

West Culburra Expansion Area Social Impacts Scoping Study

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1 Background

The Public Practice was engaged by Realty Realizations to undertake a Scoping Study in relation to the social impacts of their proposed residential development in Culburra, an area known as the West Culburra Expansion Area. The development proposal is being assessed by the Director General of Planning under Part 3A of the Environmental Planning and Assessment Act. The Director General has required a social impact assessment, as follows:

12. Socio-economic Impacts

12.1 Provide a social impact assessment for the development. Address the social and economic context of the development (for both the tourist and residential components) in terms of infrastructure requirements, public transport, community services and facilities (including schools and medical services).

12.2 Address the design considerations, where appropriate, within the Heart Foundation's Healthy by Design: a planners' guide to environments for active living.

This Scoping Study develops population scenarios for the Expansion Area, and through research and interviews, identifies the nature of likely social impacts. The possible impacts are essentially of two types:

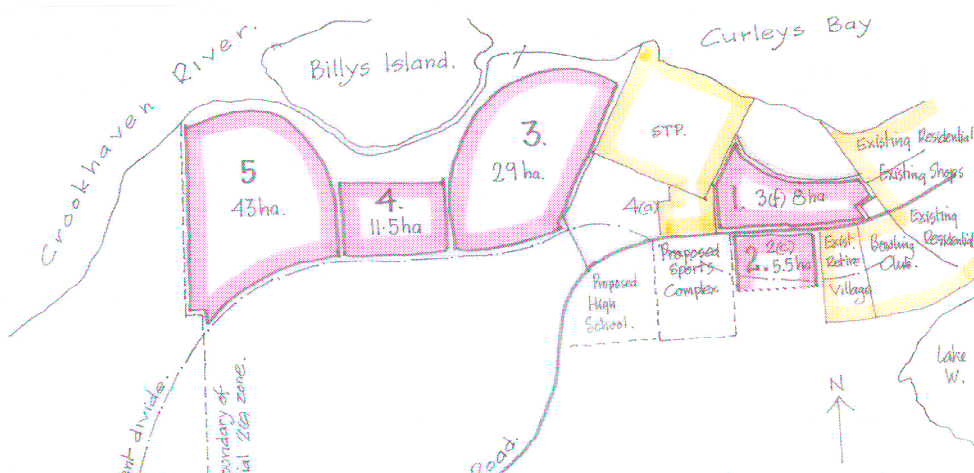
1. Impacts of population growth, and the consequent demand for facilities and services;
2. Impacts on the current community, through changes in community characteristics that are valued or significant to the current community.

1.1 The proposed development

The Expansion Area includes five planning zones:

Land Unit	Area	Zoning	Proposed Use	Staging	Capacity
1	8 ha	3(f)	commercial/mixed use	as demand arises	up to 100,000m ² of mixed land use
2	5.5 ha (10 ha max)	2(c)	3 and 14 storey units; some single lot subdivisions	2011-16	500 unit 50 lots
3	29 ha	2(c)	single lot subdivision	2012-14	240 lots
4	11.5 ha	2(c)	single lot subdivision	2014-16	90 lots
5	43 ha	2(c)	single lot subdivision	2016-20	330 lots

The focus of this study is in the implications of population growth based on Areas 2 to 5.



In the modelling and discussion, it is assumed that dwellings in Area 1 are all townhouses (or villa developments), Area 2 has only units, and Areas 3, 4 and 4 have detached cottages.

A draft layout plan for Areas 3 – 5 shows a curved road patter mimicking older parts of Culburra, with bicycle and pedestrian paths along the access road and shoreline. Tourist accommodation (eg motel) and a riverside shop are planned in Area 5. This would be an important community facility, providing a corner shop and café for local residents within walking distance. A sales office that serves as, and can later be modified to, a corner shop, would be useful in Area 3 for early residents.

The layout pattern is in broad concordance with the Heart Foundation Guidelines *Healthy by Design*, as it encourages walking and cycling.

1.2 South Coast Regional Strategy

The Department of Planning's *Settlement planning guidelines: south coast regional strategy* of August 2007 sets housing and dwelling targets to accommodate population growth.

