

KALGOORLIE- BOULDER LAND & HOUSING POSITION PAPER

December 2022



Prepared for Kalgoorlie-Boulder
Chamber of Commerce and Industry



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PARTNERS



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EXECUTIVE SUMMARY

Kalgoorlie-Boulder is experiencing a severe land and housing shortage which is having tangible, negative impacts on businesses, residents and the broader liveability of this regional centre. Against this backdrop, Kalgoorlie-Boulder and the broader Goldfields region are the focus of state-significant investment; investment in the historical competitive advantage areas of the region and new and emerging industries supporting a transition to a low carbon economy.

An estimated \$3.7 billion of major projects are underway or in advanced planning in Kalgoorlie-Boulder and a further \$2.7 billion across the Goldfields region. These projects are supporting major increases in construction and operational phase employment requirements (directly and indirectly).

The degree to which the region and Western Australia can take advantage of this investment and economic opportunity is however constrained by a severe land and housing shortage in Kalgoorlie-Boulder. The residential market is currently characterised by:

- **Extremely low rental availability**, with vacancy rates averaging 0.2% and rents increasing 37% over the past 2-3 years;
- **Low land availability**, with new serviced land limited to an estimated 60 lots over the next 12-24 months;
- **Constrained long term land supply**, with zoned land requiring remediation and re-location of explosives testing facility; and
- **Limited infill development**, with an average of less than 10 non-detached homes constructed per annum over the past 2-3 years.

There is a current estimated undersupply of at least 168 dwellings and a further 2,000+ jobs currently being advertised in the region.

The lack of housing availability is contributing to a range of economic and social challenges, such as:

- Business viability, with many businesses having to reduce operating hours due to lack of housing for staff;
- Population retention, with rising rents and lack of housing encouraging critical service workers to leave the region;
- Visitor attraction, with many businesses and workers utilising short term accommodation due to unavailability of permanent rental accommodation; and
- Social issues, with community and government service needs increasing to unsustainable levels.

There are nonetheless opportunities that will positively influence increased housing choice in Kalgoorlie-Boulder with the appropriate support, including:

- Increasing residential land and housing values and rental returns;
- Innovative short- and medium-term housing ideas, including collaborations between private sector and government;
- A strong outlook for government and private sector worker housing need; and
- Local planning strategy and scheme updates that greatly expand the opportunity for infill development.

To proactively address these challenges, the Kalgoorlie Boulder Chamber of Commerce and Industry (KBCCI), in partnership with the City of Kalgoorlie-Boulder, Goldfields Esperance Development Commission and Regional Development Australia – Goldfields Esperance, engaged Urbis to prepare this land and housing position paper.

EXECUTIVE SUMMARY (CONT.)

Access to affordable and diverse housing is crucial to the development of diverse, vibrant and sustainable communities. It allows people to establish roots within their community and contribute to the economic development of their communities by providing a workforce for industry and delivering essential, community and support services. The lack of residential land and housing in Kalgoorlie-Boulder is thus contributing to a lack of workers; not just for major industries, but critical workers for essential services.

This research identified that the Kalgoorlie-Boulder land and housing markets are influenced by a range of factors such as local population and economic trends, the cost and availability of capital, investment returns and others. There are heightened challenges associated with development costs and contractor / builder availability but also structural market failures that are exacerbating challenges and the ability for private sector investment in the residential market.

A core finding of this research was however that there is significant growth occurring and expected in Kalgoorlie-Boulder. Based on known investment underway and planned, there is an estimated need for approximately 170 dwellings per annum over the next decade.

A more realistic and achievable scenario is however scenario two which models additional investment over the next decade beyond what is known and committed today. This scenario translates into a housing need of approximately 410 dwellings per annum to support a residential population growth rate of 3.1% per annum and \$13 billion of major project investment over the next decade in the region's existing and emerging competitive advantages.

To support this investment outlook, three key priorities are identified to drive increased worker housing availability and create the conditions for increased private sector investment.

- **Residential land supply** – deliver an increased number of residential serviced lots to the market.
- **Housing supply** – support increased supply of diverse residential housing options.
- **Market responsiveness** – enhance the ability of the residential market to respond to periods of high demand.

Under these priorities there are 25 actions across the immediate, medium and long term for stakeholders to deliver themselves, collaborate with others and advocate for change. The ten high priority actions are summarised over the page.

