PlanSA

LAND SUPPLY REPORT FOR GREATER ADELAIDE

RESIDENTIAL

July 2023

Government of South Australia
Department for Trade and Investment

Disclaimer

While every reasonable effort has been made to ensure that this document is correct at the time of publication, the Minister for Planning and Local Government, the State Planning Commission, the State of South Australia, its agencies, instrumentalities, employees and contractors disclaim any and all liability to any person in respect to anything or the consequence of anything done or omitted to be done in reliance upon the whole or any part of this document.

Issued by the Department for Trade and Investment on 27 July 2023

Version 2: Published on 7 September 2023

Government of South Australia
Department for Trade and Investment

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

1 BACKGROUND

1.1 What is the Residential Land Supply Report?

The Land Supply Report (LSR) provides a point in time analysis of residential and employment land development trends, projected demand and land supply across the Greater Adelaide Planning Region. This information will be used as an evidence base to determine the capacity of the land use planning system to provide an adequate supply of appropriate land to meet market demand.

The LSR (first published June 2021) was used as an evidence-base to assist the State Planning Commission (the Commission) with its inaugural five-year review into the Environment and Food Production Areas (EFPA Review)[1] in 2021. This review required the Commission to identify if there was a minimum 15-year supply of land to support housing and employment growth within Greater Adelaide. The LSR provided a common information base around population growth (demand), and infill, Greenfield and employment land supply.

The EFPA Review consultation process in 2021, raised some common concerns about the LSR data and analysis used to inform Stage 1 of the EFPA review process. This included the:

- Method used to analyse land supply data.
- Impact of COVID-19 on population growth and development patterns.
- Impact of the HomeBuilder Stimulus Package.
- Timeliness of the data.

In the first half of 2022, the State Planning Commission initiated a review of the land supply methodology to investigate these concerns. The review identified several areas for improvement and the key recommendations and changes are summarised in Appendix 1.

This residential land supply update implements many of the changes and recommendations from the 2022 land supply review.

[1] Environment and Food Production Areas Review 2021: Outcomes Report (the EFPA Review Outcomes Report)

1.2 Land Supply Types

Residential land supply comprises both Greenfield and Urban Infill land. Greenfield is a term used to describe largely undeveloped residential land located on the urban fringe and within townships. Urban infill is a term used to describe residential development that occurs within the established urban area of Greater Adelaide. It includes both general and strategic infill, as defined in Table 1.

Table 1: Land supply type definitions

LAND SUPPLY TYPE	DEFINITION
Greenfield	Land parcels located on the urban fringe and in townships[2], which are greater than 4,000sqm in area and currently zoned for residential use or identified for future urban development. Greenfield land is categorised as: ▪ ***Development Ready:*** zoned greenfield land with an active plan of division (proposed or approved). Other market and development factors may be required prior to commencement. ▪ ***Undeveloped Zoned:*** zoned greenfield land with no active plan of division. ▪ ***Future Urban Growth Area:*** land identified for future urban development within a relevant strategic plan (i.e. regional plan).
General Infill	Occurs on land parcels, less than 4,000sqm, within the established urban area. Typically involves the demolition of older dwelling stock and/or the re-subdivision of land parcels to accommodate new dwellings, often at higher densities.
Strategic Infill	Significant residential development within the established urban area. Comprises three main development types: ▪ ***Urban Corridor Zone***: residential development within an Urban Corridor zone type. ▪ ***CBD***: residential development located within the City of Adelaide. ▪ ***Strategic Sites***: residential development that is master-planned or resulting from a code amendment (rezoning). Includes brownfield developments.

[2] Urban centres separated from the built-up areas of metropolitan Adelaide and distributed throughout the Environment and Food Production Areas (EFPA). Many of the larger townships (Victor Harbor, Goolwa, Murray Bridge and Strathalbyn) have significant amounts of Greenfield land, and some potential for urban infill.

Following the land supply methodology review in 2022, the changes outlined in Table 2 were implemented. These changes allow for more accurate reporting of Greenfield and Infill land supply.

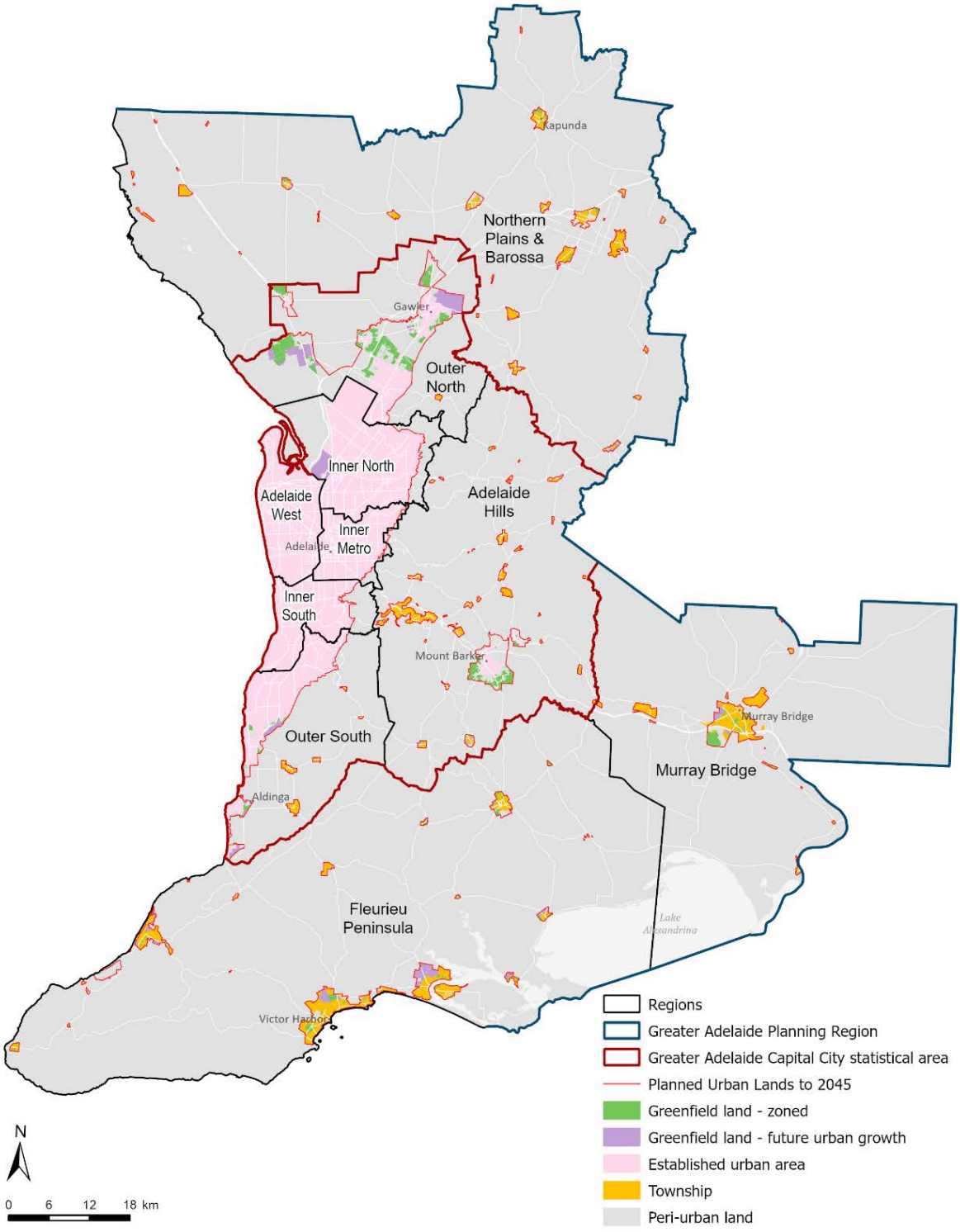
Table 2: Greenfield and Urban Infill methodology changes

LAND SUPPLY TYPE	CHANGES
Greenfield	**CREATE** a '*development ready'* supply pipeline. **DISCOUNT** *undeveloped zoned* land by 15% to account for other land uses and fragmented ownership. **DISCOUNT** *future urban growth area* land by 30% to account for greater uncertainty about how much land will be zoned for residential use and set aside of infrastructure.
General Infill	**CREATE** a '*development ready'* supply pipeline. **CREATE** a theoretical maximum supply and a realistic supply which is filtered by CV/SV ratios, year built and trend data.
Strategic Infill	**CREATE** a '*development ready'* supply pipeline. **USE** a 5-year rolling average of dwellings built in strategic sites, urban corridors and CBD to project future demand / supply.

1.3 Geography

The Land Supply Report (LSR) relates to the Greater Adelaide Planning Region (GAPR) only. This geography is defined in the *Planning, Development and Infrastructure Act, 2016* (the Act)[3] and illustrated in Figure 1. In addition, the Greater Adelaide Capital City Statistical Area (GACC)[4] is also used for land supply monitoring and reporting, also shown in Figure 1.

Figure 1: Greater Adelaide Planning Region and land supply types



[3] *Planning, Development and Infrastructure Act,* 2016, Part 1 - section 5(2), Version 1.7.2019
[4] The Australian Bureau of Statistics (ABS) defined Greater Adelaide Capital City (GACC) represents the contiguous urban area and is now widely used for national comparisons of capital city performance.

2 RESIDENTIAL DEVELOPMENT TRENDS

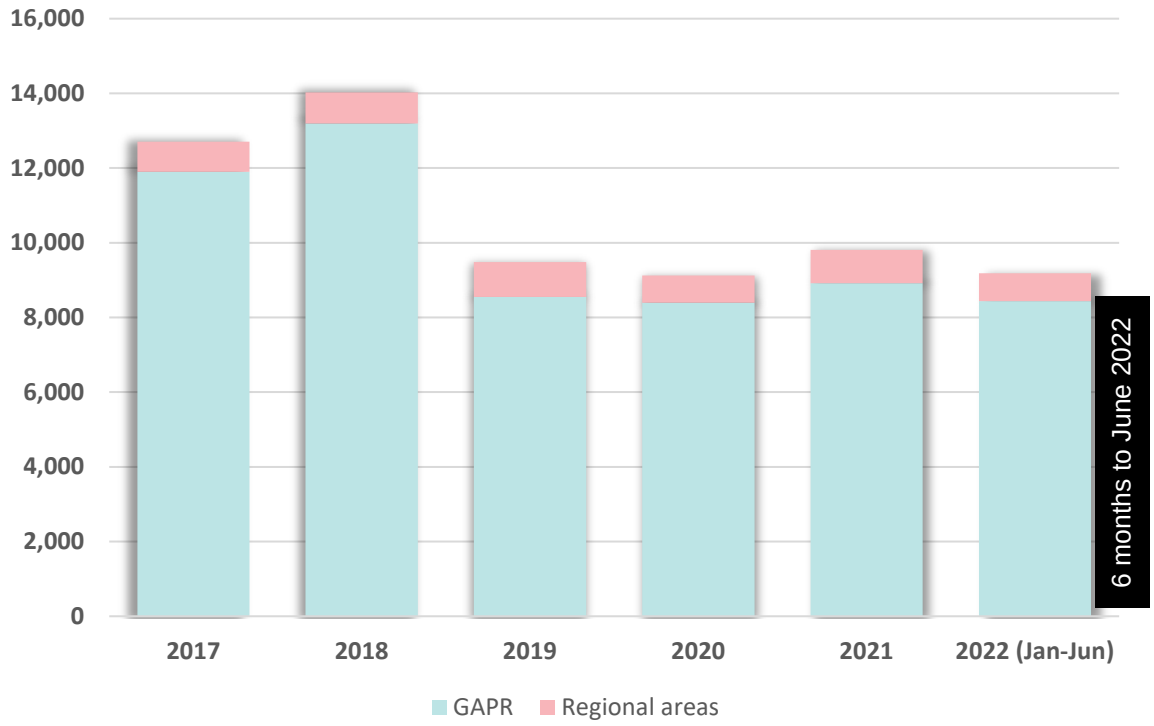
2.1 South Australia

Between 2017 and 2021, 55,140 dwellings (gross) were completed. This equates to an average of 11,030 dwelling completions per year.

In the first 6 months of 2022 there was a significant increase in dwelling construction activity, with 9,200 dwellings completed. This trend is expected to continue in the second part of 2022, which could see dwelling completions exceed the previous peaks achieved in 2017 and 2018, as illustrated in Figure 2.

Over 92% of South Australia's dwelling completions were within the Greater Adelaide Planning Region (GAPR).

Figure 2: Dwellings built (gross), 2017-June 2022, South Australia



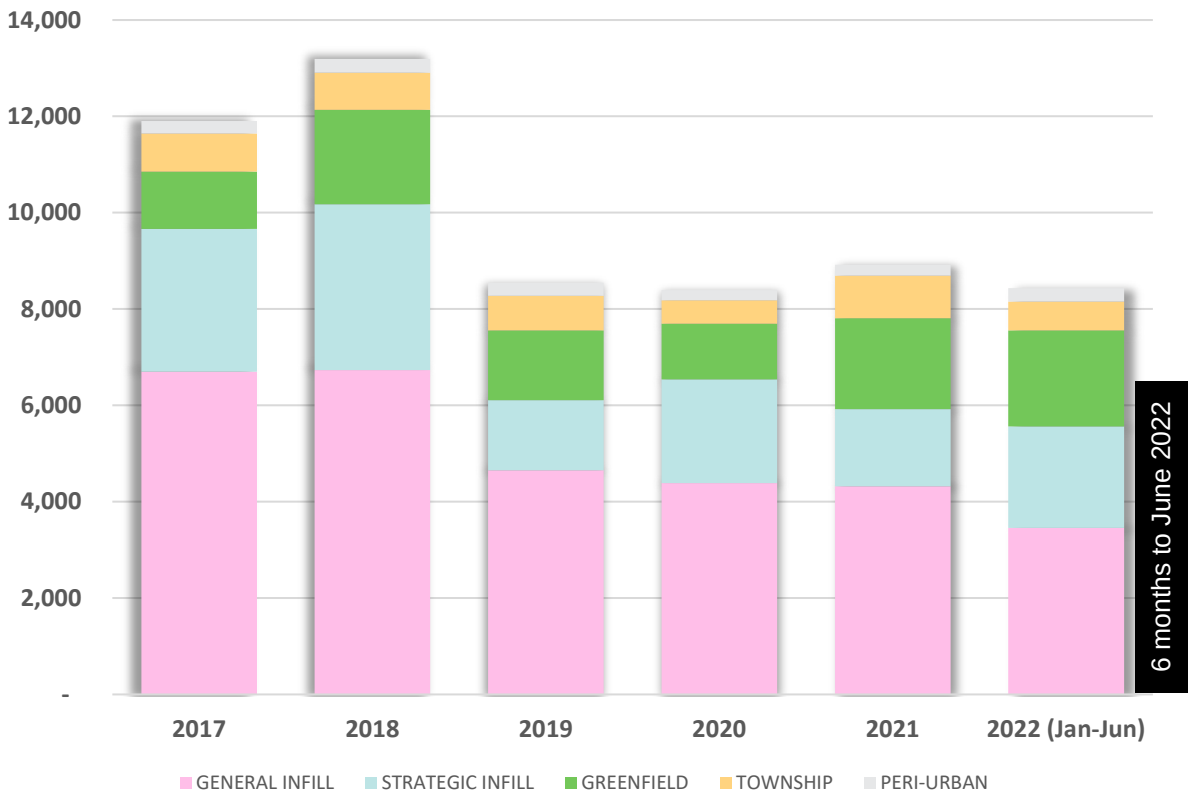
Note: there are approximately 2,500 demolitions each year in Greater Adelaide, hence that number of additional dwellings are built each year to replace demolished dwellings.