In the Regional Strategy, the population of the South Coast has been projected to increase by 60,000 people over the next 25 years requiring an additional 45,600 dwellings, of which 26,300 are projected for Shoalhaven. The demand for additional dwellings is expected as follows:

- ❑ Families with children 25%
- ❑ Couples without children 37%
- ❑ Group households 2%
- ❑ Lone persons 36%

Targets for housing mix for new dwellings are set at 70% detached / 30% medium density across the whole LGA. The Guidelines say:

Existing housing stocks within each of the South Coast council areas are heavily biased towards detached housing (Shoalhaven: 89%). Given that the vast majority of additional households will be couples or singles, councils should be moving towards an improved housing mix to make more efficient use of existing and future housing stocks; to improve diversity and economic activity around town centres; to improve housing affordability and to provide more housing choice.

Of relevance to Culburra, the Guidelines call for the application of

- ❑ Neighbourhood Planning Principles to achieve more sustainable urban developments, including:
 - *Streets and suburbs planned so that residents can walk to shops for their daily needs.*
 - *A wide range of housing choices to provide for different needs and different incomes.*
- ❑ Urban design for accessibility, including the provision of appropriate lighting and colour contrast for people with visual impairment, tactile indicators to assist people who are blind, appropriate signage and the provision of information in various formats to assist people who are hearing impaired and those with an intellectual disability.
- ❑ The application of Crime Prevention Through Environmental Design (CPTED) to design, manage or manipulate the environment to reduce the opportunity for crime to be committed.

The four main design and management principles of CPTED are surveillance (encouraging community use and the ability for people to watch over spaces), accessibility (restrict access to certain areas), reinforcing territory (fostering a community sense of ownership) and defensible space (areas appear well cared for and protected).

- ❑ The fostering of social capital

Social capital describes the social structures that encourage community relationships and involvement. The built environment encourages community development through an appropriate mix of households; the relationship between public and private spaces; discouraging gated communities; accessibility to community facilities and open space; creating places that provide a focus for community interaction; providing appropriate facilities in public places to encourage various groups to interact in a positive way; and safety.

1.3 Coastal Design Guidelines for NSW

The Minister for Planning has issued a Direction under section 117 of the Environmental Planning and Assessment Act 1979 to all local councils in the coastal zone regarding the Coastal Design Guidelines 2003. This includes sections on Coastal Towns and Coastal Villages. Of Coastal Towns, it says:

Planning principles include:

- ❑ Where new development is accommodated outside the town boundaries it reinforces the town and adheres to the principles for new settlements.
- ❑ Generally heights of up to four storeys in town centres; up to two storeys in suburban areas.

1.4 Healthy by Design

The Director General of Planning has required consideration of Healthy by Design: a planners' guide to environments for active living published by the Heart Foundation.

The design considerations in this resource support and inform healthy planning decisions. Optimal design approaches to encourage active living are made in regard to:

- *Walking & cycling routes*
- *Streets*
- *Local destinations*
- *Open space*
- *Public transport*
- *Seating, signage, lighting, fencing and walls*
- *Fostering community spirit*

1.5 Shoalhaven S.94 Plan

Culburra lies in Planning Area 2 of the Shoalhaven Section 94 Plan, under which Council seeks contributions for local facilities. Contributions were required under a superseded plan for the Culburra Expansion Area to develop up to 3,000 dwellings:

- ❑ 100% of the cost of a Culburra Sporting Complex, proposed in the Sportsgrounds Strategic Plan 2008-2036
- ❑ 100% of the cost of a West Culburra (expansion area) community centre,
- ❑ Land for passive open space
- ❑ Road upgrades

2 Characteristics of the current community

2.1 A coastal town

Culburra is typical of Coastal Towns described in the NSW Coastal Design Guidelines, which say:

Coastal towns are small centres that vary in size and have a population ranging from 3,000 to 20,000 people. Coastal towns offer a range of services and facilities, which may include:

- *a commercial, retail town centre and suburbs*
- *parks, playing fields and caravan parks*
- *a main street*
- *churches and education institutions*
- *medical facilities.*

Culburra fits the general physical characteristics of coastal towns:

- *visual connections to the landscape and the coast*
- *being located directly adjacent to the foreshore*
- *centrally and conveniently located community facilities and public spaces*
- *an original historic, intact, grided subdivision pattern*
- *low, small-scale buildings.*

The coastal town character is largely what attracted the current residents to Culburra, and is its most valuable social asset.

