

APPENDIX E

Developable Land Analysis

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1 Introduction

1.1 Background

Moreton Bay Regional Council (MBRC) is undertaking a comprehensive planning process to include Caboolture West into Moreton Bay Regional Council's new planning scheme by November 2015.

The SEQ Regional Plan 2009-2031 had envisaged that urban growth at Caboolture West area would only occur before 2031 in exceptional circumstances and where further investigations address the Urban Footprint principles and relevant studies identified in the sub-regional narratives.

The SEQ Regional Plan was based on the capacity of the planning schemes by the former Shires of Redcliffe, Caboolture and Pine Rivers. In taking a wider regional view, the new MBRC considered that Caboolture West would be needed for land supply in the short to medium term. It wrote to the former Minister for Planning and Infrastructure in 2011 advising that Caboolture West would need to be included in MBRC's Strategic Plan for the region to help accommodate the planned 84,000 additional dwellings by 2031 allocated by the SEQ Regional Plan to Moreton Bay.

In response, the former State Government declared Caboolture West a Master Planned area (MPA) under the provisions of the Sustainable Planning Act on 17 February 2012. The declaration initiated the current comprehensive planning process for Caboolture West.

1.2 Purpose

MBRC is now undertaking studies and addressing Urban Footprint principles through its structure planning process for Caboolture West. This report looks specifically at demand for and timing of Caboolture West in the context of the role of MBRC in accommodating regional growth for South East Queensland.

The report provides an analysis of the MBRC growth assumptions and the capacity of the new MBRC planning scheme to accommodate growth to 2031 and beyond. It sets out to demonstrate MBRC's position that there is sufficient demand and a regional locational need for urban land at Caboolture West to be included as part of Caboolture City in the new planning scheme.

2 Population Projections

2.1 Population Growth in South East Queensland

South East Queensland (SEQ) has an estimated current population of 3.2 million people in 2012ⁱ.

The 2009 SEQ Regional Plan has an indicative planning population for SEQ of 4.4 million people at 2031ⁱⁱ, which was updated in 2011 to 4.57 million people by 2031 (medium series)ⁱⁱⁱ, with expected growth of 1.38 million people. The 2013 review of population projections by OESR is expected to revise upwards the 2011 projections for SEQ^{iv} indicating a possible 4.6 million people in SEQ by 2031.

Figure 1 compares the SEQ Regional Plan projections of 2008 with OESR 2011 medium series population projection and OESR preliminary 2013 projections. The projected population growth in SEQ accounts for 67% of the projected population growth in Queensland over the next 20 years.

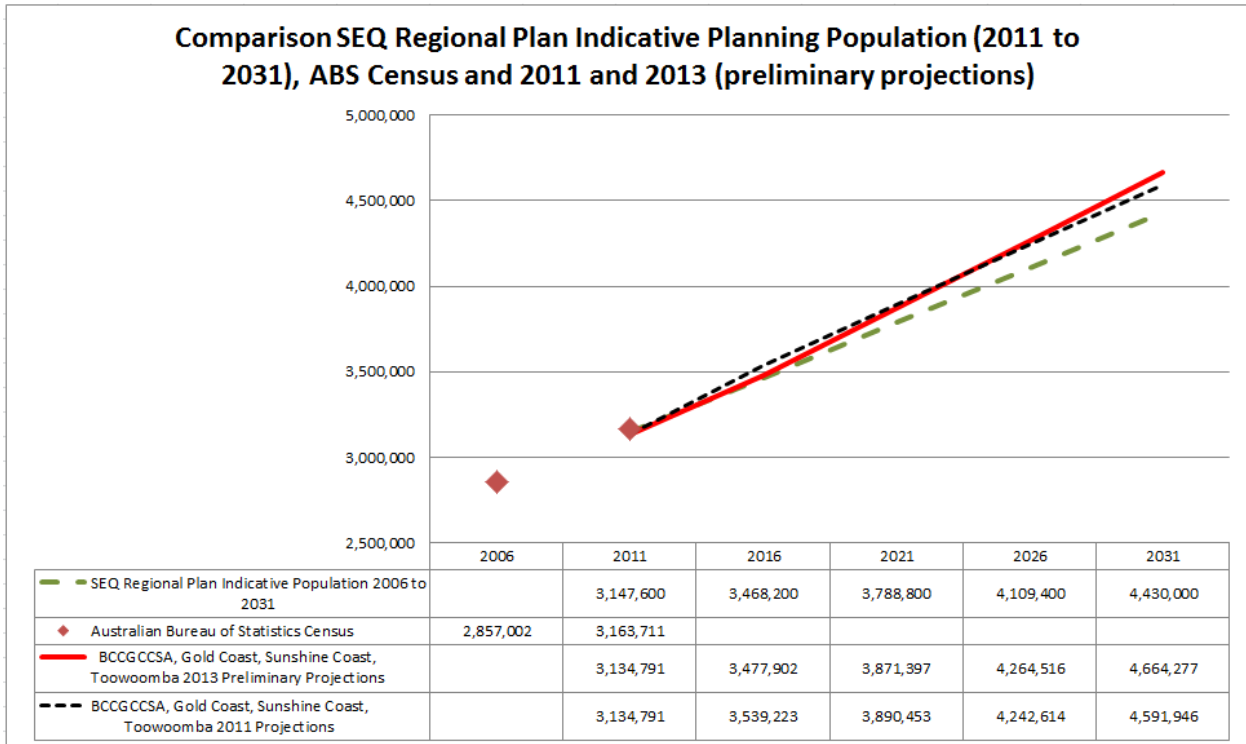


Figure 1 Comparison of Population Projections 2008, 2011 and 2013 (preliminary) ^v

Figure 2 shows the major growth corridors in SEQ and Figure 3 shows the projected distribution of this growth over the next 20 years based on the indicative planning populations in the current SEQ Regional Plan.

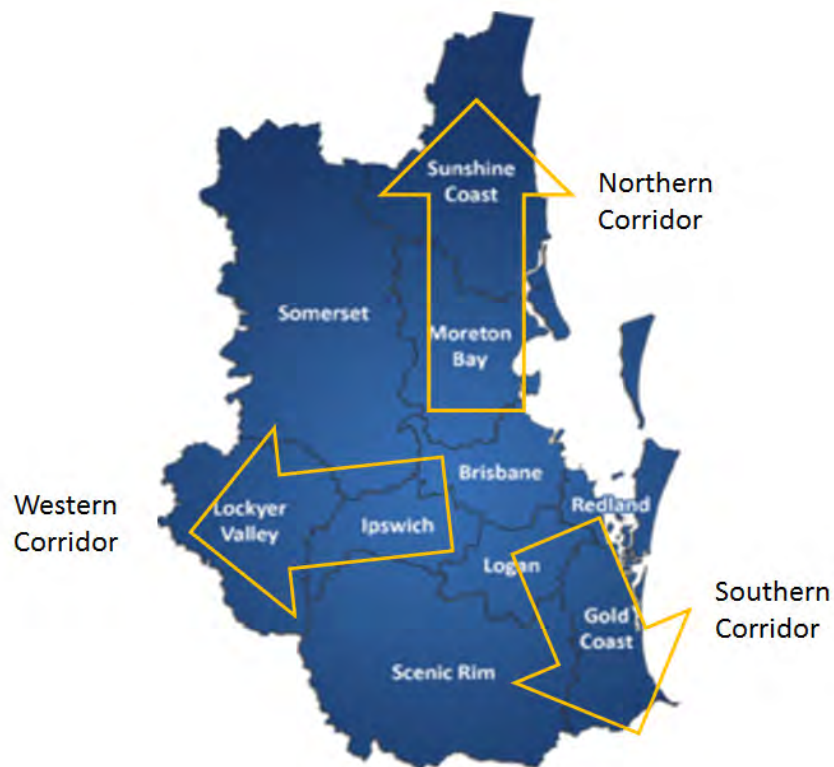


Figure 2 SEQ Growth Corridors

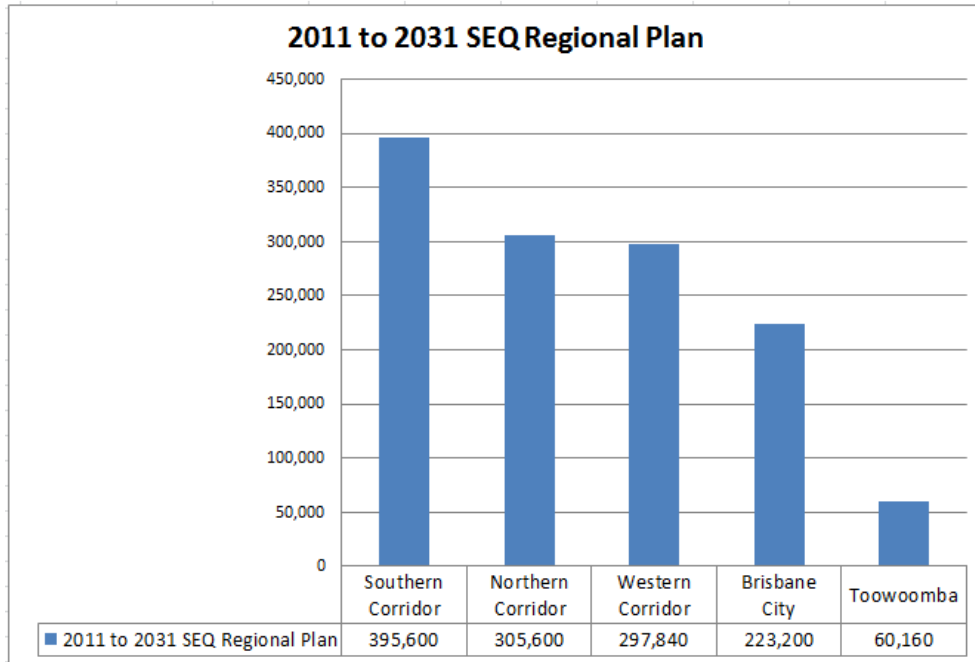


Figure 3 Projected population growth by Growth Corridor^{vi}

The northern corridor is expected to accommodate 24% of the projected population growth in SEQ by 2031. By this time the MBRC and Sunshine Coast Regional Council area will have a combined population of over 1 million people. Approximately 81% (255,000 people) of this population growth will occur in that part of the northern growth corridor located between the Pine River and the Maroochy River^{vii}. The Caboolture – Morayfield Principal Activity Centre occupies a prominent position within this Northern Corridor and is in close proximity to the Caboolture West area as indicated in Diagram 2 below.

