



Central Coast Building Blocks 2024 Update

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Overview and Key Findings

UDIA NSW in partnership with ADW Johnson is pleased to present this 2024 update to our *Building Blocks Report* for the Central Coast. Our report identifies the infrastructure required to deliver the major greenfield residential and employment land development sites in the Central Coast local government area (LGA).

Building Blocks is a practical approach to housing supply and new jobs. Understanding what infrastructure is needed helps NSW Government and its agencies, councils and industry work together to facilitate funding pathways to get these assets planned, designed and constructed to support the timely delivery of new homes and jobs.

Building Blocks is an important contribution to the work of the NSW Government’s Central Coast Urban Development Program (UDP), which was established to support the delivery of new development by identifying and making recommendations for infrastructure priorities. UDIA serves on the UDP Committee along with the Department of Planning, Housing and Infrastructure (DPHI), council, state agencies and infrastructure providers.

This is a critical moment for the *Building Blocks* update. The NSW Government has tasked the Central Coast to deliver 9,400 new dwellings over the next 5 years to help meet the state’s total commitment of 377,000 new homes under the National Housing Accord.



Half of the Housing Accord target of 9,400 dwellings are in 13 development areas that together could supply 4,786 new dwellings in the next 5 years if a total of \$53.4m in enabling infrastructure is delivered.

DPHI determined the Housing Accord target for the Central Coast using two assumptions: first, that 5,900 dwellings would be delivered from development projects already in the planning system; and second, that additional dwellings would be delivered through the Government’s new housing policies including the Transport Oriented Development (TOD) Program, and Low- and Mid-Rise Housing reforms. In the current economic climate, higher density development is proving difficult. UDIA’s recent *Making TODs Work* research report showed the feasibility challenges facing that program on the Coast, for example.

While UDIA supports the NSW Government policy focus on delivering more housing density and infill in urban areas, it is impossible to ignore that if we do not deliver the greenfield housing already in the pipeline, we will fail to deliver the housing supply required, and the type of housing supply that remains in strong demand from purchasers. Put simply: we need more of every type of housing on the Central Coast, including more greenfield housing with a backyard.

What we found

Central Coast Infrastructure Costs and Project Yields over 20 Years

Category	Total Cost Residential	Total Cost Employment Land	Total Cost Per Category for all Development
Sewer Infrastructure	\$27 Million	\$17 Million	\$44 Million
Water Infrastructure	\$14 Million	\$14 Million	\$28 Million
Electrical Infrastructure	\$0	\$25 Million	\$25 Million
Local roads	\$39 Million	\$27 Million	\$66 Million
TfNSW intersections	\$56 Million	\$33 Million	\$89 Million
Total Cost per Development Type	\$135 Million	\$115 Million	\$250 Million
Total Yield	22,293 dwellings	1,641 ha or 78,000 new jobs	
Cost per dwelling or new job	\$6,000 per dwelling	\$1,500 per new job	

Methodology: The information presented in *Building Blocks* is representative of the UDIA members’ projects and other known large projects in the region. Limitations: there may be other projects that have additional enabling infrastructure requirements, and some requirements may not yet be known for currently unzoned land.

The supply of land for housing and employment relies heavily on the provision of “enabling infrastructure” that supports increased traffic, water, sewer, and power demands from new developments. Many current land development projects on the Central Coast are stalled due to a lack of this critical infrastructure and the uncertainty surrounding its funding and timely delivery. This uncertainty deters investment in the region.

Altogether, this *Building Blocks* update highlights \$250 million worth of enabling infrastructure necessary to support the delivery of major land supply sites on the Central Coast, which together would provide 22,293 residential lots and 1,641 hectares of employment land over 20 years. This total investment equates to an average cost of just \$6,000 per new dwelling or \$1,500 per newly created job.

Effective medium- to long-term infrastructure planning is essential to support orderly land supply. Infrastructure delivery must be aligned with demand to optimise the use of limited resources. UDIA NSW strongly supports the NSW Government’s creation of the Urban Development Program (UDP) for the Central Coast to better coordinate infrastructure delivery.

UDIA’s *Central Coast Building Blocks Report 2024* identifies that about half of the Housing Accord target of 9,400 dwellings are in 13 development areas that together could supply 4,786 new dwellings in the next 5 years if a total of \$53.4 million in enabling infrastructure is delivered.