2.2 A homogenous community

Many characteristics of the Culburra-Orient Point community are held by large proportions of residents:

- ❑ **Stability:** In 2006, 60% of Culburra's residents had lived in the same house for at least 5 years.
- ❑ **Lower education:** just over half of Culburra's residents had no tertiary qualification; only 6% had a bachelor degree or higher (though number with higher qualifications rose noticeably over 2001 to 2006).
- ❑ **Fewer managers and professionals:** the workers are more in sales, services, admin and trades.
- ❑ **Generally lower incomes:** a reflection of the high proportion of retirees. In 2006, 39% of adults in Culburra received low-incomes and 34% got middle-incomes (ie under \$600 a week).
- ❑ **Low workforce participation:** (again a reflection of retirees), with 59% of adults not in the labour, and another 5% unemployed.
- ❑ **Anglo-Celtic heritage:** The most common ancestries are English, Irish and Scottish. There is a scatter of residents with European ancestry or birthplace, some of whom still speak their native tongues at home.
- ❑ **Christianity:** three-quarters of residents said they were Christian in 2006 (mostly Anglican and Catholic); only one in seven had no religion.

2.3 A large holiday population

In mid-winter 2006, when the Census was taken, Culburra had a stock of 2,361 dwellings of which 869 were unoccupied, an overall vacancy rate of 32%. Vacancy rates were 34% for houses, 21% for townhouses, and 26% for flats.

The dwelling numbers reported in the Census do not include the ~200 holiday cottages at the Crookhaven Head Tourist Park.

During the summer holidays over December-January, Culburra fills up. In winter, only about 1,500 dwellings with 4,750 bedrooms were occupied at an average of 0.8 persons per bedroom. If all 7,150 bedrooms in dwellings were occupied at an average of 1 person per bedroom, this would accommodate 7,150 people, with another ~600 in the holiday cottages, totalling say 8,000 people.

The summer holiday population provides many service businesses (eg cafes) with most of their annual income, and would provide a short-term boost to employment, probably mainly for young people.

However, many of the local shops would be reliant on the tourist season for survival rather than profit. Too many shops are marginal or loss making over most of the year, and would benefit from a larger population in their catchment.

2.4 A constrained community

Culburra is a community constrained by the lack of additional land for housing, with little change in dwelling numbers since 2001 (2,354 dwellings in 2001 and 2,361 in 2006, a change of 6).

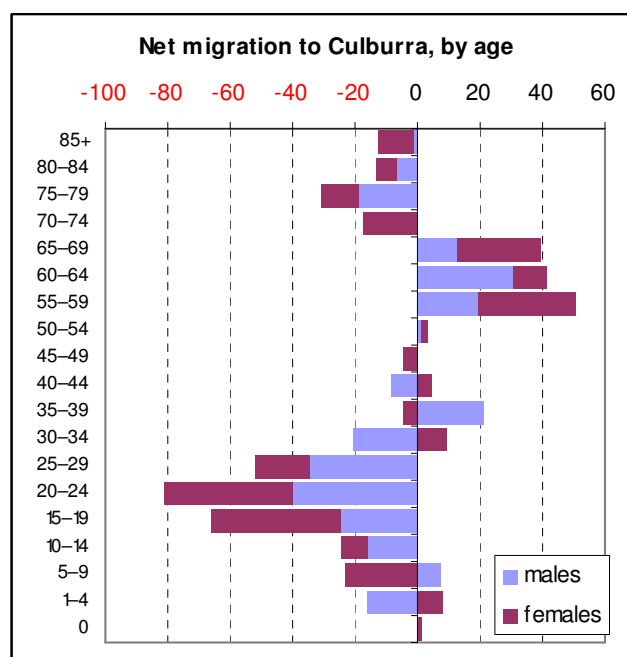
This means that incoming households have been replacing others who depart. This movement is illustrated by comparing the population of generations between 2001 and 2006 (people may get older, but they remain in the same generation). In Culburra, Baby-boomers (aged 45–59 years in 2006) and the Wartime generation (60–74 years) increased their number and share of the population, mostly at the cost of Gen Y (15–29 years) - about 200 left - and Veterans (75–89 years), who moved on.