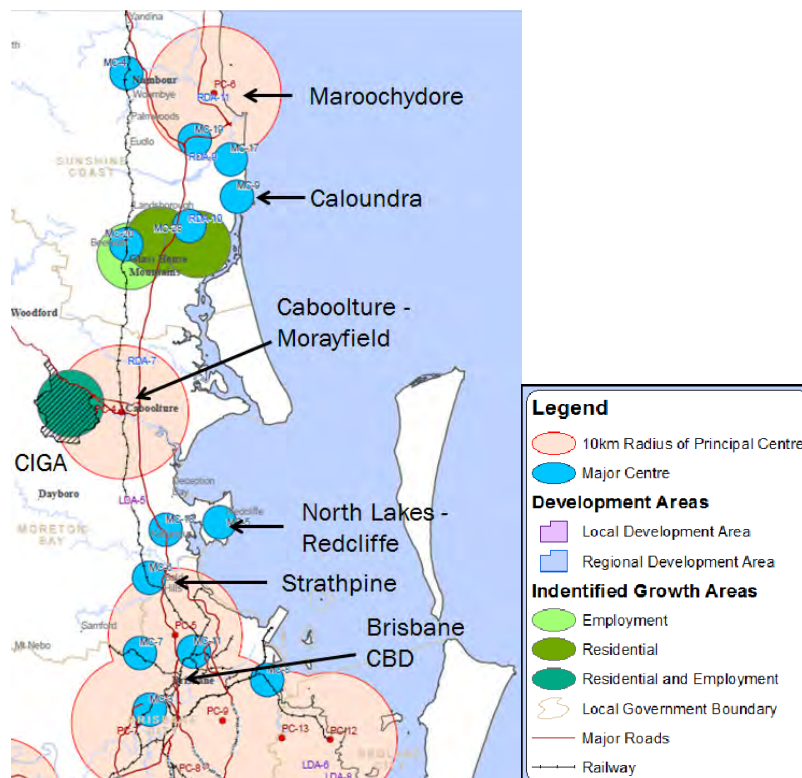


Figure 4 Northern Growth Corridor

2.2 Population Growth in MBRC

The OESR regularly undertakes population forecasts for each local government area and in recent years has revised its forecasts upwards well above the indicative planning population in the South East Queensland regional Plan 2009-31. The OESR 2011 population growth projections for MBRC the next 20 years are shown in Figure 5 below.

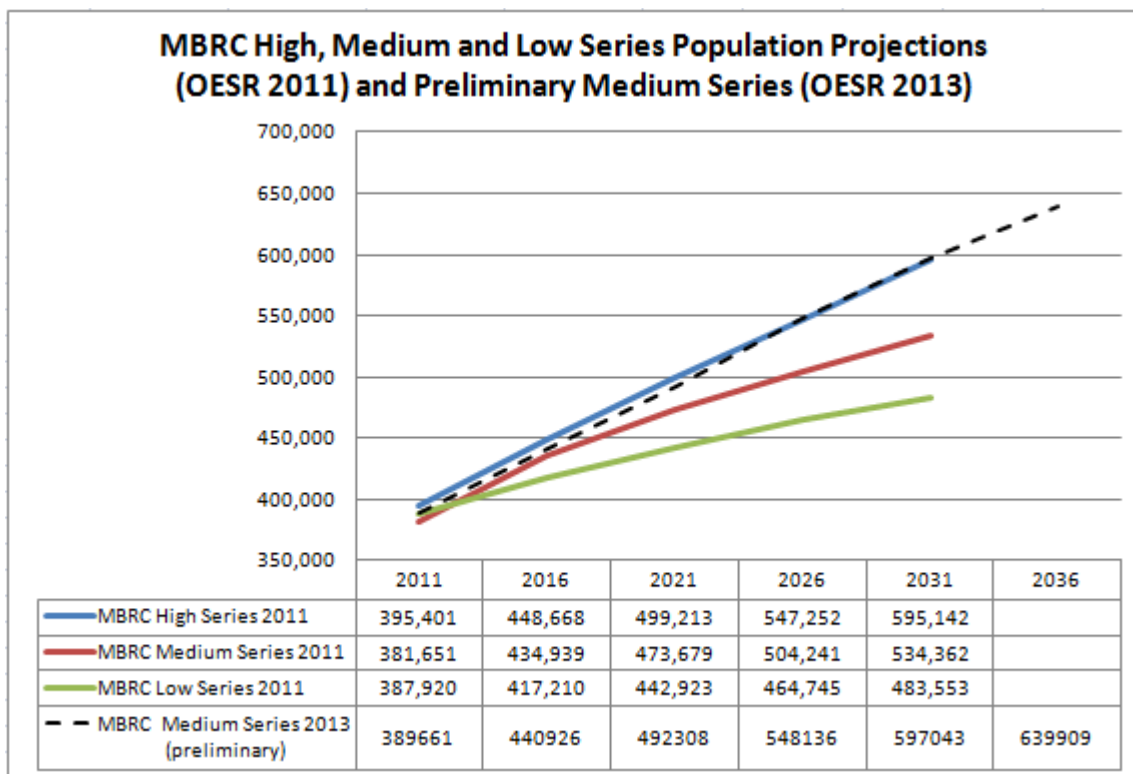


Figure 5 Comparison MBRC growth scenarios^{viii}

The figure shows that strong population growth is expected to occur resulting in a MBRC population at 2031 of between 480,000 and 595,000 population (OESR 2011 projections). The medium series population forecast is 534,000 population at 2031. This is an increase of 152,711 people on the 2011 MBRC population and has been used for more detailed planning purposes in the preparation of the new MBRC planning scheme. This projection is likely to be increased in the 2013 population projections when they are finalised later this year by OESR^{ix} in which case the new medium series projection is expected to continue to trend upwards towards the current high series projection.

2.3 SEQ Regional Plan Population Projections

2009 SEQ Regional Plan assigned an indicative planning population for the MBRC area of 513,000 people and a forecast of 84,000 additional dwellings by 2031. Figure 6 below shows the changes in forecast population for MBRC by the OESR from the SEQ Regional Plan 2009-2031 indicative population over recent years.

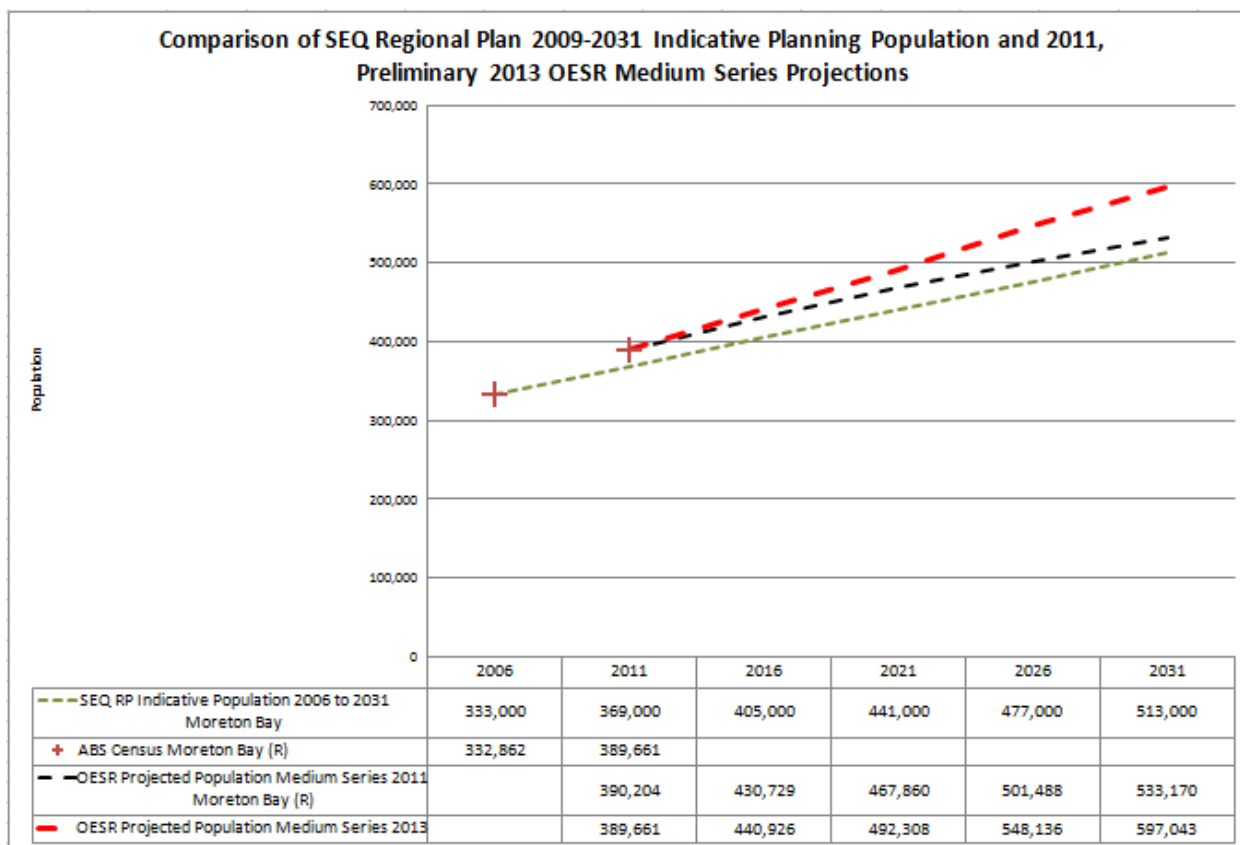


Figure 6 Comparison MBRC population projections 2008, 2011 and 2013 (preliminary) ^x

Projected growth in MBRC to 2031 has increased by 20,000 people (medium series) within the four years since the regional plan was approved. Preliminary indications from the latest 2013 review of the MBRC population projections by OESR indicates a possible increase in the projected population of 84,000 (to 597,000) above the SEQ Regional Plan Indicative Population at 2031 (513,000). This requires a dwelling increase of 123,200 dwellings compared to the 84,000 forecast referred to in the regional plan^{xi}.

Dwelling construction activity within the MBRC urban footprint is also well in excess of the level of activity anticipated in the SEQ Regional Plan. A review of the 2006 and 2011 ABS Census results indicates that in the five years between 2006 and 2011 total dwellings in MBRC increased by 22,900, which is 27% of the total dwellings anticipated in the SEQ Regional Plan for MBRC between 2006 and 2031 in only 20% of elapsed time of the projection period.

Urban Footprint Implications

The SEQ Regional Plan contains an Urban Footprint which is intended to:

- accommodate residential development within the region to 2031; and
- control unplanned urban expansion.

The Urban Footprint is intended to identify sufficient land to accommodate a projected population of 4.4 million people within SEQ and their employment and economic development needs to 2031. Given that the population of SEQ is expected to grow much more than the SEQ Regional Plan anticipated there is an immediate need to review the capacity of the urban footprint to accommodate projected growth to ensure that the new MBRC planning scheme is based on the most up-to-date forecast.

The SEQ Regional Plan 2009 – 2031 did not consider the capacity of MBRC to accommodate this additional growth. The regional plan only evaluated the capacity of the three (then) current planning schemes of Redcliffe City Council (2005), Caboolture Shire Council (2005) and Pine Rivers Shire Council (2006). The Pine Rivers and Redcliffe planning schemes included an assessment of the infrastructure required to service development to 2026

and the Caboolture Shire planning scheme only assessed development requirements to 2021.

