



Attachment 12 to Item 2.1.1.

Appendix 12 Residential Needs Assessment

Date of meeting: 18 April 2024
Location: Council Chambers or audio-visual link
Time: 12:30pm

Belmont Park Estate – Grose Wold Residential Needs Assessment

March 2023

Prepared by **macroplan**
For the **Kavanagh Family**

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Version	Author(s)	Date
Draft	YB, BN, GW	27/03/2023
Draft v2	YB, BN, GW	17/04/2023
Draft v3	YB, BN	06/07/2023
Final	YB, BN	31/07/2023

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Key findings

Dwelling demand projections

- Over the 5 years to 2021, the LGA dwelling supply increased by an average 285 dwellings per annum, compared to DPE's projection of 214 dwellings per annum average (i.e. understated by a total of 355 dwellings).
- Based upon the DPE's growth rates for implied dwelling demand projections, the need for additional housing within the Hawkesbury LGA is forecast to reach almost 6,000 dwellings by 2041.

Housing market review

- Due to a lack of diversity, housing prices within the Hawkesbury LGA are becoming increasingly unaffordable.
- Given the projected changes to household formation, and to address the ongoing housing affordability issue, it is anticipated that there will be an increased need for medium to higher density dwellings.

Residential supply

- Future dwelling supply in the Hawkesbury LGA will predominantly be delivered by three greenfield precincts - Redbank Estate in North Richmond (underway), Vineyard Stage 1 (site works) and Jacaranda Ponds (subdivision approval) – collectively adding around 4,350 dwellings, including almost 3,800 dwellings over the next 15 years.
- It is noted that the vast majority of this new supply are to be freestanding dwellings, with minimal medium density dwellings (if any) yet to be proposed.
- Continued mismatch of housing types with household types will increase the regions housing diversity and housing affordability issues.

Future supply considerations

- A lack of housing diversity is evident with a growing mismatch between household formation and dwelling stock, coupled with separate houses being the predominant housing type currently in the pipeline.
- There are extensive flood impacts in nfill areas identified by the Hawkesbury Local Housing Strategy (which pre-dates the most recent flooding events), there is a strong basis for other potential areas, such as the subject site, be further considered for residential development.

Dwelling demand / supply gap

- Between now and 2031, there is estimated to be a moderate oversupply of residential lots. However, the residential market may return to balance should demand keep pace with supply, which has been the case recently.
- The volume of new supply is expected to diminish from around 2028 and increasing dwelling demand will see a growing level of unmet demand of around 2,200 dwellings by 2041.
- These levels of estimated net demand, may be understated should dwelling demand (i.e. take up rates) keep apace of new supply, as has been demonstrated since 2017.

Retail potential

- A local shopping centre of up to 1,250 sq.m is deemed supportable including a small convenience store of up to 375 sq.m, 750 sq.m of retail specialty floorspace and around 125 sq.m of non-retail floorspace.
- A local retail shopping centre within the Belmont Park Estate would be well placed to primarily serve the convenience needs of residents within the estate, as well as provide a sense of place and community.

1_Introduction

1.1_About this report

This report provides an assessment of the need for increased residential development within the Hawkesbury City council area and the suitability of subject site to assist in addressing the need for increased diversity of housing and affordability facing the region.



Subject site

The report is set out in the following sections:

- **Section 1 Introduction** – overview of the purpose of this report, key documents and data sources referenced and providing the strategic context and vision in which future development of the subject site is considered warranted.
- **Section 2 Site context**– provides an overview of the locational context and overview of the proposed development.
- **Section 3 Economic analysis** – provides a review of population and dwelling projections, demographic profiling of the local resident population and the local workforce as well a review of current housing market trends.
- **Section 4 Housing market overview** – provides a review of current housing market trends as well as discussing dwelling diversity and affordability within the Hawkesbury region.
- **Section 5 Residential supply** - provides a review of planned dwelling supply within the Hawkesbury LGA.
- **Section 6 Residential need**– provides an assessment of projected dwelling demand / supply gap out to 2041 and an overview of residential need implications, namely economic, community and planning benefits.
- **Section 7 Retail potential**– provides a high-level assessment for the potential for retail floorspace at the subject site.
- **Section 8 Key findings** – provides a summary of key findings including recommendations for the subject site and discussing the economic and social need for increased residential development within the Hawkesbury LGA and at the subject site.

1.2_References

Analysis undertaken in this report has been informed by the following sources of information and data:

- Australian Bureau of Statistics (ABS) Census of Population and Housing (2016 and 2021)
- Australian Bureau of Statistics Estimated Residential Population data (ERP) (2022)
- NSW Department of Environment and Planning projections (2022)
- Hawkesbury City Council Local Housing Strategy (2020)
- Other investigations of future residential development, undertaken by Macroplan.

1.3_Key terms and abbreviations

ABS – Australian Bureau of Statistics

Council – Hawkesbury City Council

DPE – NSW Department of Planning and Environment

EPR – Estimated Residential Population (as published by the ABS)

LGA – Local government area

LHS – Local housing strategy

LSPS – Local Strategic Planning Statement

MRA – Metropolitan Rural Area

SA2 – ABS defined Statistical Area 2

2_Site context

2.1_Locational context

The subject site is located at 35-63 Grose River Road, Grose Wold in the Hawkesbury City local government area (LGA), approximately 55 km north-west of Sydney CBD (see Map 1.1). With frontage to Grose River Road to the northwest and the Nepean River to the southeast, the subject site is described as Lot 6, 7, 8 and 14 on DP703300 and contains an area of approximately 119.5ha (see Map 1.2) and is located within the Metropolitan Rural Area (MRA) as designated under the Greater Sydney Regional Plan.

Covering a broad geographic area, established urban areas within the Hawkesbury City LGA are largely concentrated around the suburbs of Richmond, North Richmond and Windsor with more recent residential development occurring in North Richmond.

Most notable development currently underway is the Redbank Estate located immediately north of the subject site. The location of Redbank, along with two other key development precincts (Vineyard and Jacaranda Ponds) are shown in Map 1.3 and are discussed in greater detail in Section 5 of this report.



Source: Images of site from Google street-view

2.2_Proposed development

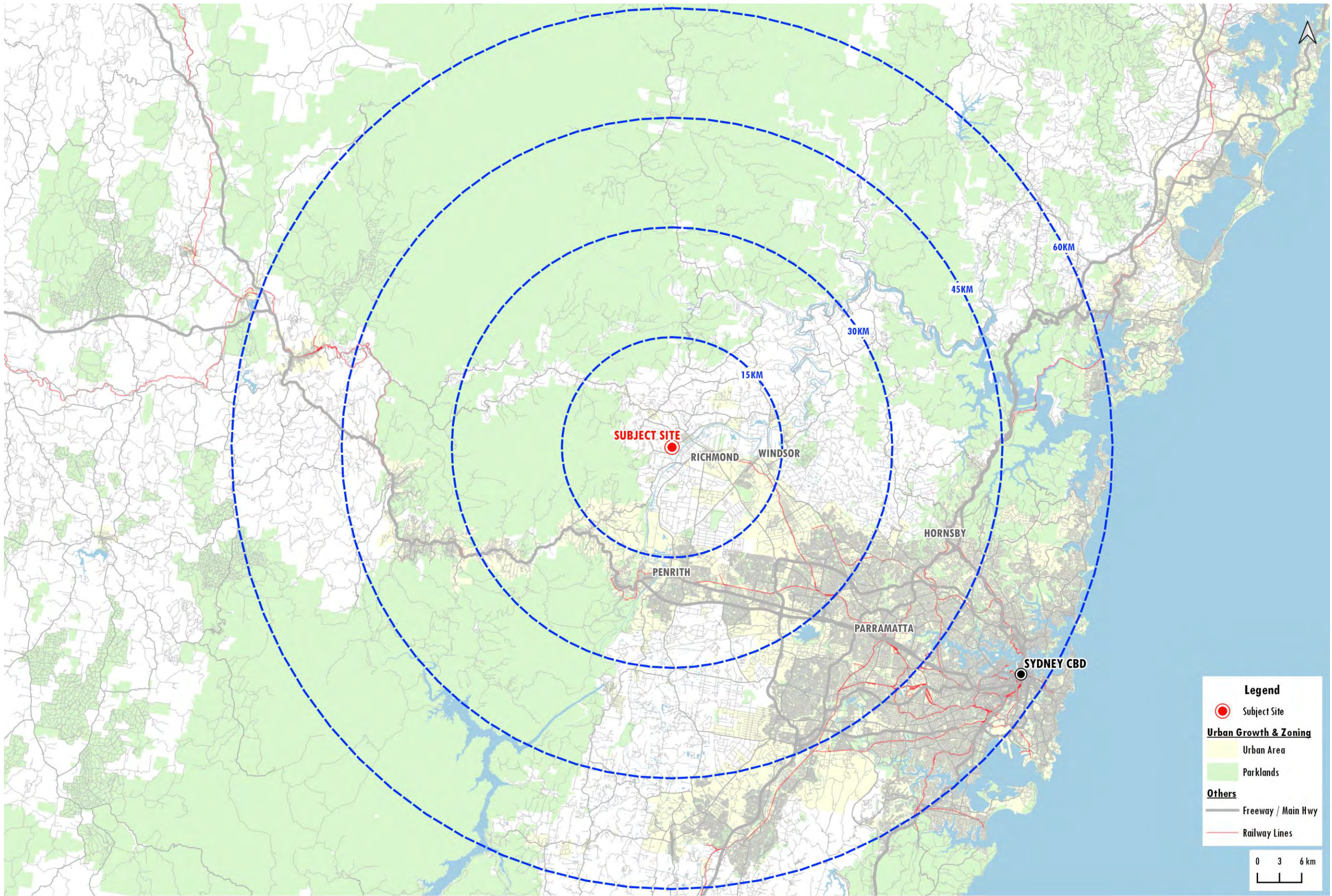
Figure 1.1 illustrates the current concept masterplan. Belmont Park Estates is envisioned to comprise up to 1,200 dwellings, provide for diverse housing choices including

- 140 lots for senior living dwellings (12%)
(studio, 1 and 2 bedroom self-contained dwellings)
- 540 traditional residential lots (250 – 500 sq.m) (45%)
- 520 medium density dwellings (43%)
Mix of low- to medium-rise cluster housing.
- 120 affordable housing sites (10%)

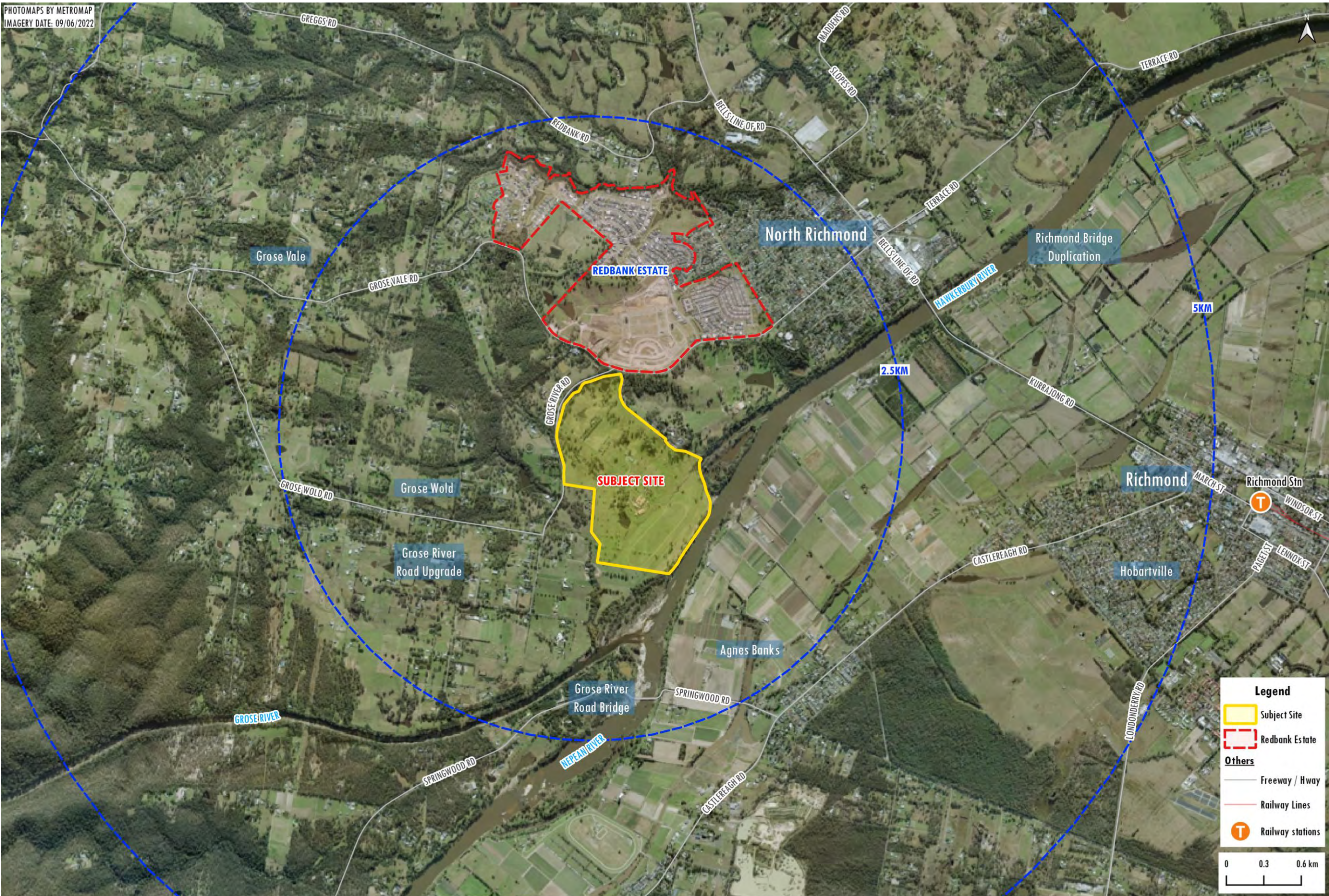
The masterplan also proposes a centrally located local neighbourhood centre, with seniors living and medium density dwellings to be located within walkable distance of this centre.

Future residents of Belmont Park will also enjoy 100 acres (over a third of the site) preserved for outdoor recreational uses such as a community organic farm, open space, local parklands and recreational facilities.