2.2 Greater Adelaide Planning Region

Between 2017 and 2021, 50,960 dwellings (gross) were completed, as illustrated in Figure 3, at an average of 10,200 dwellings per year. The key findings include:

- Dwelling completions peaked in 2017 and 2018, driven largely by a higher amount of infill development.
- In 2020, dwelling completions fell to just 8,500, as construction was heavily impacted by the initial onset of the COVID-19 outbreak.
- The first half of 2022 has seen over 8,200 dwellings already completed representing a significant increase on previous years. Should this growth continue, total completions for 2022 could well exceed 14,000.
- The number of dwellings built in greenfield development fronts and townships has surged to 2,600 in the first six months of 2022. This demonstrates the impact of the HomeBuilder Stimulus Package and is greater than the total number of greenfield completions in any of the previous 5 years.

Figure 3: Dwellings built (gross) by development type, 2017 - June 2022, Greater Adelaide



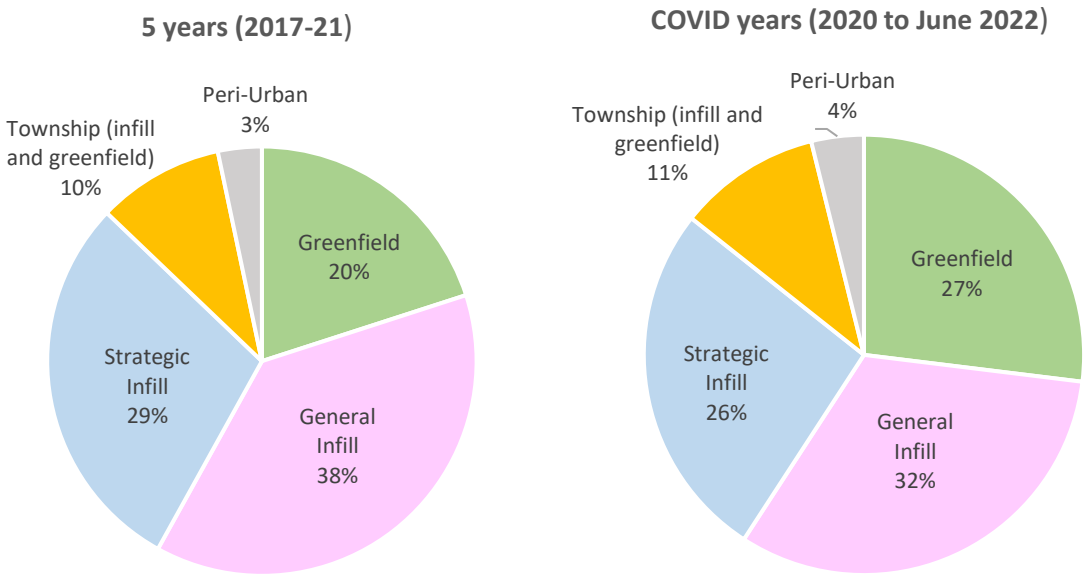
2.2.1 Development share

While the total number of dwellings built provides a good measure of residential construction activity, the net dwelling increase is a more reliable measure of the actual housing stock available for additional occupancy because it excludes replacements for demolished dwellings. It is this method which is used to derive the development shares (i.e. infill vs greenfield) for Greater Adelaide.

Figure 4 presents an analysis of the net dwelling increase by development type for a 5-year period (2017 to 2021), and for the COVID years (2020-22) and shows that:

- For the 5-year period the ratio of infill to greenfield development was approximately 67:33[5].
- During the COVID years the infill to greenfield ratio shifted to 58:42 through a much higher amount of greenfield development which in part supported by the HomeBuilder Stimulus Package, available at the time.
- The relative share of metropolitan greenfield development has shifted from 20% to 27% for the periods analysed.
- The relative share of general infill declined from 38% to 32% for the periods analysed. However, the number of dwelling completions remained similar to the 5-year average. The larger volume of greenfield dwellings built over this period has caused the infill share decline.
- The relative share of strategic infill development dropped, correlating with reduced activity in the City of Adelaide and large strategic sites such as Lightsview (which is nearing completion).

Figure 4: Dwelling increase (net) by land supply type, Greater Adelaide Planning Region



During the COVID years both lifestyle changes resulting from the pandemic and the Federal Government's HomeBuilder stimulus package have contributed to the increased amount of Greenfield development (Figure 4). Should this trend continue, there will be greater pressure on the currently identified Greenfield land supply and more urgency to identify new opportunities for future growth.

[5] Includes development in the peri-urban (only 3%) and townships as greenfield development

3 GREENFIELD OVERVIEW

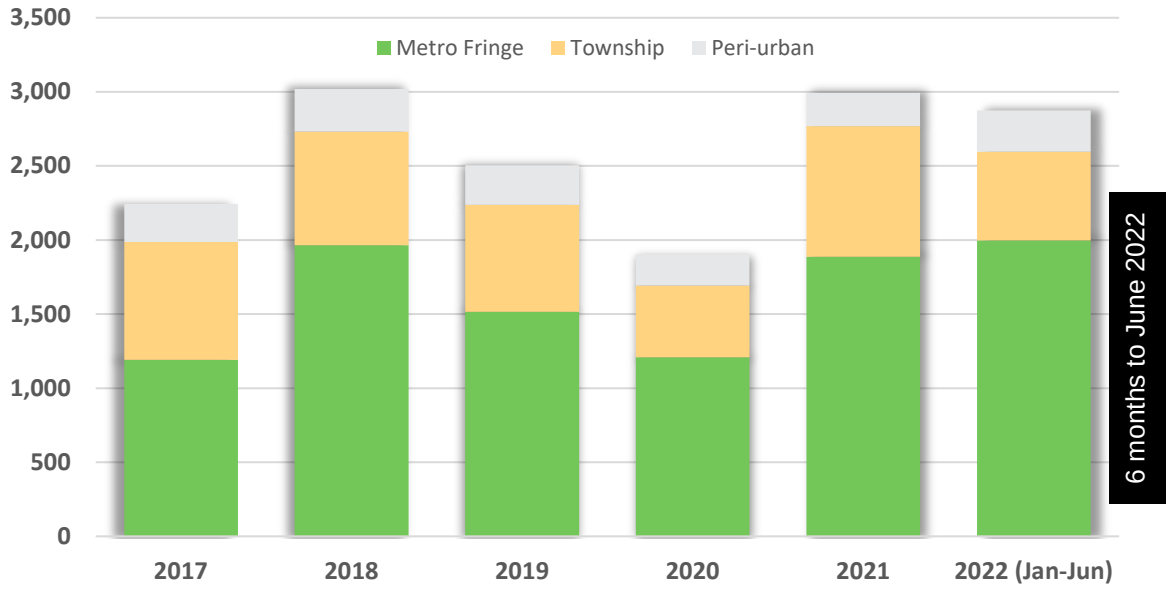
3.1 Greenfield Development trends

- Greenfield land is located on the urban fringe and in townships[6]. It includes land parcels greater than 4,000sqm in area and currently zoned for residential use or has been identified for future urban development. Greenfield land is categorised as:
- ***Development Ready:*** zoned greenfield land with an active plan of division (proposed or approved). Other market and development factors (i.e. infrastructure) may be required prior to commencement.
- ***Undeveloped Zoned:*** zoned greenfield land with no active plan of division.
- ***Future Urban Growth Area:*** land identified for future urban development within a relevant strategic plan (i.e. regional plan).

Greenfield development (including township and peri-urban) delivered, on average, 2,500 additional dwellings per year within the GAPR, over the 5-year period from 2017 to 2021. This accounted for an estimated 33% of all residential development. This share increased to around 42% during the COVID years (2020-22) as illustrated in Figure 4.

Greenfield dwelling completions, (including those built in townships and peri-urban (rural) areas), peaked in 2018 and then again in 2021, as illustrated in Figure 5. Evidence suggests these peaks will be surpassed by dwelling completions in 2022, with over 2,800 dwelling completions already recorded in the first 6 months to June 30th.

Figure 5: Dwellings built (gross) from Greenfield developments, 2017-June 2022



Note: Greenfield development is separated into metropolitan fringe and township as this acknowledges the different target markets.

[6] Urban centres separated from the built-up areas of metropolitan Adelaide and distributed throughout the Environment and Food Production Areas (EFPA). Many of the larger townships (Victor Harbor, Goolwa, Murray Bridge and Strathalbyn) have significant amounts of Greenfield land, and some potential for urban infill.

3.2 Greenfield land supply

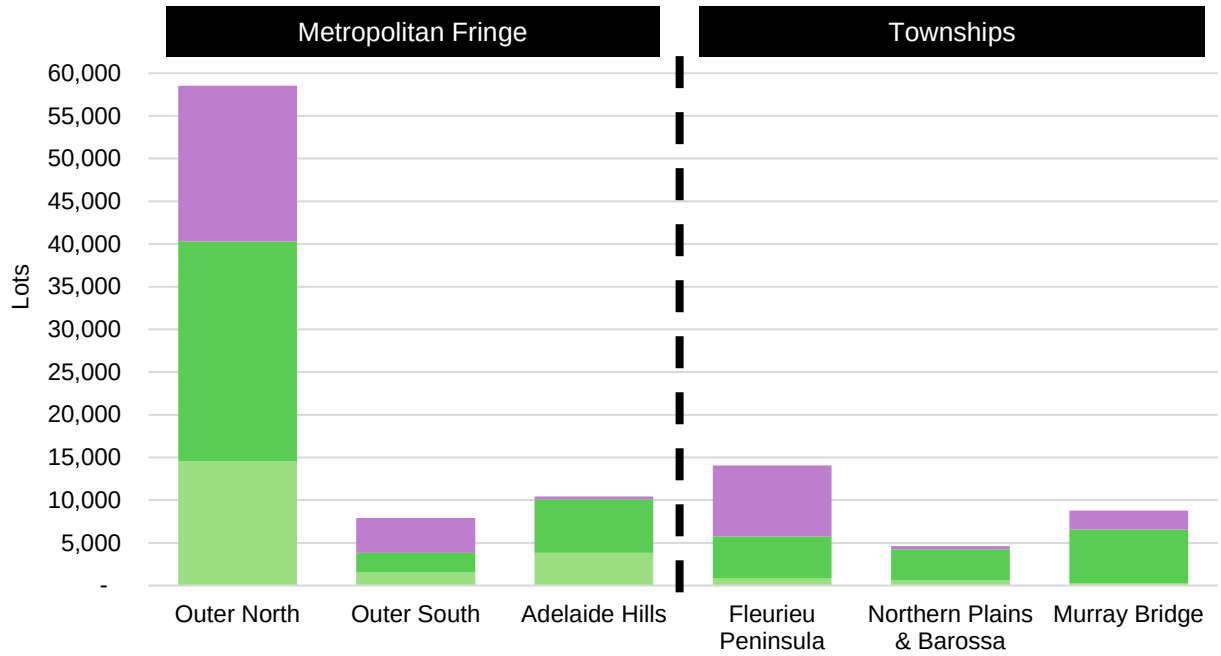
As outlined in Table 2, the following changes have been made to the methodology used for measuring Greenland supply potential:

- Undeveloped zoned land is now discounted by 15%
- Future urban growth area land is now discounted by 30%

Figure 6 summarises the estimated greenfield land supply as of June 2022. Key points include:

- The total potential supply within the 'metropolitan fringe' regions is significantly greater than the 'township' regions.
- The dominance of zoned greenfield land supply in the Outer North compared to the Outer South and Adelaide Hills regions.
- The relatively small amount of development ready supply across the Fleurieu, Murray Bridge, and Northern Plains & Barossa regions.
- The significant amount of future urban growth area land within the Fleurieu Peninsula region, much of which is located within the townships of Goolwa and Victor Harbor.

Figure 6: Greenfield land supply potential by region, June 2022



SUPPLY TYPE	Outer North	Outer South	Adelaide Hills	Fleurieu Peninsula	Northern Plains & Barossa	Murray Bridge
Development Ready	14,550	1,550	3,800	850	600	300
Undeveloped Zoned	25,750	2,250	6,250	4,900	3,600	6,300
Future Urban Growth Area	18,200	4,050	340	8,300	400	2,200
TOTAL	**58,500**	**7,850**	**10,390**	**14,050**	**4,600**	**8,800**

There is an estimated potential supply of 104,900 lots from identified Greenfield land. Of this supply, 21,700 lots have a proposed or approved plans of division and are therefore considered to be development ready. The remaining zoned Greenfield land could supply a further 49,650 lots. Land identified as Future Urban Growth could supply and estimated 33,550 lots once rezoned for residential use.

The overall Greenfield supply potential has reduced by approximately 16% (21,200 lots), when compared to the data used in the 2021 EFPA review (Table 3). The development ready supply has remained relatively stable.

Table 3: Greenfield land supply, 2021 and 2022

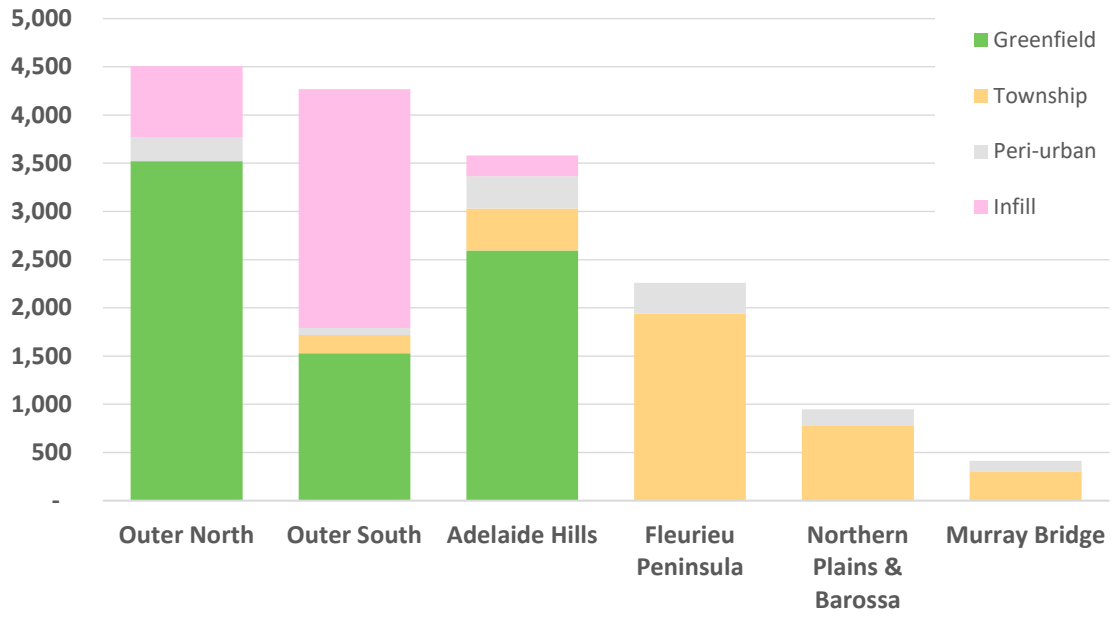
SUPPLY TYPE	EFPA REVIEW 2021	LSR 2022	CHANGE
Development Ready	22,400	21,700	-700
Undeveloped Zoned	59,600	49,650	-9,950
Future Urban Growth Area	44,000	33,550	-10,450
TOTAL	**126,000**	**104,900**	**-21,100**

3.3 Regional Summaries

A summary of Greenfield supply and development activity has been prepared for each of the six regions. Key points to note include:

- Within the regions there are multiple development fronts contributing to supply. This is particularly notable within the Outer North, Northern Plains & Barossa and Fleurieu Peninsula regions.
- Over the 5-year period from 2017 to 2021, the Outer North and Fleurieu Peninsula regions have delivered 94% detached dwellings. In the Outer South, just 74% are detached due to a larger number of infill developments.
- The Outer South and Outer North regions have produced a similar number of dwellings over the 5-year period (4,603 and 4,563 respectively), however 83% of dwellings in the Outer North were built in master planned greenfield developments, compared to only 38% for the Outer South (Figure 7).
- The Fleurieu Peninsula has seen over 2,250 dwelling completions over the 5-year period, supported by development both within and on the fringes of the popular towns of Victor Harbor and Goolwa (Figure 7).