The net migration of age groups into Culburra can be estimated by applying mortality and birth rates to the 2001 Culburra population to see what the 2006 population would be with no migration, and subtracting this projection from the actual 2006 population.

It seems clear that many residents aged under 30 left Culburra, replaced mainly by people aged 55 to 70.

The upgrading of Culburra's beach shacks into modern homes is another indicator of change. Some incoming residents have considerable wealth, possibly from selling a Sydney home.

The incoming population is largely retiring people with assets but no children, buying and renovating houses that may previously have been inhabited by families with children.



2.5 A declining population

The population is falling as occupancy rates decline. There are fewer residents per dwelling, falling from 2.52 in 1991 and 1996 to 2.44 in 2001 and 2.32 in 2006. This is due to three trends:

- ❑ Older couples becoming singles, due to death
- ❑ Young adults leaving the family home
- ❑ Older couples acquiring dwellings that once held families

The falling population reduces trade in local shops and makes these seasonal businesses more marginal.

2.6 Loss of families and children

The number of couple families with children under 15 in Culburra has been falling for the last 20 years, from 290 in 1991, 263 in 1996, 239 in 2001 to 206 in 2006. This has been mainly offset by the rise in single parent families.

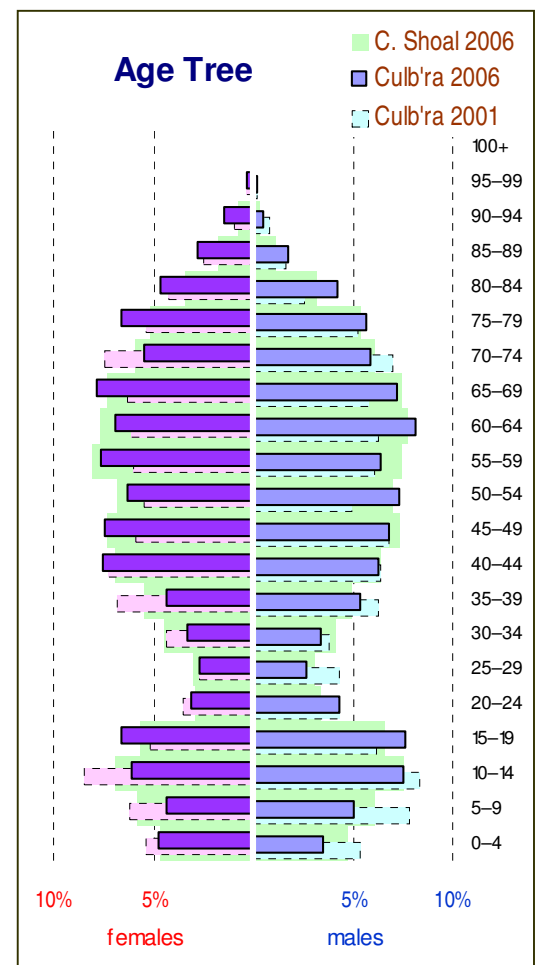
The loss of younger families with children over 2001 to 2006 is shown in Census data.

- ❑ The proportions of population of birthing age (25 to 39) and primary age (12 to 17) both fell by almost 2 percentage points.
- ❑ The proportions of pre-schoolers (under 5) also fell.
- ❑ The proportion of families who were couples with children fell 2 points.
- ❑ The average size of these families fell by 6% over the five years.

The movement of families out of Culburra can also be seen in generational terms. The number in the youngest generation, Gen Z (aged 5 to 14 in 2006), fell by 60 over the period.

There is also a loss of teenager families. The number in Gen Y (15-29 in 2006) fell by 200 as young adults left home for work or study. However, the number of baby-boomers (their parents' age) increased, suggesting their parents did not leave, or were replaced by retirees.