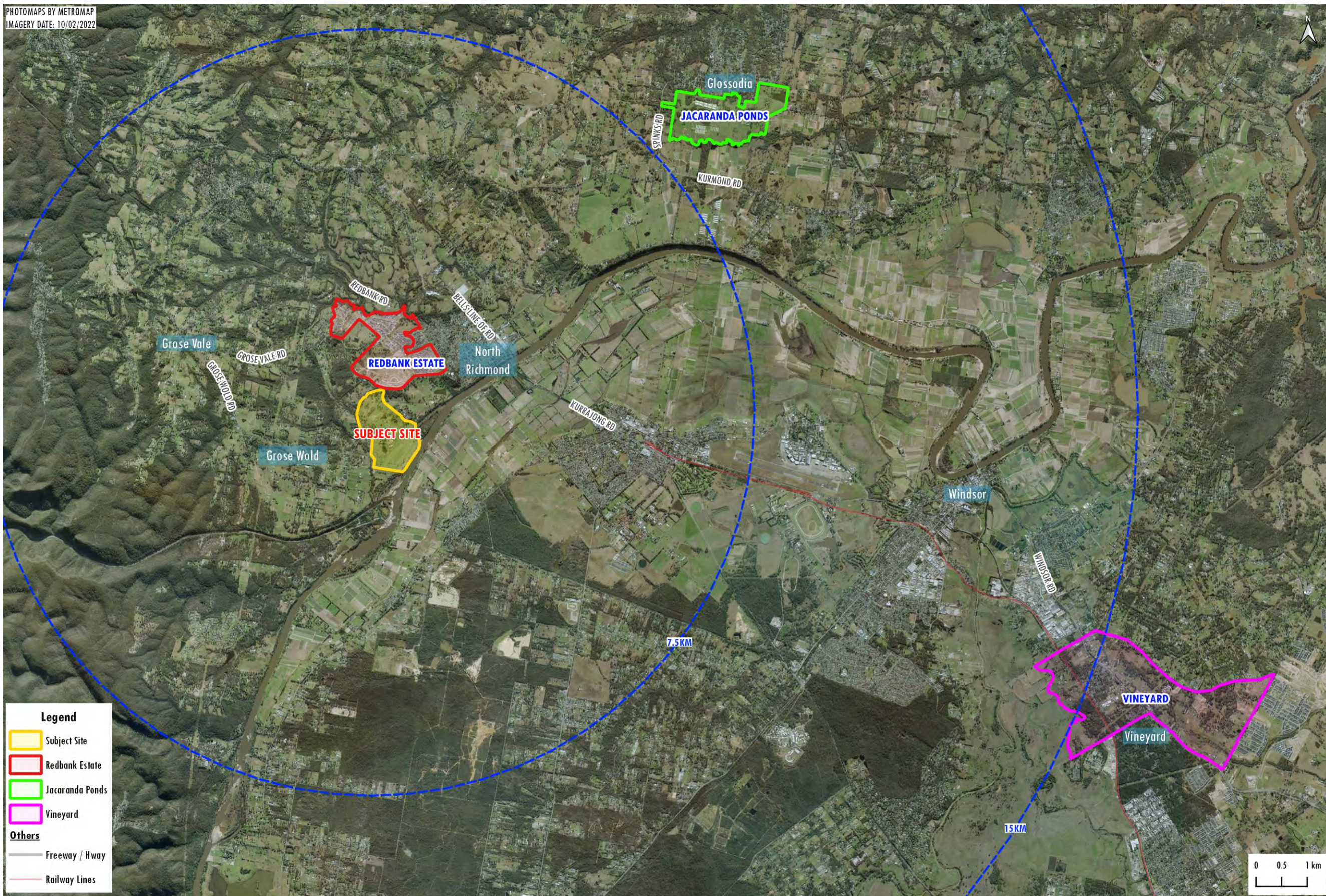




Map 1.1 Belmont Park - Regional context



Map 1.2 Belmont Park - Local context



Map 1.3 Belmont Park – surrounding major residential developments

Figure 1.1 Belmont Park – concept masterplan



3_Demographic analysis

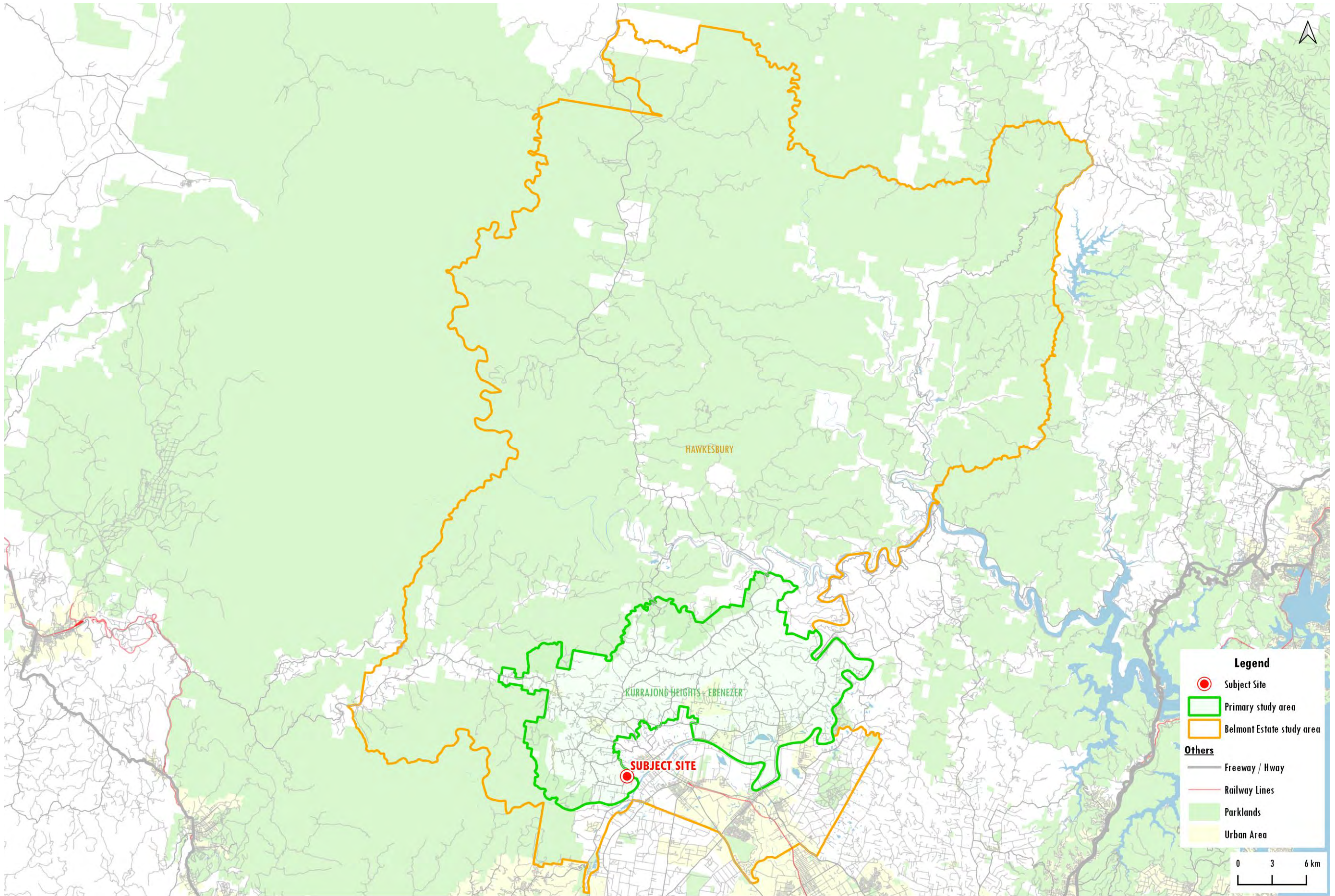
3.1_Study area

Macroplan has identified a generalised catchment comprising one primary and one broader catchment which have been defined using the following geographic areas:

- Primary catchment - Kurrajong Heights – Ebenezer Statistical Area 2 (SA2)
- Broader catchment - Hawkesbury City local government area (LGA)

Using the defined study areas, as illustrated in Map 3.1, Macroplan will undertake the following economic analysis:

- **Population** – review of population estimates and projections with references to ABS census and resident population estimates, projections released by the Department of Environment and Planning (2022) and those currently being used in the Hawkesbury City Council Local Housing Strategy (LHS) (2020).
- **Socio-demographic profile** – review of the socio-demographic profile of the catchment resident population.
- **Worker profile** – overview of the local workforce and of employed residents residing within the catchment.
- **Internal migration** – review of migration patterns of Hawkesbury LGA residents
- **Housing market overview** – analysis of the Hawkesbury LGA dwelling demand profile and recent market trends in the housing and vacant land sales market.



Map 3.1 Belmont Park – study area

3.2_Population

Table 3.1 details the current and projected population levels within the primary catchment and Hawkesbury LGA. This information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics Census of Population and Housing 2021;
- Australian Bureau of Statistics Estimated Residential Population Data (ERP) (2017-21);
- NSW Department of Planning and Environment (2022) (DPE); and
- Hawkesbury City Council (Council) Draft local housing strategy (August 2020) adopted by Council on 8 December 2020.

According to the ABS 2021 census, the Hawkesbury LGA area is estimated at 67,851 at mid-2021, including 22,296 within the primary sector. This compares to the DPE's estimates of 67,482 and 22,753 respectively.

Over the most recent intercensal period (i.e. 2016 to 2021), the LGA population increased by an average 0.4% or 247 residents per annum. This is down from 0.6% and 399 residents per annum average between the previous intercensal period (i.e. 2011 to 2016).

Macroplan note that the population projections referenced in Council's draft local housing strategy are based upon the DPE's projections published in 2019 and therefore do not account for the impacts of the COVID-19 pandemic and are therefore overstated.

Table 3.1
Belmont Park study area population, 2011-2041*

Study area	Estimated population			Projected population				Change
	2011	2016	2021	2026	2031	2036	2041	2021-41
Primary (ABS, DPE) [^]	22,110	22,476	22,296	22,394	22,784	23,592	24,655	2,359
Primary (DPE)	22,113	22,476	22,753	22,852	23,241	24,050	25,112	2,359
LGA (ABS, DPE)[^]	64,353	66,346	67,581	67,790	69,256	72,116	77,320	9,739
LGA (DPE)	n.a.	66,346	67,472	67,681	69,147	72,007	77,211	9,739
LGA (HCC)	64,350	66,346	67,156	70,099	75,944	77,048	n.a.	n.a.

Study area	Average annual growth (no.)							
	2011-16	2016-21	2021-26	2026-31	2031-36	2036-41	2021-41	
Primary (ABS, DPE) [^]		73	-36	20	78	162	212	118
Primary (DPE)		73	55	20	78	162	212	118
LGA (ABS, DPE)[^]		399	247	42	293	572	1,041	487
LGA (DPE)		n.a.	225	42	293	572	1,041	487
LGA (HCC)		399	162	589	1,169	221	n.a.	n.a.

Study area	Average annual growth (%)						
	2011-16	2016-21	2021-26	2026-31	2031-36	2036-41	2021-41
Primary (ABS, DPE) [^]	0.3%	-0.2%	0.1%	0.3%	0.7%	0.9%	0.5%
Primary (DPE)	0.3%	0.2%	0.1%	0.3%	0.7%	0.9%	0.5%
LGA (ABS, DPE)[^]	0.6%	0.4%	0.1%	0.4%	0.8%	1.4%	0.7%
LGA (DPE)	n.a.	0.3%	0.1%	0.4%	0.8%	1.4%	0.7%
LGA (HCC)	0.6%	0.2%	0.9%	1.6%	0.3%	n.a.	n.a.

*As at June; [^] Assumes DPE projected annual growth rates remain unchanged
Source: ABS Census 2021; NSW Department of Planning and Environment (DPE) (2022); Hawkesbury City Council (HCC); Macroplan

In comparison, the latest DPE estimates have somewhat understated the recent population growth that has occurred in the LGA over the five years to 2021.

Future population growth is to be underpinned by greenfield developments across the three main master planned estates detailed in section 2. Based upon the DPE growth projections, the Hawkesbury LGA is forecast to increase by over 9,700 residents over the 20 years to 2041, which equates to a average annual growth rate of just 0.7% percent.

3.2_Dwelling demand

Table 3.2 details the current and projected implied dwelling demand levels within the primary catchment and Hawkesbury LGA. This information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics Census of Population and Housing 2021;
- NSW Department of Planning and Environment (2022); and
- Hawkesbury City Council Draft local housing strategy (August 2020) (LHS) adopted by Council on 8 December 2020.

According to the ABS 2021 census, in the Hawkesbury LGA area there was an estimated 25,523 dwellings at mid-2021, including 7,637 within the primary sector. This compares to the DPE's estimate of implied dwelling demand of 26,146 and 8,218 respectively, indicating a current undersupply of around 625 dwellings in the LGA.

Over the most recent intercensal period (i.e. 2016 to 2021), the LGA dwelling supply increased by an average 1.2% or 285 dwellings per annum. This compares to DPE's projection that demand would increase by just 0.8% or 214 dwellings per annum average (i.e. understated by a total of 355 dwellings).

Table 3.2
Belmont Park study area implied dwelling demand, 2016-2041*

Study area	Estimated dwellings		Projected dwellings				Change
	2016	2021	2026	2031	2036	2041	2021-41
Primary (ABS, DPE)^	7,596	7,637	7,881	8,172	8,604	9,099	1,462
Primary (DPE)	7,960	8,218	8,462	8,753	9,185	9,680	1,462
LGA (ABS, DPE)^	24,098	25,523	26,325	27,476	29,108	31,448	5,925
LGA (DPE)	25,076	26,146	26,949	28,100	29,731	32,071	5,925
LGA (HCC)	25,031	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Study area	Average annual growth (no.)						
	2016-21	2021-26	2026-31	2031-36	2036-41	2021-41	
Primary (ABS, DPE)^		8	49	58	86	99	73
Primary (DPE)		52	49	58	86	99	73
LGA (ABS, DPE)^		285	160	230	326	468	296
LGA (DPE)		214	160	230	326	468	296
LGA (HCC)		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Study area	Average annual growth (%)					
	2016-21	2021-26	2026-31	2031-36	2036-41	2021-41
Primary (ABS, DPE)^	0.1%	0.6%	0.7%	1.0%	1.1%	0.9%
Primary (DPE)	0.6%	0.6%	0.7%	1.0%	1.1%	0.8%
LGA (ABS, DPE)^	1.2%	0.6%	0.9%	1.2%	1.6%	1.0%
LGA (DPE)	0.8%	0.6%	0.8%	1.1%	1.5%	1.0%
LGA (HCC)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

*As at June; ^ Assumes DPE projected annual growth numbers remain unchanged
Source: ABS Census 2021; NSW Department of Planning and Environment (DPE) (2022); Hawkesbury City Council (HCC); Macropian

Based upon the DPE growth projections, implied dwelling demand in the Hawkesbury LGA is forecast to increase by almost 6,000 dwellings over the 20 years to 2041, which equates to a average annual growth rate of just 1.0% percent. Of these, around almost 1,500 dwellings are forecast to be located within the Primary catchment.

3.3_Socio-demographic profile

Table 3.3 and Chart 3.1 illustrates the current socio-demographic profile of the Belmont Park study area population, compared with benchmarks for Greater Sydney and Australia, based on data from the 2021 ABS Census of Population and Housing.

The key points to note include the following:

- Primary catchment residents earn household incomes which are 7.1% above the Greater Sydney average, compared to Hawkesbury LGA household which are 9.9% below.
- Average household sizes within the study area are higher within the primary catchment, at 3 persons per household, while the Hawkesbury LGA is slightly above at 2.7 persons.
- The primary catchment possesses an older age profile relative to the Greater Sydney average, driven by an above average proportion of adults aged 50+ years, as well as a below average representation of prime working age residents in the 20-49 age bracket. There is however a slightly higher proportion of children (0-14 yrs), which is likely to increase as further young families move to the area within the new residential estates underway & planned.
- The home ownership levels in the primary catchment, at 87.1%, is well above the Greater Sydney average of 60%, which is typical of an outer urban area with greenfield development and long term property owners.
- Residents in the primary catchment and Hawkesbury LGA are predominantly Australian born, accounting for 87.9% and 86.1% of residents respectively.

Table 3.3
Belmont Park study area - socio-demographic profile, 2021

Census item	Primary catchment	Hawkesbury LGA	Greater Syd. avg.	Australia avg.
Per capita income	\$46,548	\$43,049	\$48,817	\$43,826
<i>Var. from Greater Syd.</i>	-4.6%	-11.8%		
Avg. household income	\$140,936	\$118,582	\$131,564	\$111,341
<i>Var. from Greater Syd.</i>	7.1%	-9.9%		
Avg. household size	3.0	2.8	2.7	2.5
<u>Age distribution (% of population)</u>				
Aged 0-14	19.4%	19.0%	18.4%	18.3%
Aged 15-19	7.1%	6.6%	5.6%	5.7%
Aged 20-29	11.8%	12.9%	14.1%	13.2%
Aged 30-39	11.5%	12.4%	15.9%	14.5%
Aged 40-49	12.7%	12.4%	13.5%	12.9%
Aged 50-59	14.9%	13.7%	12.0%	12.4%
Aged 60+	22.5%	22.6%	20.3%	22.8%
Average age	40.2	39.2	37.5	38.8
<u>Housing status (% of households)</u>				
Owner (total)	<u>87.1%</u>	<u>72.4%</u>	<u>60.0%</u>	<u>65.1%</u>
• Owner (outright)	36.8%	32.0%	27.3%	30.6%
• Owner (with mortgage)	50.3%	40.5%	32.7%	34.5%
Renter	12.2%	23.8%	35.3%	30.3%
<u>Birthplace (% of population)</u>				
Australian born	87.9%	86.1%	59.6%	70.8%
Overseas born	<u>12.1%</u>	<u>13.9%</u>	<u>40.4%</u>	<u>29.2%</u>
• Asia	1.3%	3.0%	20.8%	12.7%
• Europe	3.3%	3.3%	5.2%	4.2%
• Other	7.6%	7.6%	14.5%	12.4%

Source: ABS Census of Population & Housing 2021; Macroplan

3.3_Socio-demographic profile (cont'd)

- The proportion of traditional families (i.e. couples with dependent children) within the primary catchment, at 40.5% of all households, is relatively on par with the Greater Sydney average. There is however an above average proportion of couples with non-dependant children within both the primary catchment and the Hawkesbury LGA.
- Reflective of an outer metropolitan urban area as well as an above average proportion of families with non-dependant children, there are high levels of car ownership with an above average proportion of households owning two or more cars.

The socio-demographic profile of the primary catchment and Hawkesbury LGA population is reflective of an outer metropolitan urban area characterised by families in the later life stages.

With new residential growth, the area is likely to accommodate further young families, who are attracted to the amenity and lifestyle of the area and the relative affordability of housing which a development such as Belmont Park can provide.