Figure 7: Dwellings built by region and development type, 2017 - 2021



3.3.1 Outer North

The Outer North region has the largest stock of Greenfield land in Greater Adelaide, with 16 development fronts. The commencement of Riverlea Park in 2022 has significantly boosted supply, and planning is underway to rezone Concordia allowing for a further 10,000 dwellings in the region.

RECENT DEVELOPMENT TRENDS

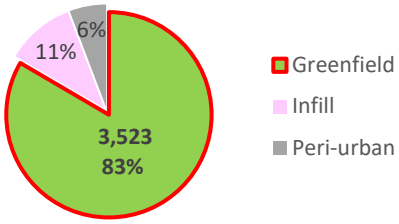
DWELLINGS BUILT 2017-2021

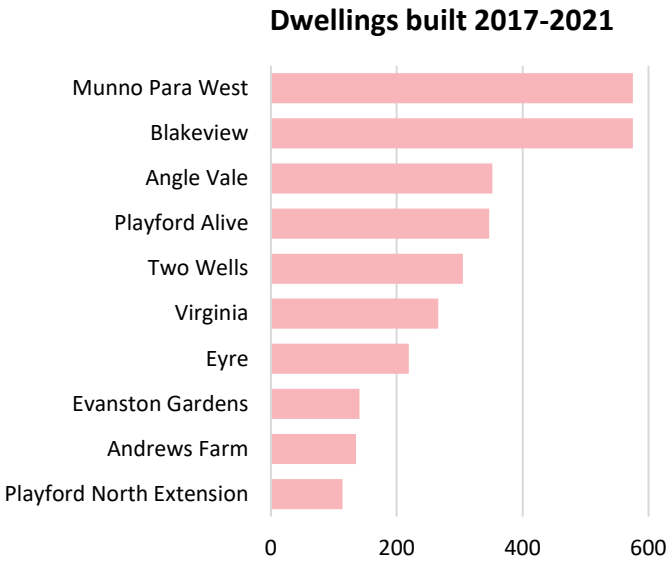
4,563

913 p.a.

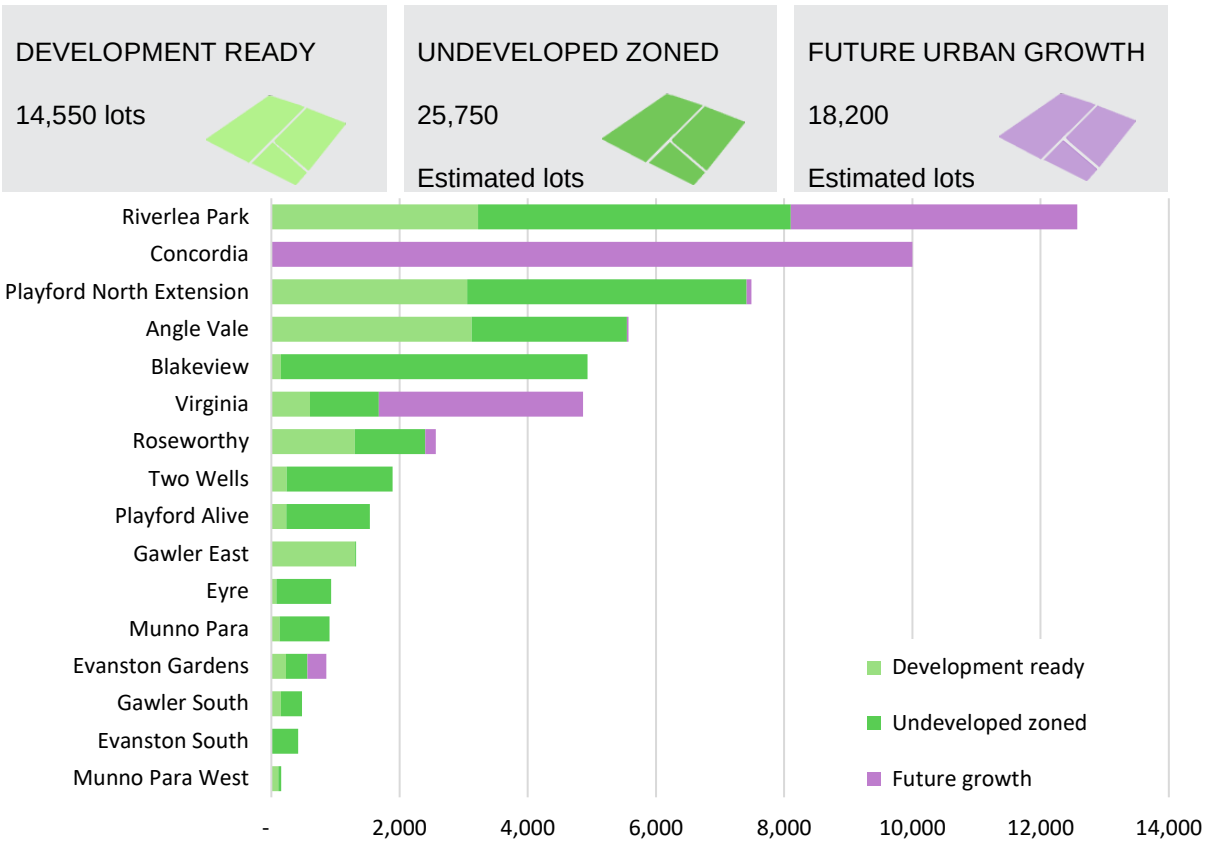
94% detached

DEVELOPMENT TYPE





GREENFIELD LAND SUPPLY, JUNE 2022



3.3.2 Outer South

The Outer South region has a restricted supply of Greenfield land due to its geographical location. The recent rezoning of land at Onkaparinga Hills will support up to 2,000 new dwellings in the near term, and planning is underway to rezone land at Sellicks Beach to facilitate a further 1,700 dwellings in the region.

RECENT DEVELOPMENT TRENDS

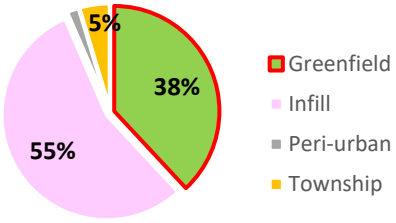
DWELLINGS BUILT 2017-2021

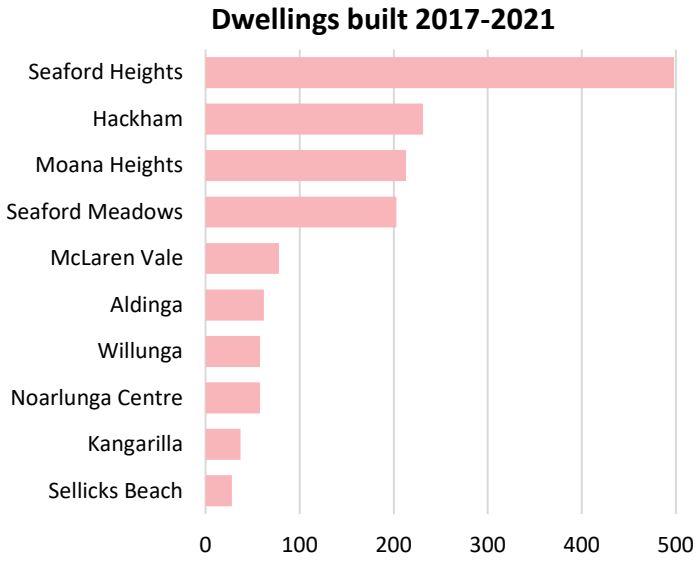
4,603

921 p.a.

74% detached

DEVELOPMENT TYPE





GREENFIELD LAND SUPPLY, JUNE 2022

DEVELOPMENT READY

1,550 lots

UNDEVELOPED ZONED

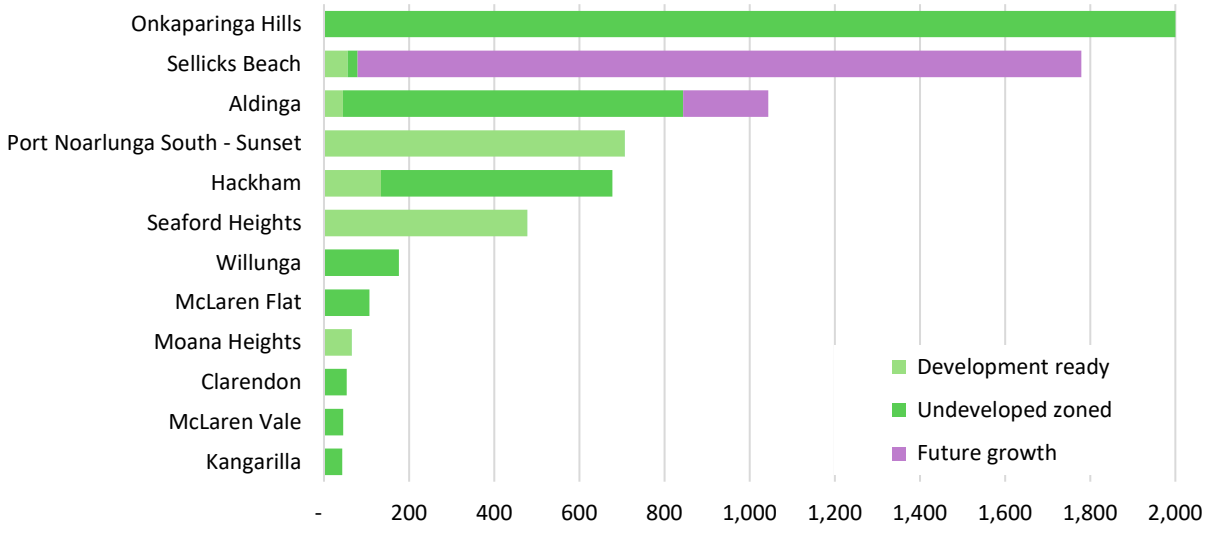
2,250

Estimated lots

FUTURE URBAN GROWTH

4,050

Estimated lots



3.3.3 Adelaide Hills

The Adelaide Hills region contains Mount Barker and numerous smaller townships. Much of the region is protected by the Environment and Food Protection Area, as a result Mount Barker is the only monitoring area with significant land supply and development activity.

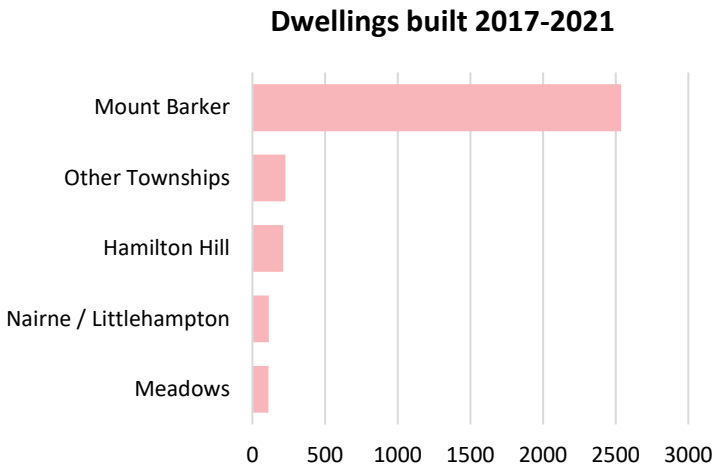
RECENT DEVELOPMENT TRENDS

DWELLINGS BUILT 2017-2021

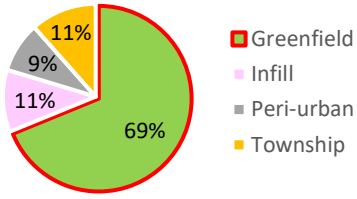
3,842

768 p.a.

81% detached

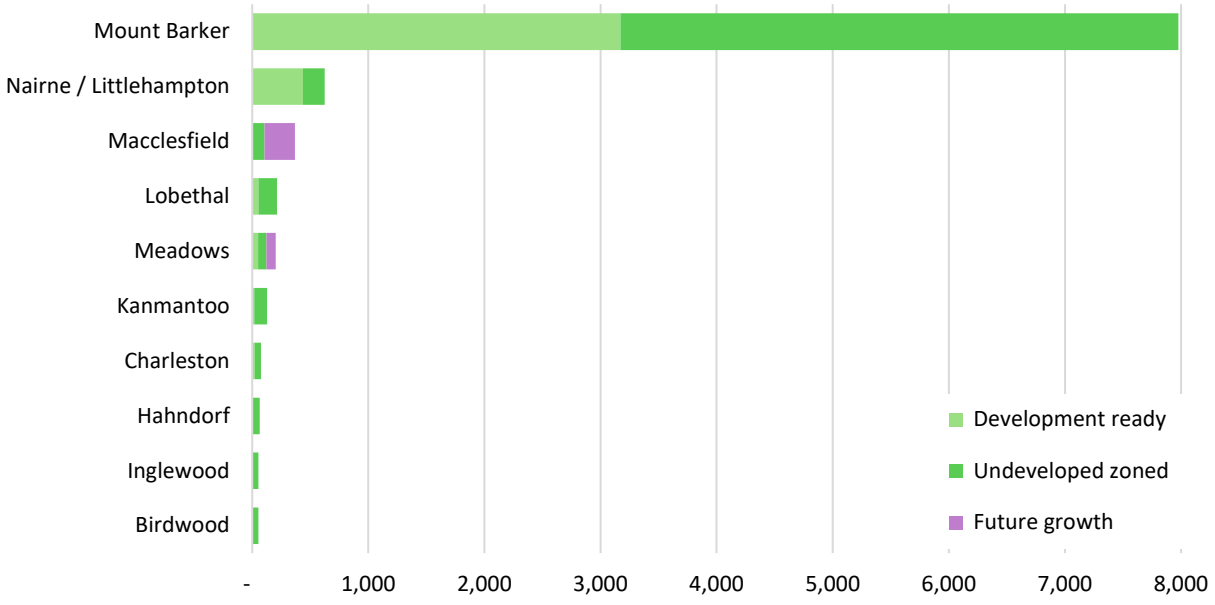


DEVELOPMENT TYPE



GREENFIELD LAND SUPPLY, JUNE 2022

DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
3,800 lots	6,250 Estimated lots	340 Estimated lots



3.3.4 Northern Plains and Barossa

The Northern Plains & Barossa region is comprised of multiple townships, many of which are located within the Barossa wine region. Much of the region is protected by the Environment and Food Protection Area and varied amounts of Greenfield land supply exists within these townships.