There were 216 primary students counted in 2006, 90% of the 5 to 11 year-olds. In 2011, Culburra Public School (4447 2010) reported 226 enrolments.



2.7 An ageing community

The population is increasingly skewed towards older age groups, consisting of both residents who bought here years ago with the intention of retiring, and retirees buying into the town after selling their home elsewhere.

In 2006, almost 20% of residents were aged 70+, 5% more than Shoalhaven and 3% more than Coastal Shoalhaven. This was 1% higher than 2001.

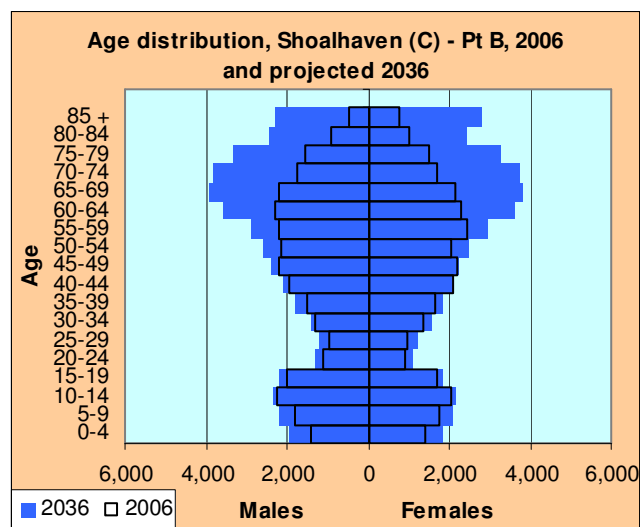
The proportion in the retiring age group (55 to 69) rose another 4% to 22% over the five years.

Planning NSW has made age-cohort population projections for Coastal Shoalhaven, which contains Culburra and other Shoalhaven coastal towns and village with a similar retirement and holiday population to Culburra.

The chart shows how the whole district is expected to have an ageing population, with virtually all population growth occurring among those aged over 50, with most amongst those aged 60-74.

One clear implication in this ageing population structure is the increasing need for aged services and workers, particularly to support people with disabilities.

In 2006, 50% of residents aged 85+ and 23% of those aged 75 to 84 had a chronic disability requiring assistance. Many of the oldest would live in the nursing home, but disability rates were higher in all age groups over 45 than across Coastal Shoalhaven district.



2.8 Stable house prices

Median property prices for Culburra rose steeply over 200 to 2003 from around \$85,000 to \$315,000, but since then have changed little, reaching \$341,000 in 2011 to date, a rise of 10% over 8 years, or about 1% pa.

Recent data from the Land Titles office suggests a median price of \$296,000 in 2009, \$340,000 in 2010, and \$337,000 in the first half of 2011.

This indicates that houses declined in value in real terms over the last 9 years, suggesting low demand.

Coupled with the evident re-building activity and high prices (~\$1.3 million) for the better ocean sites, this suggests sales are mainly among the older dwellings of lower quality, bought for upgrading, with few sales of the renovated dwellings.

2.9 Indications of needs

There are some indications of need in the current Culburra community, from the 2006 Census:

- ❑ **Aged services:** the ageing population and higher disability rates in Culburra will mean demand for home support services will rise.
- ❑ **Housing stress:** 46% renters and 35% of mortgages were paying over 30% of household income in rent.
- ❑ **Unemployment:** was high at 12%, with low proportions working (41%).
- ❑ **Indigenous disadvantage:** 6% of the population was indigenous, with an Aboriginal community at Orient Point.
- ❑ **School attendance:** seems low, with the 238 secondary students counted in the 2006 Census representing just 75% of the number aged 12 to 17, 5% lower than Coastal Shoalhaven.
- ❑ **Lone persons:** the number of people living alone rose from 283 in 1991 to 377 in 2006; these would be mainly aged people who have lost their partner.

3 Projected population growth from the expansion

The release of land for development in the Expansion Area will reverse Culburra's current population decline, but will not lead to rapid growth. The sale and construction of dwellings on the land will take time, with some lots being bought but staying vacant for many years.