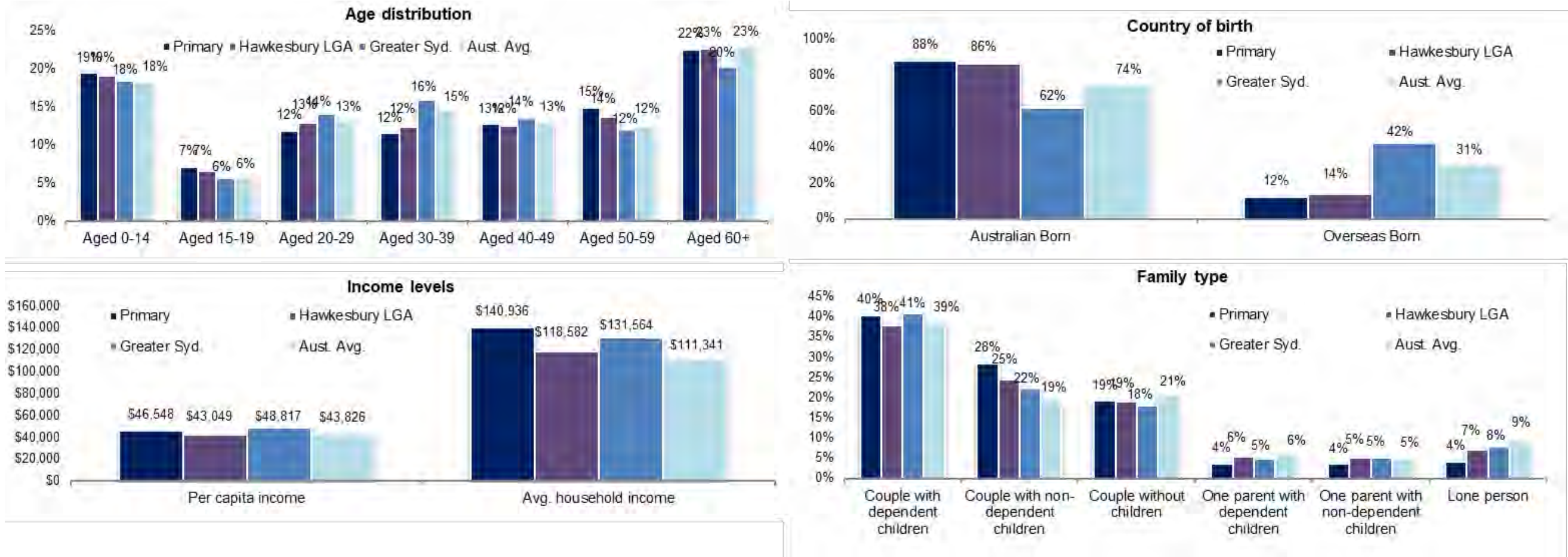
Table 3.3
Belmont Park study area - socio-demographic profile, 2021

Census item	Primary catchment	Hawkesbury LGA	Greater Syd. avg.	Australia avg.
<u>Family type (% of population)</u>				
Couple w dep't child.	40.5%	38.0%	40.8%	38.6%
Couple w non-dep't child.	28.5%	24.5%	22.2%	19.3%
Couple without child.	19.2%	19.1%	18.0%	20.8%
One parent w dep't child.	3.7%	5.5%	4.9%	6.0%
One parent w non-dep't	3.6%	5.1%	5.2%	5.0%
Lone person	4.2%	7.2%	7.9%	9.4%
<u>Car ownership</u>				
% 0 Cars	0.8%	3.6%	11.1%	7.2%
% 1 Car	16.9%	26.7%	39.5%	36.2%
% 2 Cars	37.5%	36.6%	32.3%	36.3%
% 3 Cars	20.7%	16.5%	9.9%	12.0%
% 4 plus Cars	22.8%	15.5%	5.7%	6.8%

Source: ABS Census of Population & Housing 2021; Macroplan

3.3_Socio-demographic profile (cont'd)

Chart 3.1 Socio-demographic profile 2021



Source: ABS Census 2021, Macroplan

3.4_Journey to work profile

3.4.1_Self-containment

Self-containment refers to the percentage of residents that work within their local area. Table 3.4 shows where Hawkesbury LGA residents work based upon the journey to work data from the ABS census 2021.

Key findings are as follows:

- The Hawkesbury LGA has a high self-containment rate of 48%, and a further 30% of residents working in neighbouring LGAs of Blacktown, Penrith and The Hills.
- 21% of Hawkesbury LGA residents work elsewhere in Greater Sydney and only 2% elsewhere in NSW or interstate.
- These proportions have remained relatively unchanged since 2016.

Place of work		2016		2021	
		No.	%	No.	%
Hawkesbury (self-containment)	LGA	13,606	47%	13,334	48%
Top 3 LGAs (excl. Hawkesbury)					
Blacktown	LGA	3,623	13%	3,534	13%
Penrith	LGA	2,808	10%	2,672	10%
The Hills	LGA	2,337	8%	2,041	7%
Elsewhere in Greater Sydney	GCCSA	6,139	21%	5,725	21%
Elsewhere in NSW	State	163	1%	224	1%
Interstate	State	131	0%	156	1%
Total employed residents ^		28,807		27,686	

^ Excludes those absent from work or with no usual address

Source: ABS census 2021; Macroplan

3.4.2_Self-sufficiency

Self-sufficiency refers to the percentage of the local workforce that live locally. Table 3.5 shows where the Hawkesbury LGA workforce live, based upon the journey to work data from the ABS census 2021.

Key findings are as follows:

- The Hawkesbury LGA has a high self-sufficiency rate of 58%, and a further 29% of workers living in neighbouring LGAs of Blacktown, Penrith and The Hills.
- 11% of the Hawkesbury LGA workforce live elsewhere in Greater Sydney and only 2% elsewhere in NSW or interstate.
- These proportions have remained relatively unchanged since 2016.

Usual residence		2016		2021	
		No.	%	No.	%
Hawkesbury (self-sufficiency)	LGA	13,606	59%	13,334	58%
Top 3 LGAs (excl. Hawkesbury)					
Blacktown	LGA	2,464	11%	2,617	11%
Penrith	LGA	2,524	11%	2,499	11%
The Hills	LGA	1,226	5%	1,516	7%
Elsewhere in Greater Sydney	GCCSA	2,737	12%	2,632	11%
Elsewhere in NSW	State	245	1%	245	1%
Interstate	State	140	1%	116	1%
Total workforce ^		22,942		22,959	

^ Excludes those absent from work or with no usual address

Source: ABS census 2021; Macroplan

3.4_Journey to work profile

3.4.3_Work from home

Following the onset of the COVID-19 pandemic and various periods of lockdowns, there has been an increased propensity for employees to work from home. Latest data from the ABS census 2021 illustrates the extent to which this trend has occurred.

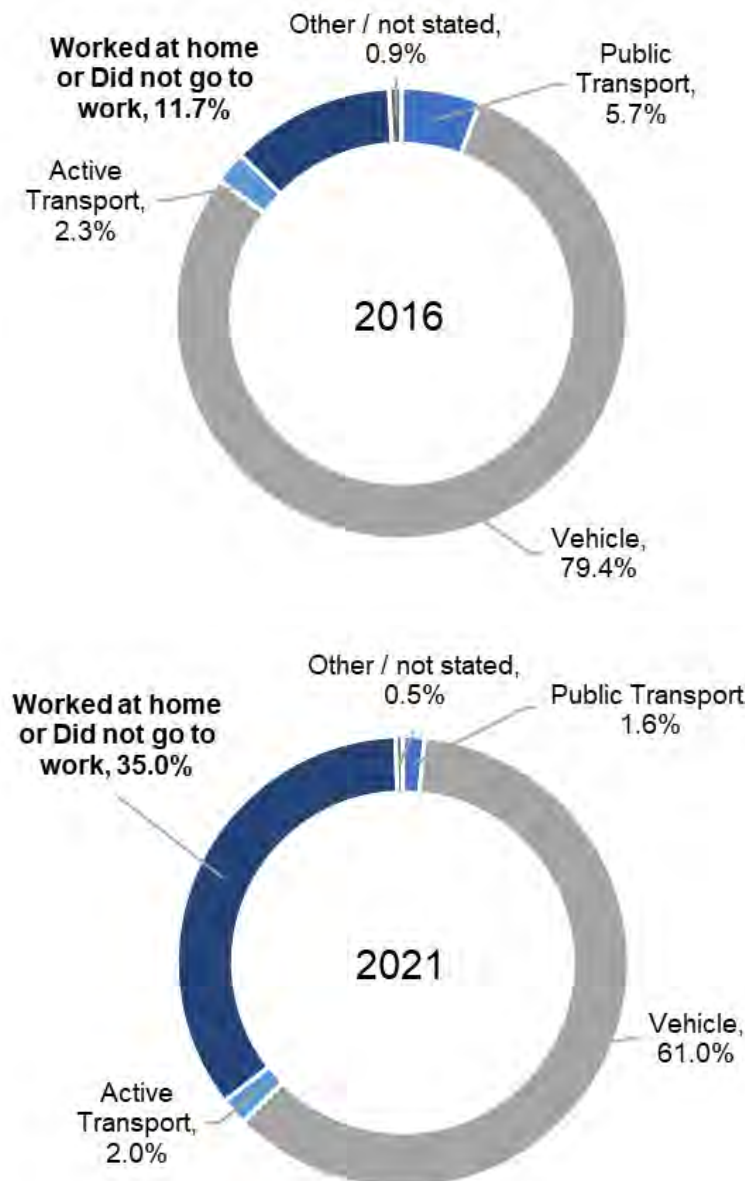
Chart 3.2 shows the modes of travel for employed Hawkesbury LGA residents in 2016 and 2021. This data includes residents that worked from home.

The census data shows a strong uplift in the proportion of residents working from home – accounting for 35% of employed residents, up from 11.7% in 2016. This compares to Greater Sydney where employed residents working from home increased from 10.3% in 2016 to 49.9% in 2021.

As detailed in the previous section on where employed Hawkesbury LGA residents work, the proportion of residents working within the Hawkesbury LGA has not changed since 2016. This indicates that those working from home were those typically already working within the LGA.

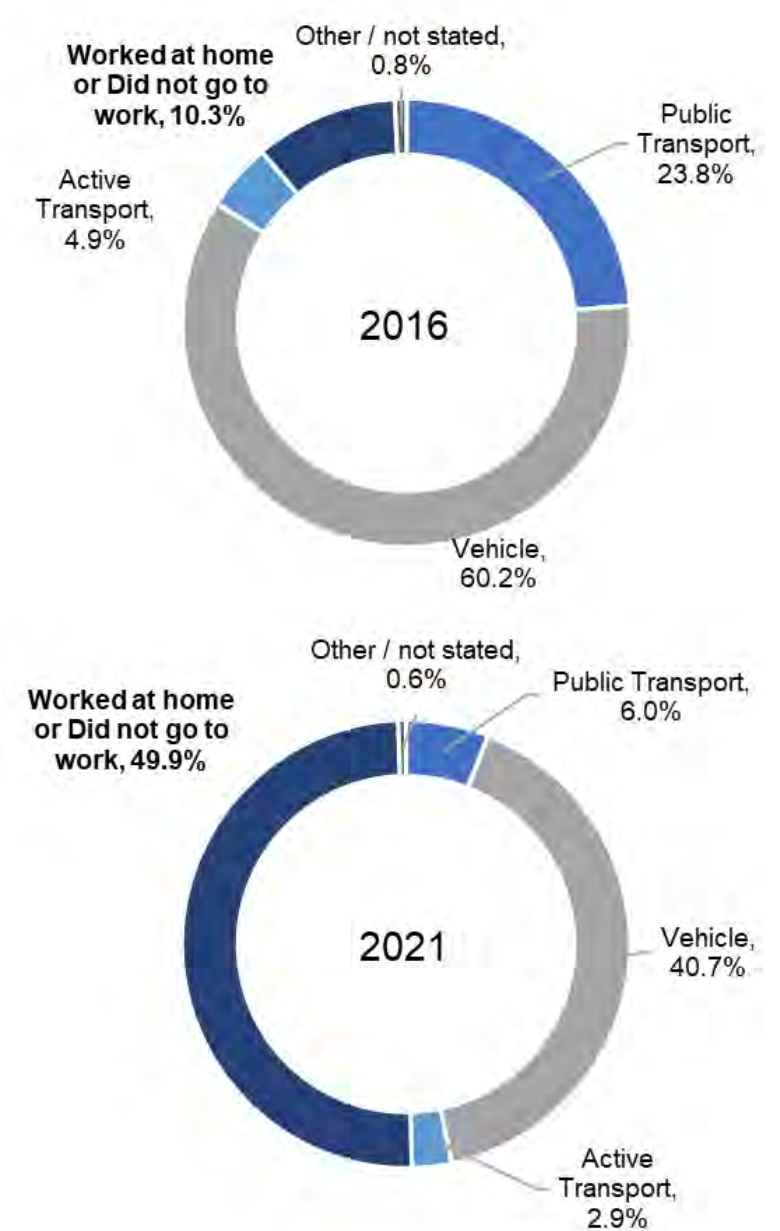
Macroplan note that the 2021 Census was undertaken amidst the peak of the pandemic, with lockdowns requiring people to work from home and/or people too unwell to attend work. As such this proportion will have dramatically decreased since then.

Chart 3.2 Hawkesbury LGA Employed residents - Method of travel to work, 2016 - 2021



Source: ABS Census 2016-2021, Macroplan

Chart 3.3 Greater Sydney Employed residents - Method of travel to work, 2016 - 2021



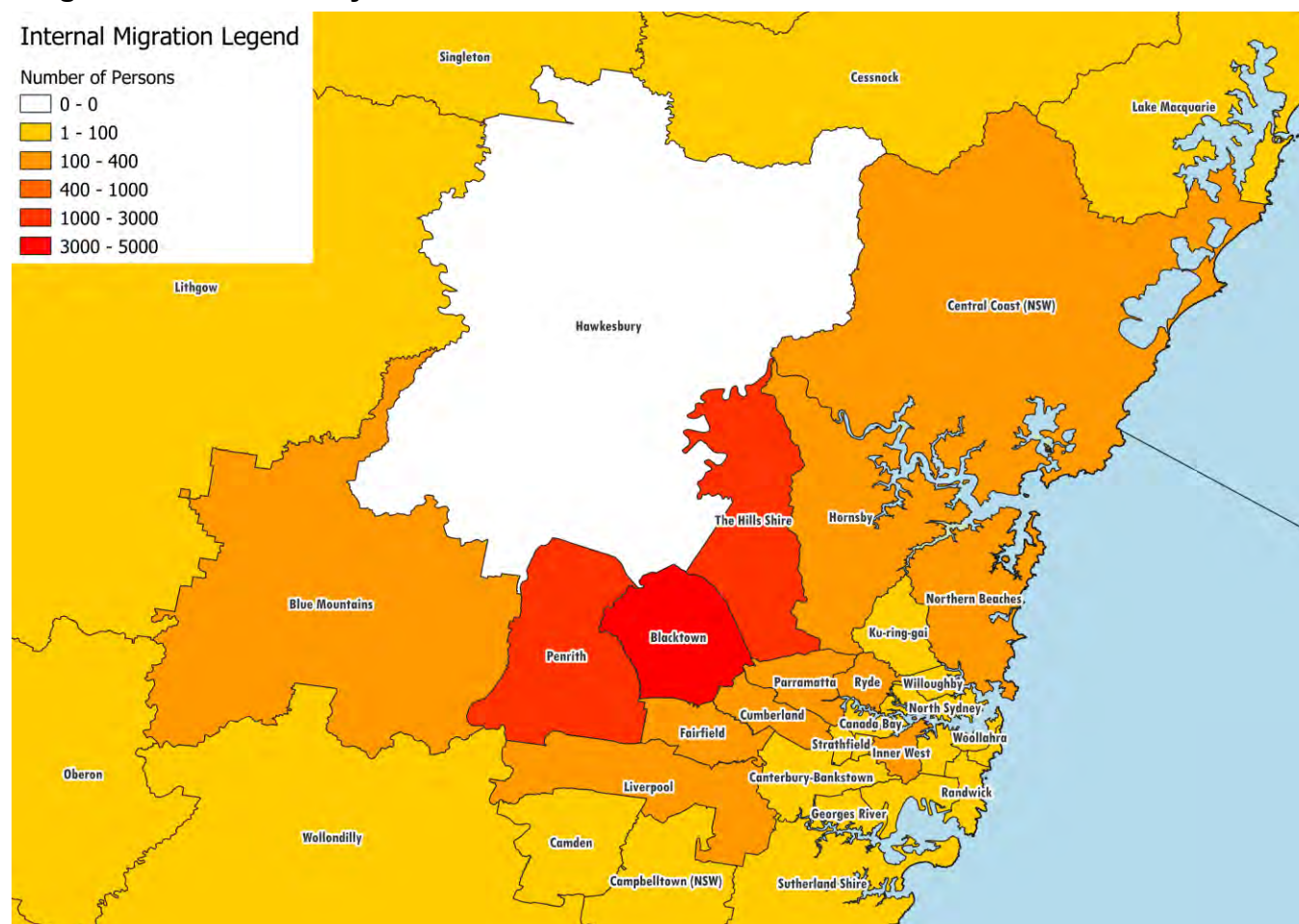
Source: ABS Census 2016-2021, Macroplan

3.5_ Internal migration

Table 3.6 details where Hawkesbury LGA residents lived in 2016 according to the ABS census 2021 place of usual residence data, while Figure 3.1 illustrates the various LGAs in NSW that represent the major source of internal migration into Hawkesbury.

Of all LGAs in NSW, a majority of the 2016 – 2021 intercensal internal migration into Hawkesbury is sourced from Blacktown (3,048 residents), The Hills Shire (1,799) and Penrith (1,686).

Figure 3.1 Hawkesbury LGA residents – Place of usual residence 2016



Usual address 5 years ago	2016		2021	
	No.	%	No.	%
Same address	35506	55%	37,963	57%
Moved in catchment	9293	14%	9,320	14%
Moved from intrastate	9873	15%	10,516	16%
Moved from interstate	915	1%	676	1%
Moved from overseas	701	1%	896	1%
Not stated	3925	6%	3,171	5%
Not applicable (i.e. 0-4 yr olds)	4101	6%	4,152	6%
Total	64,314		66,694	

Source: ABS census 2021, Macroplan

Other key findings on the general internal migration into Hawkesbury in the last 5 years are as follows:

- 57% of residents had not move
- 14% lived elsewhere in the LGA, while a further 16% lived elsewhere in NSW
- Only 1% had moved from interstate, of which the majority had moved from Queensland (45%) followed by Victoria (23%)

In both 2021 and 2016 only 1% of residents had moved to the Hawkesbury LGA from overseas, indicating that population growth for region is less reliant on net overseas migration and therefore would have been minimally impacted by border closures during the COVID-19 pandemic.

New residential development would be marketed to and will attract new residents from outside the area, resulting in a potential shift in the current levels of migration into the catchment.

4_Housing market overview

4.1_Residential sales

4.1.1 Attached dwelling sales

Charts 4.1 and 4.2 illustrate recent market trends for detached houses for core suburbs within the Hawkesbury LGA. Following the onset of the COVID-19 pandemic sales activity increased across most suburbs, most notably within the suburb of North Richmond, with a large majority of these being re-sales of homes within the Redbank Estate.