RECENT DEVELOPMENT TRENDS

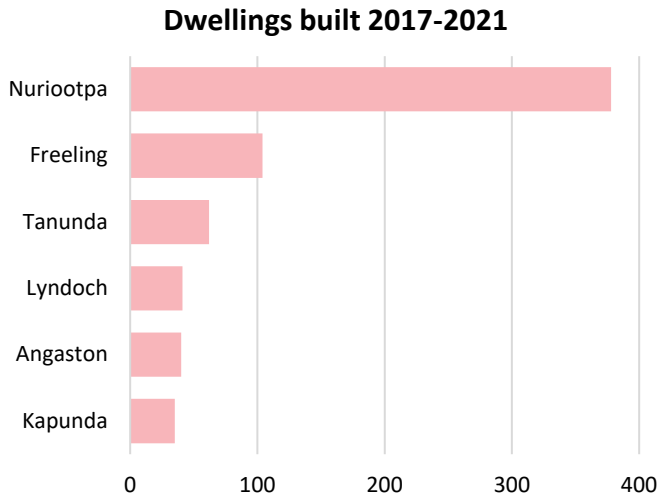
DWELLINGS BUILT 2017-2021

948

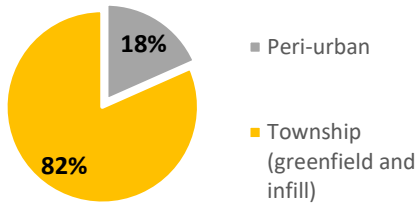
190 p.a.

84% detached

14% retirement



DEVELOPMENT TYPE



GREENFIELD LAND SUPPLY, JUNE 2022

DEVELOPMENT READY

600 lots

UNDEVELOPED ZONED

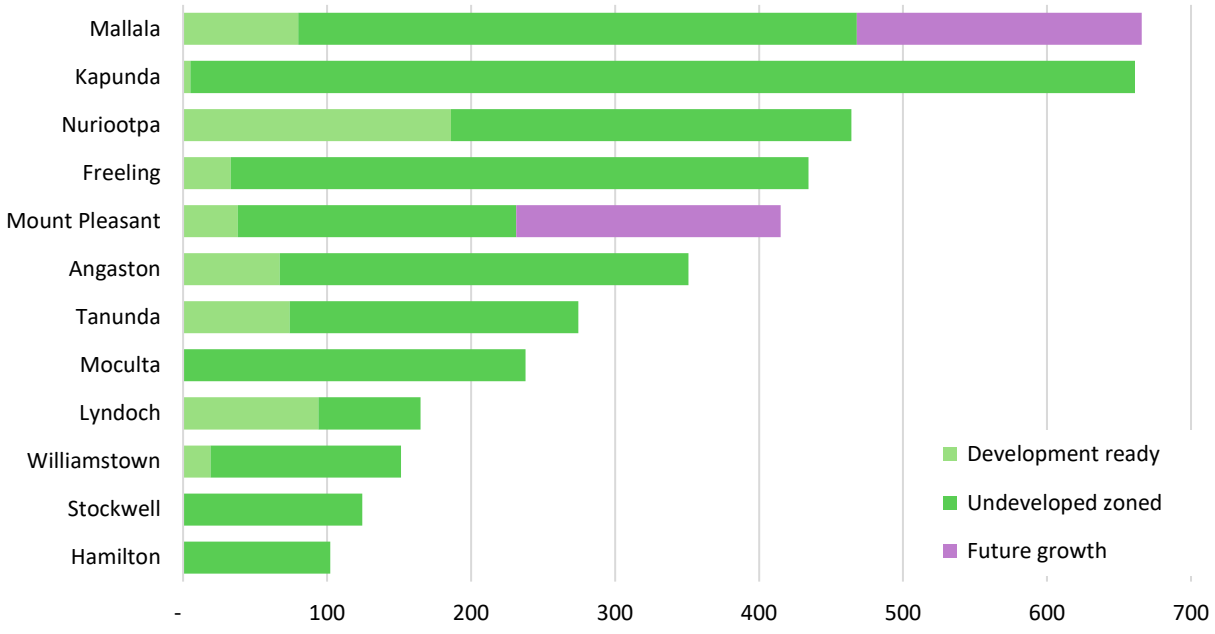
3,600

Estimated lots

FUTURE URBAN GROWTH

400

Estimated lots



3.3.5 Murray Bridge

The Murray Bridge region contains the township of Murray Bridge and several smaller townships and shack settlements along the Murray River. Much of the region is protected by the Environment and Food Protection Area. Significant Greenfield land supply exists within the township of Murray Bridge and adjoining areas.

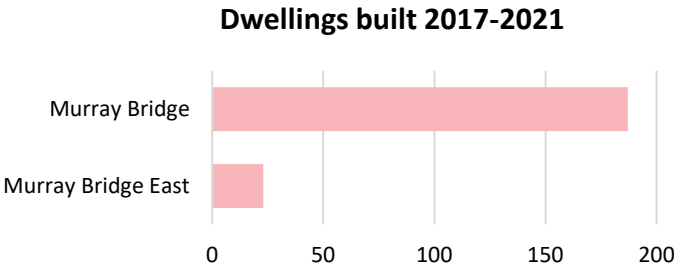
RECENT DEVELOPMENT TRENDS

DWELLINGS BUILT 2017-2021

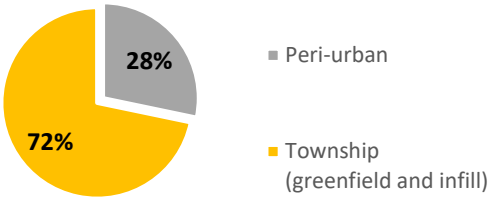
412

82 p.a.

88% detached



DEVELOPMENT TYPE



GREENFIELD LAND SUPPLY, JUNE 2022

DEVELOPMENT READY

300 lots

UNDEVELOPED ZONED

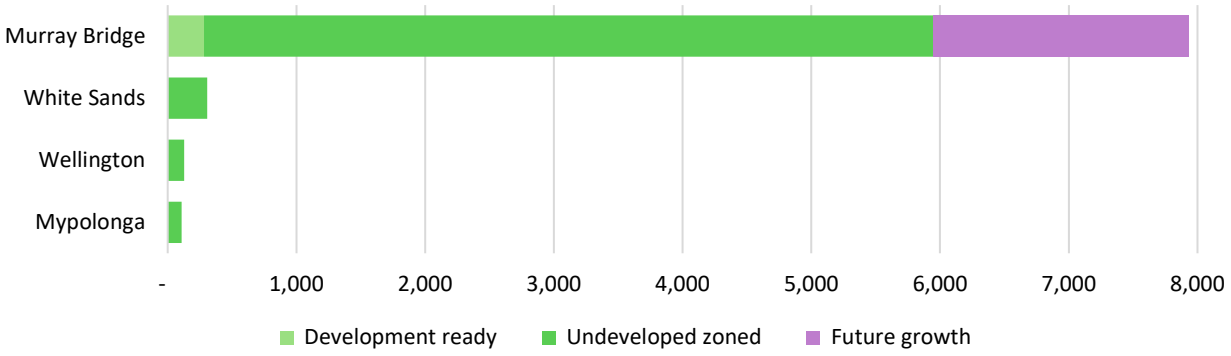
6,300

Estimated lots

FUTURE URBAN GROWTH

2,200

Estimated lots



3.3.6 Fleurieu Peninsula

The Fleurieu Peninsula region is comprised of multiple townships, many of which are popular coastal holiday destinations. Much of the region is protected by the Environment and Food Protection Area. The townships of Goolwa and Victor Harbor have significant greenfield land supply potential, however much of this requires rezoning before development can occur.

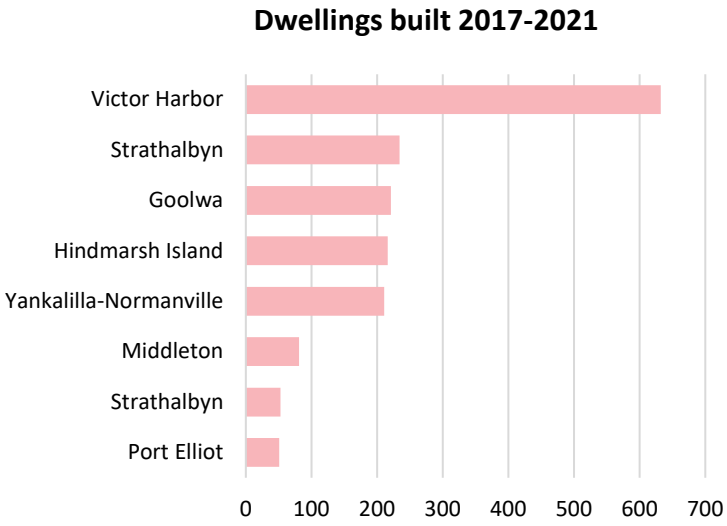
RECENT DEVELOPMENT TRENDS

DWELLINGS BUILT 2017-2021

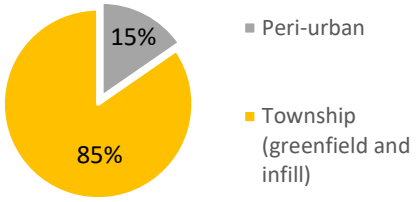
2,259

452 p.a.

94% detached



DEVELOPMENT TYPE



GREENFIELD LAND SUPPLY, JUNE 2022

DEVELOPMENT READY

850 lots

UNDEVELOPED ZONED

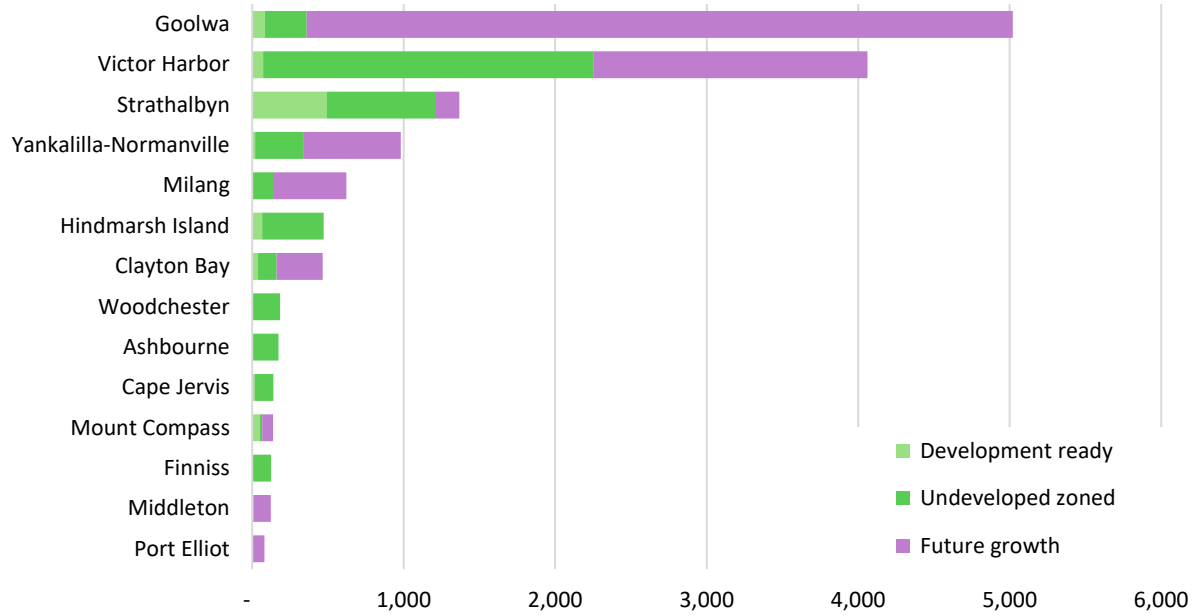
4,900

Estimated lots

FUTURE URBAN GROWTH

8,300

Estimated lots

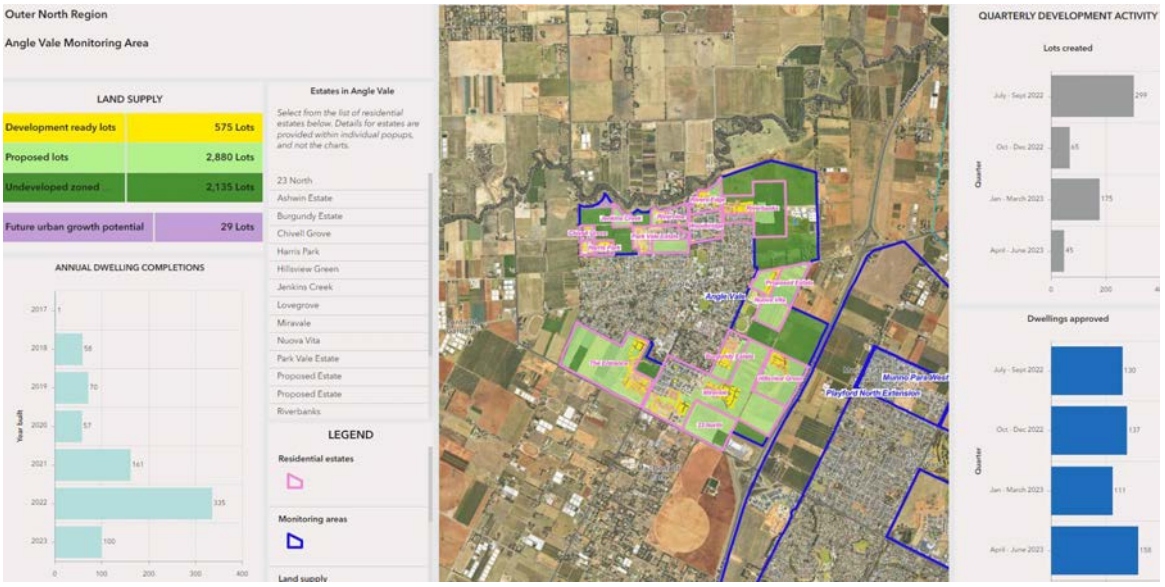


3.4 Land Supply Dashboard - Greenfield

Access to more timely on-line information was one of the key recommendations of the land supply methodology review in 2022. To satisfy this, a Land Supply Dashboard has been developed and will soon allow users to access data and mapping at 3 different levels (region, monitoring area and estate).

Figure 8 provides an example of the dashboard where you can see the total estimated zoned and future land supply (at region or monitoring area level), recent development trends and the development activity pipeline, which includes quarterly updates on completed lots and dwelling approvals.

Figure 8: Angle Vale greenfield development



In addition, users will have greater access to data relating to individual estates, something not previously provided. Figure 9 illustrates an example of this for Miravale, which is located within the Angle Vale monitoring area.

Figure 9: Miravale Estate

4 URBAN INFILL OVERVIEW

Urban infill development accounts for around two thirds of the annual net dwelling increase in Greater Adelaide. This report analyses urban infill supply and demand for the key metropolitan regions of Greater Adelaide, namely:

- Outer North
- Inner North
- Adelaide West
- Inner Metro
- Inner South
- Outer South
- Adelaide Hills (Mount Barker)

The analysis does not include the townships within the Adelaide Hills, Fleurieu Peninsula, Murray Bridge and Northern Plains & Barossa Regions where urban infill is less prevalent.

Urban infill land supply across Greater Adelaide is divided into two categories as described below.

General Infill

- Occurs on residentially zoned land parcels within the established urban area of Greater Adelaide.
- Typically involves the demolition of older dwellings although in some areas the existing dwellings are retained, and another dwelling constructed (re-subdivision).

Strategic Infill

- Residential development that occurs on land within the established urban area of Greater Adelaide.
- Development typically occurs at a higher density than general infill and results in a net dwelling increase of greater than 10 dwellings.
- Types of Strategic Infill include:
  - CBD development
  - Urban Corridor Zone development
  - Strategic sites (i.e. Lightsview, Tonsley, Bowden, Oaklands Park)

4.1 General Infill Development trends

General infill development delivered, on average, 3,000 additional dwellings per year within the Greater Adelaide Planning Region (GAPR) over the 5-year period from 2017 to 2021. This accounted for 38% of the net dwelling increase across Greater Adelaide, making it the largest contributor to supply. This share declined during the COVID years of 2020 to June 2022, however this is not reflective of a decline in total dwellings built, but due to additional greenfield development activity.

