

December 2019

**Written by James McPeake**  
**Senior Town Planner - Veris Australia.**

## **Status and Outlook for residential land supply and residential development in the Cairns Local Government area - 2020-2031.**

### **Background:**

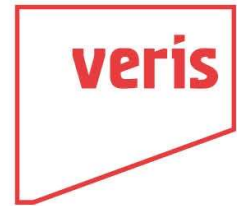
At its Ordinary Council Meeting on the 27 November 2019 the Cairns Regional Council refused a development application that sought to override the planning scheme to rezone land from Rural Zone to Low Density Residential zoned land. The relevant matters of the refusal stated that: *“The Applicant has failed to demonstrate that there is a planning need for the proposed development given that there is an adequate supply of appropriately zone land in the Planning Scheme area”.*

### **Study:**

As a result of this refusal being partially based on the grounds of *“planning need”* and *“adequate supply of appropriately zoned land”*, this independent review by James McPeake of Veris Australia was initiated to seek to explore and understand – what is the status of residential land development in the Cairns local government area? What is the outlook for available residential land supply within the Cairns Local Government area – 2020 – 2031? Lastly, to provide recommendations to promote appropriate new land supply and how to stimulate and promote existing developed areas to undergo infill development. A future study will explore the factors that impact upon land supply and the type of residential development seen in the Cairns Local Government area.

### **Data Sources:**

This review is based on data collected and published by the Queensland Government Statistician’s Office as well as the Queensland Treasury. Primarily, their document *Residential land development activity profile for Cairns Local Government Area*. Broadhectare refers to land planned by Council and State Government for residential development within an existing land parcel that is greater than 2,500m<sup>2</sup>. This represents land free of general constraints to development such as: flooding and protected vegetation (Qld Treasury, 2019). It’s considered that this definition also excludes inappropriately zoned land, sloping land or Good Quality Agricultural Land (GQAL).



## **Status of Residential Land development in Cairns Local Government Area.**

As of September 2019, there was an estimated 1,841 hectares of broadacre land suitable for standard urban density residential development. With a medium yield scenario resulting in an additional 20,461 dwellings to the Local Government Area. Put into perspective, the Mount Peter Master Planned Community South of Cairns, between the suburbs of Edmonton and Gordonvale, is planned to provide 1,582 hectares of standard urban density residential development. This represents 85% of the existing suitable land remaining in the Cairns Local Government area. Leaving only 259 hectares of land between Palm Cove and Edmonton, including Redlynch.

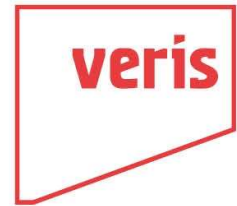
In the year ending June 2019 only 164 lots were approved resulting in a decrease of 74% from 2018. The most common approval size was within the range of 1 to 2 additional lots, representing 82% of all development approvals. This suggests that infill development was preferred over larger subdivisions, which only represented 3% of development approvals.

Of the existing developments approved to create new residential allotments applicants only lapsed 20 urban allotments, which is a dramatic reduction in lapsing development approvals, where in 2016, 122 approved allotments lapsed. The peak of lapsing approvals was December 2010 (Post GFC) when 650 urban lots were removed from the supply. "Lots lapsed can be used to gauge the demand for lots in a market, the extent of development speculation, or approvals that are not economically viable under current market conditions. Any conditions that a developer considers unfavourable could lead to the approval lapsing, for example, Infrastructure charges, costs or access to finance" (Qld Treasury, 2019).

This suggests that development applications approved post GFC are being held onto with applicants / developers waiting for favourable conditions to prepare the allotments for market. Data suggests that within the Cairns Local Government area 4,346 approved lots under existing development approvals were awaiting to be developed.

In the period ending September 2019, 578 new allotments proceeded to being created and a new title issued. This represented an 11% decrease compared to 2018. Of the 578, 477 were urban allotments, 77 were lower density allotments and 24 were units or townhouses. With data suggesting that the median urban lot size was 450-600m<sup>2</sup>.

Of the 578 lots created in 2019, 467 sold. New residential dwellings approvals (Building Approvals) fell dramatically in 2019 seeing 585 new dwellings representing a 42% reduction in new dwellings approved from 2018. Of the existing build dwellings in the Cairns Local Government Area the market saw 3,575 dwellings sold, representing a decrease of 11% compared to 2018.



The current dwelling type preference appears to be urban lots for detached standard low-density residential dwellings over new units and townhouses. With 554 standard lots being created and only 24 units or townhouses created up to September 2019. Conversely Pre GFC units and townhouses were preferred over new lots. With September 2009 seeing 900 units or townhouses being registered compared to 500 urban lots.

### **What is the outlook for available residential land supply within the Cairns Local Government area – 2020 – 2031?**

The current statutory planning documents that regulate zoning and land supply in the Cairns Local Government area are the Far North Queensland Regional Plan 2009-2031 (FNQRP) and Cairns Regional Council's CairnsPlan 2016 v2.1 (CairnsPlan).