While some of the \$53.4 million has a possible funding pathway, about half of that still needs funding. Targeted investment commitments of \$28.5 million is still needed to support delivery of about 2,000 new homes. The key infrastructure required are state road upgrades and 2 local roads across Chain Valley Bay East, Lake Munmorah, Warnervale and Kanwal.

Housing 0-5 Years

	0-5 Infrastructure Investment Needed	Total Dwellings	Housing Accord Target
Possible Funding Pathway	\$24.9 million	2,700	9,400
No Funding Pathway	\$28.5 million	2,000	
TOTALS	\$53.4 million	4,786 dwellings	

We believe an upfront expenditure on enabling infrastructure will pay for itself. Each new development will generate a NSW Housing & Productivity Contribution of \$8,000 per dwelling from the developer, meaning a large portion of the state’s upfront investment will be recouped as the new housing is produced. This is without considering other state taxes and charges such as stamp duty, land tax and payroll taxes which will only accrue to the Government as a result of these new homes being built.

UDIA calls on the government to begin investing in infrastructure for the future (5+ year) pipeline today and collaborating with landowners on their requirements. There may arise potential, on a case-by-case basis, to bring forward the future pipeline into the Housing Accord period to help with reaching the 5-year housing target, particularly if the current slow planning system and biodiversity approvals were streamlined. *Building Blocks* identifies 14,086 additional dwellings in the 5-10 year pipeline that could be delivered if those sites are rezoned and if another \$64.8m in infrastructure is delivered, of which \$45.6m still needs funding.

In total, *Central Coast Building Blocks* identifies an investment of \$135 million (just \$6,000 per dwelling) would support 22,000 dwellings over 20 years.



Acknowledgement of Country

UDIA NSW acknowledges the Traditional Owners of Country throughout Australia and their continuing connections to land waters and community.

We show our respect to elders past and present. We acknowledge that we stand on Country which was and always will be Aboriginal Land.

Supporting employment and job creation

While housing is the clear priority of the NSW Government, jobs and economic growth remain another top emphasis and *Building Blocks* also analyses the Central Coast’s employment land sites. Objective 1 of the NSW Government’s *Central Coast Regional Plan 2041* is to have a prosperous Central Coast with more jobs close to home. The Central Coast is uniquely situated in close proximity to Sydney and Newcastle with the majority of the employment land located close to the M1 Pacific Motorway.

Most of the region’s employment land sites are constrained. Our analysis reveals that currently there is 951 hectares of zoned employment land on the Central Coast; however, only 345 hectares can be realised in the next 5 years due to infrastructure and other constraints.

Building Blocks reveals that just \$115 million in infrastructure would support unlocking 1,641 hectares of employment land over the next 20 years. Based on the Department of Planning’s Employment Lands Development Program Report 2015, each hectare of employment land on the Central Coast would support an average of 48 full time jobs, or approximately 78,000 jobs over the 1,641 hectares available.




Achieving land able to be developed for those 78,000 jobs requires an infrastructure investment of only \$1,500 per new job.

Cost per New Job

	Infrastructure Investment Needed	Employment Land Supported (ha)	Jobs created	Cost per job
Over 20 years	\$115 M	1,641 ha	78,000	\$1,500

Resolving Constraints

Delivering infrastructure is necessary to unlock the Central Coast development pipeline. But while necessary, it may not be sufficient to deliver all sites. Development is a complex and risky venture. To support more housing and jobs on the Central Coast, NSW Government must not only deliver enabling infrastructure, but also facilitate more efficient planning assessment and work with industry to achieve more certainty for biodiversity and development outcomes.

Requirement	Status	Solution
Deliver Enabling Infrastructure		Increase investment and improve coordination of enabling infrastructure
Efficient Planning Assessment		Apply solutions-focused, coordinated planning processes
Biodiversity Approvals		Improve certainty to deliver zoned development land

UDIA thanks ADW Johnson for their partnership in this 2024 update of the *Central Coast Building Blocks Report*. We are hopeful this analysis will assist NSW Government and infrastructure agencies to identify the infrastructure and focused policy areas needed to unlock the Central Coast’s housing and employment land development pipeline.

