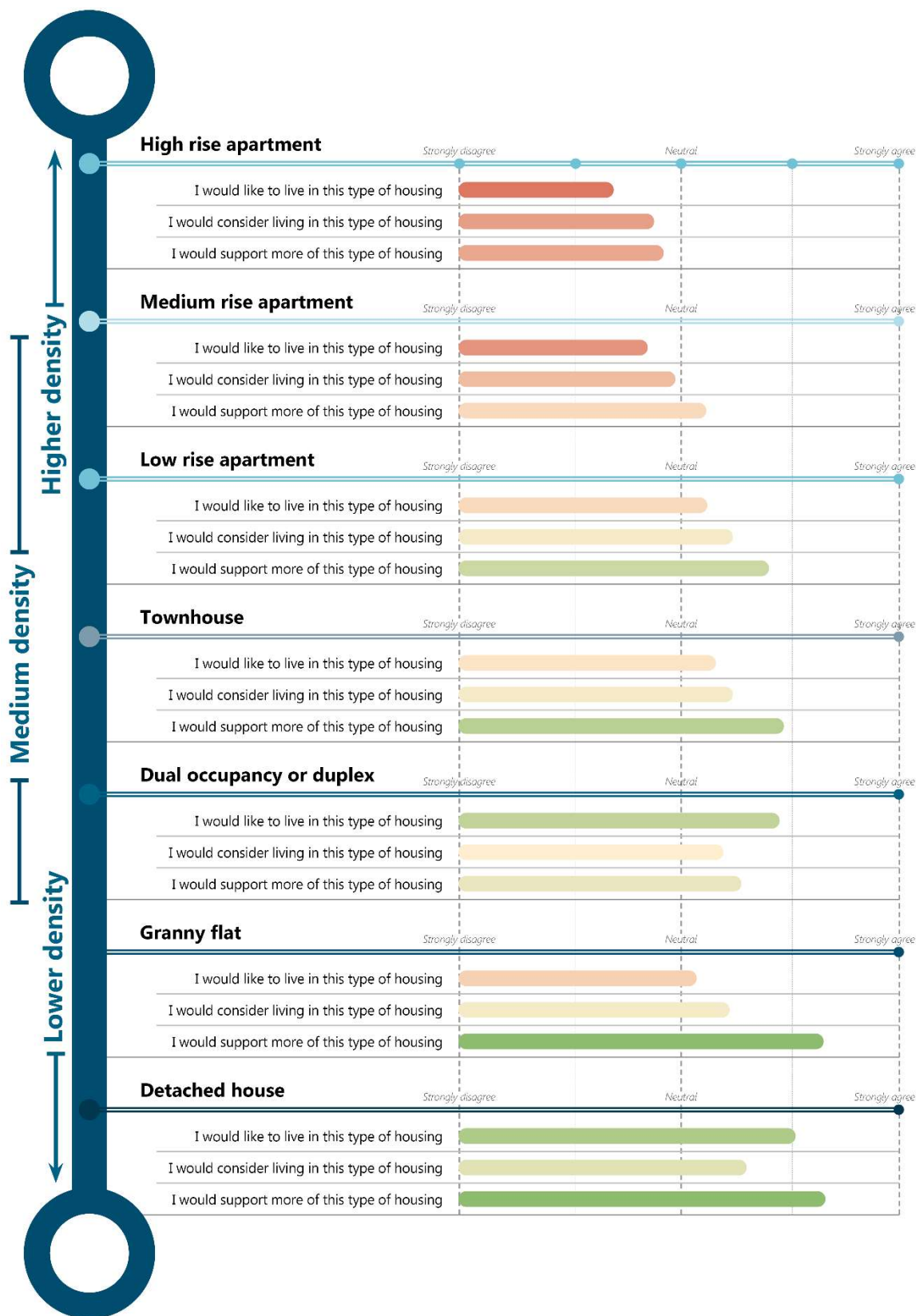
If I were choosing a home, it would have...



If I were choosing a home, it would be...



Source: HillPDA



ANNEXURE 4 – PLANNING INTERVENTIONS

This section provides details of the recommended targeted planning control amendments to be pursued in the short to medium term, to encourage compatible and resilient infill housing in Grafton, South Grafton, Yamba, Maclean and Iluka. Collectively, the opportunities identified in this section could create capacity for an additional 1,730 dwellings in the Clarence Valley LGA, with capacity for 1025 additional dwellings in the Upper Clarence area (59%) and capacity for 705 additional dwellings in the Lower Clarence area (41%).

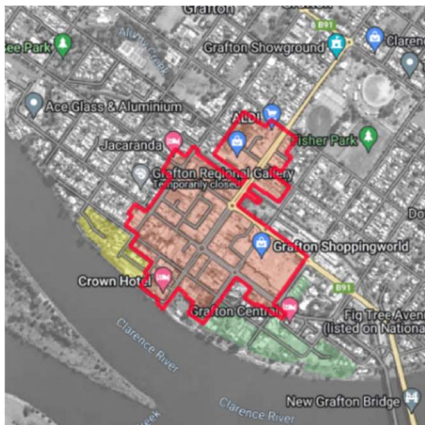
Grafton (+ 334 dwellings)

1. Clarence River Waterfront



Opportunity	Premium townhouses on prime waterfront real estate
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	20m
Specific DCP controls	Undercroft parking for flood resilience.