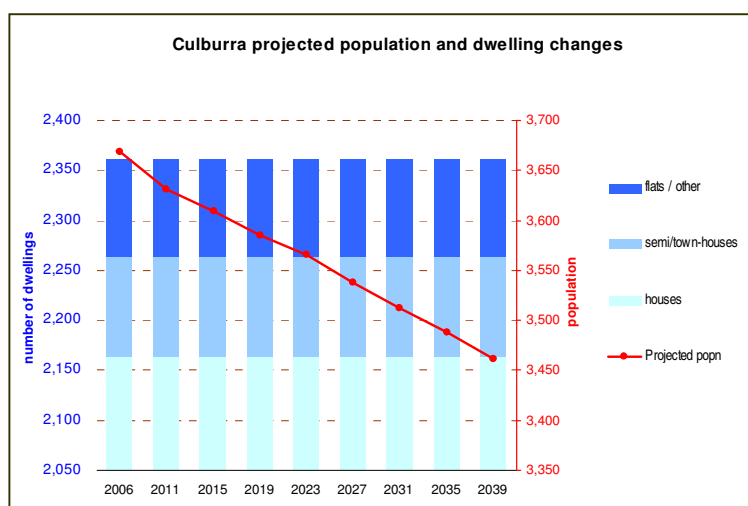
The population projected for Culburra was calculated using the Community Projector software package of The Public Practice. The Community Projector calculates population by projecting future dwelling occupancy rates, and multiplying by the projected number of dwellings. A number of different scenarios were tested to see the effect of variables.

3.1 Baseline scenario

In the baseline scenario, no dwelling development is allowed, with vacancy rates remaining unchanged and occupancy rates decline at the 0.3% pa for all types of dwellings (a slower decline than occurred across Shoalhaven over 2001-2006).

The population falls from 3,590 in 2006 to 3,460 in 3039

If vacancy rates were to fall from 37% in 2006 to 30% in 3039, the population would rise to 3,850 (about 400 more).



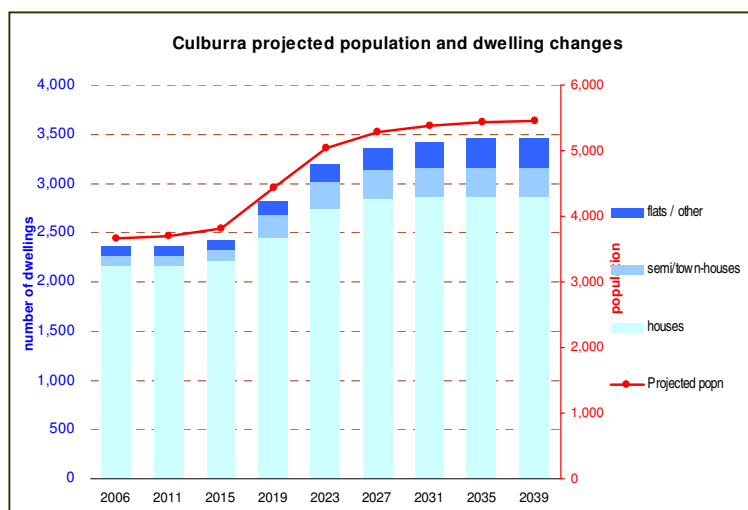
3.2 Baseline Expansion scenario

The Baseline expansion scenario has 80 house lots a year being released over 9 years from 2013 (total 700); 50 townhouse sites over 4 years from 2014 (total 200), and 10 units developed annually from 2014 to 2033 (total 200).

The population rises from 3,590 in 2006 to 5,460 in 3039. This is a growth rate of just 1.4% pa.

By 2039, the Expansion Area has about 1,100 people in houses, 300 in town houses and 200 in units.