In line with the increase in buyer activity, median house prices over the course of 2021 and 2022 increased by 16.1% and 11.1% respectively across the Hawkesbury LGA. For the 2022 calendar year, median house prices across the core suburbs ranged between \$810,000 and \$1.87m.

Whilst detached house sales recorded in the subject site's suburb of Grose Wold are historically low, there was a slight increase in sales activity also over the past few years. Typically, acreage style properties, those sold during 2022 sold within the range of \$900,000 to over \$2 million.

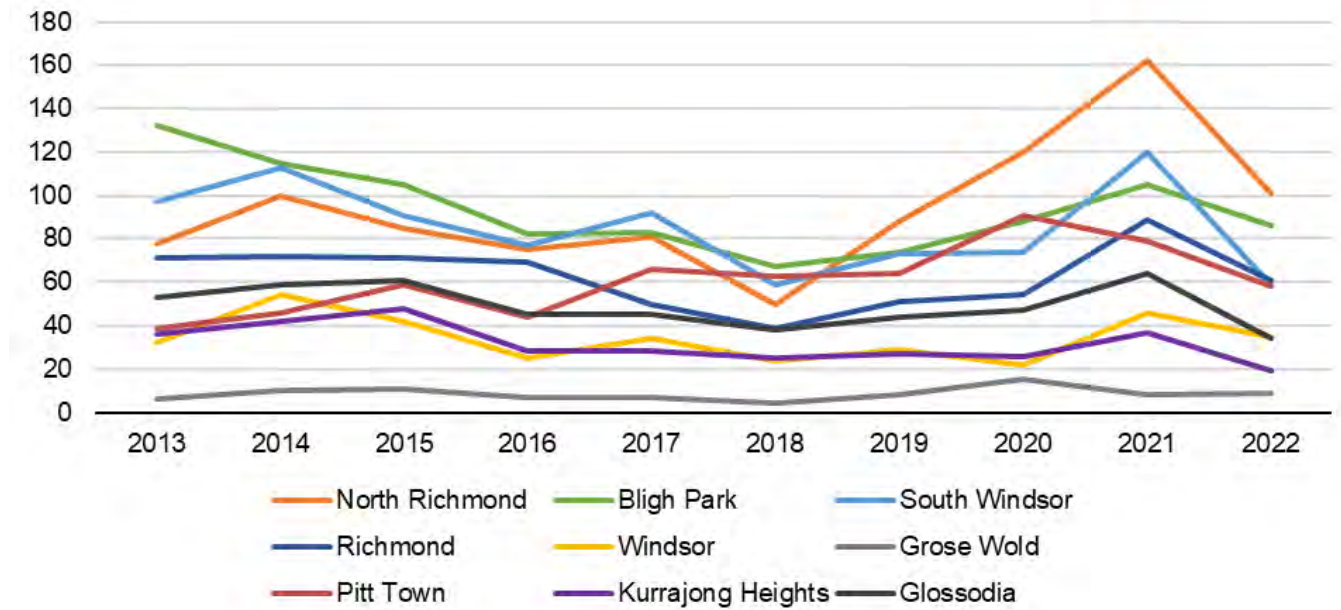
The Hawkesbury LGA for the year to August 2022 recorded a median house price of over \$1 million, with Pitt Town the most expensive at \$1.87m, followed by North Richmond and Windsor both \$950,000.

4.1.2 Attached dwelling sales

Attached dwellings within Hawkesbury LGA typically comprise medium density or townhouse style dwellings and typically located within the suburbs of Bligh Park, Windsor, Richmond and North Richmond.

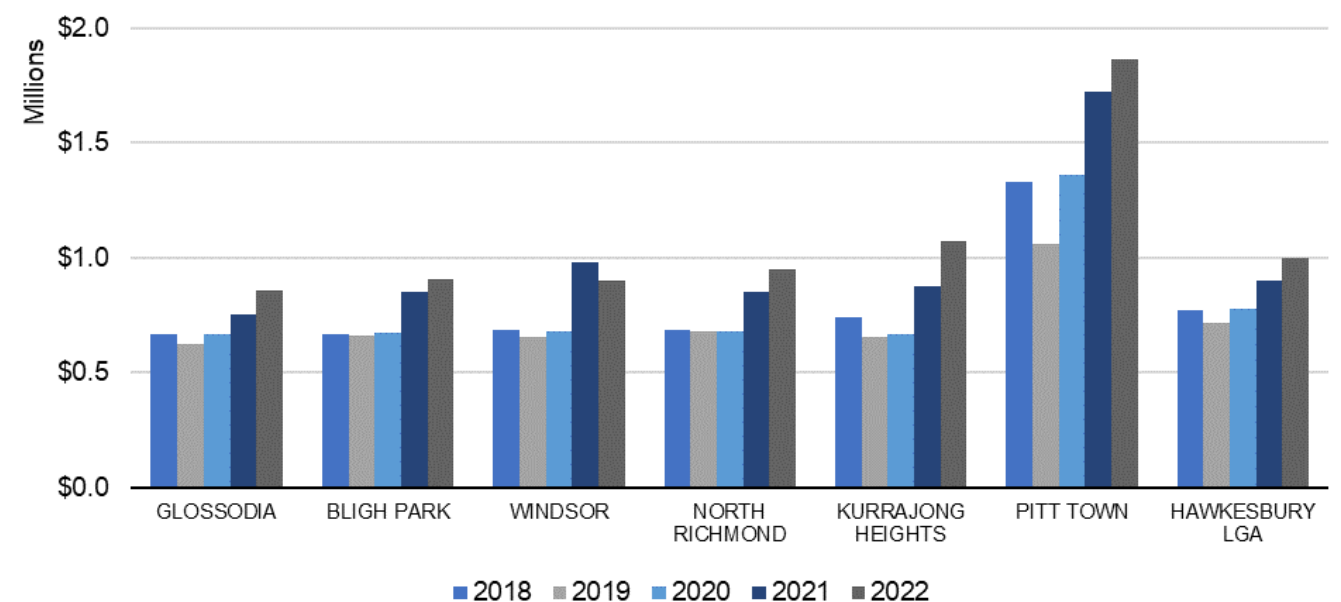
Over the year to August 2022, the median unit price for the Hawkesbury LGA increased by 22.8% to \$545,000.

Chart 4.1 Detached house sales by suburb



Source: CoreLogic RP Data, Macroplan

Chart 4.2 Median sale prices – Detached houses by suburb



Source: CoreLogic RP Data, Macroplan

4.1_Residential sales (continued)

4.1.3 Vacant land sales

Chart 4.3 illustrates historical market trends for land sales within the Hawkesbury LGA, where the large proportion of greenfield land sales has occurred within the suburbs of Pitt Town and North Richmond, within their respective master planned estates Vermont Estate and Redbank Estate.

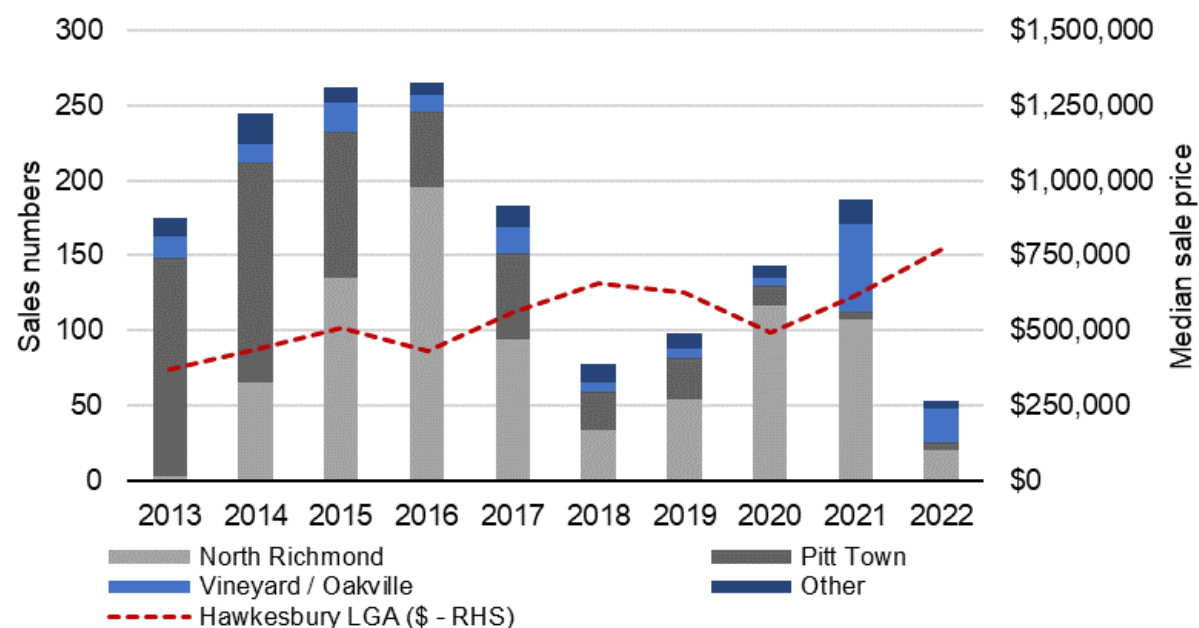
It should be noted that these are land sales that have reached settlement and therefore does not include pre-sales of lots within land releases such as the remaining current subdivisions underway in Redbank and Vineyard.

Key findings are as follows:

- **Vermont Estate (Pitt Town)** – Take up rate of land sales over the first three years of development averaged 128 sales per annum, then dropped to around 40 sales per annum for the remainder of the development timeframe, equating to an overall take-up rate of around 60 dwellings per annum average. The estate is near completion with around 15 lots remaining as at December 2022.
- **Redbank Estate (North Richmond)** – still underway with around 500 dwellings, including a 227 independent living units in the Kingsford Smith Retirement complete as at mid-2021. Since then, around 125 dwellings have been constructed.

Similar to Vermont, land sales were strongest during the first three years following the first release in 2015, averaging around 160 sales per annum. Subdued take-up rates were seen over the three years to August 2020, however 2021 would see a strong recovery in sales, likely underpinned by the increased demand for outer urban and regional areas following the onset of the COVID-19 pandemic.

Chart 4.3 Vacant land sales – Hawkesbury LGA, 2013-2022



(p) Preliminary – excludes unsettled sales (e.g. pre-sales within land releases)
Source: CoreLogic RP Data, Macroplan

- **Vineyard / Oakville** – Macroplan note that these are sales within the suburbs of Vineyard and Oakville which includes land outside of the Vineyard greenfield development area. There are yet to be any land sales within the Vineyard Stage 1 to settle and be reported within the CoreLogic database.
- **Hawkesbury LGA** – median vacant land sale prices across the LGA over the course of these two developments recorded steady growth between 2013 and 2018, increasing at an average annual rate of 6.3%. In line with subdued land sales, median prices declined 2018 and 2020, however improved sales activity in Redbank has seen a recovery over the last two years to August 2022.

4.1_Residential sales (continued)

4.1.4 Comparative market analysis

In demonstrating current price points within the Hawkesbury LGA, Macroplan has reviewed the pricing of land as well as house and land packages within the current land releases within the greenfield development precincts of Redbank and Vineyard Stage 1.

As detailed in Table 4.1, house and land packages are typically priced in excess of \$1 million, with the exception of 'The Gallery' release within Redbank, which comprises small townhomes and are comparatively priced more affordably.

It was also noted that the vast majority of land releases comprise traditional to large residential lots and minimal medium density offering.

Table 4.1
Greenfield land releases - lot size and pricing

Estate Name	Suburb	No. lots	Status	Estimated Completion #	Lot size range (sq.m)	Land Price points	House & Land Price points
Redbank Estate	North Richmond	1470	936 lots sold		400 - 4000	From \$400,000	\$1.3 - \$2.4 m
- The Gallery		63	Complete	Complete	240 - 600	From \$300,000	\$650,000 - \$1.2m
- Sandstone Arch		25	Under construction	2023	490 - 890		
- The Promenade (Stages 1-3)		85	Sold out - Dwellings UC	2024	430 - 725		
- Southern Heights (Stages 1 & 2)		45	Sold out - Dwellings UC	2024	485 - 860		
- Ridge tops release		97	Sold out - site works	2025	550 - 1200		
Jacaranda Ponds	Glossodia	580		2035	1000 - 4000		
Vineyard Stage 1	Oakville/Vineyard	2298					
Harkness Place Estate	Oakville	138	Site works	2024	300 - 600		\$1m - \$1.6m
Clearstate at Oakville	Oakville	69	Site works	2024	334 - 472	From \$450,000	
Redgum Rise Estate	Oakville	135	Site works	2024	From 350		
Menin Road Residential Subdivision	Oakville	132	Site works	2024	390 - 690	From \$870,000	
Trinity North West	Oakville	39	Site works	2024	300 - 832	From \$770,000	From \$1m
Elante Meadows Estate	Vineyard	129	Site works	2026	312 - 767		
Woodlands Estate	Vineyard	147	Approved	2025	From 225		\$975,000 - \$1.2m
Commercial / Harkness Rd residential subdivision	Oakville	206	Approved	2026			
COMMERCIAL ROAD / TREEDALE RD SUBDIVISION	Vineyard	154	Approved	2027			
44 MENIN ROAD RESIDENTIAL SUBDIVISION	Oakville	91	Application	2027			

Dwelling completion

Source: Cordells, various websites, Macroplan

4.2 Dwelling demand profile

As detailed earlier in Section 3.2, based upon ABS estimates there was an average annual increase of 285 dwellings within the Hawkesbury LGA between the most recent inter-censal period (i.e. 2016 and 2021) and over the 20 years to 2041 there is a projected need for an additional 5,925 dwellings (i.e. 296 dwellings per annum average).

To understand dwelling demand at a finer level, Macroplan have undertaken analysis of household ownership types, household formation (i.e. changes in household types) and dwelling types.

Table 4.1 provides estimates of dwelling demand by various socio-demographic profiles between 2016 and 2021 and projected over the period to 2041.

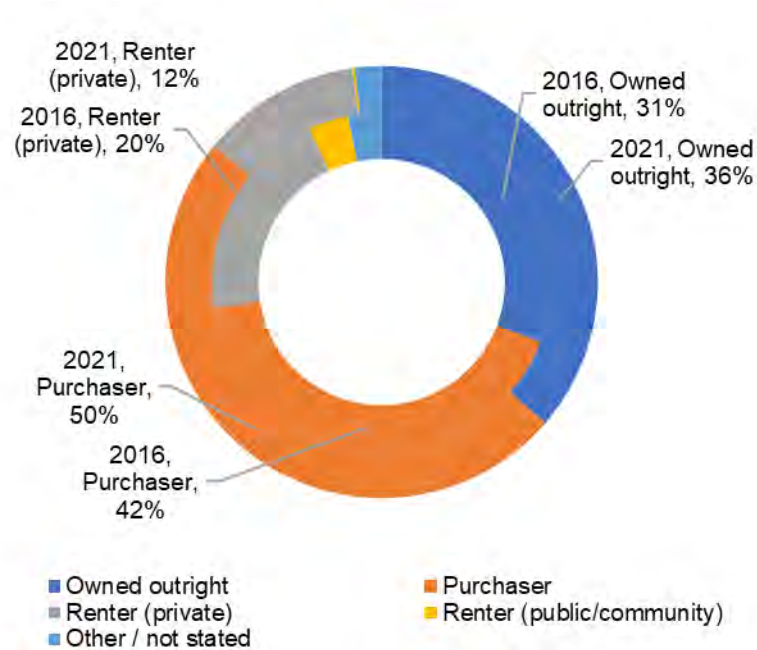
4.2.1 Historical dwelling demand

Table 4.2 and Charts 4.4 to 4.6 illustrate how the dwelling demand profile in the region have changed over the five years to 2021, based upon ABS census data.

Dwelling tenure

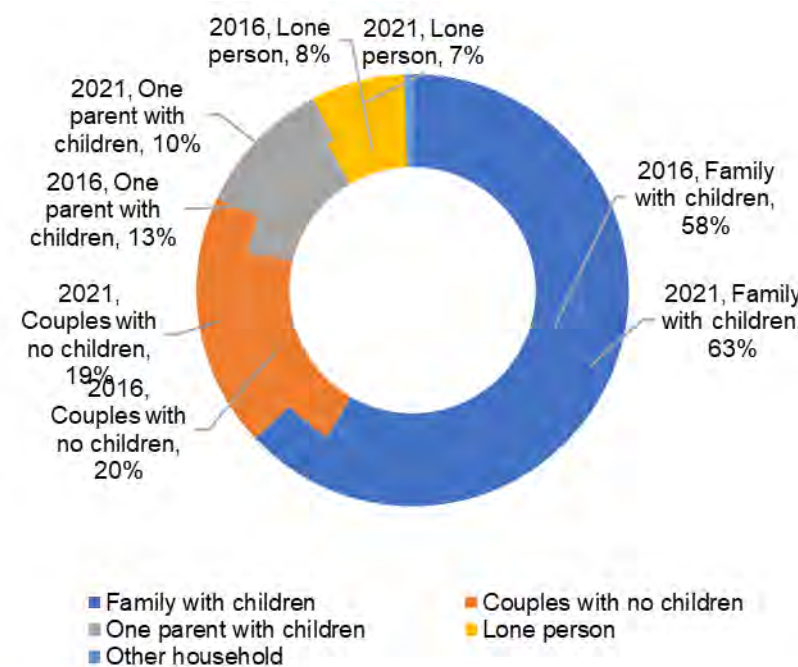
- Reflective of growing greenfield development, which typically attract owner-occupiers, the proportion of dwellings being purchased increased by 7.7% pts to nearly half of all privately occupied dwellings.
- The proportion of dwellings rented however saw a marked decline.