Implementing these actions are critical to ensuring that business can continue to operate and grow and state-significant investment is attracted and supported – contributing to the state's growth and development.

The actions include a number of strategic investments; investments similar to those that have helped build the solid foundations that have positioned Western Australia as a global resource sector economy. These enabling investments have been critical (and will be for Kalgoorlie-Boulder) to providing industry with the confidence to invest and grow their businesses.

LAND AND HOUSING NEED SCENARIOS, CITY OF KALGOORLIE-BOULDER, 2022-2032

SCENARIO	RESIDENTIAL LAND (LOTS P.A.)	INFILL DEVELOPMENT (DWELLINGS P.A.)	TOTAL ADDITIONAL DWELLINGS (P.A.)	MAJOR PROJECT INVESTMENT FACILITATED (P.A)	RESIDENT POPULATION FACILITATED (P.A)
Base Case	+20	+20	+40	Limited	+90
Investment Scenario One	+85	+85	+172	\$370m	+400
Investment Scenario Two	+205	+205	+410	\$1.3b	+950

EXECUTIVE SUMMARY (CONT.)

FOCUS AREA	ACTION	INTERVENTION TYPE	STAKEHOLDER ROLE	TIMING
Residential Land Supply	Align short-, medium- and long-term urban land supply opportunities with growth forecasts and funded infrastructure provision (i.e. infrastructure service extensions and upgrade occur prior to forecast need).	Enabling Infrastructure	Advocate	Ongoing
	Fast track immediate serviced lot supply to address estimated undersupply of at least 168 dwellings.	Direct Investment	Advocate	Short-Term
	Advance development timing and funding for Hannans Golf Course lots to align with investment and housing need forecasts.	Direct Investment	Advocate	Short-Term
Housing Supply	State or federal government worker rental affordability scheme to incentivise investors to provide eligible worker households (e.g. low income essential workers) with long-term rentals.	Incentives / Subsidies	Advocate	Short-Term
	Adopt short-term empty homes incentive (e.g. through rates concession with state government funding) to encourage investors to offer housing to workers.	Incentives / Subsidies	Deliver	Short-Term
	Promote housing development opportunities and expectations for future housing need to demonstrate financial return potential and encourage private sector investment.	Policy Control & Information Development	Partner	Short-Term
	Implement infrastructure expansion projects (both capacity and extension of services) in line with infill housing need projections.	Enabling Infrastructure	Advocate	Medium-Term
Market Responsiveness	Apply a “no worse off” approach for workers choosing to locate in Kalgoorlie-Boulder versus FIFO / DIDO through review of Fringe Benefits taxation policy.	Incentives / Subsidies	Advocate	Medium-Term
	Implement “development industry support requirement” in DevelopmentWA’s role in Kalgoorlie-Boulder to ensure a minimum level of land and housing development is undertaken to support skills development and retention in Kalgoorlie-Boulder (without need for hurdle rate to be achieved) during periods of low private investment in land development.	Policy Control & Information Development	Advocate	Medium-Term
	Adopt a community / social impact assessment approach as part of process for mining / major projects approvals / licensing process which considers the direct and indirect impacts and mitigation measures on local housing markets.	Policy Control & Information Development	Advocate	Medium-Term

INTRODUCTION

STUDY BACKGROUND

Residential land and housing markets in the Kalgoorlie-Boulder are influenced by a range of factors similar with those present in the capital city. These include (but are not limited to): population growth; the structural ageing of the population; the timely availability of serviced land; the balance between supply and demand for housing; and the impact of housing finance costs and availability.

However, Kalgoorlie-Boulder's land and housing markets are additionally influenced by a diverse range of factors not present or significant in capital city housing markets. These include issues such as scale, geography, land use conflict, land tenure, land availability, and localism. These factors have influenced rapid changes in the level of land and housing affordability, choice and supply which have been exacerbated by more recent economic trends over the past 2-3 years.

Against this backdrop, the region is the focus of renewed and large-scale investment which is driving significant housing needs.

These challenges are leading to a significant under-supply of appropriate land and housing across Kalgoorlie-Boulder and – without intervention – constrain the economic potential of the region.