The projected population considered likely in the Expansion Areas is:



Projected resident population	2015	2019	2023	2027	2031	2035
Area 3, 4, 5 houses	78	461	917	1,091	1,094	1,093
Area 1 townhouses	14	183	278	303	310	311
Area 2 flats	5	44	86	130	173	211
Total	97	688	1,281	1,524	1,577	1,615

In this scenario, other assumptions are:

- ❑ Occupancy rates decline at the 0.3% pa for all types of dwellings.
- ❑ The average occupancy rate for Culburra is applied to the Expansion area.
- ❑ Vacancy rates fall from 37% in 2006 to 30% in 3039 as the town becomes more established.
- ❑ A sale rate of 50% of stock of housing lots and units, and 30% of townhouse sights, is applied to the land release schedule to calculate how many sites or units are sold. This means that half the housing lots and half the units available are sold each year. This is based on the assumption that the developer releases lots for sale at a rate where average sale time is two years.
- ❑ A build-out rate of 40% of house sites and 60% of townhouse sites is applied to the sale rate to calculate how many dwellings are built each year. The build-out rate means that, each year, this proportion of the start-year stock of sold but vacant sites are built upon.

3.3 Effects of faster sales and building rates

A modified scenario is that the land is sold and developed faster than the baseline expansion scenario due to pent up demand, with

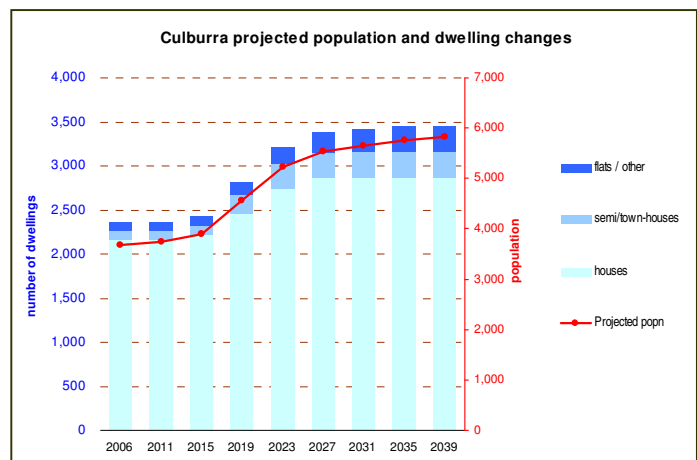
- ❑ 120 house lots released a year over 7 years from 2013 (total 700);
- ❑ 50 townhouse sites over 4 years from 2014 (total 200), and
- ❑ 20 units developed annually from 2014 to 2023 (total 200).
- ❑ A sale rate of 60% for housing lots and 50% of townhouse sites and units.
- ❑ A build-out rate of 60% of house sites and 70% of townhouse sites.

The result is the same population in 2039 but with faster growth in the interim, averaging 3% over 2011 to 2023. This is not materially different.

3.4 Effects of lower vacancy rates

If vacancy rates fall more sharply, because more new buyers are residents rather than holiday-homers, the population will rise more sharply, and continue rising after the expansion area is largely occupied.

If long-term, vacancy rates fall to 25% for houses (from 37%) and to 15% for flats and townhouses (from 30%), the population would reach 5,800 by 2039, about 350 more than under the baseline expansion.

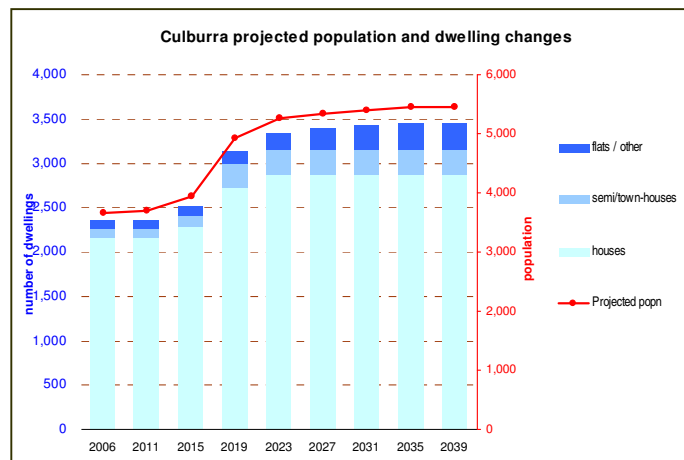


3.5 The effects of higher occupancy rates

The baseline expansion assumption is that occupancy rates continue to fall at 0.3% pa. An alternative assumption is that the expansion area attracts larger households (families rather than retirees, couples rather than singles), and that overall occupancy rates do not change from 2006.