Chart 4.4 Hawkesbury LGA, Dwelling tenure, 2016 - 2021



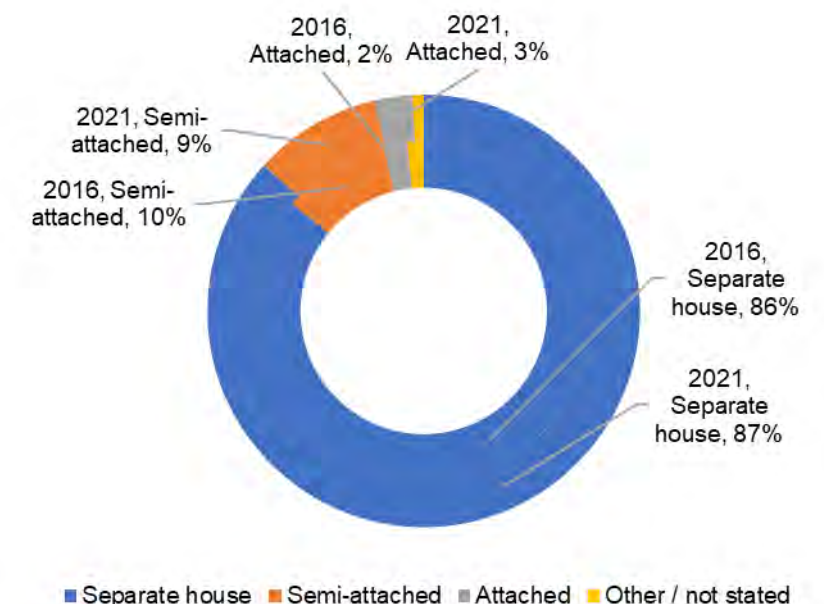
Source: ABS Census 2016-2021, Macroplan

Chart 4.5 Hawkesbury LGA, Dwelling household type, 2016 - 2021



Source: ABS Census 2016-2021, Macroplan

Chart 4.6 Hawkesbury LGA, Dwelling structure, 2016 - 2021



Source: ABS Census 2016-2021, Macroplan

4.2_Dwelling demand profile

4.2.1 Historical dwelling demand (continued)

Household formation

- There was a noticeable increase in the proportion of dwellings occupied by families with children, which again is reflective of greenfield development occurring during the period – such as The Ponds and Redbank Estate.
- It was also a common trend across Australia as many non-dependent children returned to the family home following the onset of the COVID-19 pandemic.

Dwelling diversity

- Dwelling diversity remained relatively unchanged, with the majority of housing stock remaining largely (86.8%) detached dwellings. This is again reflective of greenfield development in the LGA, where detached housing has been the primary housing offering.
- Due to a lack of diversity, housing prices within the Hawkesbury LGA are becoming increasingly unaffordable (house and land packages typically priced in excess of \$1 million). Belmont Park's proposed range of housing options can ultimately create significantly more affordable housing choices than what can be provided via the current projected housing stock across the Hawkesbury LGA.

4.2.2 Future dwelling demand

Table 4.2 details projected dwelling demand for each dwelling profile (i.e. tenure, household formation and dwelling type) over the period to 2041, to illustrate the potential dwelling mix of the projected 5,925 dwellings.

In order to project the future dwelling demand profile, Macroplan has made the following assumptions:

- Tenure – the proportion of each tenure type is assumed to remain unchanged over the forecast period
- Household formation – using ABS census data as the baseline in 2021, Macroplan has adjusted the proportion of each household type based on the DPE's projections for the proportion of each household type over the 20 years to 2041:
 - Families with children to decline by 5% points
 - Couples with no children to increase by 1.8% points
 - One parent with children to decline by 0.5% points
 - Lone person households to increase by 3.8% points
 - Other households to decline marginally by 0.2% points
- Dwelling diversity – adjusted to illustrate the need for a change in dwelling types to be cognizant of the projected changes in each household types.
- Proportion of unoccupied private dwellings to decline by 1.3% points, resulting in a **net dwelling demand increase of 6,048 dwellings by 2041**

4.2 Dwelling demand profile

4.2.2 Future dwelling profile (continued)

Macroplan have also included the average household size as per the DPE's projections.

Based on the above, the analysis shows that of the 6,048 dwellings (5,925 implied dwelling demand plus absorption of current vacant dwellings) projected by over the 20 years to 2041:

- Reflective of growing greenfield residential areas, purchasers (i.e. households that own their home with a mortgage) will account for the greater share dwelling demand (almost 3,000 dwellings).
- Families with children will remain the predominant household type and account for 2,300 households (i.e. increasing by 116 per annum).
- Households that typically demand smaller dwelling types such as townhouses and apartments (i.e. Couples with no children, single parents and lone person households) will collectively increase by 3,745 households.
- Given the above projected changes to household formation, it is anticipated that there will be an increased need for medium to higher density dwellings.
- Both separate houses and semi-attached (i.e. townhouses) will account for around 3,000 or 38% of the projected dwelling demand.

In summary, the projected changes in household formation demonstrates a need for increased housing choice in the Hawkesbury LGA.

Chart 4.7 Hawkesbury LGA, future dwelling profile, 2021 - 2041

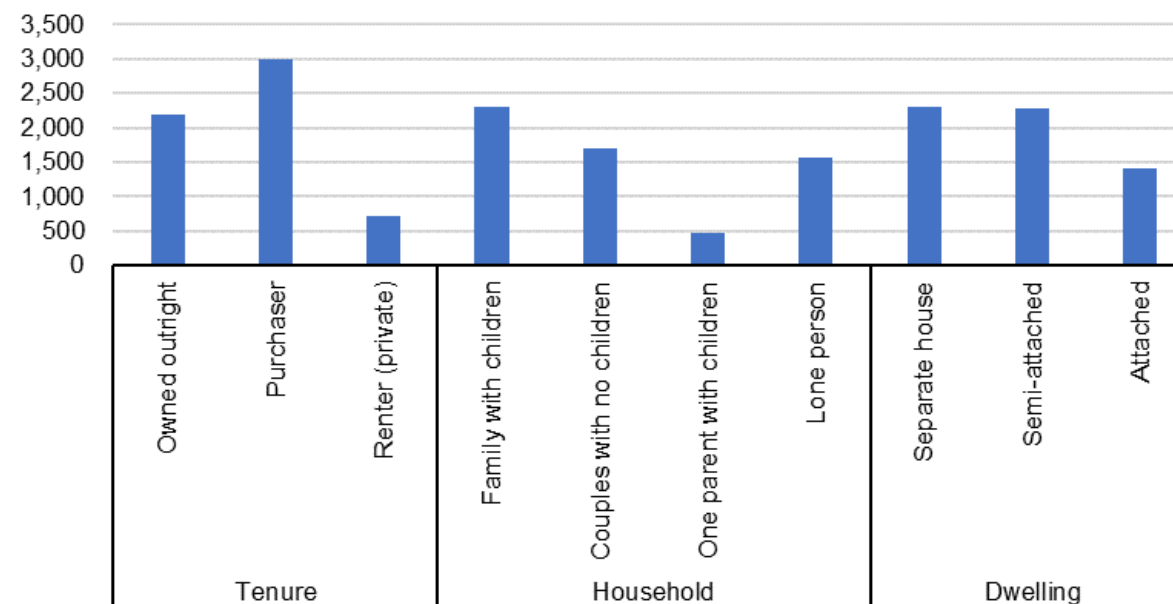
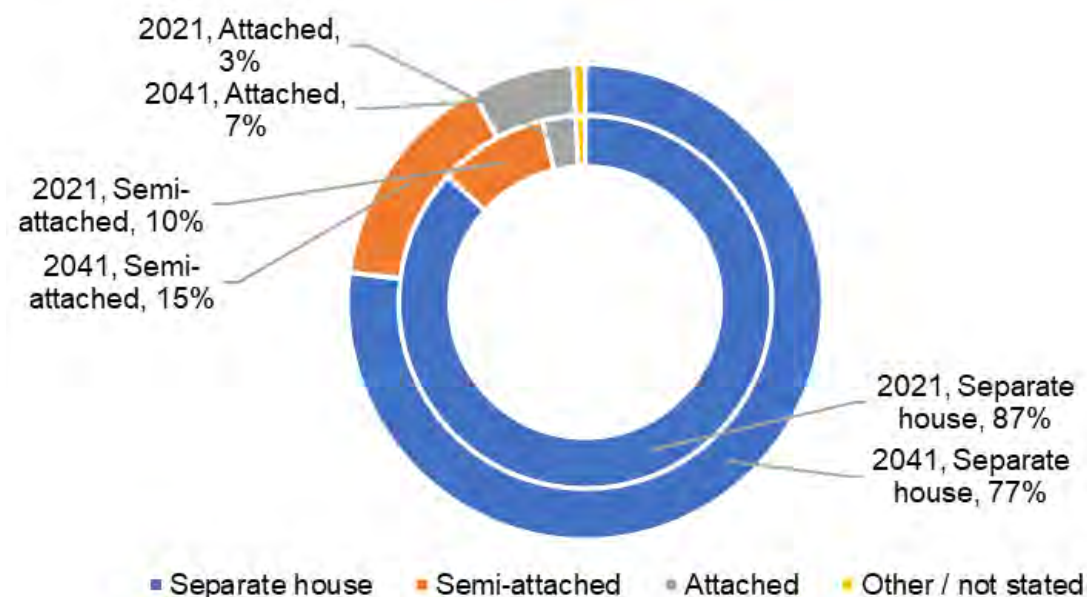


Chart 4.8 Hawkesbury LGA, Dwelling structure, 2021 - 2041



Source: Source: ABS Census 2021; NSW Department of Planning and Environment (DPE) (2022); Macroplan

Table 4.2
Hawkesbury LGA - Dwelling demand by demographics

	<u>Estimated</u>		<u>Projected</u>		<u>Total change</u>		<u>Change p.a.a.</u>			
	2016		2021		2041		2016-21	2021-41	2016-21	2021-41
	No.	% of total	No.	% of total	No.	% of total	No.	No.	No.	No.
Dwelling demand - total										
Population	66,346		67,581		77,320		4,535	77,320	247	302
AHS	2.94		2.81		2.57		-0.22	2.57	-0.03	-0.01
Total dwellings	24,098		25,523		31,448		1,425	5,925	285	296
Occupied private dwellings	22,544		24,048		30,096		1,504	6,048	301	302
Ave. household size (DPE)	2.8		2.7		2.5		-0.1	-0.2		
Dwelling demand by housing tenure[^]										
Owned outright	6,932	30.7%	8,733	36.3%	10,929	36.3%	1,801	2,196	360	110
Purchaser	9,415	41.8%	11,911	49.5%	14,907	49.5%	2,496	2,996	499	150
Renter (private)	4,622	20.5%	2,882	12.0%	3,607	12.0%	-1,740	725	-348	36
Renter (public/community)	857	3.8%	40	0.2%	51	0.2%	-817	10	-163	1
Other / not stated	718	3.2%	481	2.0%	603	2.0%	-236	121	-47	6
Dwelling demand by household type^{^^}										
Family with children	13,161	58.4%	15,141	63.0%	17,454	58.0%	1,980	2,313	396	116
Couples with no children	4,576	20.3%	4,587	19.1%	6,290	20.9%	11	1,703	2	85
One parent with children	2,917	12.9%	2,488	10.3%	2,962	9.8%	-429	475	-86	24
Lone person	1,742	7.7%	1,686	7.0%	3,253	10.8%	-56	1,567	-11	78
Other household	149	0.7%	147	0.6%	137	0.5%	-2	-10	-0	-0
Dwelling demand by dwelling type^{^^^}										
Separate house	19,362	85.9%	20,871	86.8%	23,174	77.0%	1,508	2,303	302	115
Semi-attached	2,317	10.3%	2,292	9.5%	4,569	15.2%	-25	2,277	-5	114
Attached	519	2.3%	688	2.9%	2,107	7.0%	169	1,418	34	71
Other / not stated	345	1.5%	197	0.8%	247	0.8%	-148	50	-30	2
Non-private dwellings	38	0.2%	47	0.2%	55	0.2%	9	8	2	0
Unoccupied (private)	1,515	6.3%	1,424	5.6%	1,352	4.3%	-91	-72	-18	-4

[^] Assumes proportions as at 2021 remain unchanged; [#] Includes unoccupied and non-private dwellings

^{^^} Projected proportions adjusted based on DPE projections on the changes to household formation

^{^^^} Projected proportions adjusted to reflect the changes in household type

Source: ABS Census 2021; NSW Department of Planning and Environment (DPE) (2022); Macroplan

5_Residential supply

5.1_Overview

Future dwelling supply across the Hawkesbury LGA is currently planned to be delivered by three identified greenfield precincts (identified by Council's Local Strategic Planning Statement (LSPS)) - Redbank Estate in North Richmond (currently underway), Vineyard Stage 1 (site works commenced) and Jacaranda Ponds (subdivision approval), which are estimated to collectively add around 3,800 dwellings over the next 15 years.

As shown in previous Map 1.3, the Redbank Estate is located to the immediate north of the subject site, while Vineyard and Jacaranda Ponds are located around 9 km and 17 km to the northeast and east of the subject site respectively.

Chart 4.1 and Table 4.1 summarises the supply pipeline for the Hawkesbury LGA as at mid-2021 from mid-2011 over the forecast period to mid-2041.

5.1.1 Redbank Estate

- As of mid-2021, 750 dwellings were complete with the remaining pipeline total of 720 dwellings comprising 61 completed lots still vacant, 491 lots approved and 125 dwellings under-construction (and complete by mid-2022).
- By December 2022 a further 157 dwellings have been completed, (i.e. total of 847 dwellings built) indicating a strengthening take up rate.
- Estimated to be fully developed by 2028, with a total of 1,470 dwellings comprising predominantly detached dwellings.

5.1.2 Vineyard Stage 1

- Dwelling potential for up to 2,300 dwellings
- As of mid-2021, there was a pipeline of 952 dwellings comprising 488 lots approved, of which all have been sold and a further 464 lots under assessment.
- As at December 2022, there were an estimated 1,380 lots in total either approved or under assessment with subdivision works estimated to be completed in the next 5 years (i.e. by 2027-28).
- A *Vineyard Stage 2* has been earmarked, however given development constraints such as flooding, fragmented land ownership and being subject to the Outer Sydney Orbital investigation, this precinct is unlikely in the short term.

5.1.3 Jacaranda Ponds

- Dwelling potential for up to 580 dwellings recently granted rezoning approval in 2022 and subsequent subdivision approval in early 2023.
- Construction of dwellings estimated to commence post 2026 and complete by 2036, based upon an assumed take-up rate of 50 dwellings per annum.
- It is noted that housing product will be on acreage lots, and therefore likely to be within the more expensive price-point for new land and house packages.

5.1_Overview (cont'd)

5.1.4 Infill development (including Pitt Town)

Other historical residential development within the Hawkesbury LGA includes the 659-lot Vermont Estate in Pitt Town, which as at mid-2021 had a balance of around 30 lots remaining, 6 of which had dwellings under construction. Since then, 15 dwellings in total have been complete, leaving a balance of 15 vacant lots as at mid-2022.

Based upon data from Cordells, there is another 145 dwellings proposed across a number of a small infill developments, comprising small townhouse developments in and around the established urban areas of Windsor and Richmond and small subdivisions around Agnes Banks, Kurrajong and Wilberforce.

This includes only those developments currently approved (96 dwellings) or currently under assessment (49 dwellings).

5.1.5 Hawkesbury City Council Local Housing Strategy

The LHS has identified additional potential infill development capacity in the following locations:

- Windsor – 150 dwellings
- South Windsor – 1,600 additional dwellings
- Richmond – 720 additional dwellings
- Hobartville – 1,320 additional dwellings
- North Richmond – 730 additional dwellings

As discussed further in Section 5.6.4, the above dwelling yields have not been included in our analysis.