The new MBRC planning scheme is now examining how the 2011 medium series projected population can be accommodated within the MBRC area to 2031, including an assessment of the role that the Caboolture West area could play in accommodating this growth. During the plan preparation period the medium series projected population is expected to be revised upwards when the 2013 population projections are published by the Government Statistician adding to the planning challenge which MBRC is seeking to address through its new planning scheme.

3 New MBRC Planning Scheme

MBRC's planning for the Caboolture West area is being undertaken as part of the process of preparing a new planning scheme for the Moreton Bay Regional Council area. This planning process provides a unique opportunity to assess the capacity of the MBRC to accommodate planned urban growth in line with more recent population projections and assess the role that the Caboolture West area could play in accommodating this growth.

The strategic planning methodology to establish where the anticipated population growth is to be accommodated in Moreton Bay is discussed next.

3.1 Place Types

Firstly, the new MBRC planning scheme is being prepared based on the place type approach advocated in the Next Generation Planning Handbook. The draft Strategic Framework proposes a series of 13 place types across MBRC. These place types have been used to describe the planned form and function of each place, and their role in providing for housing, jobs, services and facilities in the foreseeable future.

Place types have been allocated across the MBRC to form a framework for accommodating future development and protecting areas of environmental significance. The ability of each place type to contain new housing in MBRC in the future is shown in the following Figure 7.

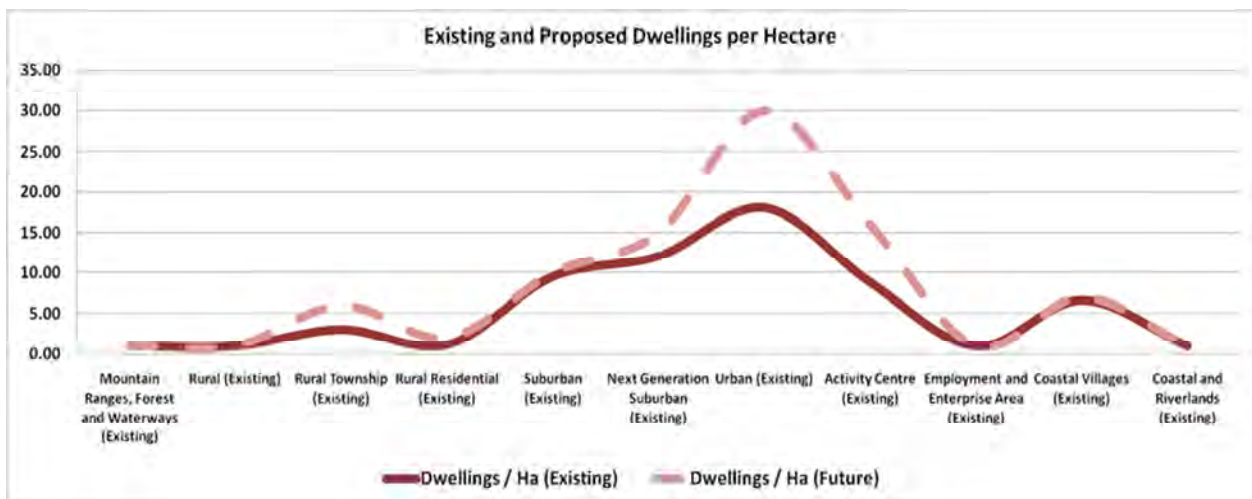


Figure 7 MBRC draft Strategic Framework dwellings per hectare assumptions by place type^{xii}

The new planning scheme seeks to substantially increase the number of people living within the next generation suburban and urban places types and to provide opportunity for residential development within activity centres.

Council's planning strategy to accommodate significant population growth and source new dwellings has four main actions:

1. Redevelop selected suburban places adjoining major and principal activity centres and transport nodes to create new urban places;

2. Target selected suburban areas and rural residential areas to become next generation suburbs;
3. Build new next generation suburbs in greenfield locations; and.
4. Facilitate infill development on vacant and underutilised land within existing suburbs.

This residential strategy is supported by two other actions;

1. Develop vibrant and attractive activity centres providing a broad range of services and facilities, business and employment opportunities at central locations within the transport network which are easily accessible by residents in existing and new neighbourhoods; and
2. Develop major places for enterprise and employment alongside the major transport corridors that provide alternative destinations for journey to work for residents of the region.

The place types have been used as a key building block to develop future population and employment forecasts for the region and test Council's strategy as follows.

3.2 MBRC draft PIP Assumptions

The second building block in planning for population and employment growth was an analysis of:

1. Land supply based on the MBRC Master Planning for:
 - o the Caboolture Morayfield Principal Activity Centre;
 - o Strathpine Major Activity Centre;
 - o Morayfield-Burpengary Local Planning area Investigation;
 - o Narangba East Strategy;
 - o Burpengary East Local Planning Investigation; and
2. GIS examination of infill and redevelopment opportunities within established areas; and
3. Forecast demand for housing derived from:
 - o projected population growth by OESR;
 - o MBRC Housing Needs Analysis;
 - o MBRC Urban Growth Model prepared for MBRC by the University of Queensland; and
 - o MBRC Master Planning projects.

3.3 Planning Areas

MBRC has combined consideration of the broad place types (Figure 5); an assessment of regional character; the opportunities and constraints to development; and the availability of existing and planned infrastructure to develop a strategy for the Region which is expressed in the draft Strategic Framework. In this framework the region is divided into five planning areas as shown in Figure 8 below. The planning areas are:

- o Caboolture;
- o North Lakes-Redcliffe-Moreton Bay Rail corridor;
- o Strathpine;
- o Coastal Villages and Bribie island; and
- o Rural.

The Caboolture West area is included in the Caboolture City planning area as a part of the City's accepted catchment.

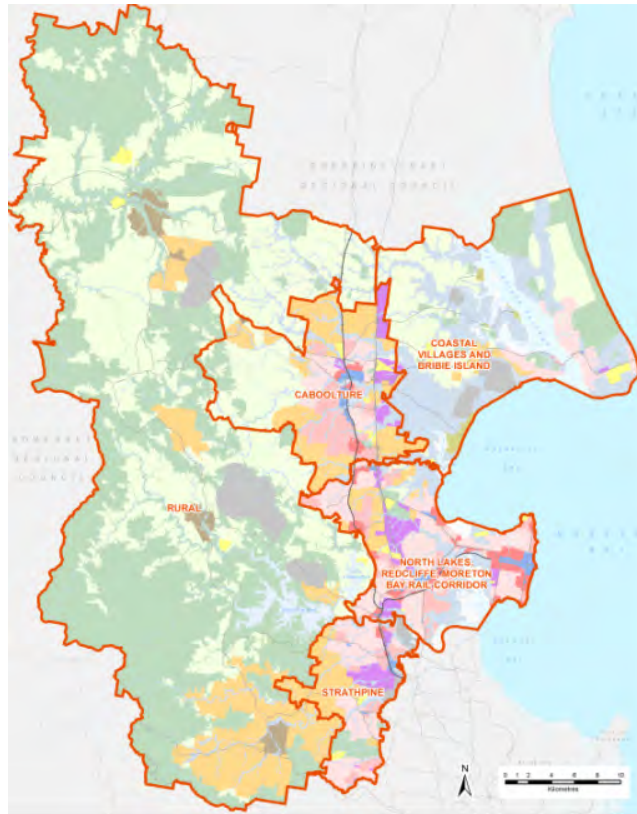


Figure 8 Draft Strategic Framework planning areas^{xiii}

Projected population (medium series) for the period 2011 to 2031 and associated dwellings were distributed within each MBRC Planning area to test the capacity of the areas to accommodate projected population growth. The results are shown in Figures 9 and 10 below.