General infill dwelling completions peaked in 2017 and 2018, as illustrated in Figure 10. Evidence suggests these peaks could be surpassed in 2022, with almost 3,500 dwelling completions recorded in the first 6 months of 2022.

Figure 10: Dwellings built from General Infill developments, 2017 - June 2022

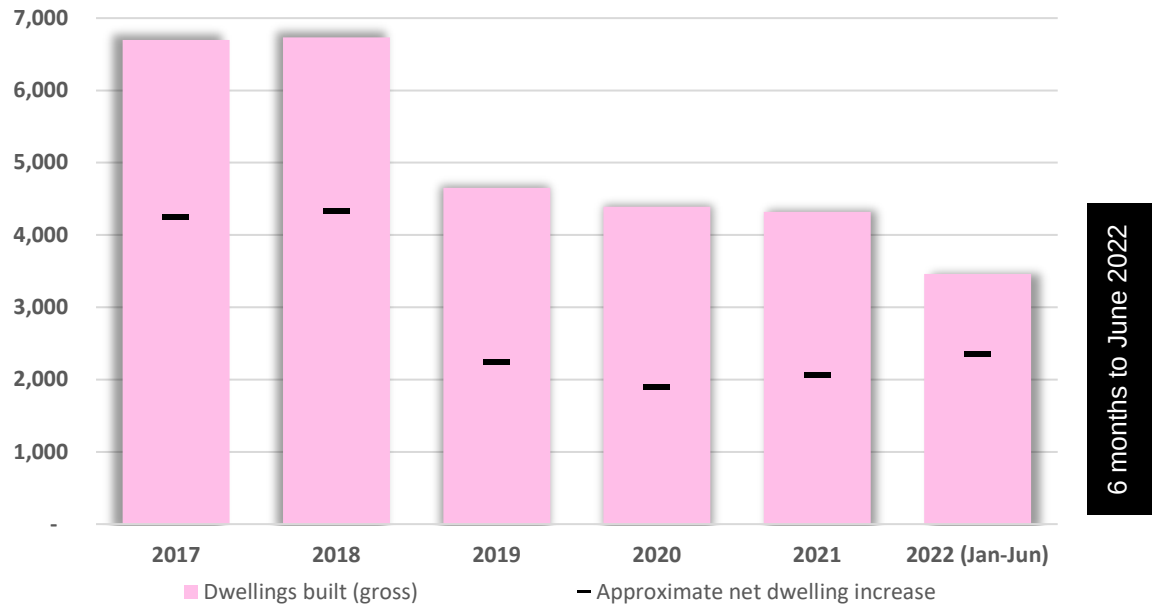
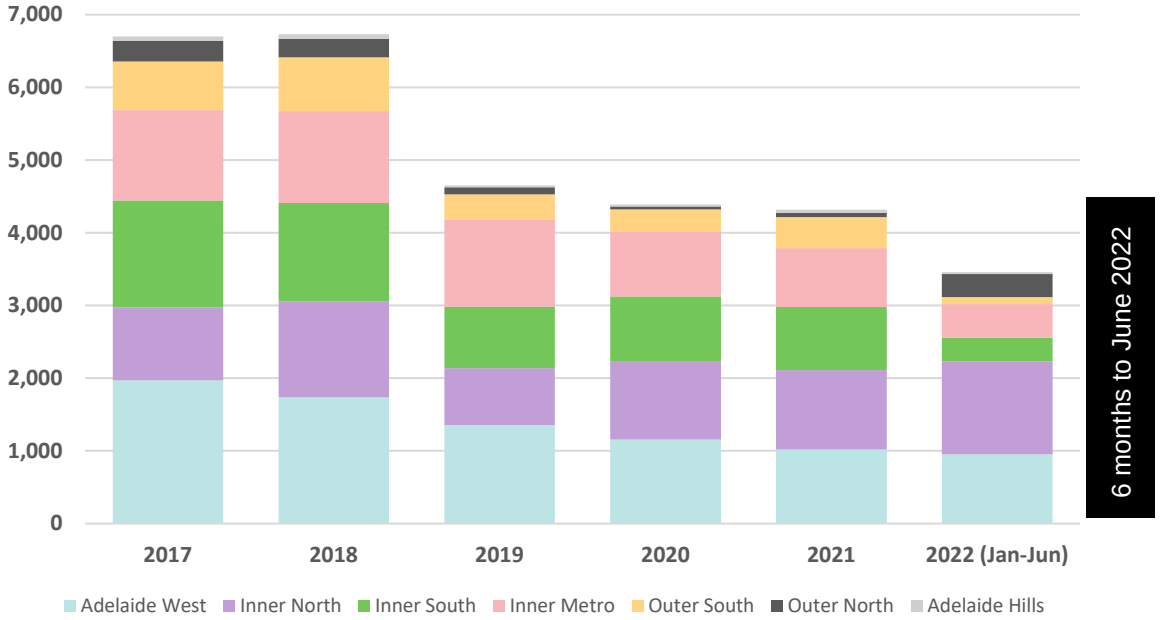


Figure 11 shows the share of general infill dwelling completions (gross) within each region. The Adelaide West region has averaged over 1,400 completions a year over the 5-year period from 2017 to 2021.The Inner North region is emerging, with more general infill dwelling completions recorded in 2021 than the Adelaide West region.

Figure 11: Dwellings built (gross) from General Infill developments by region, 2017-June 2022



4.2 Demolitions

Between 2017 and 2021 an average of 2,500 dwellings were demolished annually across Greater Adelaide. Key points to note include:

- Demolitions have been occurring steadily across metropolitan Adelaide (GACC), with the greatest activity within Adelaide West (27%), followed by Inner North (23%), Inner Metro (22%) and Inner South (21%) regions (Figure 12).
- The inner and middle ring suburbs have the greatest demolition activity.
- 37% of all demolitions have occurred on properties with dwellings built in the 1950s, followed by those built in the 1960s (31%) and 1970s (13%) (Figure 13).
- 77% of dwellings demolished had a capital value (CV) to site value (SV) ratio of less than 1.3. A further 20% had a ratio between 1.3 and 1.8 (Figure 13).

Figure 12: Average Annual Demolitions by Region, 2017-2022

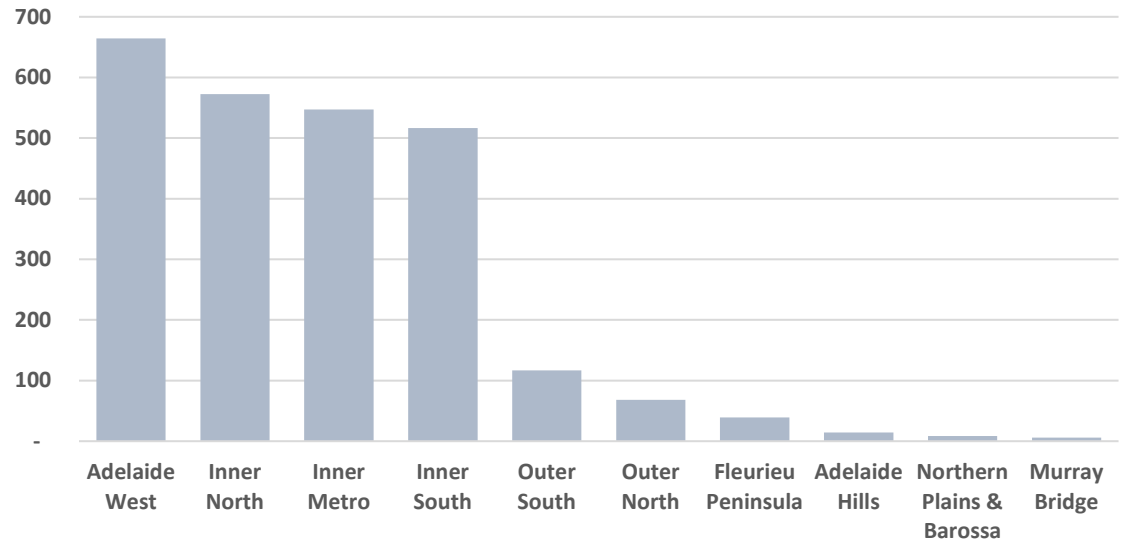
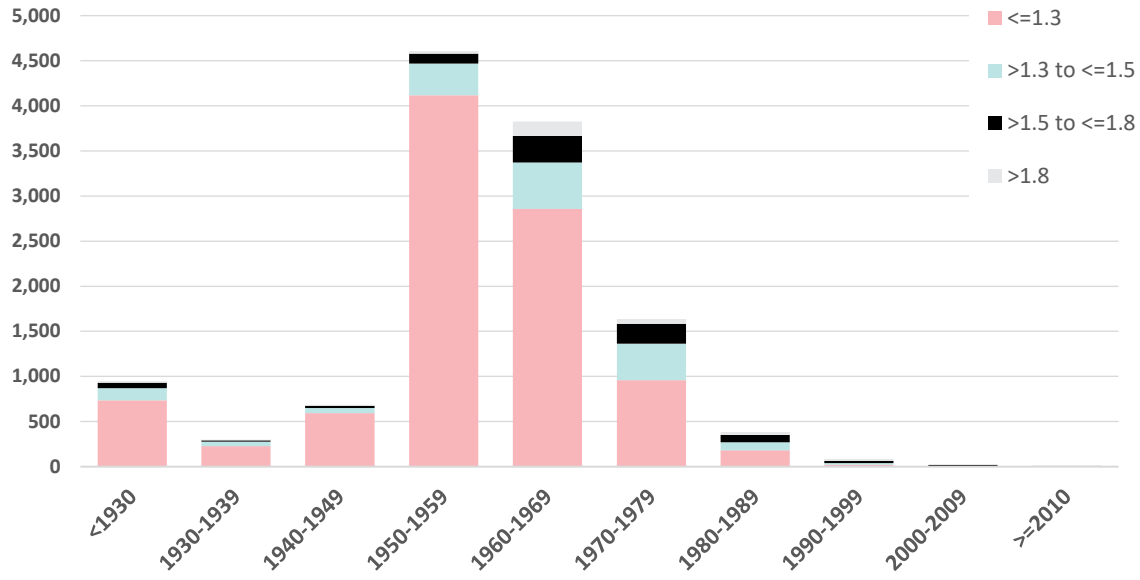


Figure 13: Demolitions by dwelling year built and CV:SV ratio, 2017-2022



4.3 General infill land supply

As demonstrated in Figure 13, most demolished dwellings have a CV:SV ratio <=1.3. The CV:SV ratio provides an indication of the 'readiness' of general infill development opportunities. Table 4 summarises the CV:SV ratios used to identify potential supply.

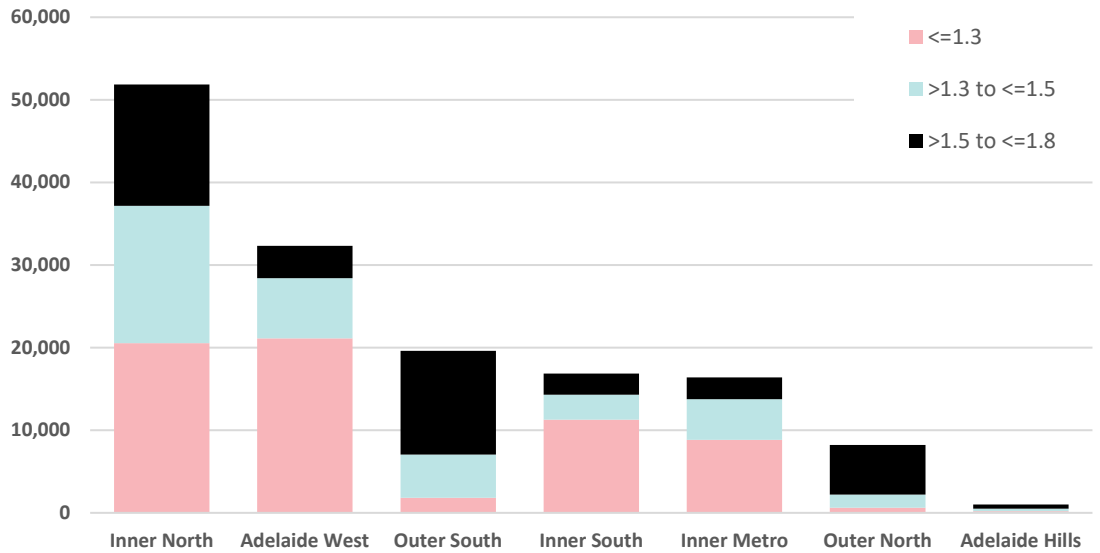
Table 4: General Infill development probability

CV:SV Ratio	DESCRIPTION
<= 1.3	High probability of 'readiness' for development over a 0 to 5 year period.
>1.3 to <= 1.5	Medium to high probability of 'readiness' for development over a 0 to 10 year period.
>1.5 to <= 1.8	Medium probability of 'readiness' for development over a 0 to 15 year period.
>1.8	Low probability of 'readiness' for development over a 0 to 15 year period. Excluded from 15-year supply calculations.

Figure 14 summarises the estimated general infill land supply as of June 2022. Key points include:

- Supply is dominantly located within the Inner North region, followed by Adelaide West.
- The Outer South, Inner South and Inner Metro regions all have a similar amount of supply potential, however it is the Inner South region which has the greatest supply within the CV:SV <=1.3 range[7].
- Supply in the Outer South is likely to become available in the medium to long term, based on the amount of supply in the >1.5 to <=1.8 range.

Figure 14: Potential dwelling increase[8] by Region and CV:SV, June 2022



[8] Theoretical maximum dwelling increase – the increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.

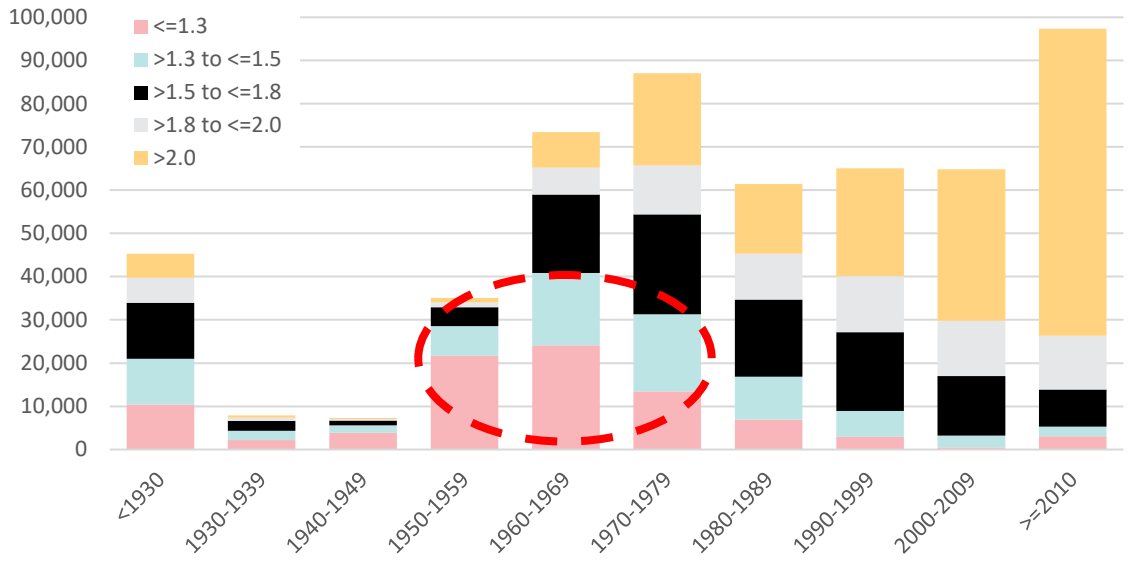
[8] Theoretical maximum dwelling increase – the increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.