Table 5.1
Hawkesbury LGA - dwelling supply pipeline, 2021-2041*

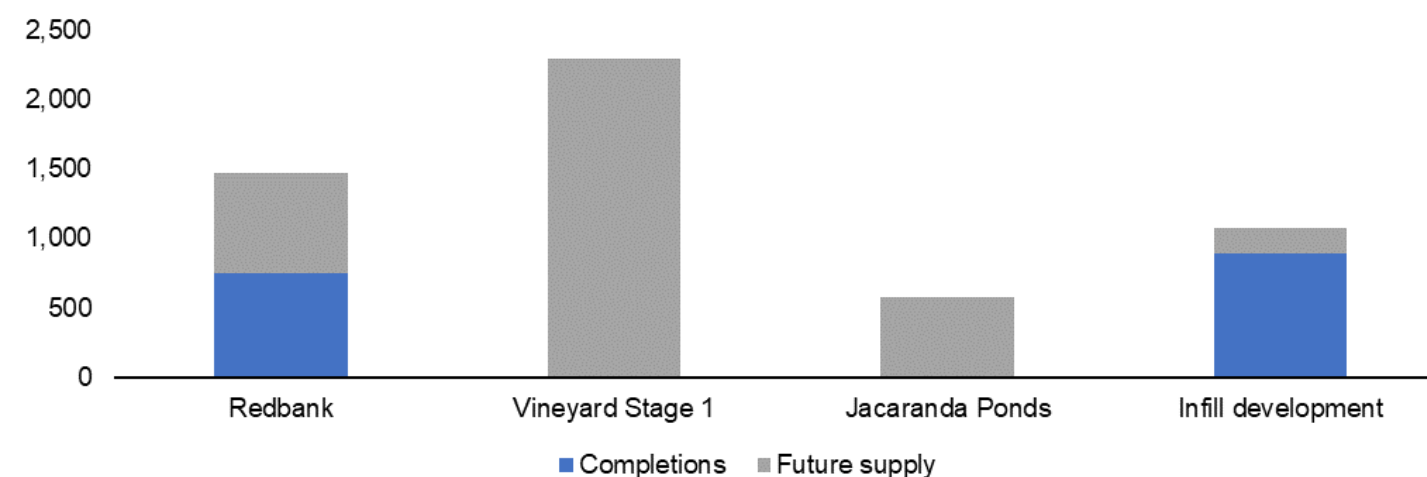
Development	Redbank (North Richmond)	Vineyard Stage 1 (Vineyard)	Jacaranda Ponds (Glossodia)	Infill development (incl. Pitt Town)
Est. Dwellings start	2015	2024	2026	2011
Est. Dwellings end	2031	2041	2036	2026
Est. take up rate (dwellings p.a.a.)	70-100	100-150	~50	~30
Dwelling potential	1,470	2,300	580	1,072
Lots complete total	936	0	0	659
Lots sold	836	486	0	903
Dwellings complete	750	2	0	897
Current pipeline[^]	677	952	0	175
Lots approved	491	488	0	96
Lots being assessed	0	464	0	49
Lots complete (vacant)	61	0	0	24
Dwellings UC	125	0	0	6
Balance pipeline	43	1,346	580	0
Total future supply (2021-2041)	720	2,298	580	175

* As at 30 June and based on status of each at mid-2021; UC - under construction

[^] Includes pipeline of approved, under assessment or under construction as of mid-2021

Source: NSW Department of Planning and Environment (DPE) (2022); Cordells; Macroplan

Chart 5.1 Hawkesbury LGA supply pipeline, 2021-2041



* As at mid-2021

Source: NSW Department of Planning and Environment (DPE) (2022); Cordells; Macroplan

5.2_Redbank Estate

- The Redbank Estate is located immediately to the north of the subject site at North Richmond. The precinct is 180 hectares in area and has been identified to facilitate 1,470 dwellings and approximately 4,400 new residents upon completion.
- The development includes more than 34 hectares of open space and parks with interconnected with walking and bicycle tracks. The precinct also proposes minor commercial (village restaurants and specialty shops) and child care centre – under construction.
- Lots within the Redbank Estate range from 400m² – 4,000m² with house and land packages currently on the market for \$1.3-2.4 million.
- RSL Lifecare retirement village plus 80 bed nursing home has also been established in the precinct.
- As at 01 December 2022, 959 lots have been created within the Redbank Estate (including 23 which are for drainage or balance areas). Therefore, there is a net of 936 lots within the estate of which, 89 are currently vacant.
- As shown in Figure 5.1, there is 50.11ha of remaining land within the Redbank Estate. This area is zoned:
 - R3 (Medium Density Residential) – 0.55ha
 - RE1 (Public Recreation) – 2.61ha
 - R2 (Low Density Residential) – 46.95ha
- The remaining areas will facilitate approximately 460 additional homes. Site works have commenced across approximately half of this area.



Source: <https://redbankrichmond.com.au/>

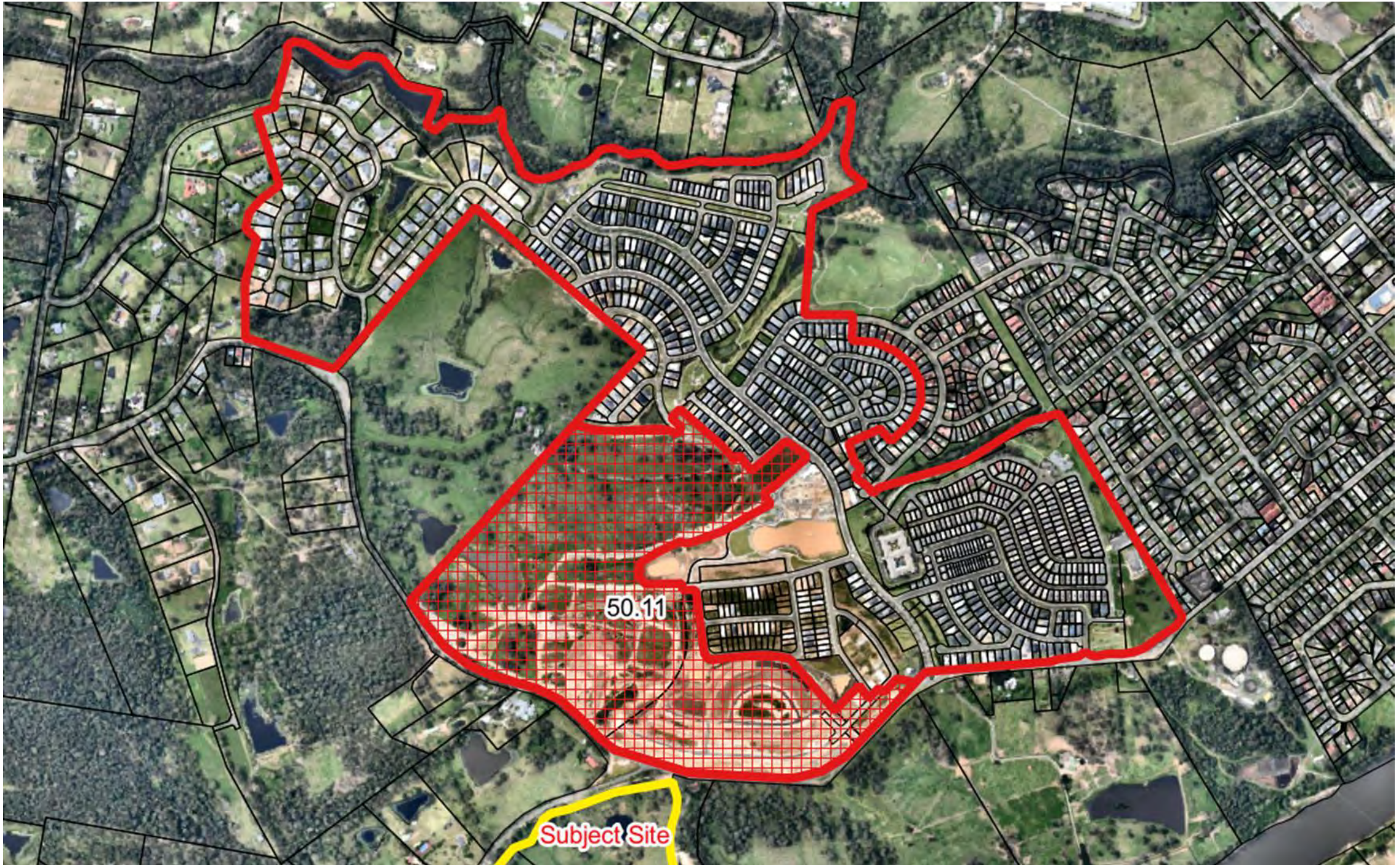
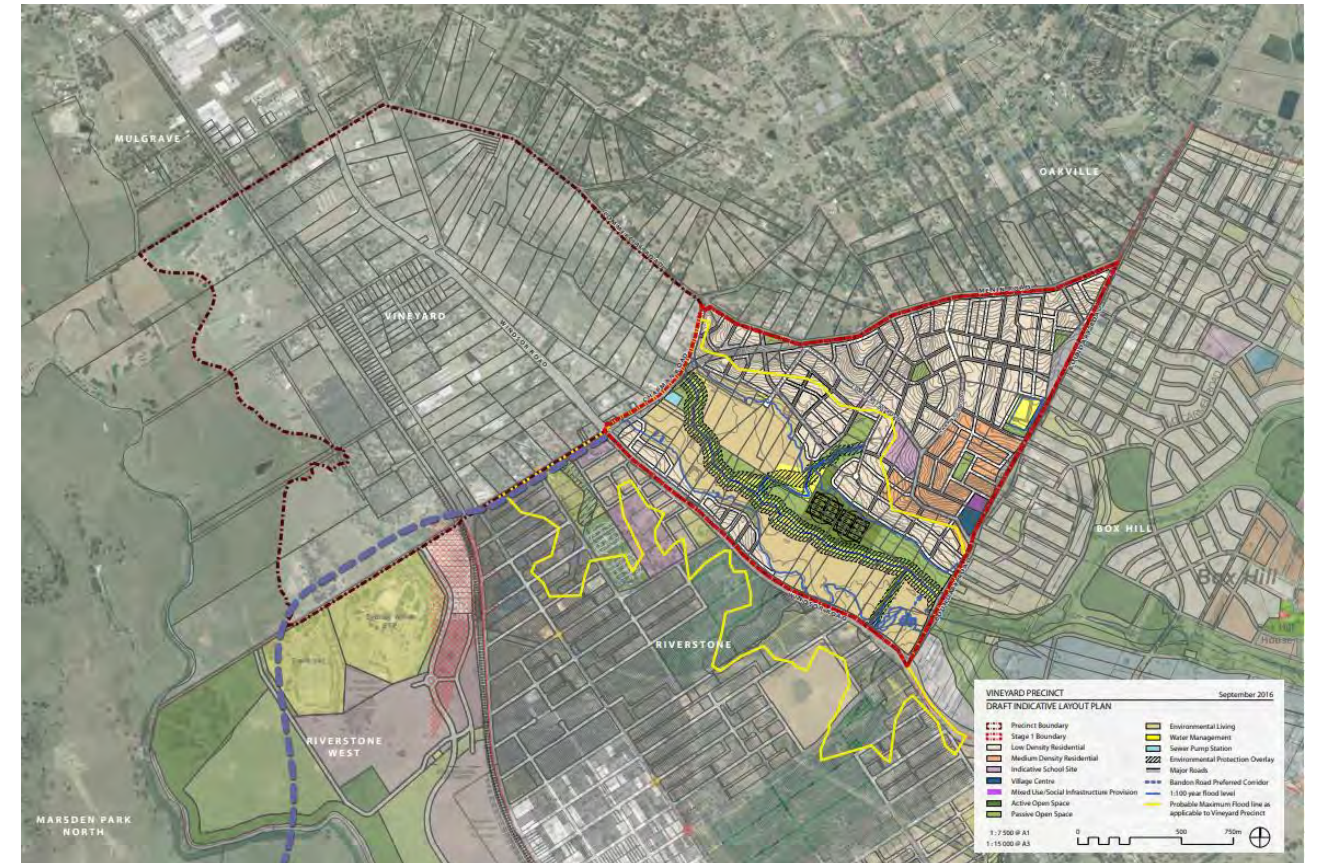


Figure 5.1 Redbank Estate – Remaining Undeveloped Area (50.11ha) – partially under construction

5.3_Vineyard Precinct

- Vineyard (Stage 1) is located approximately 17km south-east of subject site. The precinct is 223 hectares in area and has been identified to facilitate 2,300 dwellings and up to 7,000 new residents upon completion.
- Vineyard (Stage 1) includes a proposed primary school, approx. 27 hectares of open space focused on the Killarney Chain of Ponds and adjacent land for new playing fields, parks and cycleways and a village centre.
- 1,380 lots have been approved (or are pending approval) to date, with house and land packages at Vineyard are currently on the market for \$975,000 to \$1.6 million.
- As at 01 December 2022, the following zoned areas are not subject to a current application or approval within Vineyard Stage 1:
 - **R2 (Low Density) – 28.117ha (approx. 360 dwellings)**
 - **R3 (Medium Density) – 18.062ha (approx. 570 dwellings)**
 - B2 (Local Centre) – 0.956ha
 - B4 (Mixed Use) – 0.602ha
 - C2 & C4 (Env Cons & Env Living) – 46.563ha
 - RE1 (Public Recreation) – 21.482ha
 - SP2 (Infrastructure – Drainage) – 22.595ha



Source: NSW Department of Planning and Environment

- Subdivision works in Vineyard has commenced with more than 1,300 homes projected to be delivered in the next 5 years. Only 28ha of R2 zoned land and 18ha of R3 zoned land remains without an application / approval.
- Figures 5.2 illustrates the approved and remaining lots available in Vineyard (Stage 1).

- Stage 2 of Vineyard has not progressed due to the alignment of the Outer Sydney Orbital – Stage 1 ([Outer Sydney Orbital Stage 1 corridor investigation | Transport for NSW](#)) being finalised.
- Stage 2 of Vineyard is heavily flood constrained and significant future urban development is unlikely in the near term.

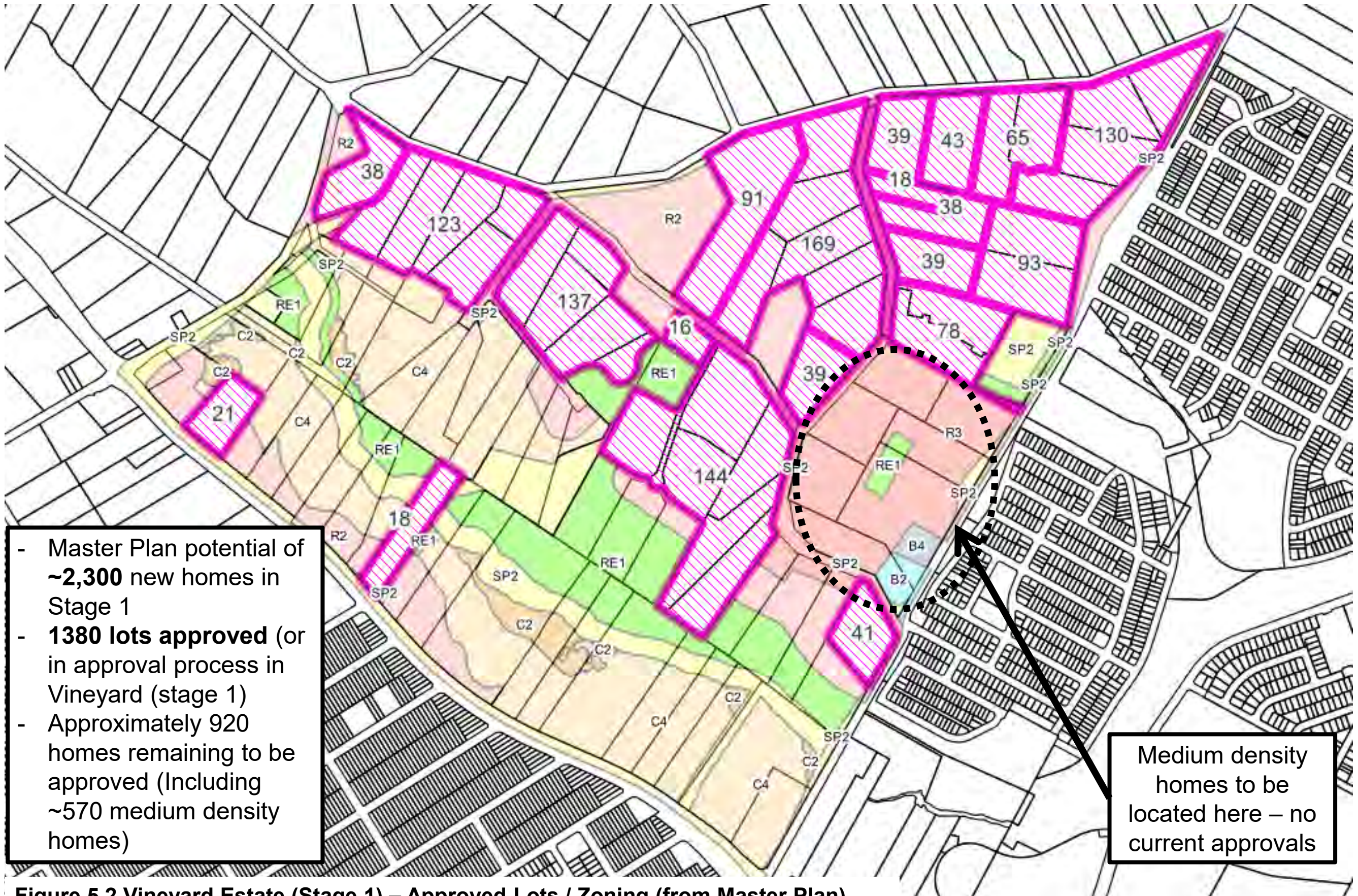


Figure 5.2 Vineyard Estate (Stage 1) – Approved Lots / Zoning (from Master Plan)

5.4_Jacaranda Ponds

- Located approximately 9 km to the north east of subject site in the suburb of Glossodia, Jacaranda Ponds comprises 59.1 hectares (currently improved by poultry farms) and has been identified to facilitate 580 dwellings and up to 1,200 new residents upon completion.
- The Master Plan for Jacaranda ponds (illustrated) proposes a range of lifestyle lots ranging in size from 1,000m² to 4,000m².
- Subdivision approval was granted in March 2023 with subdivision works anticipated to commence in 2024, however there is currently no house and land packages yet released.
- Figures 5.3 illustrates the zoning of all lots located within the Jacaranda Ponds precinct.