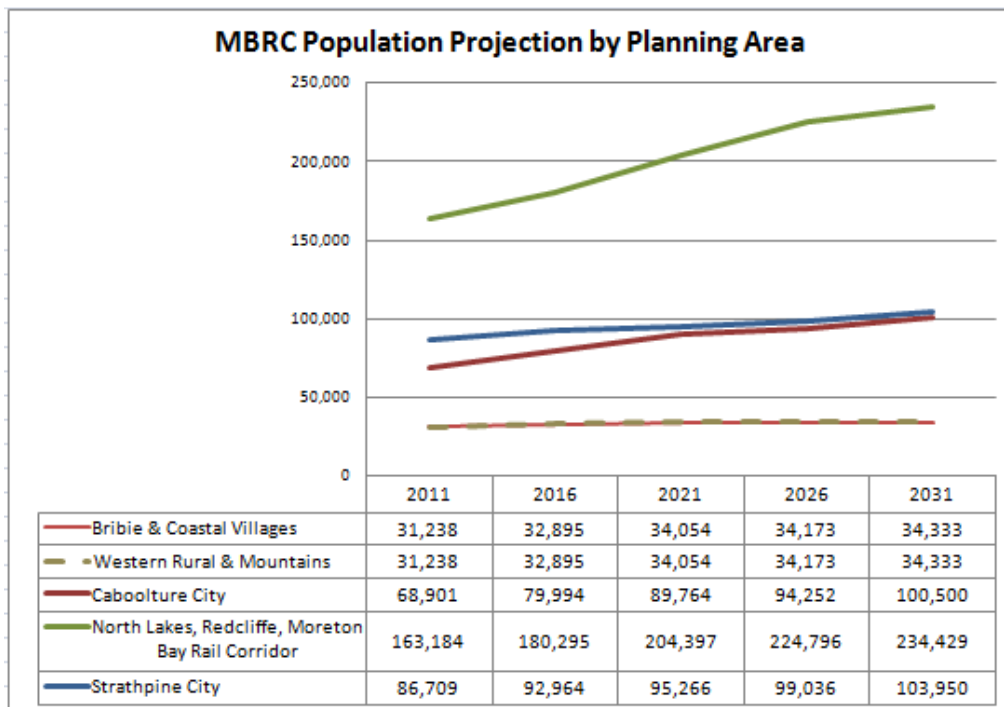


Figure 9 MBRC population projections by planning area

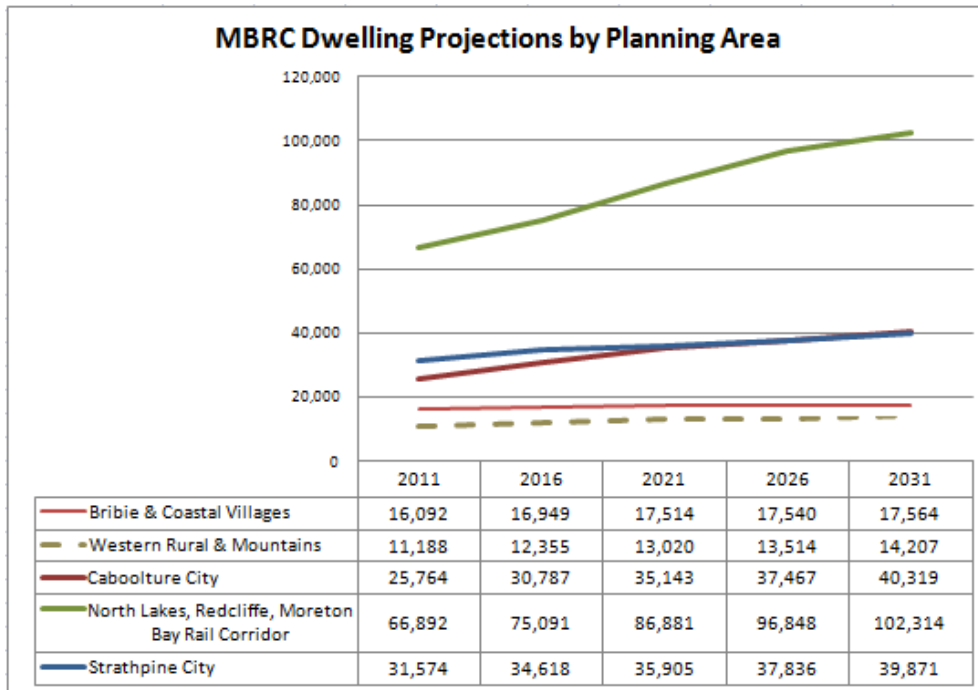


Figure 10 MBRC dwelling projections by planning area

Analysis of the capacity of MBRC to accommodate new dwellings based on the preparation of the draft PIP assumptions is summarised in Figure 11 below which compares OESR 2011 underlying dwelling requirements based on the medium series population projection with Council's draft PIP dwellings projections. The graph shows that, given assumption in the draft PIP about the availability of land for new housing, density and rates of development/redevelopment, in the short term the MBRC provision of new housing may exceed the underlying dwelling requirements but there are major housing supply shortfalls in the medium to longer term. Without Caboolture West, MBRC will be unable to accommodate its share of growth in South East Queensland.

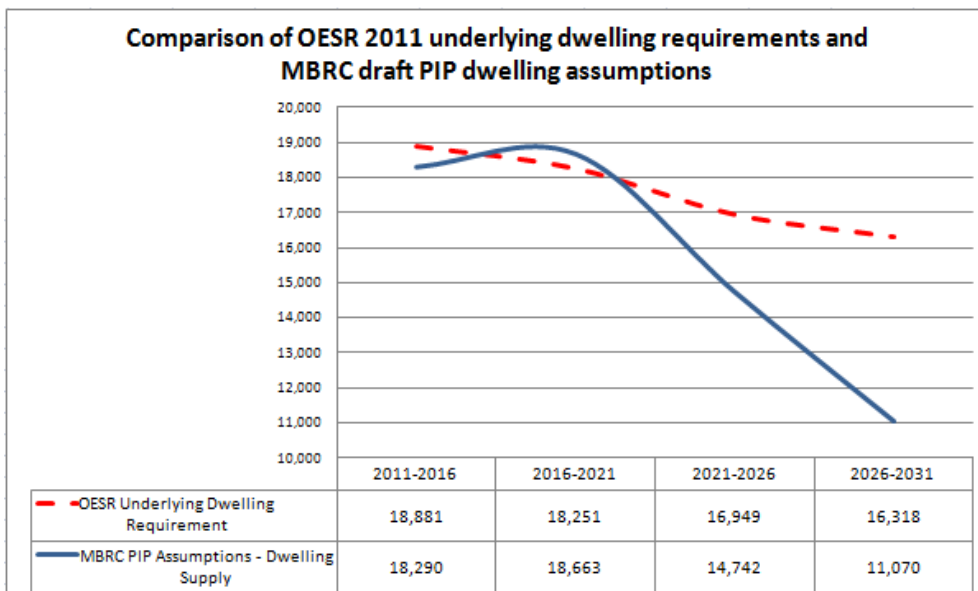


Figure 11 MBRC analysis of dwelling supply compared to underlying dwelling requirements without Caboolture West

3.4 Land Supply Type and Location

The fourth building block to plan for population growth in MBRC was to test the capacity of the various types of land supply to accommodate expected population growth in the various locations available in MBRC.

Land Supply Types

The following categories of residential land supply have been assessed:

1. *Redevelopment* which is planned to occur on land currently developed for urban purposes and or zoned for urban purposes which has water and sewerage services available and is forecast to develop/redevelop for higher density purposes consistent with the assigned place type over the next 20 years;
2. *Infill* which is planned to occur on vacant and underutilised land currently within existing suburban areas for urban purposes which has water and sewerage services available and which is forecast to continue to develop for purposes consistent with the assigned place type over the next 20 years;
3. *Rural Residential conversion* areas are areas currently developed as rural residential areas which have been assigned a next generation suburban place type in the draft strategic framework and are planned to develop for new urban purposes over the next 20 years; and
4. *Greenfield* areas which are rural and future urban areas identified as potentially suitable for urban development and planned to develop for urban and next generation suburban purposes over the next 20 years. The Caboolture West area is a possible additional greenfield area but has not been included in the 2012 draft PIP assumptions pending preparation of the Master Plan.

The SEQ Regional Plan 2009-2031 includes the first three categories above as contributing to infill and redevelopment^{xiv}, and similarly includes rural and future urban areas as greenfield development. The contribution of infill/redevelopment and greenfield land supply to housing provision over the next 20 years is shown in the following Figure 12. (The graph does not include assumptions about greenfield development in the Cab West area).

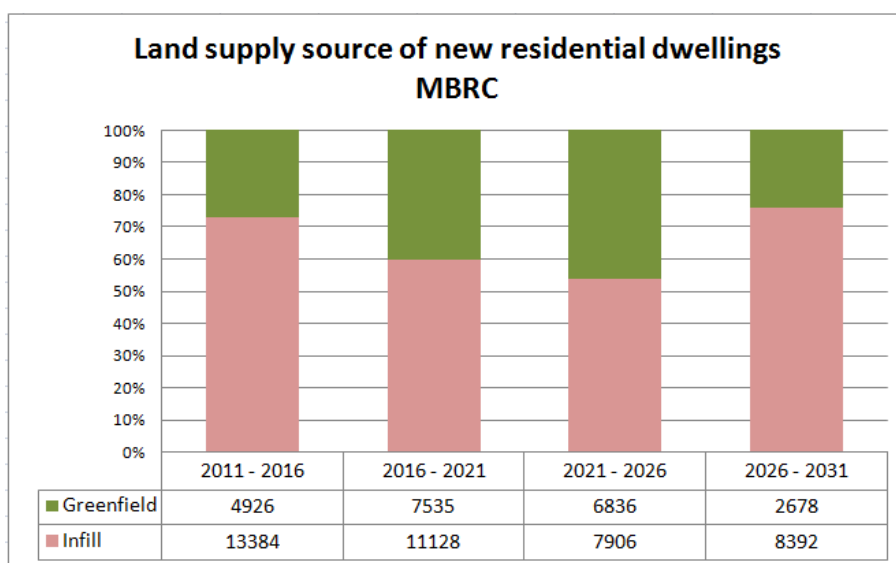


Figure 12 Land supply sources of new dwellings

Council has, in developing its assumptions for the planning scheme tried to balance the supply of new housing between:

- development within existing urban areas; and
- development in new urban areas.

This is in line with the SEQ Regional Plan 2009-2031 aim of achieving urban consolidation and encouraging infill and redevelopment in established urban areas such that new development or redevelopment in existing urban areas generally accounts for 50% of all new dwellings. In respect to MBRC, the SEQ Regional Plan specifies a minimum 35,000 new dwellings (42%) of the forecast 84,000 additional dwellings as being sourced from infill and redevelopment sources. The Moreton Bay narrative in the SEQ Regional Plan also refers to rural residential lands as providing infill development opportunities.

Treating rural residential conversion as infill development as per the SEQ Regional Plan, Figure 13 shows that the infill and redevelopment target including rural residential conversion is significantly exceeded at almost 80% by 2031 and the greenfield development component is around 20%. Without Caboolture West, MBRC is not able to continue to provide a balance between infill and greenfield development opportunities.

Figure 10 below shows in more detail the contribution of each land supply source to the assumed new dwellings in MBRC over the next 20 years. The undersupply of dwellings compared to the OESR underlying dwelling demand in the medium to longer term is attributable to the decline in new dwellings able to be sourced from existing infill (vacant and underutilised land within existing urban areas) and greenfield development opportunities identified by Council in the draft PIP assumptions.

Over the next 20 years the infill development opportunities will continue to support growth but at a reducing rate. There is opportunity to develop the new greenfield area of Caboolture West that had not previously been included in the draft PIP assumptions. This is a major asset to Council in its efforts to maintain a balance of land supply sources for new dwellings to meet the underlying demand for new dwellings particularly given the challenges to converting rural residential areas to urban areas.

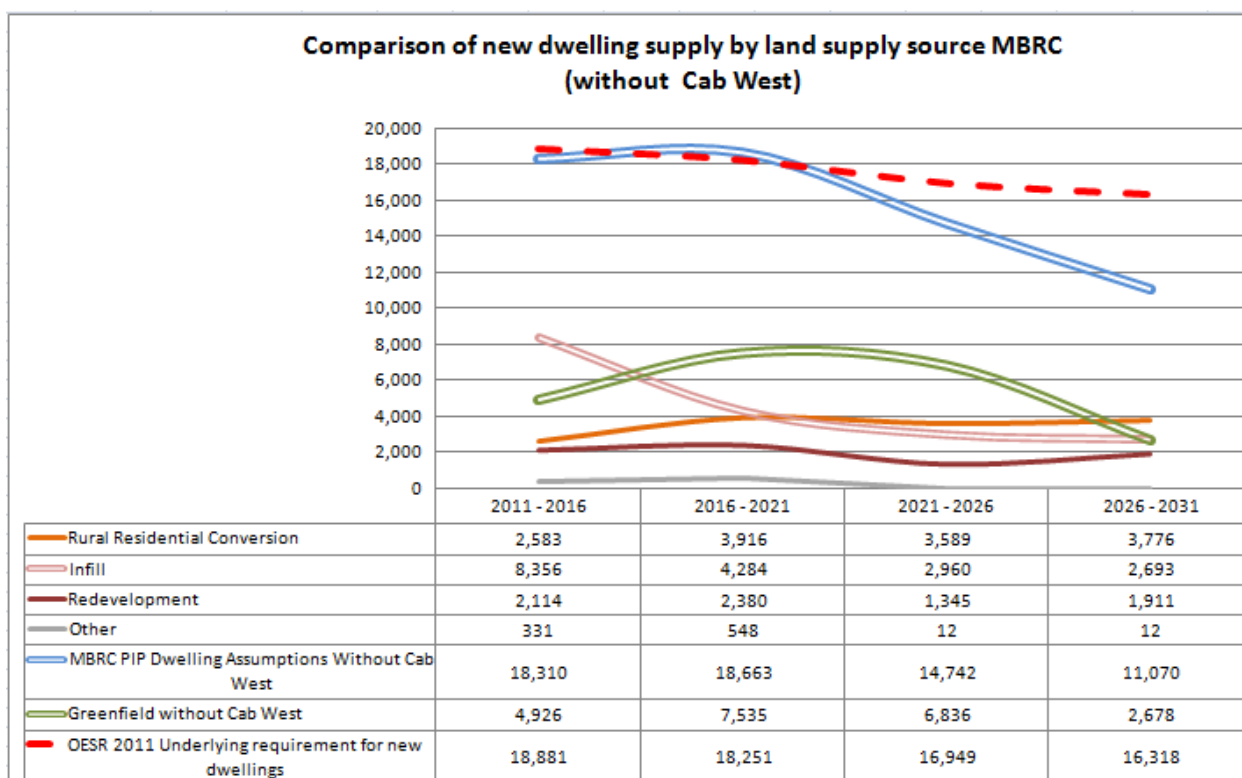


Figure 13 Dwelling supply by land supply source without Caboolture West^{xv}

Land Supply Locations

The availability of land for greenfield, rural residential conversion, infill, and redevelopment is not uniformly distributed over MBRC. The types of land supply to accommodate future residential demand can be used to categorise each of the districts within MBRC. Figure 14 shows the land supply types for each district based on the current draft PIP assumptions expressed as a per cent of MBRC assumed new dwellings.