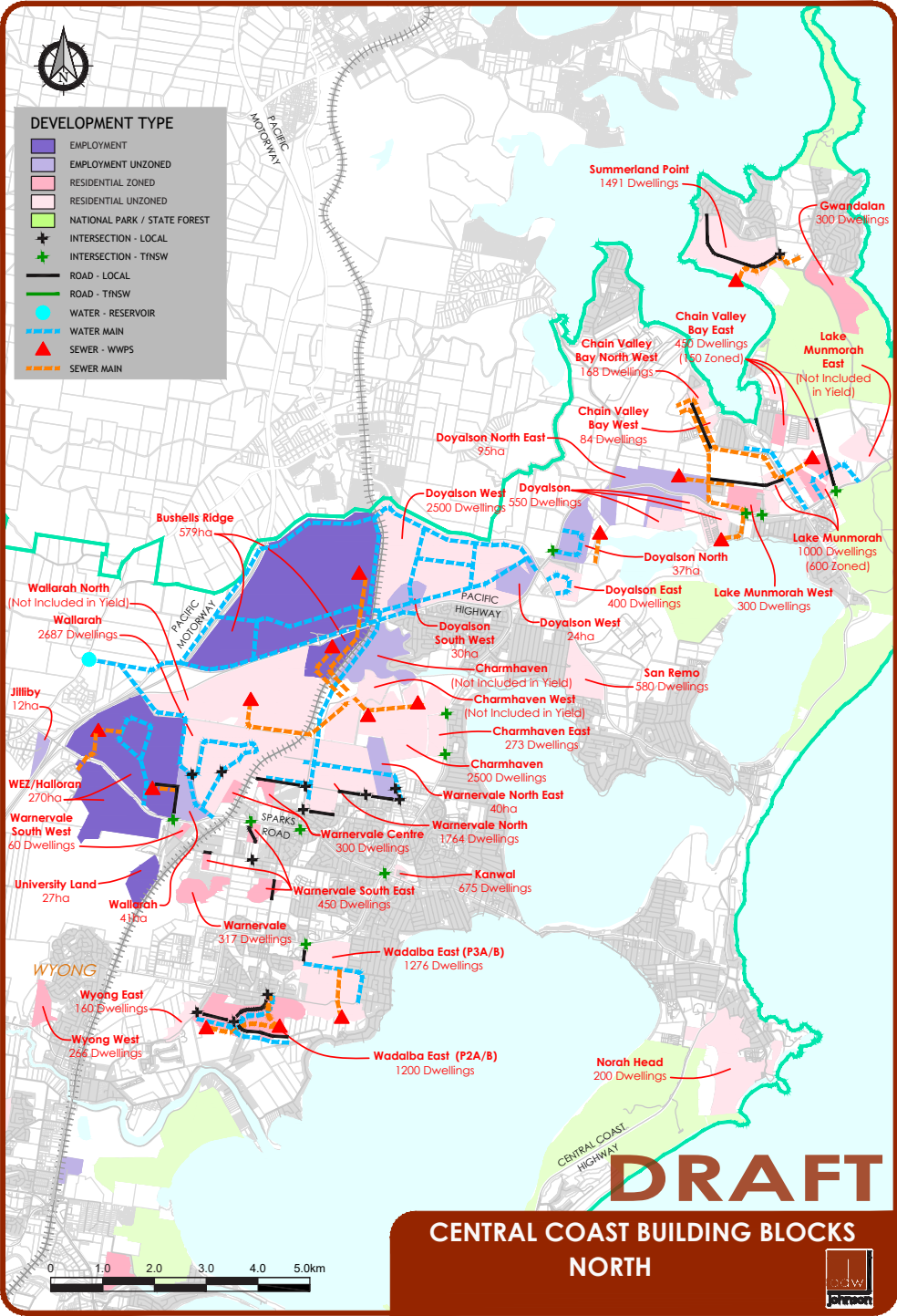
Summary by Numbers



Central Coast North

Development Yield

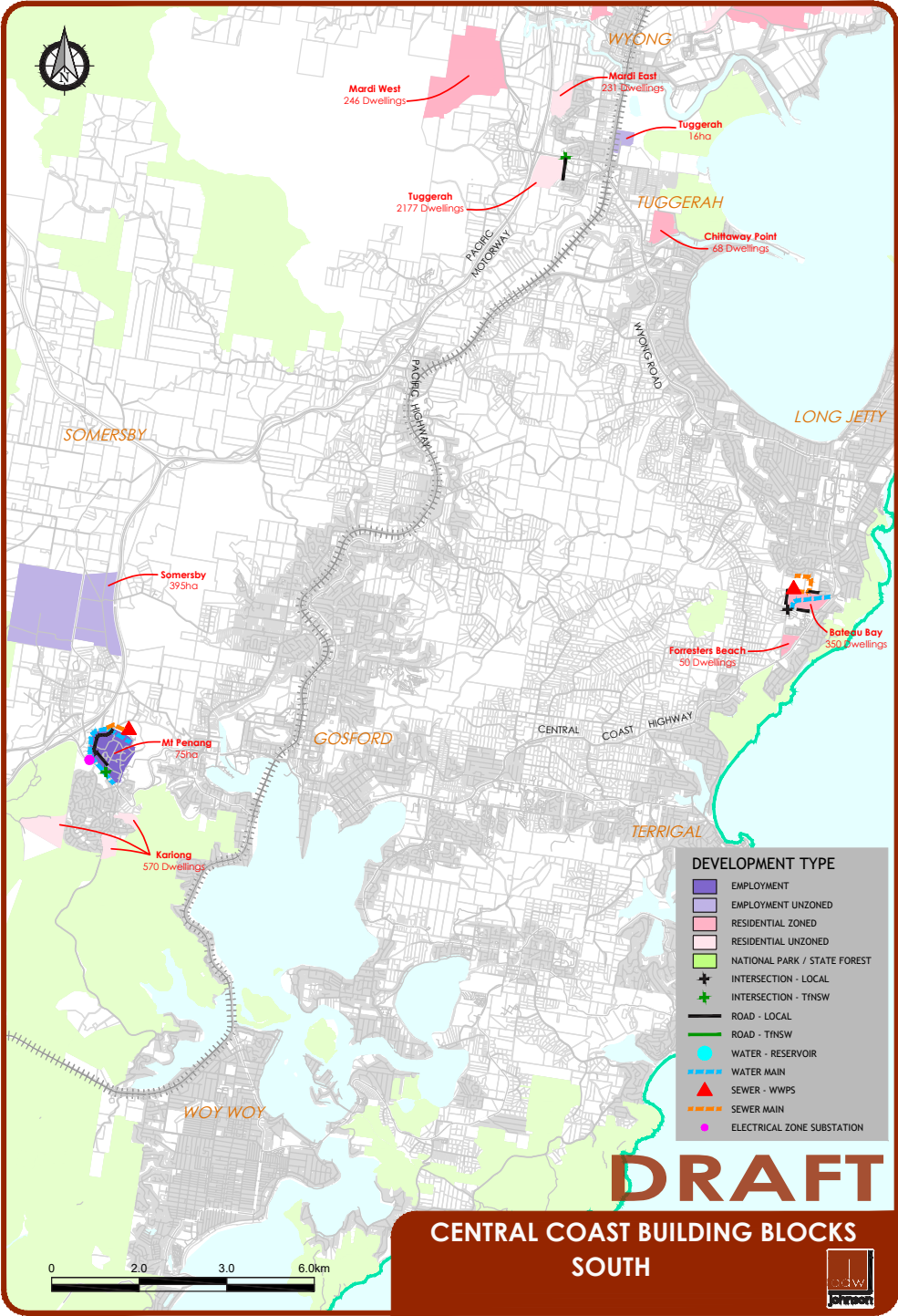
UDIA NSW identified land holdings in the Central Coast North as shown below which contain the following development yields constrained by enabling infrastructure.



Central Coast South

Development Yield

UDIA NSW identified land holdings in the Central Coast South as shown below which contain the following development yields constrained by enabling infrastructure.