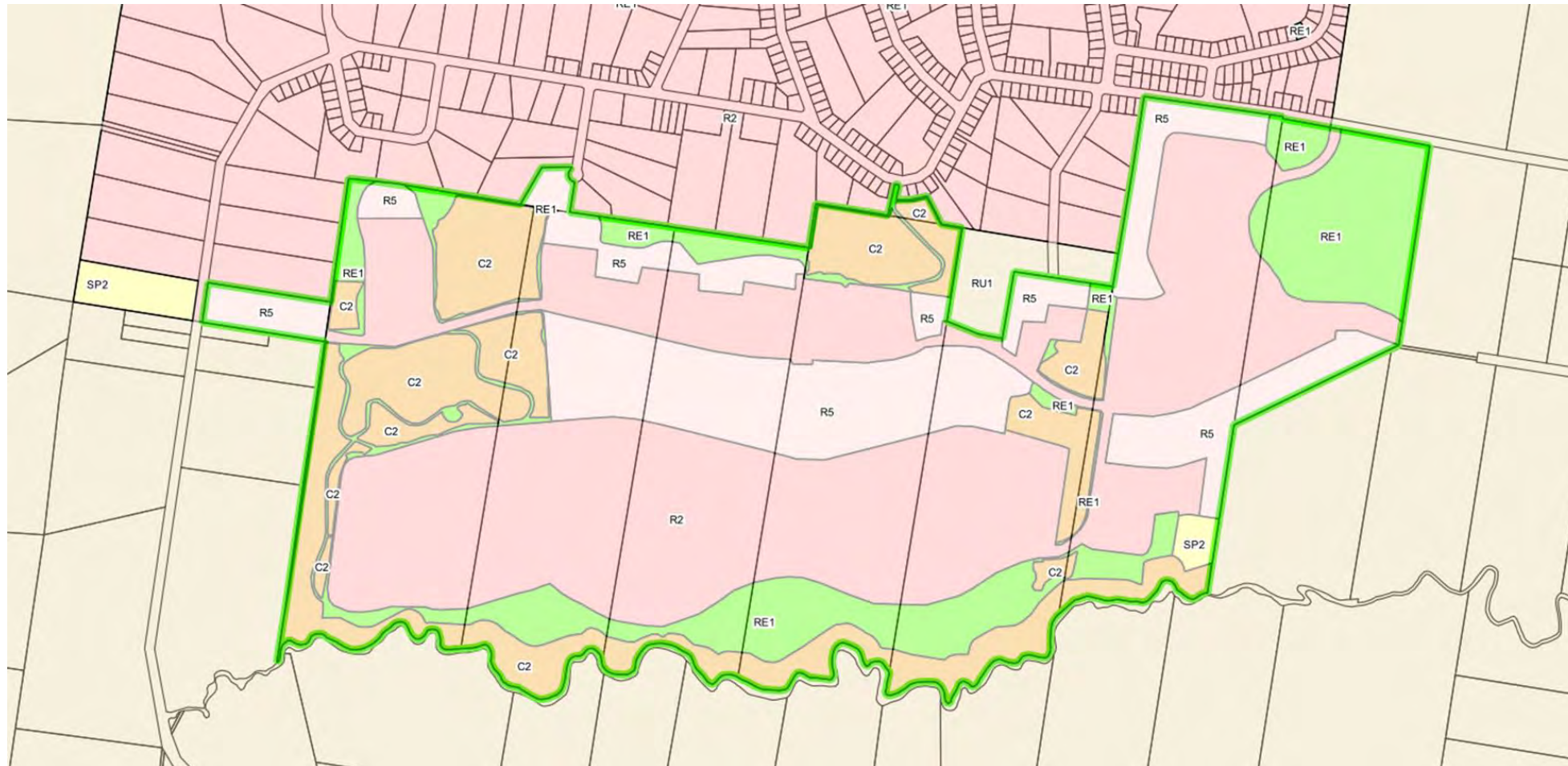


Figure 5.3 Jacaranda Ponds Estate - Zoning

5.5_Future residential supply considerations

5.5.1 Housing diversity

- A lack of housing diversity is evident within the Hawkesbury catchment with a growing mismatch between household formation and dwelling stock, with separate houses the predominant housing type historically and currently in the pipeline.
- Of the 3,700-plus dwellings in the pipeline, a high proportion are separate houses. As demonstrated in the analysis the profile of projected dwelling demand (section 4.1.2), where the Hawkesbury LGA require smaller housing options for smaller household types, the shift in household formation indicates there will continue to be a growing mis-match between housing typology and household type.

5.5.2 Housing affordability

- As detailed in section 4.1 median house prices within the catchment, for the 2022 calendar year, across the core suburbs ranged between \$810,000 and \$1.87m, demonstrating that affordably priced property is considered significantly limited, most notably given the relatively low proportion of units and townhouses within the catchment.
- Increasing buyer demand, most notably following the onset of the COVID-19 pandemic, saw double digit growth in medium house prices over 2021 and 2022, further exacerbating affordability of the region.
- Adding to this, new housing product, which are predominantly traditional to large residential lots and minimal medium density offering, are typically priced in excess of \$1 million, with the exception of 'The Gallery' release within Redbank, which comprises small townhomes and are comparatively priced more affordably.

5.5.3 Development timing

- Macroplan's analysis of historical turnover rates and current levels of buyer demand has found the DPE's projected implied dwelling demand to be understated for the five years to 2021.
- It is noted, that the impacts of COVID-19 were anticipated to result in a softening of demand, particularly for the five years to 2026, however a 'flight to the regions' (i.e. outer metropolitan areas and regional centres) has seen the reverse happen.
- Taking into consideration the recent strong level of buyer demand for house and land in the Hawkesbury region, as evidenced by strong sales rates within the current residential releases within Redbank and Vineyard, Macroplan have projected stronger annual rates of dwelling demand out to 2031.
- Like the DPE have projected however, Macroplan anticipate that the average annual rate of dwelling demand over the five years to 2026 will be somewhat softer than the previous five years.
- Taking into consideration overseas migration levels now projected to return to pre-COVID levels, it is anticipated that buyer demand will remain at healthy levels, and stronger than that projected by DPE over the short term.

5.5_Future residential supply considerations (continued)

5.5.4 Realistic yield of identified infill areas

- Council's LHS, which has identified up to around 4,500 dwellings will potentially be constructed as infill development in existing urban areas (see Section 5.1.5), predates the most recent flooding events in the area that occurred in 2021 and 2022, as well as the 2022 flood enquiry.
- Given the significance of flooding in the areas identified for infill, Macroplan considers that the potential yield identified by Council's LHS such as Windsor, South Windsor, Richmond and Hobartville are unlikely to be achieved having regard to the findings of the Hawkesbury Nepean Flood Study and the updated Ministerial Directions (9.1) issued by the Minister for Planning.
- For example, the LHS identifies the potential for 1,600 lots in South Windsor and 150 lots in Windsor, all of which are located within the Probable Maximum Flood (PMF) area of the Hawkesbury Nepean Floodplain.
- Given the extent of flooding in identified infill locations, and the requirements of the revised section 9.1 Ministerial Direction on flooding, there is a strong basis for other potential areas (such as the subject site) to be further considered for residential development.

6_Residential need

6.1_Dwelling demand/supply gap

In order to determine the projected dwelling demand/supply gap, the known supply pipeline (section 5) has been compared to the both the implied dwelling demand as estimated and projected by the DPE (section 3.2) as well as Macroplan's on assessment on future demand levels.

Information on historical housing supply has been sourced from Cordells as well as data released by the DPE's Greater Sydney Urban Development Program which provides data by local government area for various key indicators such as housing supply, housing activity and identified greenfield precincts. The latest data from the DPE is for the 2021-22 financial year.

Projecting the timing of supply and demand over the forecast period to 2041, the following assumptions and key considerations have been made:

6.1.1 Supply

- All planned lots within the greenfield development fronts (section 4) are fully realised over the forecast period to 2041.
- Dwelling demand has taken into consideration the known take up rates within the land releases since 2016 and current sales turnover rates.
- Redbank to continue to develop at a take-up the average rate of 120-130 dwellings/annum given the increased rate of take up in the last 18 months.
- Vineyard Stage 1 is anticipated to see 1,300 dwellings completed within the next 5 years, While there is potential for these to be delivered sooner, analysis of current land releases and stages of construction, it is assumed Vineyard will develop at an estimated 245-275 dwellings/annum from dwelling commencement (estimated from 2024) through to 2031.

- Jacaranda Ponds assumed take up rate similar to Pitt Town, given similar scale of development & relative distance to major activity centres.
- Future infill based upon known approved or in application small scale developments (Cordells).
- Infill development potential identified by Council's LHS has not been included in the analysis. Given the significance of flooding in areas identified for infill, Macroplan considers that the identified yield in locations such as Windsor, South Windsor, Richmond and Hobartville are unlikely to be achieved (having regard to the findings of the Hawkesbury Nepean Flood Study and the updated Ministerial Directions (9.1) issued by the Minister for Planning).

6.1.2 Demand

- In light of stronger demand anticipated (see section 5.3.3) to occur sooner than forecasted by the DPE, Macroplan note that over the 20-year horizon to 2041, total dwelling demand will still equate to the DPE projections.
- In other words, Macroplan have matched the level of dwelling demand over the five years to 2031 and employed a lower level of annual dwelling demand over the five years to 2041, such that the ultimate level of dwelling demand returns to that forecast by the DPE. That is, by 2041 the Hawkesbury region will be in need of close to an additional 6,000 dwellings.

6.1_Dwelling demand/supply gap (continued)

6.1.3 Dwelling demand/supply gap

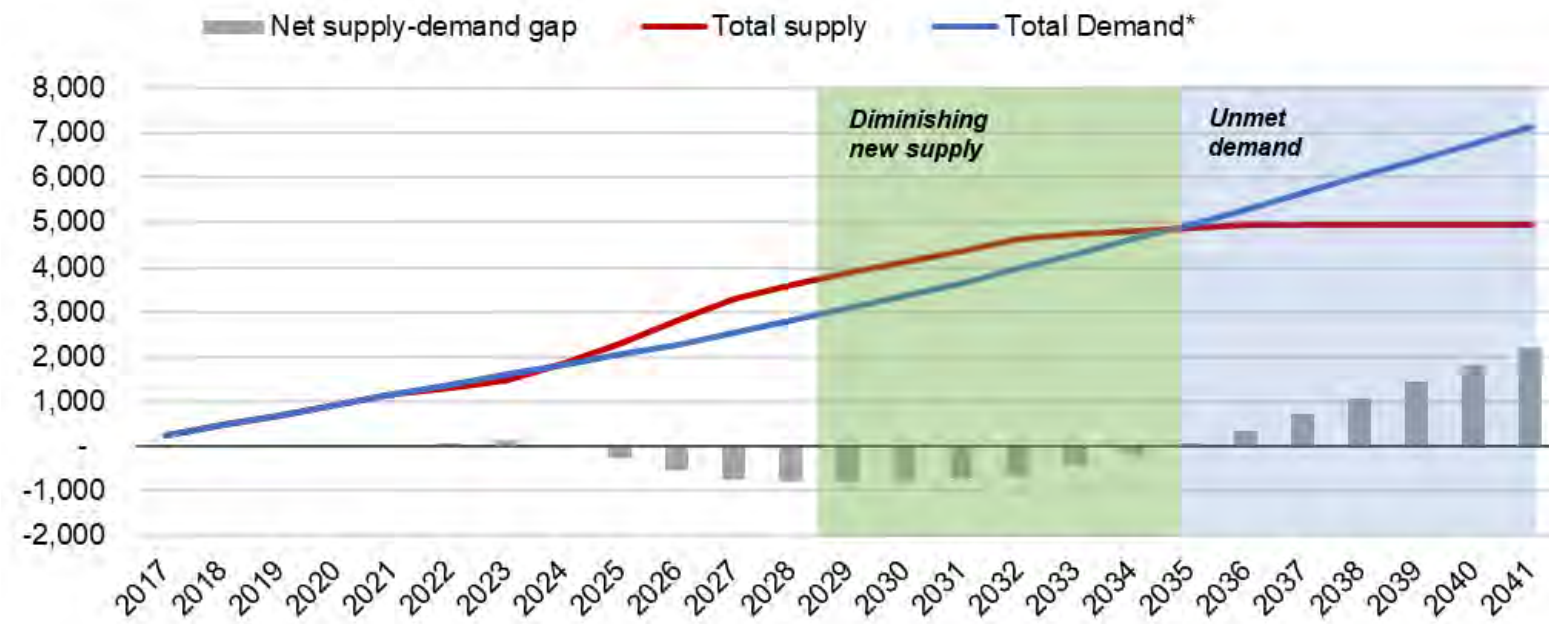
Table 6.1 details the demand and supply levels over each five-year period over the forecast period to 2041. Chart 6.1 illustrates the assumed timing of development on an annual basis against the anticipated annual level of demand, as well as the net level of supply over the period to 2041.

Table 6.1 Hawkesbury LGA - Net dwelling demand/supply					
Development	Future supply (2021-41)				
	2021-26	2026-31	2031-36	2036-41	Total*
Implied demand (DPE) - increase	802	1,151	1,631	2,340	5,925
- <i>Dwellings p.a.a.</i>	160	230	326	468	296
Demand actual / Macroplan (p.a.) **	1,100	1,375	1,631	1,875	5,981
- <i>Dwellings p.a.a.</i>	220	275	326	375	299
Supply pipeline - increase	1,645	1,550	578	0	3,773
- <i>Dwellings p.a.a.</i>	329	310	116	0	189
Redbank	645	75	0	0	720
Vineyard Stage 1	825	1,225	248	0	2,298
Jacaranda Ponds	0	250	330	0	580
Vermont Estate (Pitt Town)	30	0	0	0	30
Infill developments	145	0	0	0	145
Net demand / supply (5-yrly) - DPE	843	399	-1,053	-2,340	-2,152
Net demand / supply (5-yrly) - Macroplan	545	175	-1,053	-1,875	-2,208
<i>Difference ^</i>	-298	-224	0	465	-56

*Supply 2021-2041
 ** Macroplan's estimates and projections for demand based upon historical and current demand levels
 ^ Negative figure demonstrates actual & future potential demand being underestimated
 Source: NSW Department of Planning and Environment (DPE) (2022); Cordells (Dec-22); Macroplan

6.1_Dwelling demand/supply gap (continued)

Chart 6.1 Hawkesbury LGA – Annual dwelling demand and supply gap, 2017 - 2041



Source: NSW Department of Planning and Environment (DPE) (2022); Cordells (Mar-23); Macroplan

Key findings

- Volume of new supply is projected to begin to diminish from around 2028.
- From around 2035, and no known new supply, increasing dwelling demand will see a growing level of unmet demand (~2,200 dwellings needed by 2041).
- These levels of estimated net demand, may be understated should dwelling demand (i.e. take up rates) keep pace of new supply, as has been demonstrated since 2017.

6.1_Dwelling demand/supply gap (continued)

Key findings are as follows:

- Recent dwelling completions within Redbank and Vermont Estate (Pitt Town) have been the largest contributors to dwelling growth within the Hawkesbury LGA over the last 10 years to 2021.
- As at mid-2021, Macroplan has estimated the dwelling demand projected by the DPE to be understated by 104 dwellings, with 1,174 new lots created over the five years to 2021, compared to DPE's implied dwelling projection of 1,070 over the same period.
- Over the five years to 2026 with the projected addition of 1,675 dwellings, including the commencement of dwelling construction in Vineyard Stage 1 from 2024, there is estimated to be an **oversupply of 545 dwellings**, compared to an oversupply of 946 dwellings if benchmarked against DPE's projected demand.
- By 2031, Vineyard is anticipated to be largely complete and development to have commenced in Jacaranda Ponds.
- As shown in Chart 6.1, the region is anticipated to be in a state of oversupply (i.e. greater than 500 dwellings) between 2026 and 2032, with a peak of around 800 dwellings occurring around 2028, which at this point, new supply to the market will begin to diminish.
- With no other major greenfield developments anticipated post 2033, and as the increasing dwelling demand continues to absorb the previous oversupply, there is estimated to be (as also projected by the DPE) an **undersupply of around 2,200 dwellings** by 2041.

In summary, over the 20 years to 2041, there is projected to be almost 3,800 dwellings built within the Hawkesbury LGA, against a projected demand for around an additional 6,000 dwellings, resulting in a **need for a further 2,200 dwellings**.

The level of supply planned over the near term, which has been underpinned by demonstrated strong buyer demand, along with a slow down in the annual rate of new supply post 2026, indicates a growing need for increased supply across the LGA in the medium term (i.e. from 2028) to ensure supply keeps up with demand, preventing further escalating property prices.

Macroplan also note that regardless of the timing of land releases, there is potential for dwelling demand to keep up with supply – as has been evidenced in the last 5 to 6 years, and therefore the level of oversupply anticipated may be overstated or not remain for as long as projected.

Between now and 2031, there is estimated to be a moderate oversupply of residential lots. However, the residential market may return to balance should demand keep pace with supply, which has been the case recently.

6.2_Residential need implications

Residential need is determined based on the comparison of residential demand and supply conditions. This comparison must take into consideration the various demand drivers and supply attributes to ensure that the assessment is valid and accurate. One of the key demand drivers of the community is for housing preference or housing type and as such, supply must be assessed in the same way to ensure that there is an adequate supply pipeline to cater to these demand and need conditions.

The following provides a summary of the key residential need implications related to the subject site:

6.2.1 Economic Need

- Economic benefits resulting from the development of Belmont Park Estate include job creation during construction and ongoing employment within the proposed community hub and seniors living.
- The development of a residential estate, of mixed density, at the subject site will increase the resident population of the primary trade area for the North Richmond Town Centre, providing increased demand and therefore economic resilience for the area.
- Detached houses represent the majority of housing supply in the Hawkesbury LGA and there is not an adequate supply pipeline to support the increasing mismatch between dwelling typology and household formation (i.e. smaller household sizes).
- The additional housing capacity created by Belmont Park Estate will increase the opportunity for construction employment which means there will be a sustainable pipeline of employment opportunities for people involved across the subject site.