Figure 15 summarises all dwellings across Greater Adelaide as of June 2022, by year built and CV:SV ratio and highlights the share of stock that has suitable characteristics for general infill. This analysis indicates:

- The stock of dwellings built in the 1950s is much less than that built in the 1960s and 1970s, as this has been the dominant source of demolitions (Figure 15).
- The large stock of dwellings built in the 1960s and 1970s is expected to supply much of the general infill supply over the next 15 years. Some stock from the 1980s is also likely to contribute to future supply. As this stock ages it is expected the CV:SV ratio will also fall.

The stock of dwellings built before the 1950s is minimal in comparison to other decades. Much of this stock is also protected by heritage and character policies preventing demolition.

Figure 15: GACC dwelling stock by Year built and CV:SV ratio, June 2022



Using the revised land supply methodology identified in Appendix 1, General Infill land supply has a theoretical maximum supply approximately 21% lower than reported in 2021. The latest figures reflect market dynamics and local area trends.

Table 5 summarises the current supply in comparison to the 2021 EFPA Review. The theoretical maximum supply has been filtered to report on developable parcels with a capital to site value ratio (CV/SV) and dwelling age that gives a higher probability of being developed. The realistic net supply is now based on the 5-year trend (rolling average).

Table 5: General Infill land supply, 2021 and 2022

SUPPLY TYPE	EFPA REVIEW 2021	LSR 2022	CHANGE
Theoretical maximum developable parcels	139,700	107,400	-32,300
Theoretical maximum potential increase	228,300	146,250	-82,050
Realistic net supply	68,200	39,000	-29,200

4.4 Strategic Infill development trends

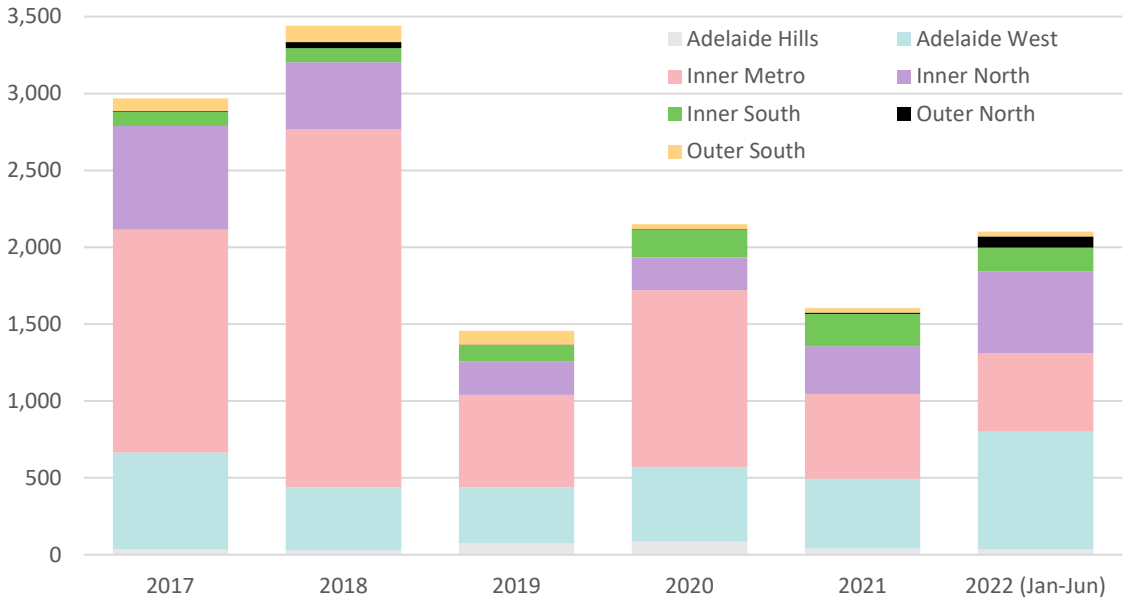
Strategic infill developments delivered, on average, 2,300 additional dwellings per year within the Greater Adelaide Planning Region (GAPR), over the 5-year period from 2017 to 2021. This accounted for 29% of the net dwelling increase across Greater Adelaide.

Strategic infill development peaked in 2017 and 2018, as illustrated in Figure 16, driven by a surge in dwelling completions within the Adelaide CBD. CBD development typically delivers multi-storey apartment buildings, delivering large numbers of dwellings at the same time, rather than a staggered release seen in other forms of strategic infill development.

Supply in recent years has also been driven by development within urban corridor zones, and by multiple large strategic sites. Lightsview in the Inner North region, and AAMI Stadium and Bowden in the Adelaide West region, have been a large contributor to strategic infill supply. As some of these developments reach completion, more land supply opportunities will be required to meet demand.

Development has occurred largely within the Inner Metro region since 2017 as seen in Figure 16. This has been driven by CBD and corridor development, including Prospect Road, Churchill Road, Norwood and Kent Town. In recent years, development within Adelaide West and Inner North has grown, led by developments including Port Adelaide, West Lakes, St Clair in Adelaide West, and Lightsview in the Inner North.

Figure 16: Dwellings built (gross) from Strategic Infill developments, 2017-June 2022



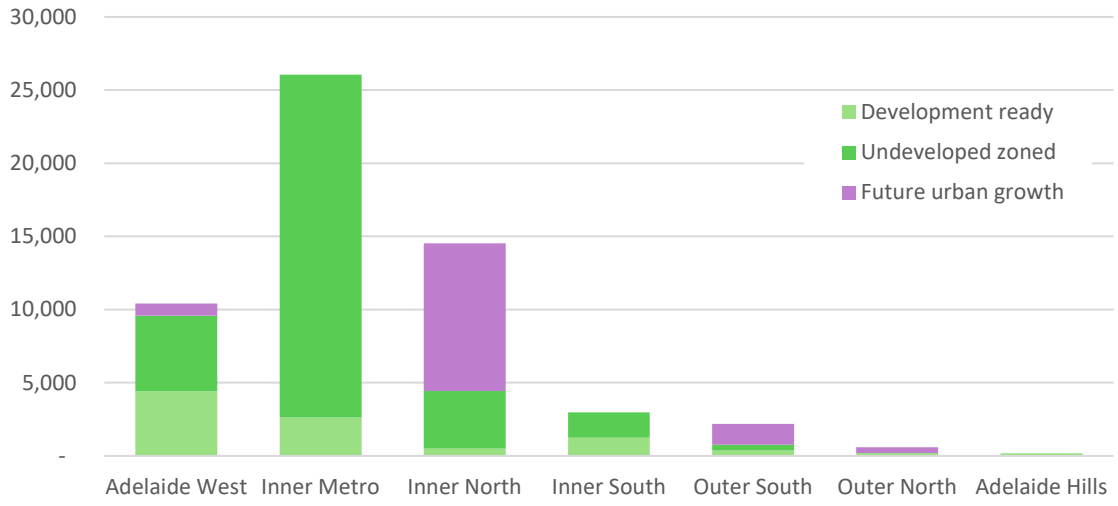
4.5 Strategic infill land supply

Strategic infill supply is identified by monitoring development applications and rezoning opportunities. A development pipeline identifies the 'readiness' of supply across the three types of strategic infill development (CBD, Urban Corridor Zones, Strategic sites). Figure 17 summarises the supply pipeline by region and 'readiness', namely:

- **Development ready** - development has been approved or construction underway.
- **Undeveloped zoned** – development application has been lodged, or land recently rezoned to accommodate residential development.
- **Future urban growth** – land identified for future urban development within a relevant strategic plan, or land identified for rezoning through an initiated Code Amendment.

Strategic infill developments are currently estimated to supply around 44,200 dwellings and an additional 12,700 future urban growth opportunities (Table 6). The Inner Metro region has the greatest opportunity due to the potential for apartment development within the CBD, as well as higher densities in Urban Corridor Zones. The Inner North has the greatest supply of future urban growth land, with approximately 10,000 new dwellings expected to be achieved within Dry Creek.

Figure 17: Strategic Infill supply by Region, June 2022



One of the changes implemented under the new planning system, introduced in 2021, was an ability for private landowners to lodge an application, called a code amendment, seeking a rezoning or change of policy over the affected area. This is typically used to facilitate mixed use methodology and residential type development. These sites are expected to drive much of the strategic infill opportunities into the future.

Since this change was introduced, 18 code amendments have been initiated seeking to rezone land to facilitate strategic infill development[9]. Should all code amendments be approved this would provide an estimated 6,000 additional allotments[10]. This new supply source, like most strategic infill development, can be difficult to forecast with any degree of certainty given the number of variables. The revised methodology, outlined in Appendix 1, seeks to project the 5-year development trend for all 3 strategic infill types forward to gauge an estimated supply.

[9] Code amendments are available to view on the PlanSA website.
[10] Only includes code amendments with an estimated yield included in supporting documentation.

Table 6: Strategic infill land supply, 2021 and 2022

SUPPLY TYPE	EFPA REVIEW 2021	LSR 2022	CHANGE
Strategic Sites	31,900	19,600	-12,300
Urban Corridor Zone	15,800	6,500	-9,300
City of Adelaide (CBD)	10,000	18,100	8,100
Future Growth Areas (Deferred Urban / Code Amendments)	10,000	12,700	2,700
TOTAL	**67,700**	**56,900**	**-10,800**

4.6 Regional Summary

A summary of general and strategic infill supply for the seven key metropolitan regions of the Greater Adelaide Region, where urban infill is a key supply component, is seen in Table 7.

Table 7: General and Strategic Infill supply by region, 2022

REGION	GENERAL INFILL		STRATEGIC INFILL		
	THEORETICAL MAXIMUM POTENTIAL INCREASE *	REALISTIC NET SUPPLY	DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
Outer North	4,500	750	200	0	400
Inner North	39,750	6,750	500	3,950	10,050
Adelaide West	32,300	11,050	4,400	5,175	825
Inner Metro	12,850	7,400	2,625	23,450	0
Inner South	12,850	8,000	1,250	1,725	0
Outer South	11,800	4,600	375	400	1,425
Adelaide Hills	500	230	150	0	0
TOTAL	**107,400**	**39,000**	**9,500**	**34,700**	**12,700**

Note * - the increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.

A summary of infill (general and strategic) supply and development activity has been prepared for the four inner regions which account for the majority of urban infill development:

- Adelaide West
- Inner Metro
- Inner North
- Inner South

4.6.1 Adelaide West

The Adelaide West Region has grown by 1,252[11] dwellings per year since 2017. This growth has been driven by numerous strategic infill developments (Bowden, West Lakes and St Clair) and widespread general infill. General infill is expected to continue with 22% of the existing dwellings having potential for development at higher densities.

RECENT DEVELOPMENT TRENDS

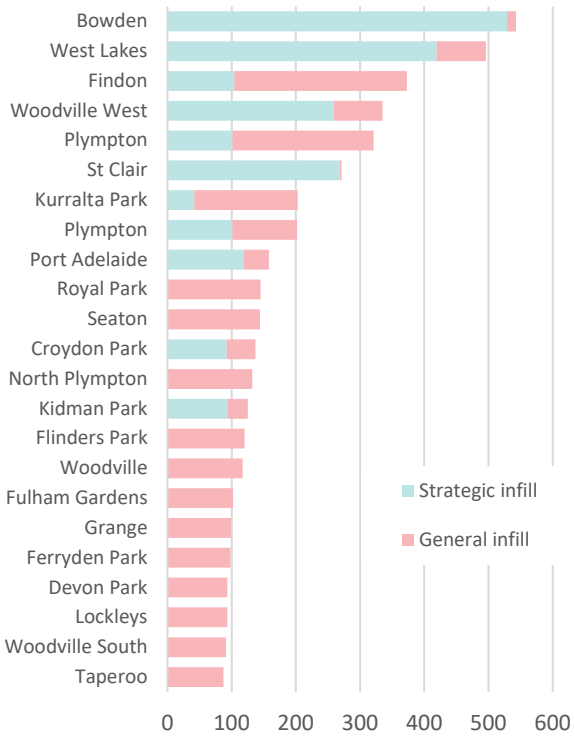
DWELLINGS BUILT 2017-2021

9,581

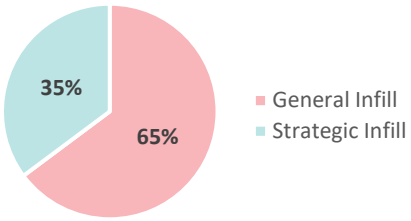
1,916 p.a.

60% detached

NET DWELLING INCREASE BY SUBURB[13], 2017-2021



DEVELOPMENT TYPE, 2017-2021 (NET)

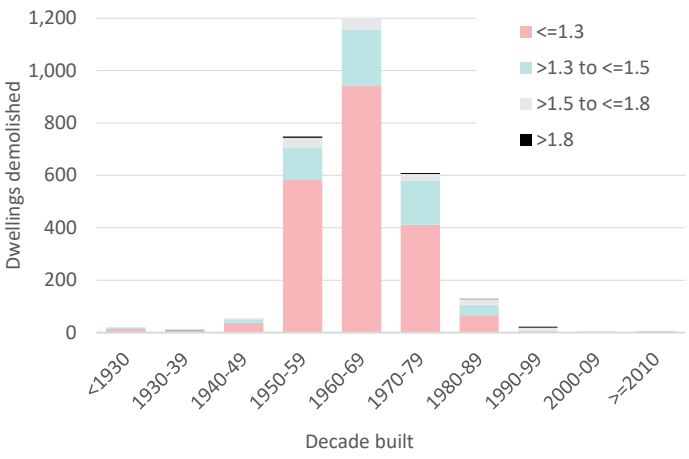


DWELLING CHARACTERISTICS, JUNE 2022

- **116,150** dwellings
- **19%** built since 2010
- **34%** built 1950 to 1979
- **25,300** (22% of total dwellings) have general infill potential

DEMOLITIONS, 2017-2021

- **664** p.a. (average)
- **1.9**[12] – Replacement rate
- **66%** of demolished dwellings:
  - Built 1950-1979
  - CV:SV ratio <=1.3

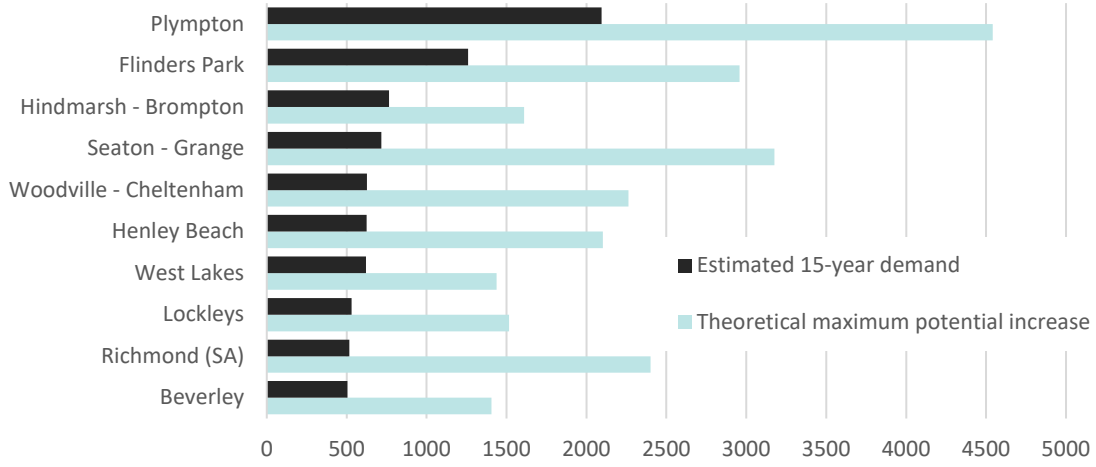


[11] Net dwelling increase equals dwellings built minus dwellings demolished.
[12] Replacement rate of 1.9 means that for every dwelling demolished, on average 1.9 new dwellings are built in its place.
[13] Not all suburbs are included in the chart.

