Land development trends:
An analysis of land supply and consumption
2015-2016
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Wodonga Council has a clear strategic land use vision as set out in the Municipal Strategic Statement (MSS):

“To continue to develop as a regional city offering a high quality lifestyle to our community and be the most prosperous and dynamic regional centre of inland Australia”.

The Wodonga Growth Strategy, adopted by council by 2016, seeks to provide land use direction in relation to the location and preferred form of growth within the city. The growth strategy builds on the objectives of the Wodonga Council Plan up to 2036 and beyond - our people, our city, our future - and focuses on two key themes - liveability and prosperity.

Liveability and prosperity have been chosen as the two key themes because the community has clearly recognised the positive relationship between them in guiding the growth of the city into the future.

Delivering the vision will require comprehensive forward planning, sustained investment in infrastructure and services and continuing focus on a sustainable economy. Maintaining Wodonga as a liveable city, and maximising partnerships with government, industry, business and our community will be critical.

In reflecting on the capacity of the city to achieve this aspiration, understanding how the city is growing and where and at what rate is critical. The council needs to determine if sufficient land is available to meet market demand and to identify consumption and production trends impacting the city. The Land Development Trends provides updated information for the existing and future development of residential, commercial and industrial land throughout the city of Wodonga.

In response to the information contained in this document, the council will be able to make appropriate zoning, infrastructure and development decisions to ensure there is a sufficient supply and choice of vacant land into the future.

The Land Development Trends will also support decision-making for both current and potential developers in the city. Having up-to-date and accurately analysed data in relation to development rates and property markets will assist in determining where and how to stage development.
Growth context

As one of the fastest growing regional cities in Victoria, Wodonga is anticipated to reach a population of 54,728 by 2031, and has the capacity to support an ultimate population of 100,000 people. Enhancing the existing liveability and prosperity of the city as it grows and changes are the overarching ideals that represent the distinct identity of the city, and the important role that Wodonga plays as a service centre to the broader region.

Wodonga Council is committed to maintaining a steady supply of quality and affordable land to ensure a high quality of life for residents and to support the economic development of the city. It is understandable that Wodonga Council has inherited a legacy of past involvement and influence of the Albury Wodonga Development Corporation (AWDC). While many of the initiatives of the AWDC were positive in terms of influence on the structure of the city, the impacts of divestment are significant.

Following divestment of the former AWDC land, the city is now managing multiple active development fronts (Refer to Wodonga Growth Strategy for details) and dealing with the implications of the transition of historical delivery and pricing of land supply by the AWDC to current delivery and pricing of land supply by the private sector. The Land Development Trends reflects the impact of this and provides a tool to continue to measure this legacy.

In terms of strategic initiatives that have the capacity to shape the city and to respond to the vision set out in the MSS, the council has adopted a proactive approach with respect to managing the development fronts by developing a whole of city growth strategy and planning for significant long-term growth in the Leneva-Baranduda Growth Corridor.

The Wodonga Growth Strategy has the capacity to positively shape the future of Wodonga, unlock and co-ordinate development outcomes and assist in identification and delivery of key infrastructure priorities. In the context of Wodonga’s various growth fronts, the growth strategy provides direction and clarity across the various council functions and provides a strategic basis for decision-making regarding the provision of key infrastructure.
Definitions and data

- **Vacant Lot**: All the land which is subdivided for the use of residential, industrial and commercial purposes and suitable for development but with no permanent structures or any significant use.

- **Lot Produced**: A lot is created/produced when land has been subdivided (‘constructed’) with a separate title for the use of residential, industrial and commercial purposes and suitable for development.

- **Lot Consumed**: A vacant lot for which a building approval have been issued by the relevant authority.

- **Major Residential Estates**: Undeveloped land generally located on the urban fringe, zoned for residential development (no previous urban development activity), and the parent lot greater than 1ha.

- **Vacant Lot Sales**: The sales of all the vacant lots which is subdivided for the use of residential, industrial and commercial purposes.