6.2.2 Community need

- The ongoing COVID pandemic has driven a range of economic and social changes. In a housing context, numerous regional and outer metropolitan areas, like Hawkesbury, have experienced surging demand placing pressure on both rental and sales supply.
- Given there are few current land releases providing greater housing choice, there is a demonstrated existing unmet need for affordable and diversity in housing across Hawkesbury.
- Belmont Park Estate is proposed to meet this need by providing a higher proportion of medium density living as well as seniors living, all located within proximity to a central community hub.
- By providing greater housing choice, Belmont Park Estate is able to provide a more affordable price point to the region, where median house prices are around \$1 million.
- As noted earlier in Section 1, the development of the proposed Belmont Park Estate presents an opportunity to create a larger community than currently exists on a “high Island” ultimately providing further demand for additional retail, commercial and community facilities, and increasing the resilience and self-sufficiency of the local area in flooding events.
- The location of the subject site will provide residents with a high level of amenity on-site with a considerable amount of open space and recreational facilities as well as the opportunity to benefit from services and amenities being provided at Redbank and North Richmond Town Centre.

6.2_Economic & community need (continued)

6.2.3 Planning need

- It is a Planning Act requirement that an adequate supply pipeline of zoned land is provided by local authorities. Due to the flooding events in 2021 and 2022, it is anticipated that much of the infill development areas identified by the Hawkesbury City Council's Local Housing Strategy will no longer be suitable for residential development.
- Additional land, such as the subject site, made available for residential development will help ensure an adequate pipeline for housing, including a mix of housing density, to meet the housing needs and preference of future households.
- As an extension to the existing urban fabric, Belmont Park is considered as a logical inclusion to Redbank and adjacent urban area and by providing diverse housing choices will address the housing diversity and affordability issues facing the region.

7_Retail potential

7.1_Study area

For the purposes of a high-level demand assessment for retail floorspace, Macroplan has utilised one primary catchment generally encompassing the Kurrajong Heights – Ebenezer Statistical Area 2 as well as the suburb of North Richmond (see Map 7.1).

In assessing potential amount of supportable retail floorspace at the subject site however only the future resident population of the proposed Belmont Park Estate has been considered, given the likely scale of retail to be included at the subject site as being no more than a small convenience-based retail facility.

7.2_Population

Future population growth within the medium term will continue to be underpinned by the remaining development of Redbank Estate, with completion estimated by 2031, reaching a capacity population of around 4,400 residents.

It is assumed that residential development of the subject site, which includes around 1,320 proposed dwellings of mixed typology, will begin post 2031 and complete by 2041. Table 7.1 details the dwelling mix proposed for Belmont Park Estate and the assumed average household sizes for each, in order to estimate the future resident population of the estate.

Table 7.2 outlines the estimated and projected resident population within the primary catchment, including Belmont Park Estate. Residential development within the Redbank Estate has been the largest contributor to the catchment's recent population growth, which was estimated at 28,690 residents as at mid-2021.

Taking the continued development of Redbank Estate and future Belmont Park Estate into consideration, the primary catchment's resident population is forecast to grow by 5,950 residents to reach almost 34,650 by mid-2041, including around 3,125 residents within the proposed Belmont Park Estate.

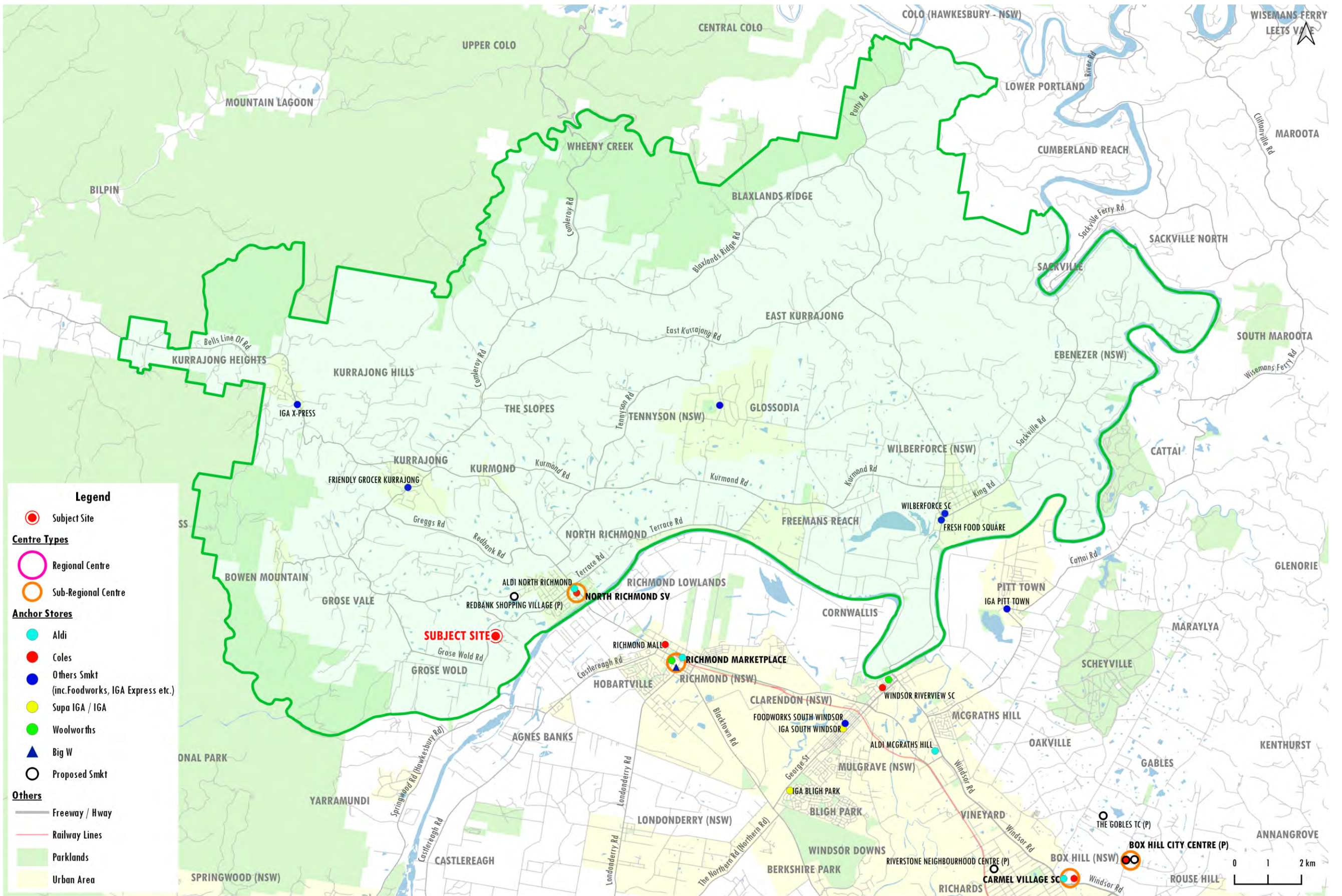
Dwelling type	No.	AHS	Est. population
Low density	540	3.0	1,620
Medium density	520	2.0	1,040
Affordable housing	120	2.5	300
Seniors living	<u>140</u>	1.2	<u>168</u>
Total	1,320		3,128

Source: Golden Vale Projects, Macroplan (2023)

	Estimated		Projected		2041	Change 2021-41
	2021	2026	2031	2036		
Primary	28,690	30,940	31,440	33,040	34,640	5,950
• Belmont Park Estate	0	0	0	1,575	3,125	3,125
<u>Average annual growth (no.)</u>						
	<u>2016-21</u>	<u>2021-26</u>	<u>2026-31</u>	<u>2031-36</u>	<u>2036-41</u>	<u>2021-41</u>
Primary	222	450	100	320	320	298
• Belmont Park Estate	0	0	0	315	310	156
<u>Average annual growth (%)</u>						
	<u>2016-21</u>	<u>2021-26</u>	<u>2026-31</u>	<u>2031-36</u>	<u>2036-41</u>	<u>2021-41</u>
Primary	0.8%	1.5%	0.3%	1.0%	1.0%	0.9%
• Belmont Park Estate	n.a.	n.a.	n.a.	n.a.	14.7%	n.a.
Hawkesbury LGA	0.4%	0.1%	0.4%	0.8%	1.4%	0.7%

*As at June

Source: ABS Census 2021; NSW Department of Planning and Environment (DPE) (2022); Macroplan



Map 7.1 Belmont Park – primary catchment

8.3_Retail provision

As detailed above, the population of the main trade area at mid-2021 is estimated at around 28,700 residents and forecast to increase to almost 34,650 by mid-2041. Based on a benchmark of one full-line supermarket per 7,000-10,000 residents in metropolitan areas, there is sufficient projected demand to support a total of 3-4 full-line supermarkets over the long term.

Within the primary catchment are the following key retail facilities:

- Current supply is currently concentrated within the North Richmond town centre which includes the only full-line supermarket being a 3,400 sq.m Coles supermarket and a 1,200 sq.m Aldi supermarket.

In addition to these is an IGA X-Press in Kurrajong Heights, Friendly Grocer anchored shopping centres at Wilberforce, Kurrajong and Glossodia, as well as another small grocery store at Wilberforce.

- Future supply includes approval for a neighbourhood shopping centre within Redbank Estate comprising a 565 sq.m IGA supermarket and 420 sq.m of specialty floorspace.

Taking into consideration the above supermarket floorspace supply, there is deemed to be sufficient existing demand within the primary catchment for 1 or 2 more full-line supermarkets over the longer term. This additional full-line supermarket floorspace will likely be accommodated within the existing centre hierarchy, most notably North Richmond Town Centre.

Given any retail provision at the subject site would primarily serve the convenience needs of Belmont Park residents, Table 7.3 provides a high-level assessment of the quantum of retail floorspace that could be supported at the subject site.

Table 7.3
Belmont Park - Estimated supportable retail floorspace

Indicator/Category	
Projected population*	3,125
<u>Est. retail demand (sq.m per capita)</u>	
Supermarket	0.12
Other traditional retail	<u>0.24</u>
Total traditional	0.36
<u>Est. total retail demand (sq.m)</u>	
Supermarket	375
Other traditional retail	<u>750</u>
Total retail floorspace supportable (sq.m)	1,125
Plus 10% non-retail floorspace	<u>125</u>
Total potential centre GLA (sq.m)	1,250

* Assumed to occur by mid-2041

Source: Macroplan

Future residential development at the subject site could see around 3,125 residents added to the local area (see previous Table 7.1). This level of population is deemed sufficient to support a small foodstore and associated convenience retailing (i.e. take away food, café, bakery, etc.) based on a high-level per capita method.

Using per capita rates of 0.12 sq.m and 0.24 sq.m of supermarket and traditional retail floorspace respectively, around 1,125 sq.m of retail floorspace, including a small convenience store of up to 375 sq.m is deemed supportable at the subject site.

Allowing for 10% of the total centre to accommodate potential non-retail uses (e.g. physio, pilates studio, etc.) a local centre of **up to 1,250 sq.m** is deemed supportable to primarily service the residents within the Belmont Park Estate.

8_Summary

Summary of key findings

Population & dwelling projections

- The Hawkesbury LGA in recent years has experienced subdued rates of population growth, particularly over the five years to 2021 with below average growth seen during the COVID-19 pandemic. Projecting forward however, the Department of Planning and Environment estimate population growth rates to return to historical rates of growth and strengthening over the longer term.
- As a result, the DPE are projecting a need for an additional 5,925 dwellings over the 20 years to 2041.
- Macroplan note that in comparison to the latest population estimates from the ABS, the DPE projections released in 2022 are somewhat understated. It is also noted that the projections currently been used by Hawkesbury City Council are based upon the now superseded DPE projections that were released in 2019, prior to the COVID-19 pandemic which also understated the estimated population for 2021, however the projections over the forecast period are more exaggerated than the DPE's 2022 release.

Socio-demographic profile

- The socio-demographic profile of the Hawkesbury LGA population is reflective of an outer metropolitan urban area characterised by families in the later life stages.
- With new residential development occurring within the region, the area is likely to accommodate further young families over the longer term, who will be attracted to the local amenity and relative affordability of housing in the area.
- New residential development would be marketed to and will attract new residents from outside the area, resulting in a potential shift in the current levels of migration into the catchment.

Worker profile

- The Hawkesbury LGA has a high self-containment rate of 48% residents working locally as well as a high self-sufficiency rate of 58% of those employed in Hawkesbury LGA living locally.
- According to the ABS Census 2021, the proportion of employed residents 'working from home or did not attend work' was up dramatically since 2016. Macroplan note that given the 2021 Census was undertaken amidst the peak of the pandemic, with lockdowns requiring people to work from home and/or people too unwell to attend work. As such this proportion will have dramatically decreased since then.

Summary of key findings (continued)

Migration

- More than half of Hawkesbury LGA residents had not moved in the last 5 years, and this trend is unchanged since the 2016 census.
- Of all LGAs in NSW, a majority of the 2016 – 2021 intercensal internal migration into Hawkesbury is sourced from neighbouring Blacktown (3,048 residents), The Hills Shire (1,799) and Penrith (1,686).

Housing market

- Over the five years to 2021, the increase in dwellings were primarily detached dwellings, occupied by families with children and mortgaged.
- Dwelling diversity within the Hawkesbury LGA remains low with the majority being detached dwellings.
- Following the onset of the COVID-19 pandemic sales activity increased across most suburbs, most notably within the suburb of North Richmond, with median house prices over the course of 2021 and 2022 recording double digit growth across the Hawkesbury LGA.
- Due to a lack of diversity, housing prices within the Hawkesbury LGA are becoming increasingly unaffordable (house and land packages typically priced in excess of \$1 million).
- Belmont Park's proposed range of housing options can ultimately create significantly more affordable housing choices than what can be provided via the current projected housing stock across the Hawkesbury LGA.
- Given the projected changes to household formation, it is anticipated that there will be an increased need for medium to higher density dwellings. Belmont Park's proposed range of housing options can ultimately create significantly more affordable housing choices than what can be provided via the current projected housing stock across the Hawkesbury LGA.

Future residential supply

- Future dwelling supply across the Hawkesbury LGA will predominantly be delivered by three identified greenfield precincts - Redbank Estate in North Richmond (currently underway), Vineyard Stage 1 (site works commenced) and Jacaranda Ponds (subdivision approval), which will collectively add around 3,800 dwellings over the next 15 years.
- Housing diversity and affordability remains a key area of concern, with new land releases within Redbank, Vineyard and Jacaranda Ponds all predominantly being of traditional to large residential lots with house and land packages starting from around \$1 million.

Summary of key findings (cont'd)

Future residential supply (continued)

- Macroplan's analysis of historical turnover rates and current levels of buyer demand has found the DPE's projected implied dwelling demand to be understated for the five years to 2021.
- Taking into consideration the recent strong level of buyer demand for house and land in the Hawkesbury region, as evidenced by strong sales rates within the current residential releases within Redbank and Vineyard, Macroplan have projected stronger annual rates of dwelling demand out to 2031.
- Given the significance of flooding in the areas identified for infill (by Hawkesbury City Council's LHS), Macroplan considers that the identified yield in locations such as Windsor, South Windsor, Richmond and Hobartville are unlikely to be achieved having regard to the findings of the Hawkesbury Nepean Flood Study and the updated Ministerial Directions (9.1) issued by the Minister for Planning.

Future demand / supply gap analysis

- Over the 20 years to 2041, there is projected to be almost 3,800 dwellings built within the Hawkesbury LGA, against a projected demand for around an additional 6,000 dwellings, resulting in a need for a further 2,200 dwellings.
- The level of supply planned over the near term, which has been underpinned by demonstrated strong buyer demand, along with a slow down in the annual rate of new supply post 2026, indicates a growing need for increased supply across the LGA in the medium term (i.e. from 2028) to ensure supply keeps up with demand, preventing further escalating property prices.
- Between now and 2031, there is estimated to be a moderate oversupply of residential lots. However, the residential market may return to balance should demand keep pace with supply, which has been the case recently.

Summary of key findings (cont'd)

Future demand / supply gap analysis (continued)

- Macroplan note however, that regardless of the timing of land releases, there is potential for dwelling demand (i.e. take up rates) to keep up with supply – as has been evidenced in the last 5 to 6 years, and therefore the level of oversupply anticipated (over 500 dwellings per annum between 2026 and 2033) may be overstated and/or remain for a shorter period.

Residential need implications

- Economic benefits resulting from the development of Belmont Park Estate include job creation, through construction phase, and by increasing the local resident population provide increased demand for services and amenity in North Richmond Town Centre, improving the economic resilience for the area, particularly during extreme events such as flooding.
- Community benefits include ensuring housing supply – including increased housing choice through mixed density of dwellings and seniors living, will meet the housing needs and preferences of future residents and therefore improve the regions housing diversity and in turn, housing affordability.
- Given the extent of flooding in identified infill locations, the amount of infill development identified by Council's LHS is unlikely to be realised, resulting in less areas available for residential development, which will further exacerbate housing affordability in the area. As such, there is a strong basis for other potential areas for residential development (such as the subject site) to be further considered.

Retail potential

- Based on a future population base of 3,125 residents within the Belmont Park Estate, a local centre of up to 1,250 sq.m is deemed supportable including a small convenience store of up to 375 sq.m, 750 sq.m of retail specialty floorspace and potentially 125 sq.m of non-retail floorspace.
- A local retail shopping centre within the Belmont Park Estate would be well placed to primarily serve the convenience needs of residents within the estate, as well as provide a sense of place and community.

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