Stable occupancy rates result in a population of 5,900 by 2039, or 440 more than the baseline expansion. Population growth over 2011 to 2039 averages 1.6% pa.

Coupling lower vacancy rates with stable occupancy rates produces a population of just under 6,300 in 2039, about 800 more than the baseline expansion. Growth averages 1.8% pa over the sample.



3.6 Holiday effects

The population effects of the holiday season can be mimicked in the Projector model by assuming increasing occupancy rates and occupancy limits for dwellings, and reducing vacancy rates to zero in the long term, or near-zero in 2039.

Under these assumptions, the population might reach 10,700 in the 2039 holiday season. The holiday population will rise more than the residential population, and provide a greater seasonal boost to the viability of the local shops.

3.7 Incoming residents

The incoming resident population is likely to be similar to that coming in over 2001 to 2006, as indicated in the net migration patterns. That would suggest about two-thirds would be retirees aged 55 to 70, and one third Gen X families, headed by 30 to 45 year-olds with young children.

However, the relatively stable house prices over recent years, despite constrained supply, suggest low demand at current prices. The vacant land will be lower priced, and thus attractive to families working in the area or Nowra.

The incoming community is likely to be fairly scattered initially as sites are progressively developed. For example, producing 80 lots a year with 50% sale rate and 40% build rate results in 157 houses after 5 years on 400 lots (ie 40% built; 60% vacant). After 9 years, when all 700 lots are produced, there might be 446 houses built (one-third still vacant).

The Expansion Area population will peak around 2025 with about 1,100 residents in the houses, 300 in the town houses near the town centre, and 200 in flats.

3.8 Local community facilities

Residents in Areas 1 and 2 (townhouses and flats) will be within easy walking distance of the shopping centre and community hall.

Residents in the houses of areas 3, 4 and 5 would benefit by a neighbourhood shop / cafe. The planned riverside shop will serve this purpose for the western end

4 Socio-economic impacts of growth

4.1 Strengthening the shopping centre

The growing population will underwrite the sustainability of the current shopping centre, and may provide some impetus for new businesses. Change is likely to be gradual as population growth will only be about 3% over peak years.

4.2 Redressing the population imbalance

The incoming population will be younger than the current population, assuming a mixture of families and retirees, so will boost the proportion in these age groups to some extent.

However, the expansion area residents will constitute under a third of the population in 2039. The dominant group will be in the current dwellings. In these, the current population is ageing and most will be replaced over the next 20 years. The incoming population will draw from the same sources as the expansion area, but may have more retirees than families, as retirees seem to have more income and be able to buy the more expensive, near-beach properties.

The pricing of housing lots in the expansion area should aim to make many lots affordable to young families. Lower pricing might come from some smaller lots or as a marketing strategy to promote faster sales.

4.3 Providing a local workforce

To the extent the Expansion Area can attract families, it will attract residents of working age; while some of the retirees may want part-time work (a third of 55-64 year-olds worked in 2006, half full-time). More workers are likely to be needed locally in construction, aged services, retail and entertainment.

The incoming population will also contribute to volunteer numbers, as most are of prime volunteering age (a quarter of 35-75 year-olds volunteer, so the expansion area might bring ~300 volunteers). This will strengthen local community organisations.

4.4 Strengthen public transport services

The collector road, when completed, is envisaged as the route for the Culburra-Nowra bus service and for school bus services. Some 80% of the land in areas 3, 4 and 5 is within 400m walking distance of the collector road.

The Expansion Area should increase the viability and hence frequency of bus services, including short trips to the village centre. It may make the journey to and from Culburra a couple of minutes longer due to the extra stops.

4.5 Reinforce cycling routes and usage

The planned cycle routes around the Expansion Area connecting to the town centre will encourage cycling with associated benefits. Most new residents will be fit enough to cycle. Secure bicycle parking at bus-stops and in the town centre would be encouraging.

4.6 Extending the demands for aged care

The incoming population will be largely healthy. The likely majority who are retirees will need aged support services in about 20 years time; in the meantime, these services will need to expand to cater for the ageing current residents.