- **Residential Use**: All the land zoned General Residential (GRZ), Low Density Residential (LDRZ), Rural Living (RLZ), Township (TZ) and Mixed Use (MUZ) and subdivided for the use of residential purpose.

- **Non-Residential Use**: All the land zoned Industrial 1 (IN1Z), Commercial 1 (C1Z), Commercial 2 (C2Z), and Comprehensive Development (CDZ1) and subdivided for the use of non-residential purposes.

- **Dwelling Occupancy**: Vacant lot being occupied by a building occupancy certificate by the relevant authority.

- **Building permit**: An official certificate of permission issued by local authorities to a builder to construct, enlarge or alter a building.

- **Development Use Land**: A council rate type for vacant land with planning permit in place with a differential applied as an incentive to encourage the development of land and construction of buildings on land.

Data source – All maps, charts and tables in this report have been prepared by Walker Geospatial and Data Analysis. The base data for the maps, charts and tables originates from Wodonga Council's Pathway database and Geographic Information System (GIS) database. The data was analysed, relevant information extracted and merged between the two databases and presented.

Data analysis – This report has used a combination of statistical analysis and spatial analysis to reveal trends in land development activity on a location basis, to assist council and developers of where, and to what extent, activity is present, or the likelihood of future activity.

Data accuracy – Spatial and statistical data can contain inconsistencies or other anomalies due to the integrity of the base data. Data has been cross-referenced using aerial imagery and multiple data sets (where available) in order to minimise any statistical and geographic errors. As with all data analysis, there is always the possibility of inherent or operational errors.
Availability of all vacant land

- **Vacant Lots at Financial Year Start (all types)**
- **Vacant Lots Created (all types)**
- **Vacant Lots Sold (all types)**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Vacant Lots at Start</th>
<th>Vacant Lots Created</th>
<th>Vacant Lots Sold</th>
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<tbody>
<tr>
<td>2011-2012</td>
<td>1038</td>
<td>352</td>
<td>325</td>
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<tr>
<td>2012-2013</td>
<td>1028</td>
<td>293</td>
<td>313</td>
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<tr>
<td>2013-2014</td>
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<td>244</td>
<td>420</td>
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<tr>
<td>2014-2015</td>
<td>998</td>
<td>259</td>
<td>488</td>
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<tr>
<td>2015-2016</td>
<td>879</td>
<td>290</td>
<td>249</td>
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</tbody>
</table>
Current vacant land as at June 30, 2016

All Vacant Lots by Zone as at 30 June 2016
- Commercial Vacant [14]
- Industrial Vacant [79]
- Development Use Land [56]
- Residential Vacant [567]
- Rural Farming Vacant [67]
- Rural Non Farming Vacant [19]
Land development trends

Residential
Residential key findings

- As of June 30, 2016 there were approximately 550 vacant residential lots in Wodonga. This includes land zoned general residential, as well as mixed use, rural living, township and low density zoned land. The supply of vacant lots is widely dispersed across the city with the largest supply being located within east and south Wodonga.

- 290 new vacant lots were produced in the city during 2015-2016. This represents a small increase compared with an average annual residential lot construction of 286 lots between 2010-2011 and 2015-2016.

- In 2015-2016 the majority of vacant lots produced in the city were located at White Box Rise (45 lots) and Riverside Estate (63 lots).

- 351 lots were consumed in Wodonga during 2015-2016. This represents a small increase compared to previous years, with 333 lots consumed on average between 2011-2012 and 2015-2016.

- Both the annual volume of residential building approvals and residential lot construction vary over time. Residential lot construction was highest in 2011-2012 (352 lots) and lowest in 2013-2014 (244 lots).

- By comparison, building approvals were highest in 2014-2015 (410 lots) and lowest in 2012-2013 (292 lots). This variance in the lot construction and consumption is a typical trend over time in the land development industry.

- As with lot production, the consumption of lots is spread across a number of multiple development fronts around the city. The majority of lots consumed in 2015-2016 were located in White Box Rise and Riverside Estate.