Appendix

Residential Housing						
Release Area (Project)	Total # project dwellings (or ha of employment land)	Infrastructure Item	Cost Estimate of infrastructure item (millions)	Is it Zoned?	Estimated timing: when the item is needed to deliver the project	Is there an agreed funding pathway?
Bateau Bay	350	BB19 SPS and Rising Main	1.4	Yes	5-10 years	Possible Funding
		DN200 and DN250 Watermain	0.8			
		Local Road Upgrades	1.6			
		Local Intersection Belvue Road	1.5			
Chain Valley Bay East	150	Chain Valley Bay Road Upgrade	1.2	Yes	0-5 years	No
		Pacific Highway, Chain Valley Bay road Intersection Upgrade (1/2 cost)	4	Yes	0-5 years	No
Chain Valley Bay North West	168	Chain Valley Bay Road Upgrade	0.6	No	10+ years	No
Chain Valley Bay West	84	Chain Valley Bay Road Upgrade	0.6	No	10+ years	No
Charmhaven East	273	CH31 SPS and Rising Main (1/2 cost)	2	No	5-10 years	Possible funding
		2 x Pacific Highway Intersections (1/2 cost)	5	No	5-10 years	No
Charmhaven	2500	CH31 SPS and Rising Main (1/2 cost)	2	No	5-10 years	Possible funding
		2 x Pacific Highway Intersections (1/2 cost)	5	No	5-10 years	No
Chittaway Point	68	Unknown	TBC	Yes	0-5 years	No
Doyalson	550	MP07 SPS Upgrade and Rising Main	3.5	No	5-10 years	No
Doyalson West	2500	CH21 SPS and Rising Main (1/4 cost)	1.1	No	5-10 years	Possible funding
		DN600 Watermain (1/4 cost)	1.5			
Doyalson East	400	DN200 Watermain	1	No	5-10 years	Possible funding
Forresters Beach	50	Unknown	TBC	No	0-5 years	No
Gwandalan	300	None	None	Yes	0-5 years	No
Kariong	570	Unknown	TBC	No	5-10 years	No
Kanwal	675	Pacific Highway Intersection	10	No	0-5 years	No
Lake Munmorah	600	Darkinjung Lake Munmorah SPS and Rising Main	3	Yes	0-5 years	Possible funding
		Watermain Upgrades	1.4	Yes	0-5 years	Possible funding
		Chain Valley Bay Road Upgrade	1.2	Yes	0-5 years	No
		Pacific Highway, Chain Valley Bay Road Intersection Upgrade (1/2 cost)	4	Yes	0-5 years	No
Lake Munmorah West	350	DN200 Watermain	0.8	Yes	0-5 years	Possible funding
		Local Road Upgrades	1.8	Yes	0-5 years	No
		Pacific Highway Intersection	2	Yes	0-5 years	No

Appendix cont.

Residential Housing cont.						
Release Area (Project)	Total # project dwellings (or ha of employment land)	Infrastructure Item	Cost Estimate of infrastructure item (millions)	Is it Zoned?	Estimated timing: when the item is needed to deliver the project	Is there an agreed funding pathway?
Mardi East	231	Unknown	TBC	No	10+ years	No
Mardi West	246	Unknown	TBC	Yes	5-10 years	No
Norah Head	200	Unknown	TBC	No	5-10 years	No
San Remo	580	Unknown	TBC	No	5-10 years	No
Summerland Point	1491	GW11 SPS and Rising Main	1.5	No	10+ years	Possible funding
		Local Road Upgrades	2.7	No	10+ years	No
		Local Intersection Upgrades	1.2	No	10+ years	No
Tuggerah	2177	Local Road Upgrades	2	No	5-10 years	No
		Wyong Road Intersection Upgrade	10	No	5-10 years	No
Wadalba East (2A/B)	1200	WWPS1, WWPS2 and WWPS3 and Rising Mains	6	Yes	0-5 years	Possible Funding
		DN200 Watermain	1.2			
		Local Road Upgrades	3			
		Local Intersection Upgrades	4			
Wadalba East (3A/B)	1276	CH33 SPS and Rising Main	1.3	No	5-10 years	Possible funding
		DN200 Watermain	1	No	5-10 years	Possible funding
		Local Road Upgrades	0.6	No	5-10 years	No
		Pacific Highway Road Intersection Upgrade	10	No	5-10 years	No
Wallarah	2678	CH28 SPS and Rising Main	2	No	10+ years	Possible funding
		DN450, DN375 and DN200 Watermains	4	No	10+ years	Possible funding
		2 x Internal Local Intersections	4.6	No	10+ years	No
Warnervale Centre	350	None	TBC	Yes	0-5 years	No
Warnervale South West	60	None	TBC	Yes	0-5 years	No
Warnervale South East	450	Local Road Upgrades	2	Yes	0-5 years	Possible funding
		Local Intersection Upgrades	2.5	Yes	0-5 years	Possible funding
		Sparks Road Intersection Upgrade	3.3	Yes	0-5 years	No
		CH13 SPS Upgrade	1	Yes	0-5 years	No
Warnervale	317	Warnervale Road Intersection Upgrade	1	Yes	0-5 years	No
Warnervale North	1764	CH30 SPS and Rising Main (1/2 cost)	2	No	5-10 years	Possible funding
		DN375, DN250 and DN200 Watermain	2	No	5-10 years	Possible funding
		Local Road Upgrades (1/2 costs)	1.8	No	5-10 years	No
		5 x Internal Local Intersection (1/2 costs)	5.5	No	5-10 years	No
		Sparks Road Intersection (1/2 costs)	2.2	No	5-10 years	No
Wyong West	266	Unknown	TBC	Yes	0-5 years	No
Wyong East	160	Unknown	TBC	No	10+ years	No