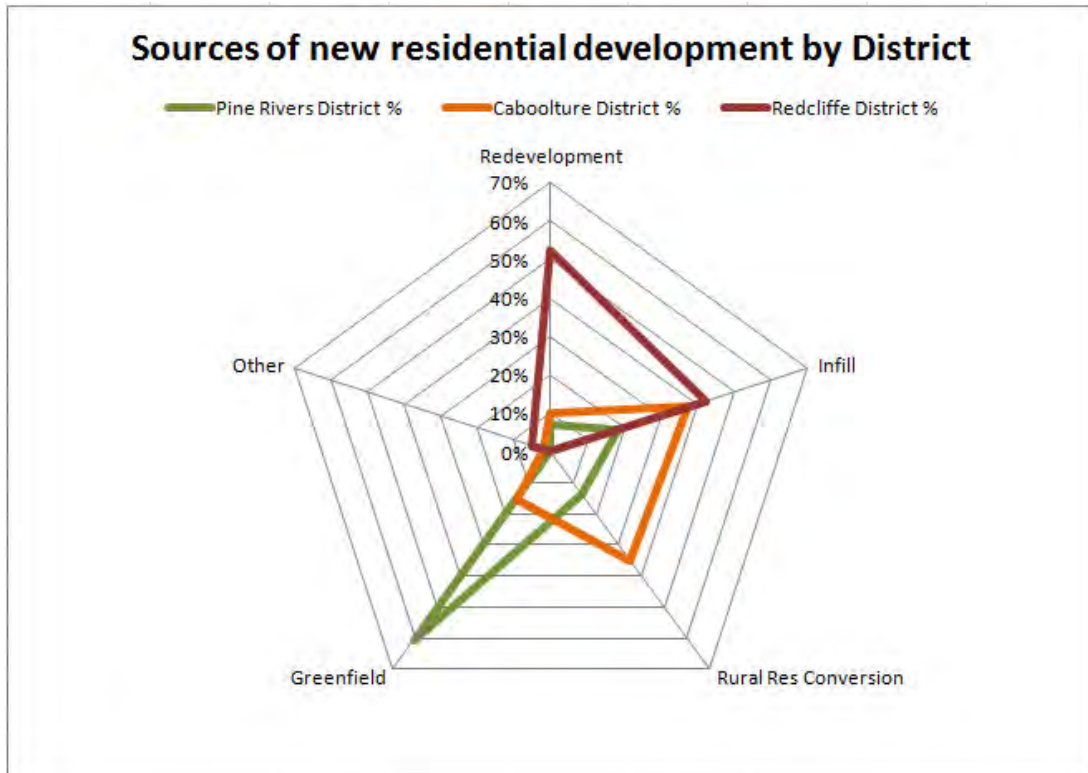


Figure 14 Sources of new residential development by district

Table 1 below shows in more detail the expected breakdown of the contribution of each land supply type to the assumed new dwellings in each district in MBRC without Cab West over the next 20 years.

Land Supply Type	Pine Rivers District		Caboolture District		Redcliffe District		MBRC	
	Total Dwellings 2011 to 2031	%	Total Dwellings 2011 to 2031	%	Total Dwellings 2011 to 2031	%	Total Dwellings 2011 to 2031	%
Redevelopment	2,036	7	2,890	10	2,824	52	7,750	12
Infill	5,352	18	10,652	38	2,289	42	18,293	29
Rural Res Conversion	3,923	14	9,941	35	0	0	13,864	22
Greenfield	17,675	61	4,300	15	0	0	21,975	35
Other	24	0	600	2	279	5	903	1
Total	29,010	100	28,383	100	5,392	100	62,785	100

Table 1 Sources of new dwelling supply by district

Figure 14 and Table 1 show that:

- The Pine Rivers District is expected to source much of its new housing product from the greenfield areas in Mango Hill, Griffin and Dakabin particularly in the short to medium term with lower contributions from infill and conversion of rural residential areas to urban purposes;
- The Caboolture District is expected to draw much of its new housing product from infill development, and conversion of rural residential areas to urban purposes;
- The Redcliffe District draws its new housing product from redevelopment of established urban areas to higher densities, and from infill development.

3.5 Land supply location and type affects capacity and timing

Complexity of redevelopment, infill and rural residential conversion

Redevelopment, infill and rural residential conversion have several factors that affect land availability, cost and timing compared to greenfield land which is in larger parcels or can be more easily assembled.

The amount of land available for development and the rate at which land becomes available for development is affected by land ownership, land fragmentation and any existing development on the land. These factors also affect the cost of development, which in turn affects how many people can afford to access housing in that area.

Factors affecting infill/redevelopment/conversion include:

- a land owner may choose not to develop their land; or
- a land owner may not be prepared to sell their land for development purposes; or
- a land owner may have a selling price which is premium to market value and which does not allow an otherwise commercially viable development to proceed; or
- existing improvements may add to the price of purchasing land for development; or
- the land assembly process, particularly in rural residential areas may create diseconomies relative to larger land parcels with fewer improvements. Developers may need to acquire lots individually using options contracts to secure a sufficient number of adjoining lots to assemble a feasible development area. This process will slow development and potentially increase the cost of development;
- individual developers may not be able to meet the cost of provision of infrastructure to a fragmented area or be prepared to jointly fund trunk infrastructure or infrastructure upgrades and relatively small scale dispersed development may not allow infrastructure to be rolled out in an orderly and efficient manner.

All these factors mean that redevelopment and infill development for urban purposes within existing urban areas is invariably a much slower process and more costly than greenfield development. Likewise the conversion of rural residential land to urban is slower and more costly than greenfield development. Therefore, the more reliant an area is on redevelopment, infill, and rural residential lot conversion to produce new housing stock the slower the growth rate, the more limited the supply, and the more expensive the end product.

For example, the wide spread development of rural residential land in the former Caboolture Shire has significantly constrained the supply of greenfield land for new urban development in close proximity to existing facilities and services. Significant work is underway through the MBRC Master Planning work program and in conjunction with Unitywater to prepare strategies for the conversion of rural residential areas at Morayfield, Burpengary and Narangba to next generation suburban areas and prepare trunk infrastructure plans. Funding mechanisms and land acquisitions are needed to provide the initial trunk infrastructure network to facilitate development and to support a steady rate of development.

Figures 15, 16 and 17 compare the land supply sources for new development for each district. Over 70% of the forecast dwellings sourced from rural residential areas to be converted to urban development are located within the Caboolture district.

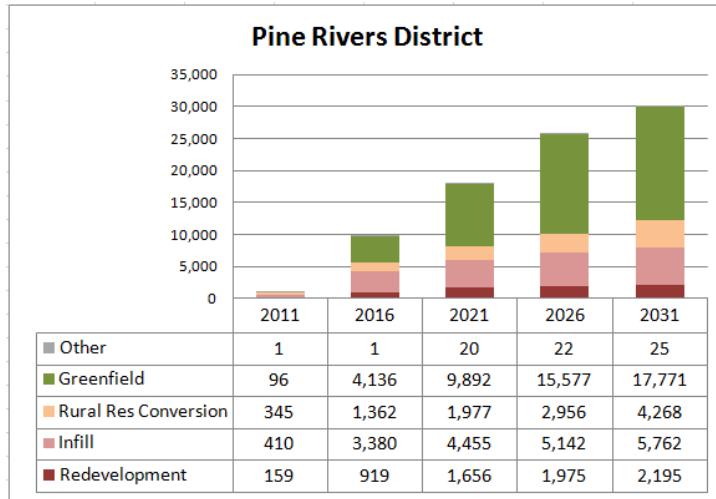


Figure 15 Pine Rivers land supply sources of new dwellings

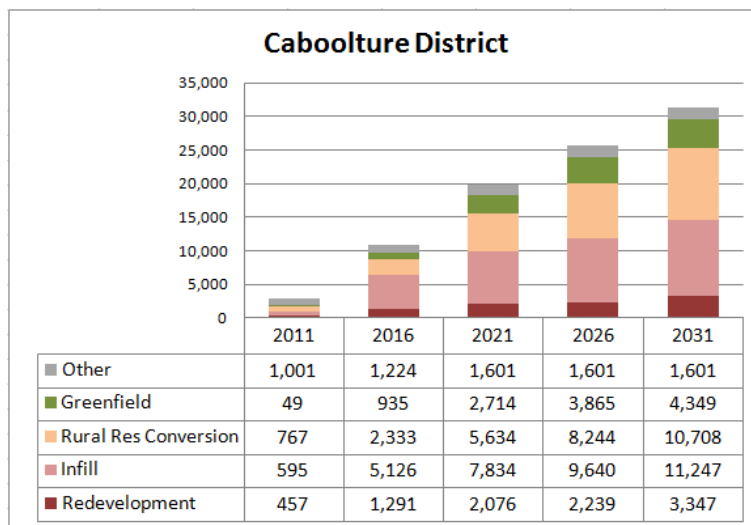


Figure 16 Caboolture land supply sources of new dwellings

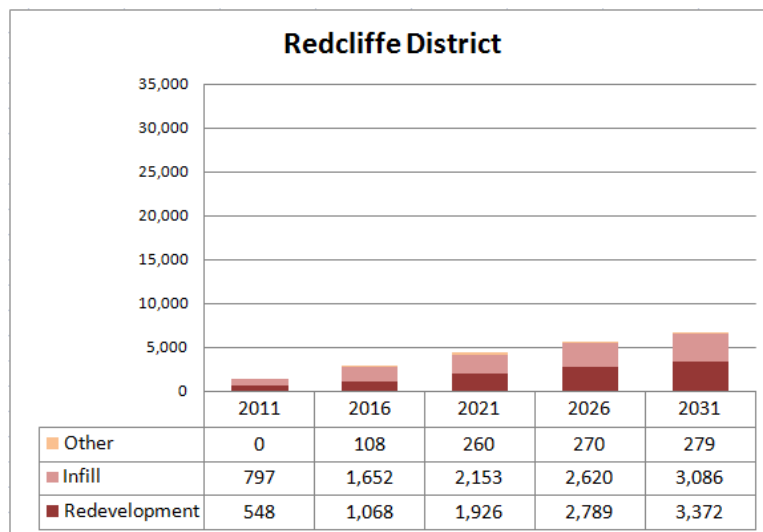


Figure 17 Redcliffe land supply sources of new dwellings

Development Scale

The scale of development also determines to a large extent the volume and rate of development capacity of an

area. Figure 18 indicates the typical scale of development projects in MBRC. The graph shows the scale of rural residential lot production assumed to convert rural residential areas to urban compared to the typical scale of activity in existing greenfield development areas. To meet housing supply needs, by 2031 numerous of medium and smaller scale developers would need to be consistently active in each of these areas assembling land, extending infrastructure networks, subdividing land, constructing new dwellings to maintain a high rate of dwelling production.