- Over the period 2011-2012 to 2015-2016, the residential lots created has decreased from 308 lots to 281 lots. By comparison, the residential lots consumed has increased from 302 in 2011-2012 to 351 lots in 2015-2016. This has led to an overall reduction in the number of vacant lots by 15 per cent over the same period.

- Projected dwelling requirements for Wodonga from 2011-2031 using the state government’s VIF forecast (Victoria in Future 2016) is 7300 (365 average per annum). Similarly council’s ID Forecast projections from 2011-2031 forecast that there will be a total dwelling requirement of 6449 (322 average per annum). Therefore between 320 and 370 new dwellings will be required every year for the next 20 years to meet requirements of the future projected population.

- There is a widespread distribution of lot/dwelling potential for each of the Wodonga suburbs. In terms of land supply, the amount of zoned residential land, based on population projection, is between 32 and 36 years land supply available (Wodonga Growth Strategy, 2016). There is an additional 42 to 47 years of land supply if the strategic land identified in the Leneva-Baranduda growth area is included.

- The vast majority of building approvals (95 per cent) since July 2011 have been separate houses, the remainder medium density style dwellings (flats/units and townhouses). This trend has steadily increased since 2009-2010 financial year (79 per cent). Residential lot construction across the municipality is relatively reliant on larger broad hectare style developments. Minor infill development is relatively small in terms of its contribution to lot creation.

- Lot production within Wodonga has a diverse and wide range of lot sizes, ranging from 135 sqm. to over 4000 sqm.

- Between 2010–2015 the average vacant lot sale across all residential land sales was $122,888.
Developing residential estates

Developing Residential Estates (as at 30 June 2016)

- General Residential Zone
- Low Density Residential Zone
- Mixed Use Zone
Vacant lots by estate
Lots produced by location

Residential Lots Produced during financial years 2011 to 2016

Number of Lots Produced
- 1 - 2
- 3 - 9
- 10 - 39
- 40 - 69
- 70 - 249
- 250 - 400
- Other Lots Produced
Vacant lots sold (by estate)

Vacant Lots Sold during financial years
2011 - 2016

Number of Lots Sold
- 1 - 4
- 5 - 19
- 20 - 49
- 50 - 99
- 100 - 199
- 200 - 445

0 1 2 3 4 5 km
Total volume of building permits (by estate)

Volume of Building Permits (new house construction) during financial years 2011 - 2016

Number of permits
- 2 - 4
- 5 - 14
- 15 - 24
- 25 - 49
- 50 - 99
- 100 - 453
Completed house construction by estate (occupancy)

Completed House Construction (occupancy) during financial years 2011-2016

- 1 - 4
- 5 - 9
- 10 - 39
- 40 - 69
- 70 - 109
- 110 - 452
Volume residential building approvals (new dwellings) by estate

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<td>7</td>
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<td>13</td>
<td>9</td>
<td>3</td>
<td>43</td>
<td>2.55%</td>
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<td>2</td>
<td>1</td>
<td>6</td>
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<td>14</td>
<td>34</td>
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<td>6</td>
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<td>5</td>
<td>3</td>
<td>3</td>
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<td>4</td>
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<td>19</td>
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<td>8</td>
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<td>2</td>
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<td>2</td>
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<td>7</td>
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<td>14</td>
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<td>7</td>
<td>3</td>
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<td>31</td>
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<td>7</td>
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<td>10</td>
<td>4</td>
<td></td>
<td>28</td>
<td>1.66%</td>
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<td>6</td>
<td>20</td>
<td>40</td>
<td>55</td>
<td>76</td>
<td>197</td>
<td>11.69%</td>
</tr>
<tr>
<td>Riverview</td>
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<td>3</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td></td>
<td>10</td>
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</tr>
<tr>
<td>Silky Oaks</td>
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<td>43</td>
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<td>16</td>
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<td>5</td>
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<td>19</td>
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<td>2</td>
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<td>4</td>
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<td>Western Park</td>
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<td>3</td>
<td>2</td>
<td>13</td>
<td>6</td>
<td>13</td>
<td>37</td>
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</tr>
<tr>
<td>Whenby Grange</td>
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<td>28</td>
<td>18</td>
<td>15</td>
<td>26</td>
<td>21</td>
<td>108</td>
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<tr>
<td>Whitebox Rise</td>
<td></td>
<td>70</td>
<td>70</td>
<td>91</td>
<td>123</td>
<td>99</td>
<td>453</td>
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</tr>
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<td>Yarralumla Rise</td>
<td></td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>11</td>
<td>0.65%</td>
</tr>
<tr>
<td>OTHERS</td>
<td></td>
<td>52</td>
<td>74</td>
<td>61</td>
<td>84</td>
<td>65</td>
<td>336</td>
<td>19.94%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>302</strong></td>
<td><strong>282</strong></td>
<td><strong>340</strong></td>
<td><strong>410</strong></td>
<td><strong>351</strong></td>
<td><strong>1685</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Volume of Residential Building Approvals (new dwellings)