As such, the Kalgoorlie Boulder Chamber of Commerce and Industry (KBCCI), in partnership with the City of Kalgoorlie-Boulder, Goldfields Esperance Development Commission and Regional Development Australia – Goldfields Esperance, engaged Urbis to proactively understand and address housing market failures and issues in Kalgoorlie-Boulder; and deliver the required land and housing choice to support the liveability and prosperity of the region.

STUDY PURPOSE

Overall, this position paper seeks to:

- Identify the current and expected economic activity and implications for workforce and housing needs;
- Describe land and housing trends and attributes in the region;
- Provide an understanding of the existence of market failures, the drivers / causes of these and the implications of not addressing these barriers; and
- Provide recommendations on interventions and initiatives (i.e. practical and implementable policies, programs, projects) to enable and accelerate increased housing and land development.

INTRODUCTION (CONT.)

STUDY APPROACH AND STRUCTURE

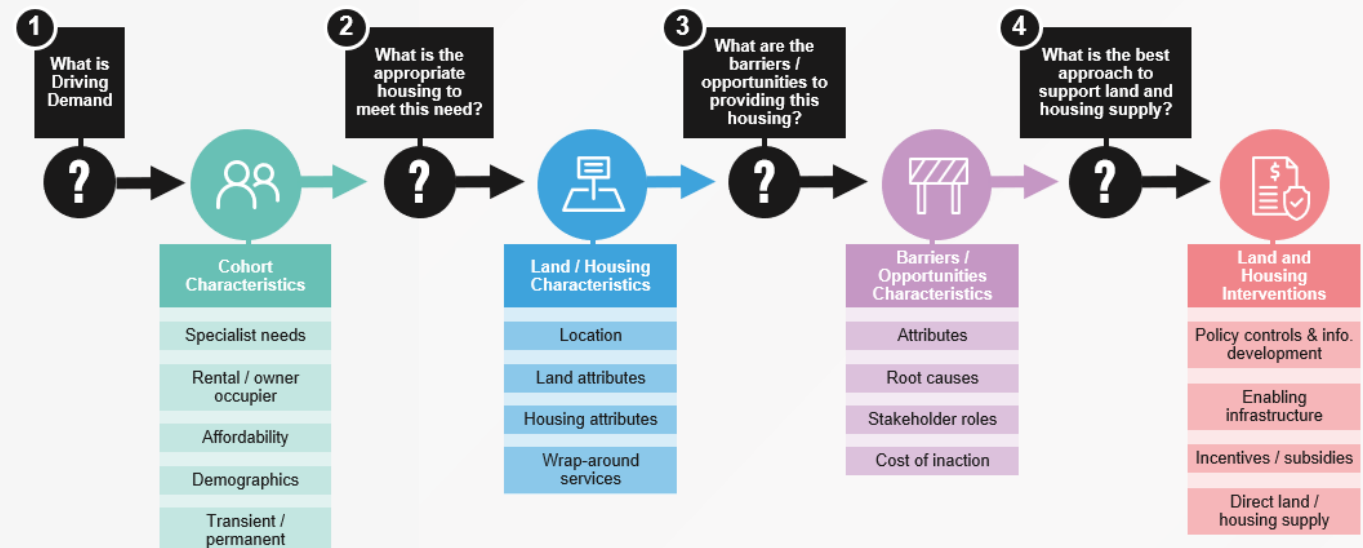
The development of this position paper was informed by economic and property market analysis and forecasting and targeted consultation with government and housing industry stakeholders.

This position paper is structured in line with below.

- **Economic and Investment Outlook:** Analysis of the short- and medium-term economic growth outlook for the region and implications for worker need.
- **Population and Demographic Drivers:** Analysis of population, demographic and dwelling attributes and trends and implications for land and housing needs.

- **Residential Market Conditions:** Analysis of historical and current residential property market trends and attributes and implications for development viability.
- **Land and Housing Supply Outlook:** Review of policy controls / strategic planning framework and historical and future land and housing supply trends and considerations.
- **Land and Housing Need:** Identification of needs over the next decade in Kalgoorlie-Boulder.
- **Key Findings and Action Plan:** Recommended focus areas and associated initiatives to support increased land and housing development in Kalgoorlie-Boulder.