Employment Land						
Release Area (Project)	Total # project dwellings (or ha of employment land)	Infrastructure Item	Cost Estimate of infrastructure item (millions)	Is it Zoned?	Estimated timing: when the item is needed to deliver the project	Is there an agreed funding pathway?
Bushells Ridge	579	SPS1 (Darkinjung) and Rising Main	1.8	Yes	5-10 years	Possible funding
		DN375 Watermain	1.1			
		CH21 SPS and Rising Main (1/4 cost)	1.4			
		DN600 (1/4 cost), DN250 and DN200 Watermains	5			
Doyalson North East	95	MPI7 SPS and Rising Main	1.3	No	10+ years	Possible funding
Doyalson North	37	Pacific Highway Intersection	8	No	5-10 years	No
		CH34 SPS and Rising Main	1.2	No	5-10 years	Possible funding
		DN200 Watermain	1.2	No	5-10 years	Possible funding
Doyalson West	24	Local Road Upgrades	2	No	5-10 years	No
		Wyong Road Intersection Upgrade	10	No	5-10 years	No
Doyalson South West	30	CH21 SPS and Rising Main (1/4 cost)	1.1	No	5-10 years	Possible funding
		DN600 Watermain (1/4 cost)	1.5	No	5-10 years	Possible funding
Jilliby	12	Unknown	TBC	No	5-10 years	No
Mt Penang	75	SPS and Rising Main	1.5	Yes	0-5 years	Possible funding
		New Watermains and Upgrades	0.8	Yes	0-5 years	Possible funding
		Electrical Zone Substation	25	Yes	0-5 years	No
		Local Road Upgrades	10	Yes	0-5 years	No
		Central Coast Highway Intersection	18	Yes	0-5 years	No
Somersby	395	Unknown	TBC	No	10+ years	No
Tuggerah East	16	Unknown	TBC	No	10+ years	No
University Land	27	SPS and Rising Main	1.5	Yes	5-10 years	Possible Funding
		New Watermains and Upgrades	0.8			
Wallarah	41	Unknown	TBC	No	10+ years	No
Warnervale North East	40	CH30 SPS and Rising Main (1/2 costs)	2	No	10+ years	Possible funding
		DN200 Watermain	0.5	No	10+ years	Possible funding
		Local Road Upgrades (1/2 costs)	1.8	No	10+ years	Possible funding
		5 x Internal Local Intersection (1/2 costs)	5.5	No	10+ years	Possible funding
		Sparks Road Intersection (1/2 costs)	2.2	No	10+ years	No
WEZ/Halloran	270	CH36 and CH37 SPS's and Rising Mains	4	Yes	0-5 years	Possible funding
		DN200 Watermain	1.6	Yes	0-5 years	Possible funding
		Local Road Upgrades	6	Yes	0-5 years	Possible funding
		Local Intersection Upgrades	3.3	Yes	0-5 years	Possible funding
		Sparks Road Intersection	4.5	Yes	0-5 years	No

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