GENERAL INFILL LAND SUPPLY

THEORETICAL MAXIMUM POTENTIAL INCREASE[14]	ESTIMATED 15-YEAR DEMAND[15]
32,300	11,050

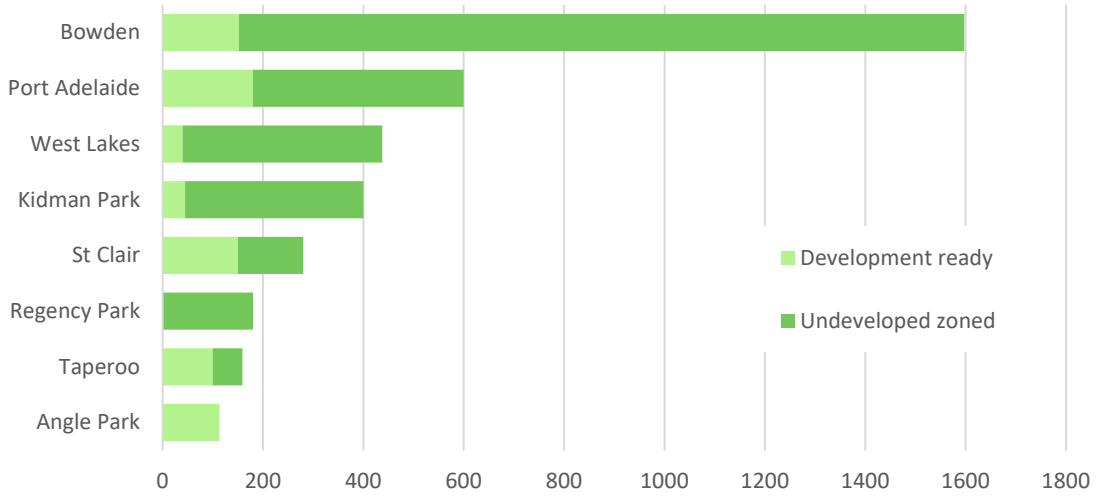
GENERAL INFILL LAND SUPPLY BY SA2



STRATEGIC INFILL LAND SUPPLY

DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
4,400	5,175	825

STRATEGIC INFILL LAND SUPPLY BY DEVELOPMENT FRONT



[14] The increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.
[15] Calculated using the rolling 5-year trend, extrapolated forward 15 years to estimate demand. Used as likely supply estimate.
NOTE: General infill land supply figures are based on filtered stock (dwellings built before 1990 and CV:SV ratio <=1.8). This stock is assumed most likely to be developed over the next 15 years.

4.6.2 Inner Metro

The Inner Metro Region has grown by 1,754[16] net dwellings per year since 2017. This growth has been driven by capital city development and numerous other strategic infill developments (Prospect urban corridors, Kent Town, Glenside and Norwood) and general infill, particularly within Campbelltown LGA.

RECENT DEVELOPMENT TRENDS

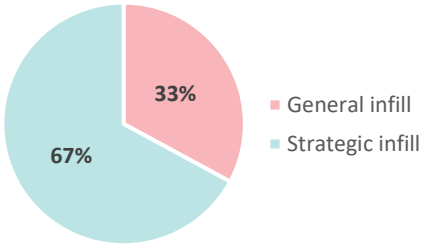
DWELLINGS BUILT 2017-2021

11,505 gross

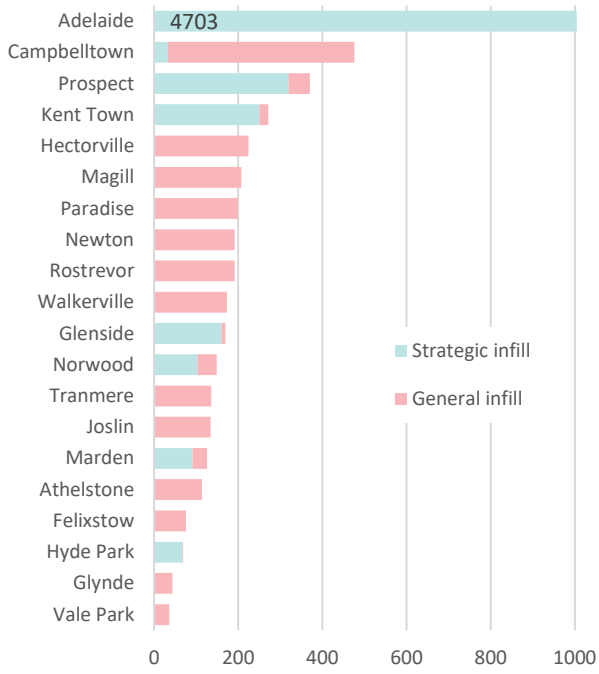
2,301 p.a.

24% detached

DEVELOPMENT TYPE, 2017-2021 (NET)



NET DWELLING INCREASE BY SUBURB[18], 2017-2021

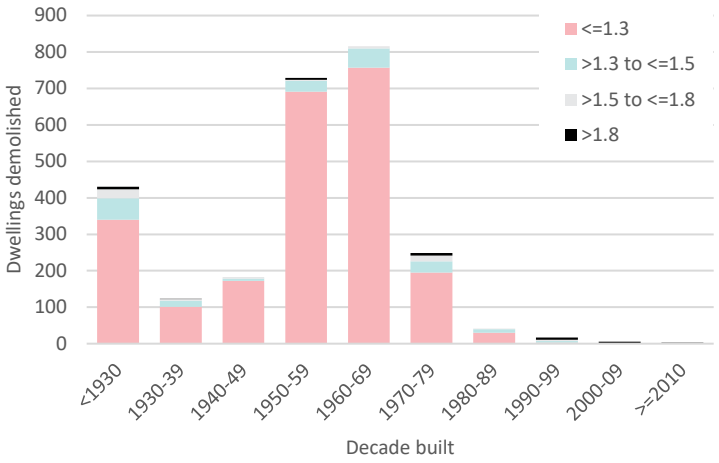


DWELLING CHARACTERISTICS, June 2022

- **118,570** dwellings
- **18%** built since 2010
- **50%** built before 1979
- **12,850** (11% of total dwellings) have general infill potential

DEMOLITIONS, 2017-2021

- **547** p.a. (average)
- **1.9**[17] – Replacement rate
- **82%** of demolished dwellings:
  - Built before 1979
  - CV:SV ratio <=1.3

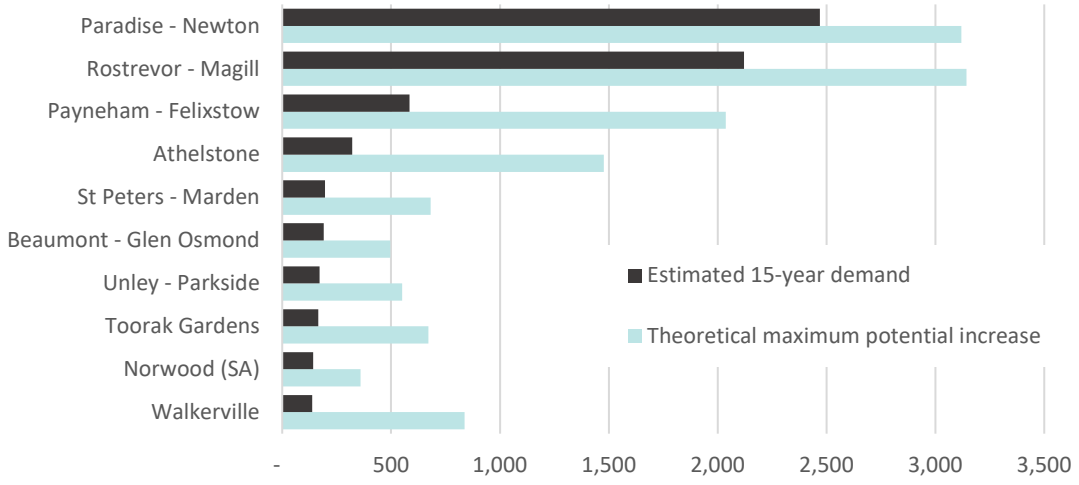


[16] Net dwelling increase equals dwellings built minus dwellings demolished.
[17] Replacement rate of 1.9 means that for every dwelling demolished, on average 1.9 new dwellings are built in its place.
[18] Not all suburbs are included in the chart.

GENERAL INFILL LAND SUPPLY

THEORETICAL MAXIMUM POTENTIAL INCREASE[19]	ESTIMATED 15-YEAR DEMAND[20]
16,400	7,400

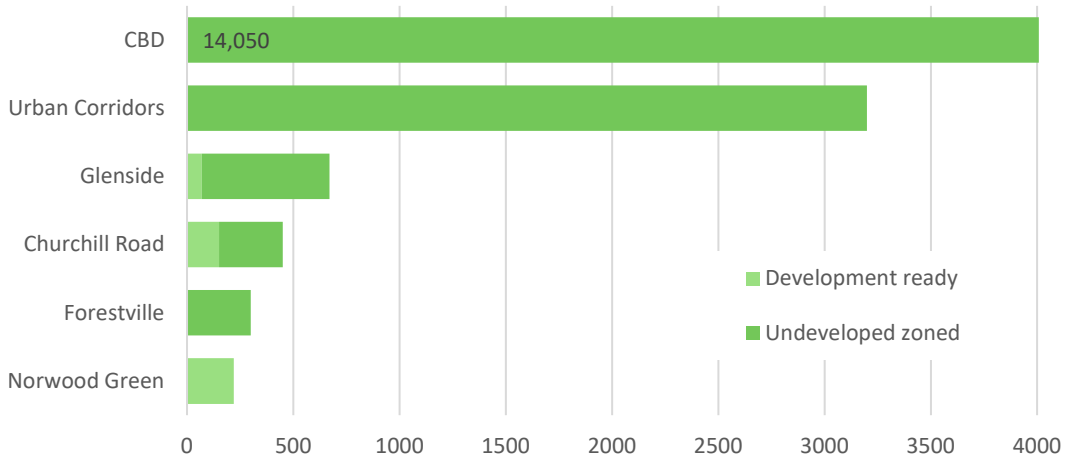
GENERAL INFILL LAND SUPPLY BY SA2



STRATEGIC INFILL LAND SUPPLY

DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
2,600	23,450	0

STRATEGIC INFILL LAND SUPPLY BY DEVELOPMENT FRONT



[19] The increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.
[20] Calculated using the rolling 5-year trend, extrapolated forward 15 years to estimate demand. Used as likely supply estimate.
NOTE: General infill land supply figures are based on filtered stock (dwellings built before 1990 and CV:SV ratio <=1.8). This stock is assumed most likely to be developed over the next 15 years.

4.6.3 Inner North

The Inner North Region has grown by 852[21] dwellings per year since 2017. This growth has been driven by the Lightsview infill development along with other smaller strategic infill developments and widespread general infill. This region has the largest potential for general infill development, and it is expected this development type will increase over the next decade.

RECENT DEVELOPMENT TRENDS

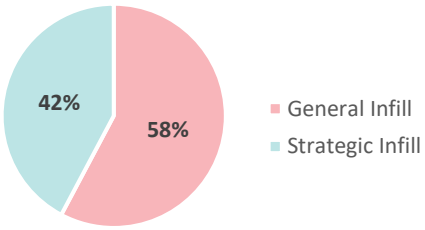
DWELLINGS BUILT 2017-2021

7,125

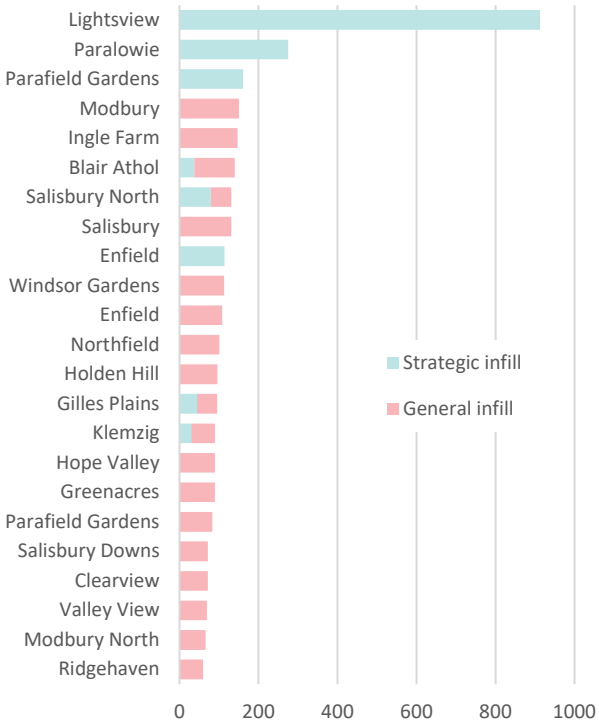
1,425 p.a.

80% detached

DEVELOPMENT TYPE, 2017-2021 (NET)



NET DWELLING INCREASE BY SUBURB[23], 2017-2021

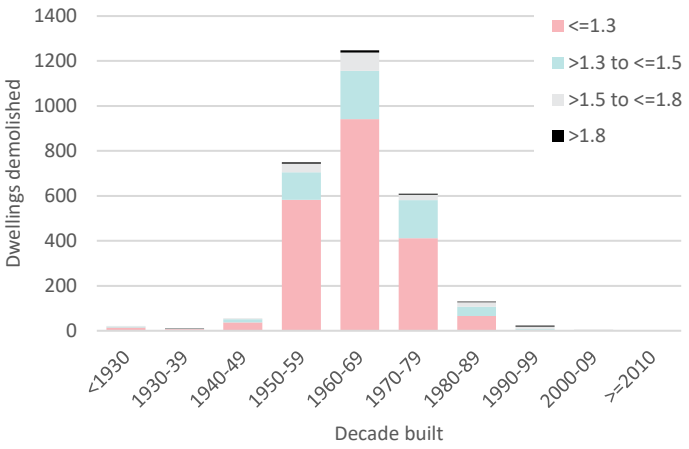


DWELLING CHARACTERISTICS, June 2022

- **134,770** dwellings
- **16%** built since 2010
- **37%** built 1950 to 1979
- **39,830** (43% of total dwellings) have general infill potential

DEMOLITIONS, 2017-2021

- **573** p.a. (average)
- **1.9**[22] – Replacement rate
- **85%** of demolished dwellings:
  - Built 1950-1979
  - CV:SV ratio <=1.5

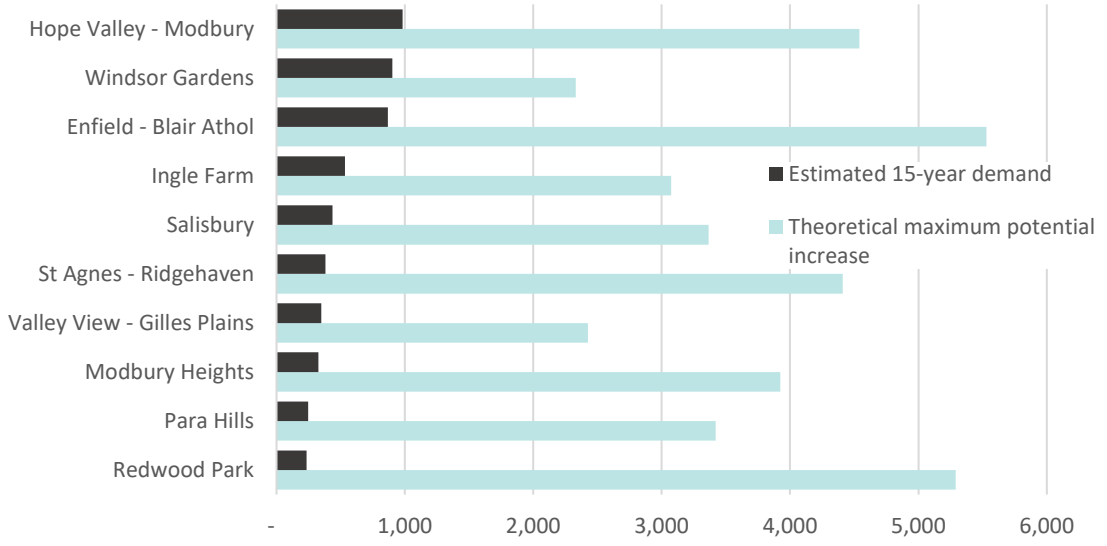


[21] Net dwelling increase equals dwellings built minus dwellings demolished.
[22] Replacement rate of 1.9 means that for every dwelling demolished, on average 1.9 new dwellings are built in its place.
[23] Not all suburbs are included in the chart.