POSITION PAPER APPROACH



01

ECONOMIC & INVESTMENT OUTLOOK

61.6%: 99.19

104.19

86.72

72.48



ECONOMIC AND INVESTMENT OUTLOOK | OVERVIEW

REGIONAL OVERVIEW

Kalgoorlie-Boulder is a regional capital city located in the Goldfields Esperance region (approximately 600km east of Perth). Kalgoorlie-Boulder acts as a service centre for the entirety of the region and provides a connection between Perth and the East Coast of Australia.

Kalgoorlie has a moderately diverse economic base consisting of key economic strengths such as:

- A strong history of mining activity which has a longstanding presence in the region;
- A well-developed transport and logistics industry given its strategic position along a major freight route for both road and rail (servicing the east-west and north-south routes); and
- An establishing mineral processing and renewable industry sector.

These key industries are complemented by a range of business and population services.

With around 30,000 people it is Western Australia's largest outback urban centre by population. With its relaxed atmosphere, stunning natural scenery and deep sense of community, the city offers a range of high-quality amenities, education and health services.

ECONOMIC OVERVIEW

Kalgoorlie-Boulder supports an estimated 15,520 jobs and produces an annual economic output of \$12.5 billion (based on REMPLAN data for 2022). Kalgoorlie-Boulder's economic contribution has increased significantly from \$7 billion in 2016.

Over half of the annual economic output from Kalgoorlie-Boulder comes from mining, particularly in gold and nickel. This industry sector is also the largest employer with 3,912 jobs which represents 25.21% of total jobs. As such it is highly influenced by the economic cycles in this sector. This is evidence by periods of rising / declining population, a high non-resident population, and high population turnover.

The health care and social assistance industry is the second largest employing industry, followed by retail trade and education and training. The construction industry is the fifth largest contributing sector by output – a relatively smaller contribution than state-wide averages.

Kalgoorlie-Boulder supports the economic activity of the entire region – a region which has an annual economic output of \$30.3 billion.



ECONOMIC AND INVESTMENT OUTLOOK | ECONOMIC TRENDS

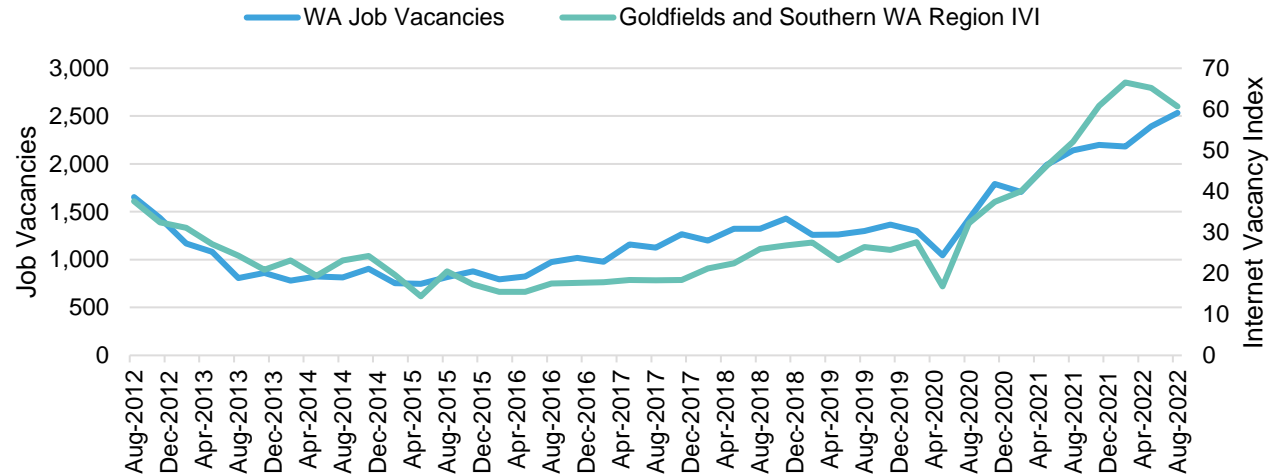
Key Findings

There are strong business conditions – some of the strongest in over a decade – across the entire Western Australian economy (apart from those industries high exposure to international tourism and education). Business confidence was at 2007 highs recently and is reflective of increasing business investment intentions.