The FNQRP is a statutory strategic planning document and it's: plans, policies and codes are reflected within local government planning schemes to represent general concepts for the purpose of broadscale regional planning. The Regional Plan identified areas suitable for: Urban Footprint, Rural Living and Regional Landscape and Rural Production Areas. Being the primary strategic document the FNQRP has informed and controlled broadscale residential development and supply within the Cairns Local Government Area and the current Cairns Regional Council's CairnsPlan. Put simply, only land identified as being located within the Urban Footprint was included in the Cairns Regional Council CairnsPlan as a residential based zone.

It was previously estimated in 2014 by Queensland Treasury that "based on current medium series household projections and the expected broadhectare dwelling yield, that the available resident land stock indicates 15 years of supply. Suggesting that by 2029 the Cairns Local Government area will require more broadhectare land supply to facilitate standard residential lots.

Excluding the Mount Peter Master Planned Area, the remainder of the Cairns Local Government Area from a regional perspective is either: constrained by slope, subject to unreasonable exposure to natural hazards (landslide, flood or storm surge) or is Good Quality Agricultural Land (GQAL) with strategic regional significance to the agriculture sector and sugar milling and refining industries.

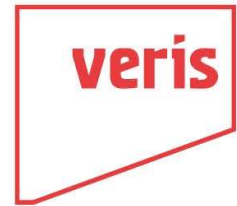
The strategic importance of this GQAL is of such significance that an opponent to the recent refusal from Council in Redlynch was the Maryborough Sugar Factory (MSF), citing unreasonable fragmentation and loss of productive Rural land as a matter of objection to the proposed residential subdivision. With MSF being a historic vocal and strident advocate regarding the protection of their farming interests with an agenda of; opposing inappropriate rural land being from being converted into land suitable for residential development.

It's considered that the existing limited supply of broadhectare low density urban land coupled with the environmental constraints of non-existing urban land within the Cairns Local Government Area, that the future of low scale residential development in Cairns past 2031 is extremely limited. This is unlikely to change without a significant shift in policy or significant additional infrastructure investment for example an upgrade of the Kuranda Range Road.

It is suggested that the future of residential development in Cairns is compact higher density urban form. Situated around existing urban centres that provide employment and services. For example, small lot subdivision (1 into 2 subdivisions) of existing serviced urban allotments. Or, dual occupancy development or small 4-6-unit developments. Its considered that this form of development should be complimentary to our environment and tropical lifestyle with building designs reflecting these considerations. It's likely that this type of urban infill and consolidation could be demonstrated to be appropriate to in the suburbs of: Parramatta Park, Manunda, Westcourt, Earlville, Mount Sheridan and Edmonton on the southside; And: Redlynch Central and Smithfield on the northside. The infrastructure capacity of these future urban centres should be investigated to determined appropriate areas to accept higher density.

**Provide recommendations to promote new land supply and promote existing developed areas to undergo infill development.**

1. Work on the replacement for the Far North Queensland Regional Plan 2009 – 2031 should be brought forward. Commencing in 2024 or 2025. This will also provide time to tie into a future new Cairns Regional Council Planning Scheme.
2. Cairns Regional Council should consider commencing work on detailed long term strategic local plans at the neighbourhood centre and suburb scale to determined yield of potential future urban centres. Also, infrastructure capacity studies at catchment scale should be conducted, to analyse the existing and potential infrastructure demand of these potential future urban centres. These can guide appropriate infill development in areas where existing infrastructure is underutilised.
3. Cairns Regional Council should consider a review into infrastructure charges for appropriate infill development, where infrastructure has demonstrated underutilised capacity.
4. The State Government should review and update existing transport infrastructure (road, active and public) plans to forecast and plan for higher density of population in existing urban areas. Also, bring forward funding of upgrades of road and transport infrastructure.
5. State Government to considering working with Rural Producers (landowners) and sugar millers (MSF) to identify existing rural zoned land that is no longer viable (too small) to farm or is considered suitable for urban development. A balance must be struck for rural zoned land owners where they are being impacted upon by encroaching urban development and the sugar millers having to protect their farms under sugarcane production.

**About the Author:**

James is a multi-disciplinary town planner at Veris Australia located in Edge Hill. Having gained valuable experience in the public sector within: Transport and Main Roads, Natural Resources and Mines and Environment and Resource Management. James has significant knowledge in the following areas: Strategic transport planning and the role and function of town centres, statutory development assessment, vegetation management and Queensland land tenure. James has also worked as a planner with a local government in the far northern region. James has played a key role in delivering advice and analysis, development approvals for small and medium scale residential and commercial projects across the far north region. James is a member of the Planning Institute of Australia and holds a Bachelor of Planning from James Cook University.

**References:**

<https://www.qgso.qld.gov.au/statistics/theme/industry-development/residential-land-supply-development>