At present Narangba East and Morayfield Burpengary infrastructure networks are still being planned and implementation strategies have yet to be put into place therefore these areas are expected to get off to a slow start and possibly build momentum over time. In the draft PIP assumptions Narangba East is assumed to develop sooner than Morayfield/Burpengary and to reach peak rates of development before 2021 however peak activity in Narangba East may not be reached until after 2021. The Morayfield/Burpengary area is assumed to provide a longer term supply of land for housing with growth rates increasing after 2021. Initial activity in these areas may be facilitated by temporary and limited capacity connections to existing trunk infrastructure until the planned trunk infrastructure can be provided.

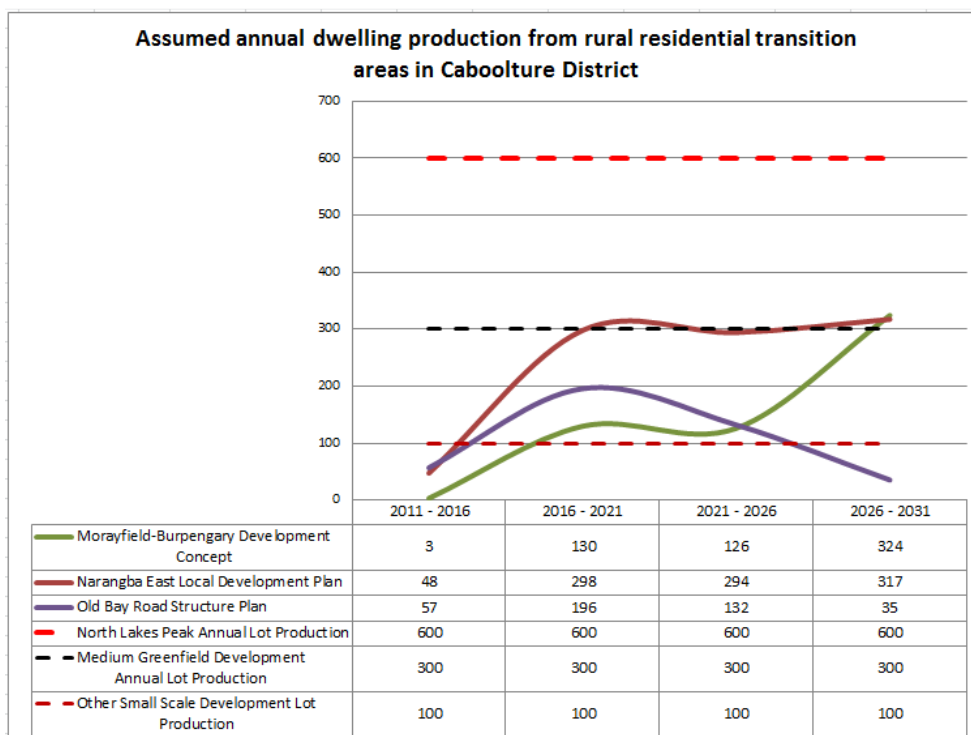


Figure 18 Assumed annual dwelling production in rural residential transition areas Caboolture district^{xvi}

Slow growth in each of the major rural residential conversion areas is unlikely to be compensated for by higher growth rates in other redevelopment and infill areas, as the supply of infill development opportunities is expected to decline over the next 20 years and redevelopment to higher densities caters for a different segment of the market. The slower rate of dwelling production coupled with significant underlying dwelling demand would likely also put upward pressure on housing prices.

MBRC has traditionally been a good source of new lot sales into the SEQ land market sourced from major greenfield land developments. This analysis indicates that this role could not be sustained without Caboolture West as the greenfield land development opportunities in MBRC will significantly decline leading up to 2021 and beyond (See Figure 13).

3.6 Strategic Review of New Greenfield Land Supply in MBRC

MBRC has undertaken analysis of the Moreton Bay Region land characteristics to understand the potential an areas MBRC has available for long term urban growth. Land that is heavily constrained proves either extremely difficult or impossible to accommodate future urban development. Land with limited constraints has the potential to accommodate population growth, subject to further investigation.

Figure 19 below shows a sub-regional constraint analysis for the MBRC area.

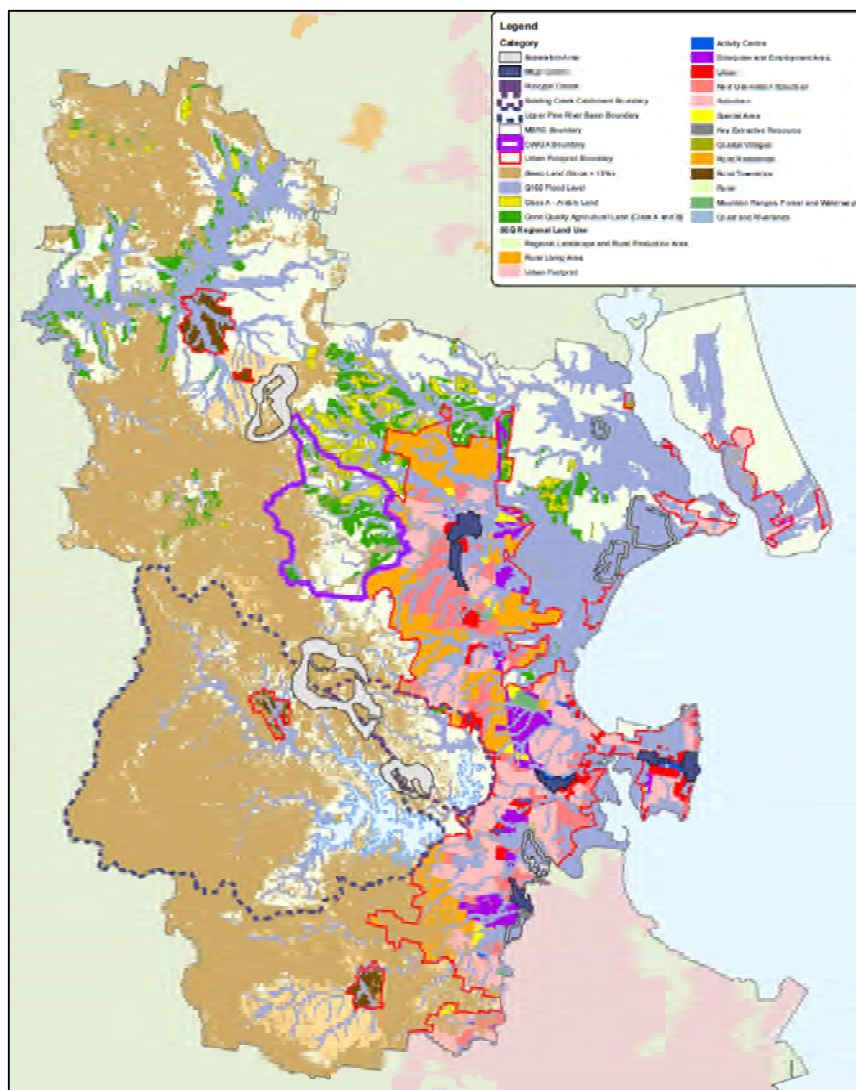


Figure 19 Sub-regional constraint analysis

The MBRC area is affected by a number of constraints, notably the coastal hazard areas to the east and the hills and mountain ranges to the west. The SEQ Urban Footprint is highlighted in Figure 19 above. This footprint (red outline) is surrounded by many dominant constraining elements such as slope (brown shade), flood liable land (blue shade), lake catchments (dotted outline), extractive resource areas (grey shade) and good quality agricultural land (green and gold). When considering options for substantial future growth there is very limited choice remaining within the region. The Caboolture West area, shown in the purple outline, provides the only significant opportunity to accommodate growth on the low rise coastal plain that is relatively unconstrained and adjoining existing urban services and facilities. Much of the Good Quality Agricultural Land in the Caboolture West area has been validated as limited-class B arable land (green) the balance of the Caboolture West area is not suitable for cropping purposes^{xvii}.

Not shown in the figure above is the SCL and potential SCL mapping which only corresponds in part to the mapped GQAL (green and gold). With the additional constraint of the SCL mapping, the low rise coastal plain comprising the Caboolture West area is so covered with mapped SCL/GQAL that the areas remaining are not a viable land source for future growth. Once these findings are combined with the remaining more heavily constrained land elsewhere within the region, there is limited to no future land available to sustain the growth of MBRC in the longer term.

It is therefore clear in terms of the major constraints within the region that the Caboolture West area is the most appropriate area to investigate accommodating long term population and employment growth without compromising the existing major areas used for agricultural production within the MBRC area and by using land which is only

marginally suitable for limited crop production.

3. Role of Caboolture West

The source of land supply for new housing and the timing of provision of new housing are fundamentally important to maintaining the supply of an affordable housing product and responding to changing market demand over time. To maintain a reasonable volume of supply of new housing stock to cater for demand, MBRC will need to maintain a balance between redevelopment, infill, conversion of rural residential land and greenfield development which accounts for realistic rates of conversion of each land supply source to new dwelling stock.

MBRC has traditionally relied upon greenfield development to deliver the greater proportion of affordable new housing. Going forward without Caboolture West, infill and redevelopment (including rural residential conversion) is forecast to significantly exceed at almost 80% by 2031 the split between infill and greenfield development advocated in the SEQ Regional Plan, necessitating new greenfield supply to be sourced to rebalance both the amount and rate at which MBRC is able to accommodate projected new housing requirements.

The SEQ Regional Plan indicated a planned intent that over the next 20 years around 60% of new lot production in MBRC would be sourced from greenfield development and 40% from infill and redevelopment. Without the Caboolture West area greenfield development will decline as a source of new dwelling supply to around 20% of new dwelling production over the next 20 years in MBRC with stocks of greenfield land for development being exhausted in the Caboolture District well before the end of this period.