Kalgoorlie-Boulder is benefiting from these strong economic conditions – particularly within the mining sector – which is translating into a heightened need for labour and low unemployment. There were approximately 2,469 vacancies in Goldfields and Southern WA Region as of September 2022 and the unemployment rate in Kalgoorlie-Boulder was 1.8% as of March 2022.

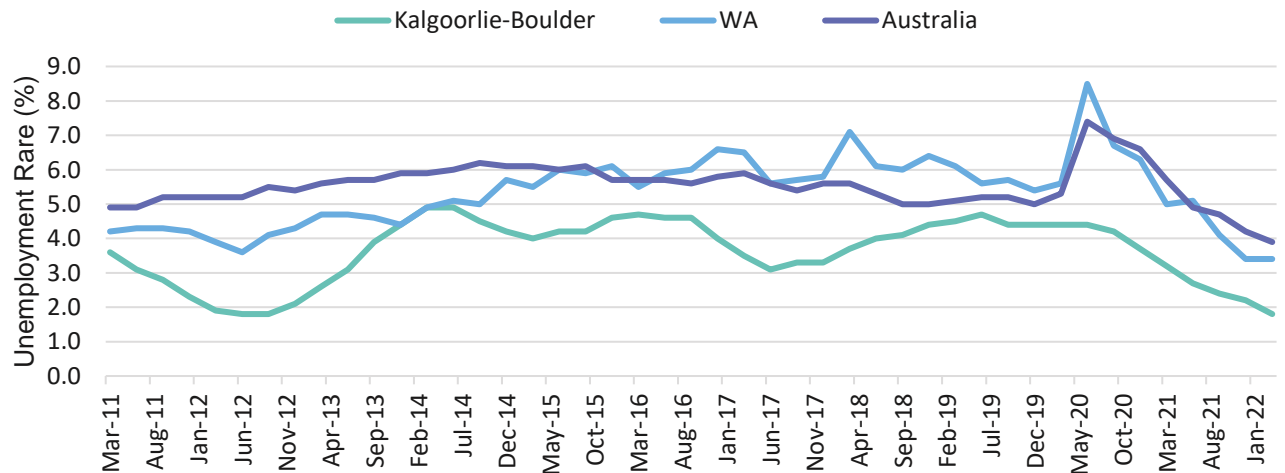
Alongside declining unemployment levels, businesses are reporting significant challenges attracting and accommodating staff due to high demand for labour across Western Australia, increasing remuneration expectations and the lack of migrants and working holiday visitors over the past two years.

Job Vacancies, Western Australia, 2011-22



Source: National Skills Commission; ABS

Unemployment Rate, 2011-21



Source: ABS

ECONOMIC AND INVESTMENT OUTLOOK | BUSINESS CONDITIONS

Key Findings

As part of this scope, the Kalgoorlie-Boulder Chamber of Commerce and Industry facilitated a survey of their members to gauge the sentiment of local businesses towards current and expected worker and housing needs in the region. This survey received 89 responses.

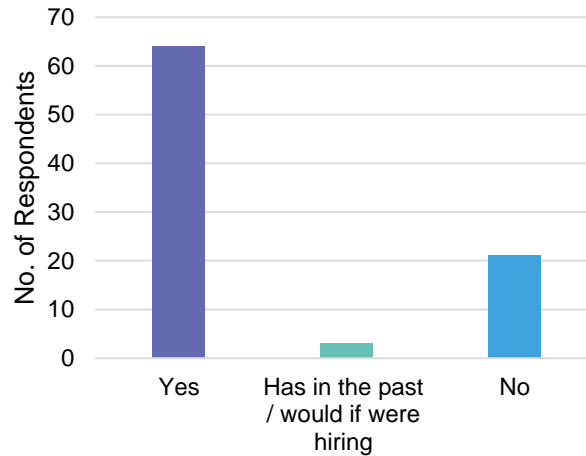
The vast majority of respondents cited housing and accommodation for workers as having an effect on their ability to do business and / or support growth.