- 2011-2012: 302
- 2012-2013: 282
- 2013-2014: 340
- 2014-2015: 410
- 2015-2016: 351

Total Value of Residential Construction (new dwellings)

- 2011-2012: $69,555,141
- 2012-2013: $70,453,375
- 2013-2014: $87,914,847
- 2014-2015: $100,661,063
- 2015-2016: $90,739,943
Commercial and industrial
1. There has been a significant increase in the number of commercial and industrial building permits issued in 2015-2016 (66), representing a 7.7 per cent increase in value compared to 2014-2015.

2. Over half (56 per cent) of all commercial and industrial building permits issued relate to commercial alterations, almost a third (27 per cent) relate to new commercial developments, with the balance (16 per cent) relating to industrial developments.


4. The availability of vacant commercial and industrial land remained steady over the 2011 to 2016 financial year periods. There were negligible changes to classes of use and development within commercial and industrial land, and very minor changes (< 10 per cent) to industrial vacant land.

5. Commercial and industrial lots created has remained stable over the 2011-2016 financial year periods, with an exception of a spike in the creation of development use land in the 2011-2012 financial year period.

6. There is an increasing trends towards industrial land sales, with 24 properties sold over the 2014-2016 period, higher than in the previous three year period.
**Commercial and industrial land area by zone**

The vast majority of commercial and industrial land in Wodonga is zoned Industrial 1.

- **Industrial 1 zone** provides for the manufacturing industry, storage and distribution of goods and associated uses.
- **Commercial 2 zone** seeks to develop commercial areas for offices and appropriate manufacturing and industrial and limited retail uses that do not affect the safety and amenity of adjacent, more sensitive uses.
- **Commercial 1 zone** promotes vibrant mixed use commercial centres for retail, office, business, entertainment and community uses, as well as residential uses at densities complementary to the role and scale of the commercial centre.
- **Mixed use industrial zone** enables a range of residential, commercial, industrial and other uses which complement the mixed use function of the locality, providing housing at higher densities which responds to the existing character of an area.
- **Comprehensive development zone** provides for the development or redevelopment of a larger site allowing a variety of land uses and development approaches as part of a comprehensive development plan.

Definitions from Department of Transport, Planning and Local Infrastructure.
Commercial and industrial land area by zone
Commercial and industrial land area - Central Wodonga
Commercial and industrial land area - Moloney Drive
Commercial and industrial land area - Logic and West Wodonga

Legend
- Developed Commercial and Industrial Land
- Commercial 1 Zone
- Commercial 2 Zone
- Comprehensive Development Zone 1
- Industrial 1 Zone
- Mixed Use Zone
Commercial and industrial land area - Anzac Parade Precinct and Baranduda Industrial Estate
Volume and value of commercial and industrial

Number of Commercial / Industrial Building Permits Issued

Accrued Value of Commercial / Industrial Building Permits Issued

- Commercial (Alterations)
- Commercial (New)
- Industrial
- Grand Total