Caboolture West is therefore required to enable MBRC to continue to produce the forecast quantity and rate of housing.

Preliminary population and dwelling forecasts for the Caboolture West area prepared by the Planning Information and Forecasting Unit in 2008 to inform the preparation of the SEQ Regional Plan assumed development of the Caboolture West area would begin after 2015. Using this forecast as a basis, new dwelling production in the Caboolture West area could start from 2016 and increase as indicated in Table 2 below.

	2016 -2021	2021 - 2026	2026 -2031
Caboolture West New Dwellings Assumption	1,700	3,000	3,000

Table 2 Assumed dwelling production Caboolture West

This would result in greenfield development increasing its share of new development in MBRC over time to 40% in 2031 as shown in Figure 20 below and 50% in the Caboolture District in 2031 as shown in Figure 21. These graphs should be compared to preceding Figures 9 and 10 which show the share of new development without Caboolture West.

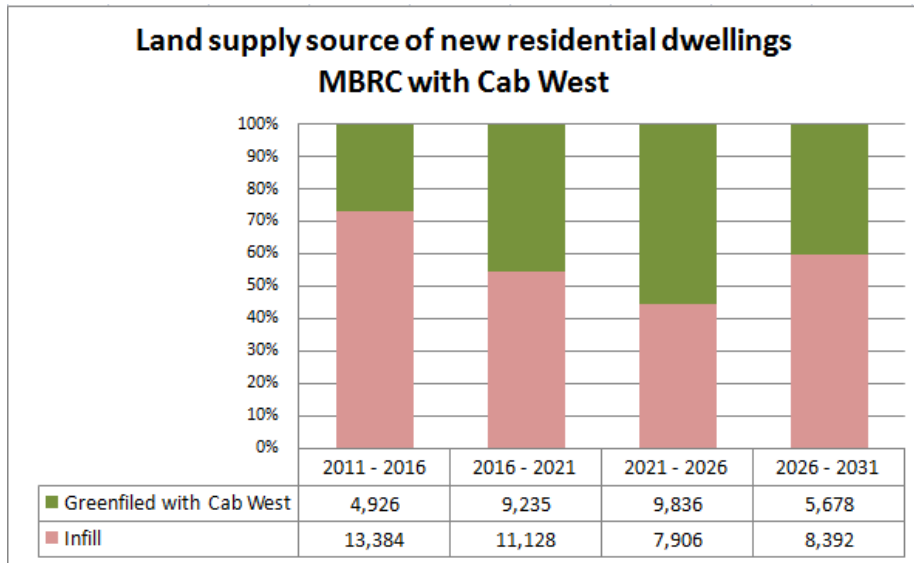


Figure 20 MBRC dwelling production by land supply source with Caboolture West^{xviii}

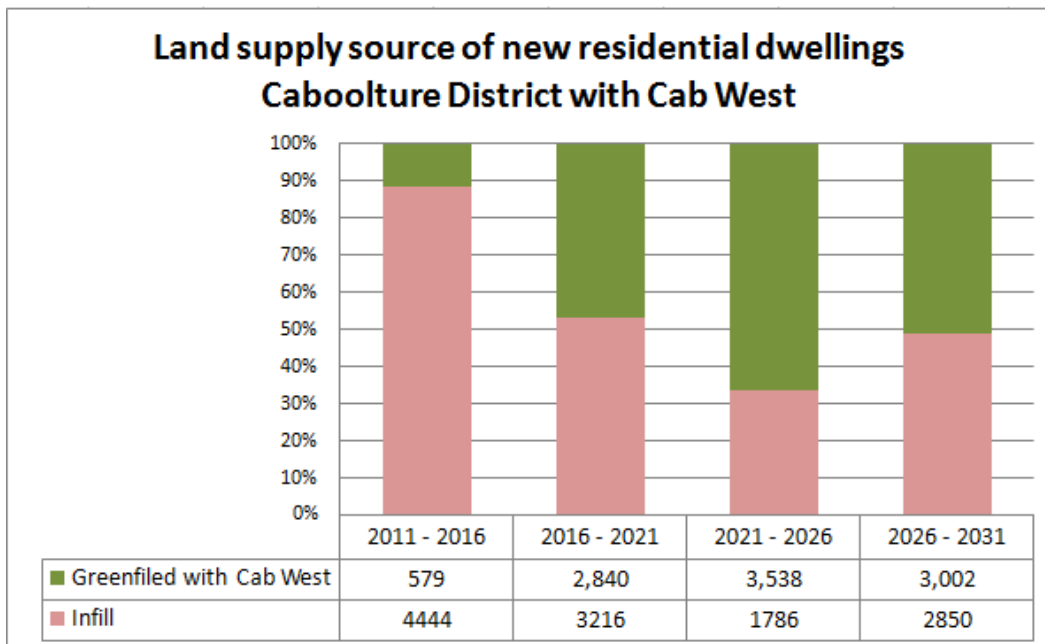


Figure 21 Caboolture district dwelling production by land supply source with Caboolture West

With development of the Caboolture West area greenfield development could supply between 40% and 50% of new dwelling production in MBRC and 50% to 70% of dwelling production in the Caboolture District. Without the Caboolture West area the supply of new land for housing and the ability to respond to fluctuations in demand for new housing becomes significantly constrained by:

- declining supply of greenfield land elsewhere in MBRC, as there are no alternative future greenfield land supply locations in MBRC;
- declining supply of infill development opportunities in existing urban areas as existing opportunities are developed across MBRC over the next 20 years;
- increasing supply of land for infill by converting highly fragmented rural residential areas to new urban areas;
- increasing supply of land for higher density housing but in limited locations in and around major centres and

transit nodes but starting from a very small base (less than 3% of MBRC housing stock in 2011^{xix}), a relatively small segment of the MBRC housing market due to economic feasibility, and limited but increasing market demand in the foreseeable future.

Figure 22 shows the relationship between the draft PIP dwelling assumptions and the 2011 medium series underlying requirement for new dwellings with and without the Caboolture West area being developed before 2031. By allowing release of land in the Caboolture West area MBRC can supply housing to meet the underlying dwelling requirements to 2031 (2011 projection) and maintain the balance between infill and greenfield development in the SEQ Regional Plan.

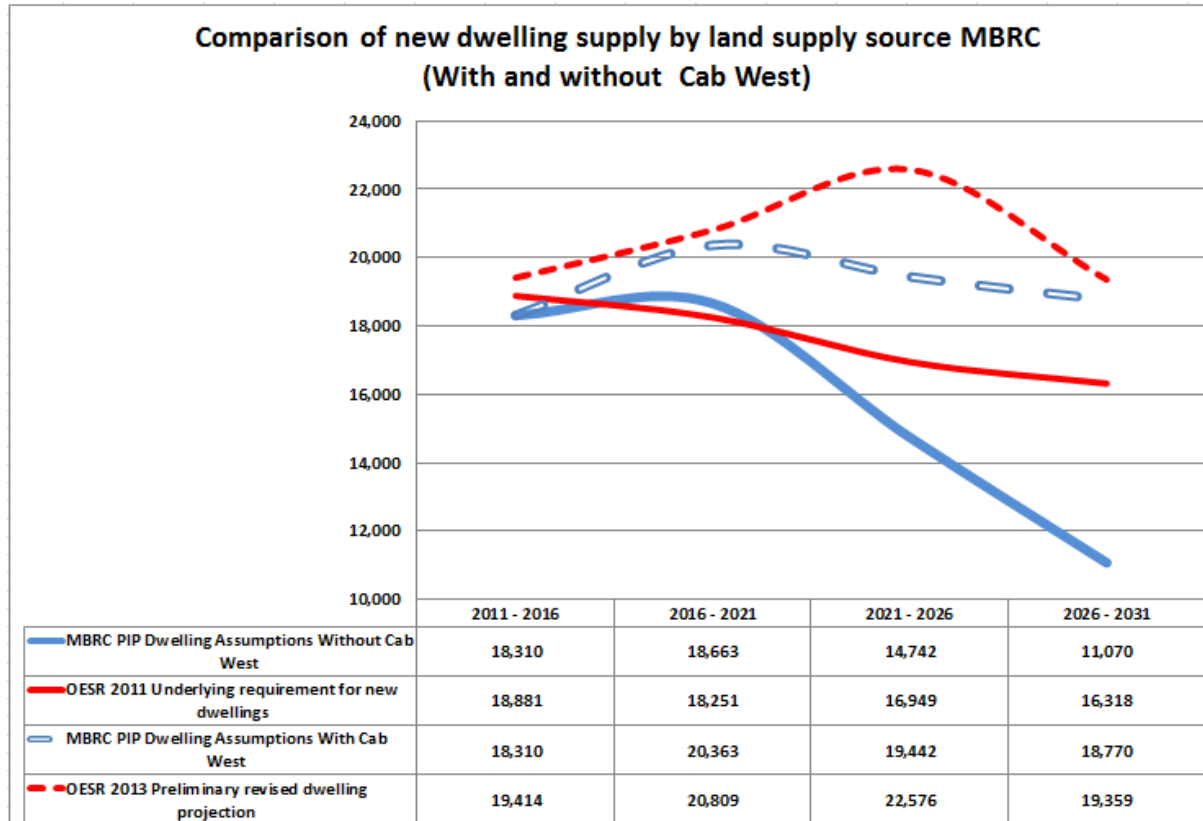


Figure 22 MBRC analysis of dwelling supply compared to underlying dwelling requirements with and without Caboolture West^{xx}

4. Caboolture City Concept

4.1 Background

The historic pattern of settlement, combined with the planning and development of new residential communities has been a significant feature of the growth of MBRC for decades. Significant population growth is projected into the future and therefore it is important that MBRC continue to develop its settlements to accommodate this growth. This residential growth has been a key driver of economic and local employment growth in many service sectors of the local economy and this is expected to continue into the future.

MBRC now has a significant skilled labour force but many people are also faced with long commutes to adjoining areas for work which results in reduced local economic activity and pressure on households seeking to live balanced lifestyles combining family, work, education and training, recreation and leisure, and involvement in community activities. This is particularly an issue as congestion on the regional transport network increases and significant population growth is projected to occur further away from the traditional concentration of economic activity within Brisbane City. Strong economic growth in MBRC comes mainly from its activity centres and business and industry areas within the urban corridor. MBRC is seeking to increase the level of economic activity locally to provide more employment opportunities close to where people live and to broaden and deepen the local economy.

4.2 Draft Strategic Framework

Caboolture City

The draft Strategic Framework provides a comprehensive vision and strategy for MBRC that is derived from the Community Plan, reflects the state interests expressed in the SEQ Regional Plan and Council's planning intentions. Council's planning intentions are expressed spatially based on five districts:

- Caboolture City;
- The North Lakes-Redcliffe Moreton Bay rail Link Corridor;
- Strathpine City;
- The Coastal villages; and
- The rural areas.