A majority of respondents also stated that they are currently making arrangements for accommodation for staff, including:

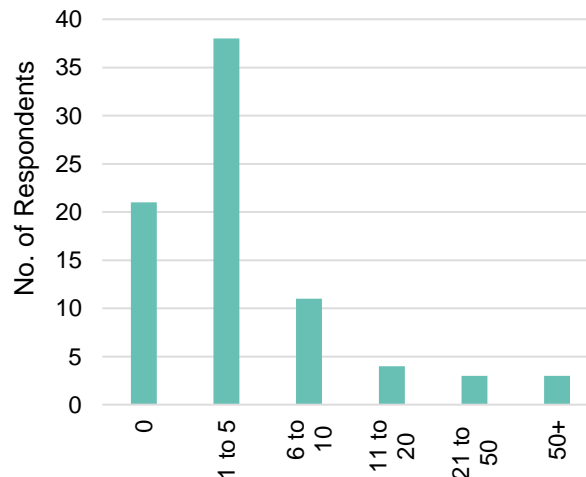
- Rental assistance payments;
- Purchased or rented houses for use a share houses for workers;
- Permanently booked rooms in hotel / motel; and
- Permanent FIFO accommodation.

The survey also revealed that a majority of the businesses that responded are actively hiring, with a number of them stating concerns about the ability to hire to their organisational requirements if the housing / accommodation market does not ease.

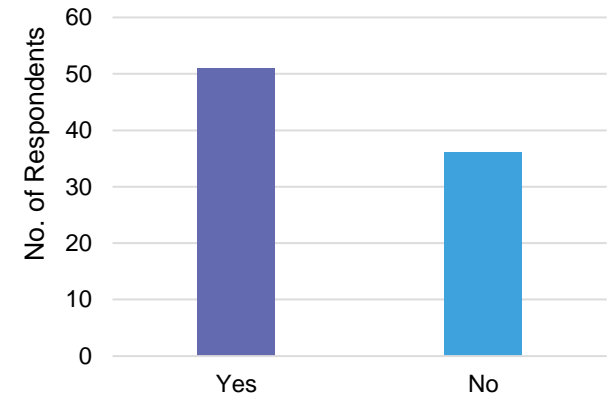
Is the accommodation shortage affecting your workforce?



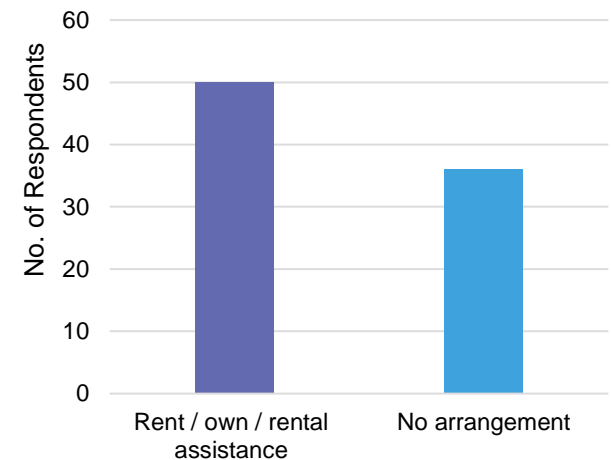
How many full-time equivalent positions are you advertising for?



Has your business experienced resignations or rejections of employment offers as a result of the lack of accommodation options?



What arrangements does your business currently have in place to accommodate its workforce?



ECONOMIC AND INVESTMENT OUTLOOK | BUSINESS CONDITIONS (CONT.)

Key Findings

The business survey conducted for this project identified the following key themes.

- **Worker Camps:** There was a general consensus that worker camps are likely to be essential to help accommodate required workforce needs in the short to medium term.
- **Business Sustainability:** Businesses noted that they have either had to recently close their business or are considering sustainability of future operations given lack of accommodation availability. Furthermore, businesses noted that they won't be able to grow to take advantage of economic and business opportunities.
- **Investment Attraction:** A numbers of businesses seeking to establish a presence in the region responded that they won't be able to establish a Kalgoorlie-Boulder workforce without improvements to housing availability.

Businesses additionally highlighted the flow-on negative effects on service offering in the town and, ultimately, liveability.

What are the implications to your business if accommodation availability does not improve over the next 12 months?"



ECONOMIC AND INVESTMENT OUTLOOK | INVESTMENT ACTIVITY

Key Findings

There are a range of major projects in various stages of development which are driving worker and housing needs after a number of years of relatively subdued investment activity. These projects are requiring and will require significant construction and operation phase employment directly and indirectly.