GENERAL INFILL LAND SUPPLY

THEORETICAL MAXIMUM POTENTIAL INCREASE[24]	ESTIMATED 15-YEAR DEMAND[25]
51,850	6,750

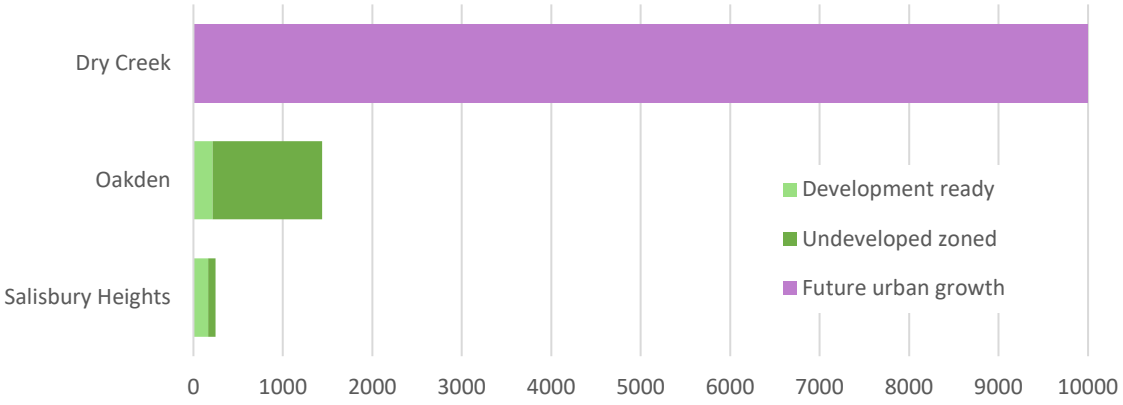
GENERAL INFILL LAND SUPPLY BY SA2



STRATEGIC INFILL LAND SUPPLY

DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
500	3,950	10,050

STRATEGIC INFILL LAND SUPPLY BY DEVELOPMENT FRONT



[24] The increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.
[25] Calculated using the rolling 5-year trend, extrapolated forward 15 years to estimate demand. Used as likely supply estimate.
NOTE: General infill land supply figures are based on filtered stock (dwellings built before 1990 and CV:SV ratio <=1.8). This stock is assumed most likely to be developed over the next 15 years.

4.6.4 Inner South

The Inner South Region has grown by 708[26] dwellings per year since 2017. This growth has been driven by strategic infill developments (Tonsley, Blackwood Park) and widespread general infill. New strategic infill opportunities at Morphettville and Seacliff will drive new growth in the future.

RECENT DEVELOPMENT TRENDS

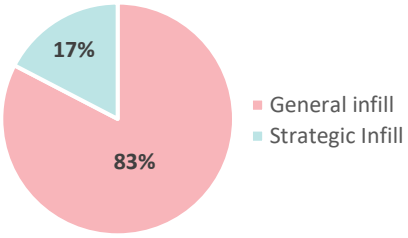
DWELLINGS BUILT 2017-2021

6,125

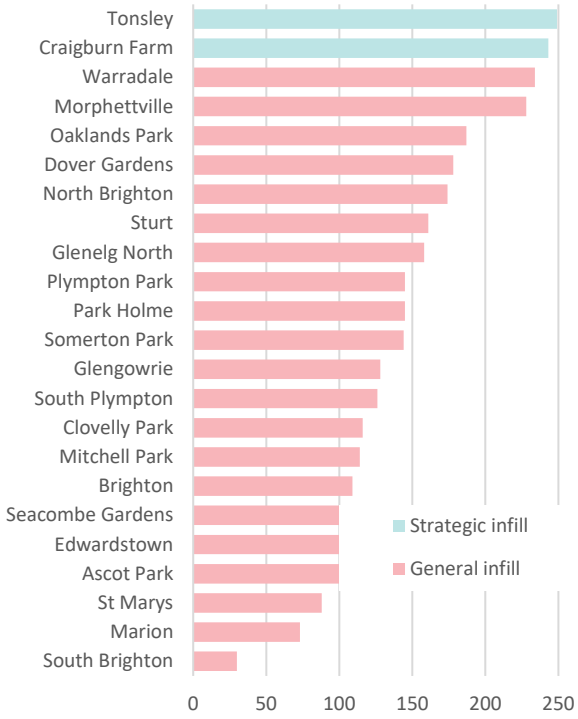
1,225 p.a.

62% detached

DEVELOPMENT TYPE, 2017-2021 (NET)



NET DWELLING INCREASE BY SUBURB[28], 2017-2021

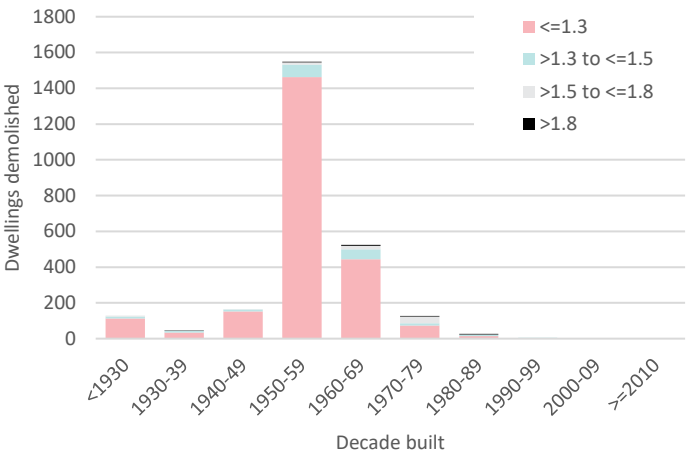


DWELLING CHARACTERISTICS, June 2022

- **91,500** dwellings
- **15%** built since 2010
- **26%** built 1950 to 1969
- **12,900** (14% of total dwellings) have general infill potential

DEMOLITIONS, 2017-2021

- **517** p.a. (average)
- **1.8**[27] – Replacement rate
- **83%** of demolished dwellings:
  - Built 1950-1969
  - CV:SV ratio <=1.3

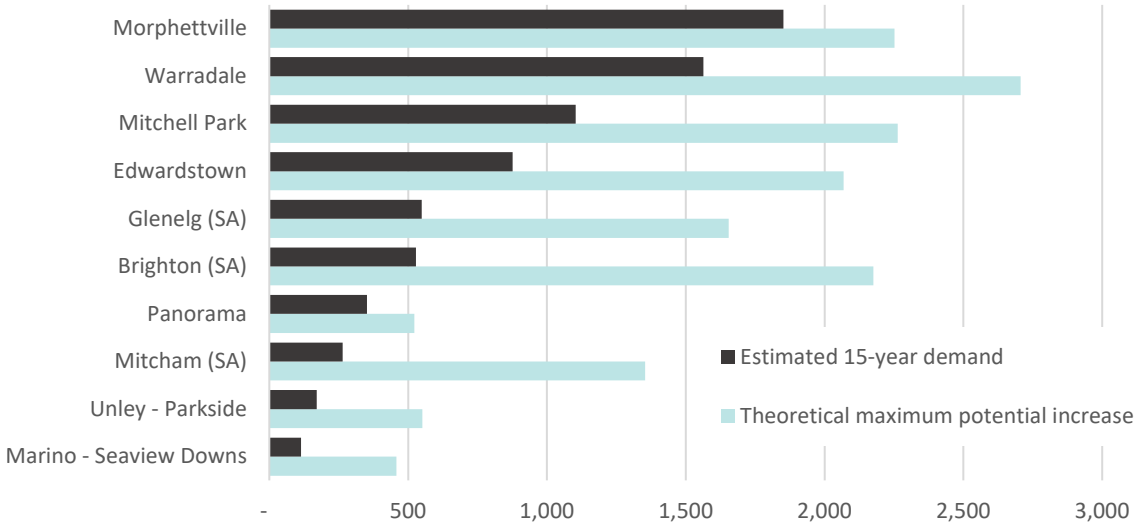


[26] Net dwelling increase equals dwellings built minus dwellings demolished.
[27] Replacement rate of 1.8 means that for every dwelling demolished, on average 1.8 new dwellings are built in its place.
[28] Not all suburbs are included in the chart.

GENERAL INFILL LAND SUPPLY

THEORETICAL MAXIMUM POTENTIAL INCREASE[29]	ESTIMATED 15-YEAR DEMAND[30]
16,850	8,000

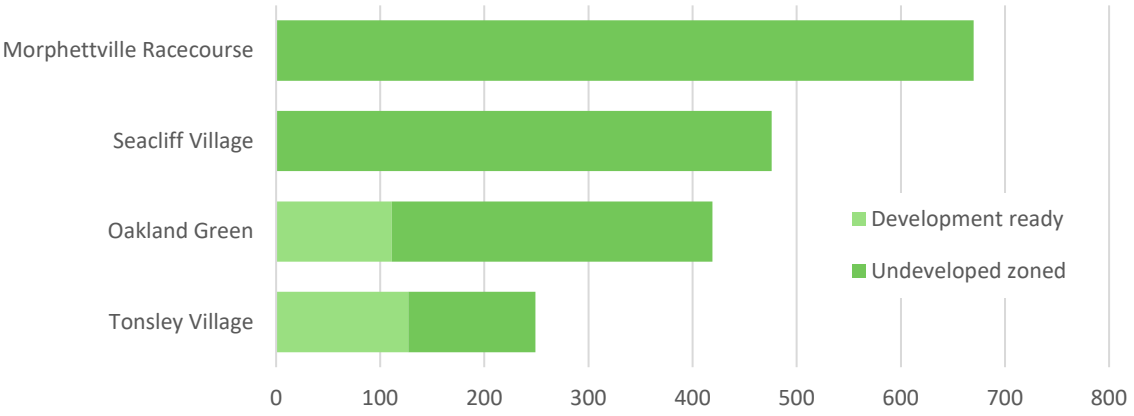
GENERAL INFILL LAND SUPPLY BY SA2



STRATEGIC INFILL LAND SUPPLY

DEVELOPMENT READY	UNDEVELOPED ZONED	FUTURE URBAN GROWTH
1,250	1,730	0

STRATEGIC INFILL LAND SUPPLY BY DEVELOPMENT FRONT



[29] The increase in dwellings that could be achieved should each parcel with potential be developed to its maximum capacity.
[30] Calculated using the rolling 5-year trend, extrapolated forward 15 years to estimate demand. Used as likely supply estimate.
NOTE: General infill land supply figures are based on filtered stock (dwellings built before 1990 and CV:SV ratio <=1.8). This stock is assumed most likely to be developed over the next 15 years.

5 RESIDENTIAL LAND SUPPLY SUMMARY

Applying the revised land supply methodology across all land supply types, as outlined in Section 1, results in a 20% reduction in total estimated supply when compared to numbers published as part of the EFPA review in 2021.

General infill development experiences the largest reduction in estimated supply, as shown in Table 8, this is a result of utilising rolling trend data to project future supply rather than relying solely on-site characteristics (i.e. age of building stock).

Whilst overall estimated supply has reduced by over 61,000 lots, there is still deemed sufficient residential land supply available to support projected population growth over the next 15-years (based on the 2021 estimated demand of 135,000 dwellings).

Table 8: Summary of residential land supply, 2021 and 2022

SUPPLY STATUS	EFPA REVIEW 2021	LSR 2022	CHANGE
Development Ready			
- Zoned Supply	82,000	71,350	-10,650
- Future Supply	44,000	33,500	-10,500
General Infill	68,200	39,000	-29,200
Strategic Infill			
- Zoned Supply	57,700	44,200	-13,500
- Future Supply	10,000	12,700	2,700
Peri-Urban Supply	3,000	3,000	0
TOTAL	**264,900**	**203,750**	**-61,150**

APPENDIX 1 – Land supply methodology review – key recommendations

Land Supply Category	Challenges/Issues	Recommendations
Greenfield	Development Ready supply is not always ready!	**Expand** the Development Ready supply pipeline to include sub-categories (possible, likely and firm) to reflect the 'readiness' of a project.
	Undeveloped Zoned supply is sometimes constrained.	**Discount** by 15% to account for land used for other purposes and fragmented ownership.
	Future urban growth area supply is difficult to estimate.	**Discount** by 30% to account for greater uncertainty about how much land will be zoned for residential use. **Review** current Future Urban land supply investigation areas in the 30 Year Plan.
	'Metropolitan fringe' and 'township' greenfield land markets.	**Analyse** and report on greenfield land market dynamics for both areas.
General Infill	Development Ready supply is not currently monitored.	**Create** a Development Ready supply pipeline (possible, likely and firm).
	Theoretical maximum development potential.	**Filter** selected parcels using both capital to site value ratio, and year built. **Calculate** potential using a dwelling replacement rate and not the maximum potential development outcome.
	Realistic supply is overstated.	**Calculate** a 5-year rolling average of dwellings built from General Infill developments. **Calculate** realistic supply using the 5-year rolling average * forecast supply horizon (3,000*15 years = 45,000 dwellings).
Strategic Infill	Strategic sites are highly desirable but becoming harder to find.	**Create** a Development Ready pipeline (possible, likely and firm). **Monitor** potential sites with no current developer intentions (ie. future growth areas, catalyst sites, Code Amendments).

Land Supply Category	Challenges/Issues	Recommendations
		Calculate a 5-year rolling average of dwellings built in strategic sites.
	Urban corridor supply is emerging but difficult to estimate.	**Create** a Development Ready pipeline (possible, likely and firm). **Calculate** a 5-year rolling average of dwellings built in Urban Corridor zones. **Consider** new methods for calculating potential in corridors.
	CBD demand is variable and future supply is difficult to estimate.	**Calculate** a 5-year rolling average of dwellings built for CBD development to estimate future supply. **Consider** new methods for calculating CBD potential
Employment Land	Development ready vacant supply is not currently monitored.	**Create** a Development Ready pipeline for vacant employment land based on land division proposals, and information from key stakeholders. **Discount** the remaining undeveloped zoned vacant supply by 15%
	Underutilised 'Occupied' land is difficult to estimate.	**Investigate** methods to capture underutilised employment land
	Future (and vacant) employment land could be constrained.	**Discount** future employment land by 30% to account for fragmented ownership and infrastructure requirements