Caboolture has traditionally been a major centre of commerce and administration but wages on average are lower than across the region. The development of future employment lands around Caboolture and the redevelopment of the Caboolture CBD are intended to help create more opportunities for diverse development in the area over the coming decades. This is a very significant issue that Council has sought to address in the draft MBRC Planning Scheme where it has sought to combine residential and employment place types to form a future strategy for Caboolture City.

Caboolture West

Caboolture West is included in the Caboolture City district, and is intended to provide for an assembly of the relevant place types including Coast and Riverlands, Mountain ranges, forests and waterways, Activity centres, Enterprise and employment areas, Special areas (e.g. major sport and recreation facilities), Urban neighbourhoods and Next generation suburban neighbourhoods place types, structured to form a major new urban settlement.

The Caboolture West project has an important role to play in forming part of the future Caboolture City. The land use strategy of Council is therefore closely coupled to its economic development strategy and focuses on the future economic activities that drive growth throughout the economy, provide more diversification and balance away from residential services and better connected places where people can live and work. The vision of a future Caboolture City with a population of 190,000 people and 80,000 jobs is an important part of the overall long term vision for the region. Council intends that this area be developed for jobs and housing to meet future projected needs and Council's vision for increased local economic activity and greater levels of job self-containment.

Figure 23 shows the projected population of Caboolture City with and without the Caboolture West development proceeding before 2031. The population growth rate in Caboolture City is likely to decline in the medium to long term without Caboolture West primarily because of lot production/dwelling supply constraints associated with the fragmentation of land and redevelopment/conversion of exiting developed areas to higher densities. The Caboolture West area represents a significant medium to long term land asset that if master planned and released in an orderly and progressive manner by Council will support the long term stable growth of Caboolture City.

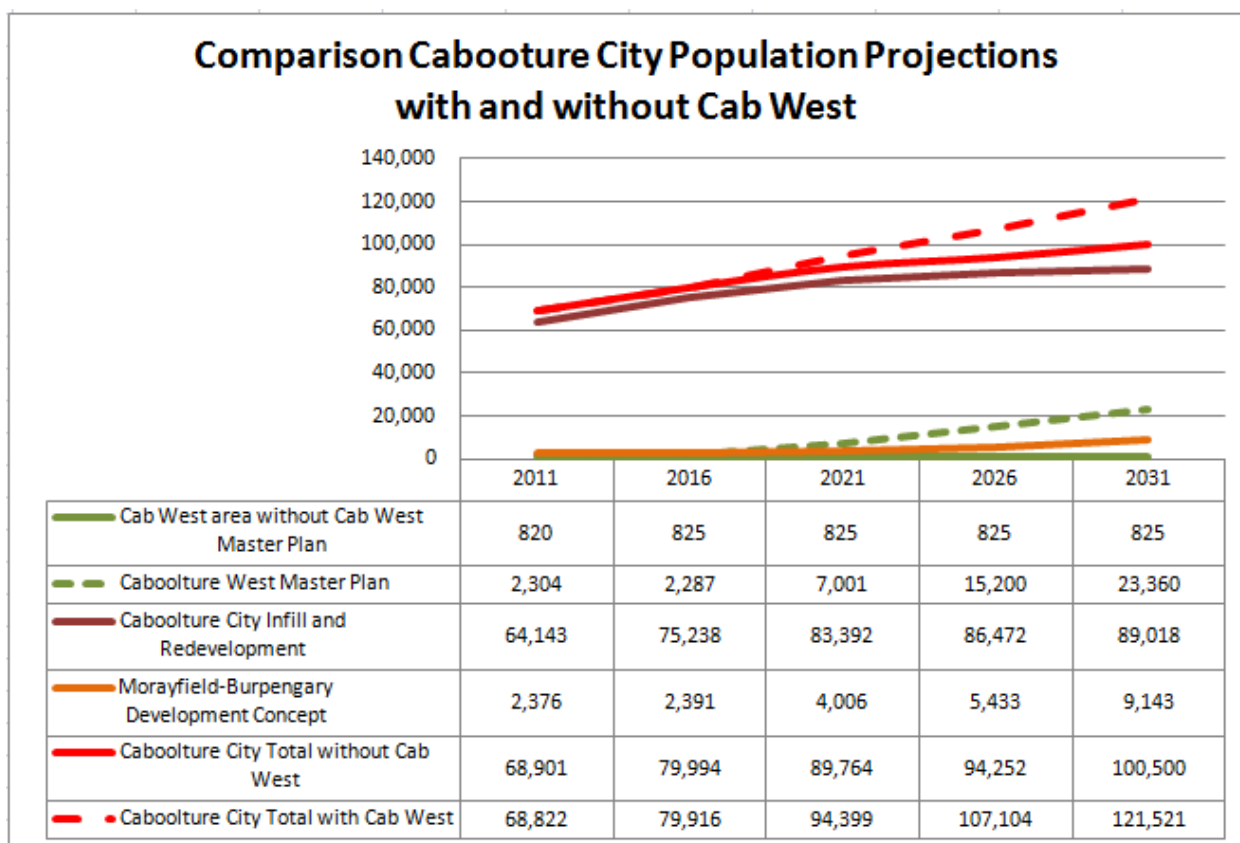


Figure 23 Caboolture City population projections with and without Caboolture West^{xxi}

5. Summary and Conclusion

The draft new MBRC planning scheme has examined how the projected population can be accommodated within the MBRC area to 2031, and concluded that the Caboolture West area needs to play a key role in accommodating growth.

South East Queensland population forecasts have consistently risen over the last several years, challenging the capacity of MBRC to accommodate projected growth:

- The 2009 SEQ Regional Plan's indicative planning population for the MBRC area of 513,000 people and a forecast of 84,000 additional dwellings has increased by 20,000 people (medium series) within the four years since the regional plan was approved.
- Indications from the latest 2013 review of the MBRC population projections by OESR are for a further increase in the projected population that requires a dwelling increase of 123,200 dwellings compared to the 84,000 forecast referred to in the regional plan.
- Dwelling construction activity within the MBRC urban footprint is also well in excess of the level of activity anticipated in the SEQ Regional Plan, confirming the projected increases.

Whilst the MBRC provision of new housing in the short term may exceed the underlying dwelling requirements, there are major housing supply shortfalls in the medium to longer term without Caboolture West:

- Greenfield land development opportunities in MBRC will significantly decline leading up to 2021 and beyond and infill and redevelopment (including rural residential conversion) cannot supply sufficient housing to meet the forecast population projections or provide new housing in a timely or affordable manner.
- Consequently, infill and redevelopment including rural residential conversion will exceed planned targets of 40% and rise to almost 80% by 2031. Greenfield development component will fall from a planned 60% to

around 20%

Without the Caboolture West area the supply of new land for housing and the ability to respond to fluctuations in demand for new housing becomes significantly constrained by:

- declining supply of greenfield land elsewhere in MBRC, as there are no alternative future greenfield land supply locations in MBRC;
- declining supply of infill development opportunities in existing urban areas as existing opportunities are developed across MBRC over the next 20 years;
- difficulties in increasing supply of land for infill by converting highly fragmented rural residential areas to new urban areas;
- difficulties in increasing supply of land for higher density housing but in limited locations in and around major centres and transit nodes but starting from a very small base.

MBRC has traditionally been a good source of new lot sales into the SEQ land market sourced from major greenfield land developments and Caboolture West is a major asset to MBRC in its efforts to maintain a balance of land supply sources for new dwellings to meet the underlying demand for new dwellings.

The development of the Caboolture West area greenfield can supply sufficient housing to meet the underlying dwelling requirements to 2031 (2011 projection) and maintain the balance between infill and greenfield development to between 40% and 50% of new dwelling production in MBRC.

The Caboolture West project also has a vital role to play in forming part of the future Caboolture City.

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- i Queensland Government Queensland Treasury and Trade, Regional Profiles Summary – South East Queensland, 2013.
- ii Queensland Government SEQ Regional Plan 2009-2031 p.8 The SEQ Regional Plan identifies sufficient land to accommodate a projected population of 4.4 million people and their employment and economic development needs up to 2031
- iii Queensland Government Government Statistician Projected population by local government Area, Queensland, 2011 to 2031 (medium series),
- iv Recent advice from OESR regarding the 2013 population projections for the Brisbane Greater Capital City Statistical area indicates that the 2031 population is expected to be revised upwards by 200,000 from the current 2,945,300 to 3,147,000 people. Overseas migration and increased rates of natural increase are driving this increased population growth.
- v Projected populations drawn from SEQ Regional Plan 2009-2031, OESR 2011 medium series population projections and OESR preliminary MBRC and SA2 2013 population projections.
- vi Source Qld Government OESR Population Projections to 2031 medium series 2011 edition
- vii Queensland Government Government Statistician Projected population (medium series), by statistical area 2 (SA2), SA3 and SA4, Queensland, 30 June, 2011 to 2031
- viii Sources - Queensland Government population projections to 2031: local government areas 2011 edition.
- ix Australia's population growth is the highest rate of growth in the developed world. Natural increase and international migration are fuelling this growth. Queensland share of this growth is increasing and the SEQ share of Queensland growth is projected to increase.
- x Queensland Government Government Statistician Population Projections 2011 edition (Queensland local government areas), SEQ Regional Plan 2009-2031, preliminary population projections 2013.
- xi MBRC estimate based on 2011 OESR population projections and associated dwelling needs assessment.
- xii The diagram omits reference to the extractive industry and environmental area place types in which residential development is not proposed.
- xiii Source MBRC draft Strategic Framework 2012
- xiv SEQ Regional Plan 2009 – 2031 p.24 The Caboolture–Morayfield principal regional activity centre will be the focus for infill development within the northern growth corridor. Higher density residential development and mixed-use development will be located within the Caboolture CBD, particularly in the vicinity of Caboolture's railway station. Other significant infill opportunities will be generated through efficient use of land close to the Brisbane–Sunshine Coast rail corridor, particularly the conversion of suitable rural residential lands and other remnant broadhectare lands at Narangba, and between Morayfield and Burpengary. Moreton Bay Regional Council will undertake planning and coordination to achieve orderly conversion to urban development. Subject to further investigation, land in the Caboolture West Identified Growth Area could also help accommodate long-term residential growth. AND P.155 Infill development: New development that occurs within established urban areas where the site or area is either vacant or has previously been used for another urban purpose. The scale of development can range from the creation of one additional residential lot to a major, mixed-use redevelopment.
- xv MBRC PIP Assumptions 06 Aug. 2013
- xvi MBRC PIP Assumptions 06 Aug. 2013.
- xvii See separate MBRC reports on Agricultural Land and Production 2013 and Strategic Cropping Land Assessment 2013
- xviii MBRC PIP Assumptions 06 Aug. 2013
- xix Source MBRC dwelling structure ABS Census 2011
- xx MBRC PIP Assumptions 06 Aug. 2013
- xxi MBRC PIP Assumptions 06 Aug. 2013