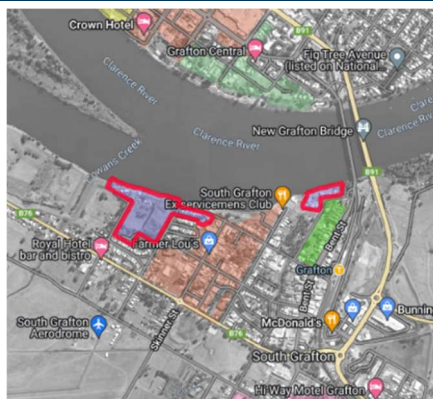
2. Grafton City Centre



Opportunity	Well located shop-top housing which can encourage vibrancy into the city centre
Proposed zone	E2 Commercial Centre
Proposed Height of Building	20m
Specific DCP controls	Review parking controls Non-residential ground floor.

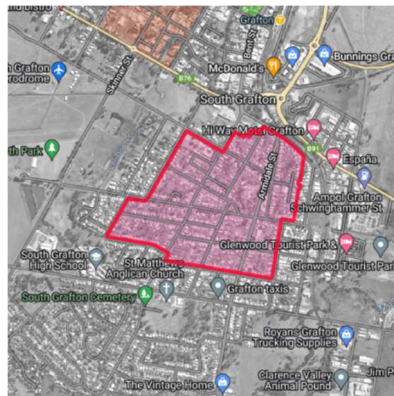
South Grafton (+338 dwellings)

3. South Grafton Waterfront



Opportunity	Premium waterfront townhouses
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	14m
Specific DCP controls	N/A

4. Medium Density in South Grafton



Opportunity	Locations with good access to amenities, shops, services, entertainment and leisure opportunities
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	9m
Specific DCP controls	N/A

5. South Grafton CBD



Opportunity	Well located shop-top housing in easy walking distance of amenities, shops, services, entertainment and leisure
Proposed zone	E2 Commercial Centre
Proposed Height of Building	20m
Specific DCP controls	Review parking controls Non-residential ground floor

Yamba (+ 152 dwellings)

6. Medium density in Yamba Hill



Opportunity	Premium townhouses in desirable location near to the ocean
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	12m
Specific DCP controls	N/A

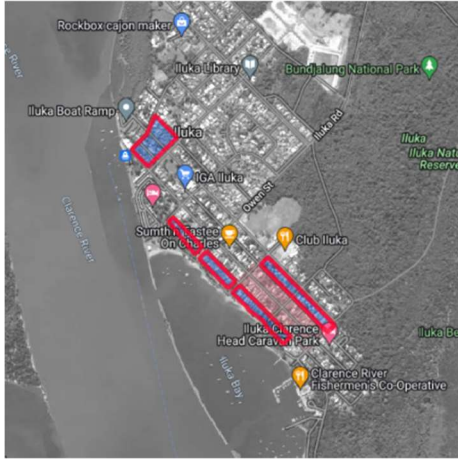
7. Yamba Centre



Opportunity	Well located shop-top housing
Proposed zone	E1 Local Centre
Proposed Height of Building	18 m
Specific DCP controls	Review parking controls Non-residential ground floor

Iluka (+ 38 dwellings)

8. Iluka R3 extension



Opportunity	Townhouses in desirable location
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	12m
Specific DCP controls	N/A

Maclean (+ 58 dwellings)

9. Area between Stanley/Grafton/Church and River Streets



Opportunity	Location within walking distance of amenities, shops, services, entertainment and leisure opportunities
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	12m
Specific DCP controls	n/a

10. Co-op site



Opportunity	Well located 'shop-top' or medium density housing that respects the surrounding character
Proposed zone	R3 Medium Density / MU1 Mixed Use/ R4 High Density Residential
Proposed Height of Building	12m
Specific DCP controls	Limited habitable uses at ground floor due to flooding

Clarenza (+ 353 dwellings)

Most new housing currently being delivered in the urban release areas and R5 Large Lot residential areas is large-detached dwellings. This is well suited to many family types, especially families with children.

McAuley College is located on the western edge of the Clarenza Urban Release area. Intervention 11 seeks to increase housing diversification on land in the URA within walking distance of the school and the already zoned E1 Neighbourhood Centre zone to help promote housing in areas where the incoming population can be supported by services and retail facilities. Intervention 12, relating to land on Duncans Road further north of McAuley College, is considered appropriate for large lot residential development. While the site is outside the walkable distance to McAuley College and E1 Neighbourhood Centre zone, it is close to Grafton and relatively free from environmental constraints.

11. Proximate to McAuley College



Opportunity	Mix of medium density housing forms within walking distance of close to education and future centre
Proposed zone	R3 Medium Density Residential
Proposed Height of Building	12m
Specific DCP controls	N/A

12. Duncans Road



Opportunity	Large lot residential
Proposed zone	R1 General Residential
Proposed Height of Building	N/A
Specific DCP controls	N/A

Gulmarrad (+ 437 dwellings)

Intervention 13 relates to land west of Sheehans Lane, Gulmarrad, which is opposite the Urban Release area and is currently zoned C3 Environmental Management and RU1 Primary Production. Mains water infrastructure runs along Sheehans Lane, providing opportunity for increasing housing supply on the portion of the land which is not flood prone.

Intervention 14 involves land on Boundary Road. Preliminary work by a Proponent as part of preliminary rezoning investigations indicates an asset protect zone can be provided and we can get some better environmental outcomes for the balance of the site with some development and rehabilitating the site which is a former sand mine.

13. West of Sheehans Lane



Opportunity	Mix of residential forms opposite a developing Urban Release Area
Proposed zone	R1 General Residential
Proposed Height of Building	N/A
Other relevant controls	N/A

14. Boundary Road



Opportunity	Large Lot Residential
Proposed zone	R5 Large Lot Residential
Proposed Height of Building	N/A
Other relevant controls	LEP Minimum Lot size of 4,000m2 same as R5 land in Gulmarrad