Resource infrastructure projects recently commenced in Kalgoorlie-Boulder include Northern Star's Firmiston South project that will extend the life of the Super Pit to 2034 and Lynas Corporation's cracking and leaching plant which will contribute to the development of a critical minerals industry in the region.

There is a strong pipeline of major projects in the region, largely in the resources industry, at varying stages of development. There is a total of \$3.8 billion of investment that is expected over the next decade within Kalgoorlie-Boulder (from projects that have been publicly announced).

There is a further \$2.7 billion of investment within the broader region (approximately 300-350km from Kalgoorlie) which have indirect implications for employment and housing needs in Kalgoorlie-Boulder.

Of note, the diversity of investment is rapidly changing. There is an increased focus on mineral processing and low carbon / renewable industries. These projects have a relatively higher operational workforce profile than traditional extraction industries.

Summary of Major Projects, Kalgoorlie-Boulder and Surrounds, 2022-onwards*

PROJECT	DEVELOPER	INVESTMENT VALUE (\$M)	FIRST YEAR OF OPERATION
Binduli North	Norton Goldfields	\$278	2022
Bullabulling	Norton Goldfields	\$315	2023
Cracking and leach plant processing facility	Lynas Corporation	\$500	2022
Firmiston South	Northern Star	\$600	2023
Western Australian pCAM	Northern Star	\$460	2024
Kalgoorlie Nickel Project	Ardea Resources Limited	\$1,165	2025
Yilkari Gas-Fired Power Station	Energy OZ	\$130	2022
Balagundi	Black Cat Syndicate Limited	\$54	2025
Bardoc Gold Project	Bardoc Gold Limited	\$232	2024

Source: See appendix

*Projects with operation beginning from 1 July 2022 onwards. Known investment as of October 2022.

ECONOMIC AND INVESTMENT OUTLOOK | INVESTMENT FORECASTS

Key Findings

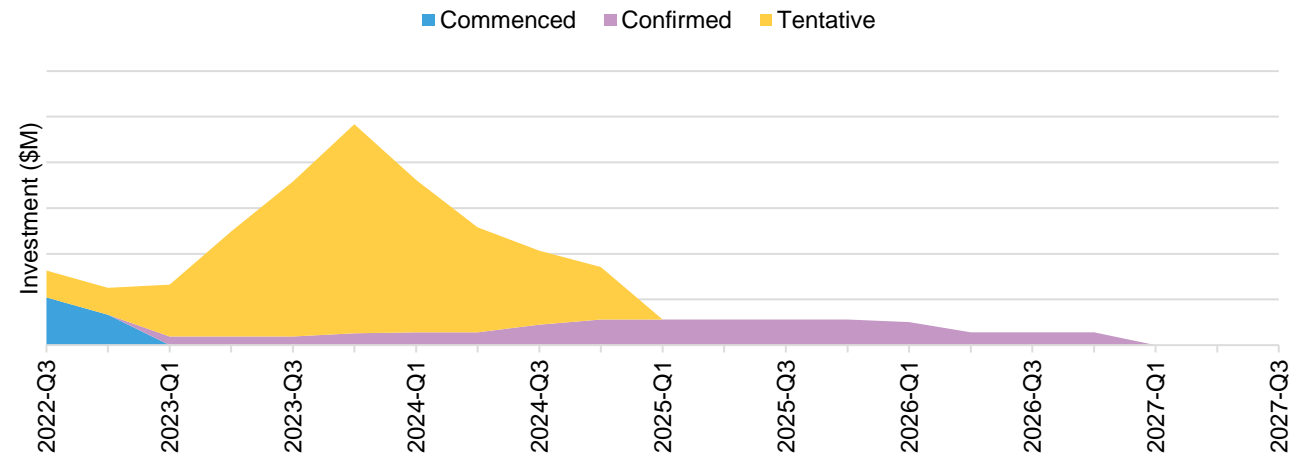
This study estimated the investment profile of known projects under construction and planned in Kalgoorlie-Boulder and across the central Goldfields as the timing of expenditure will influence worker and housing needs.

Based on known timeframes for projects and investment profile assumptions (see appendix), investment in Kalgoorlie-Boulder and the region is expected to increase sharply over the next 18-24 months if projects proceed as expected.

There is an estimated similar investment outlook across the region, with a significant level of investment expenditure expected from mid-2023.

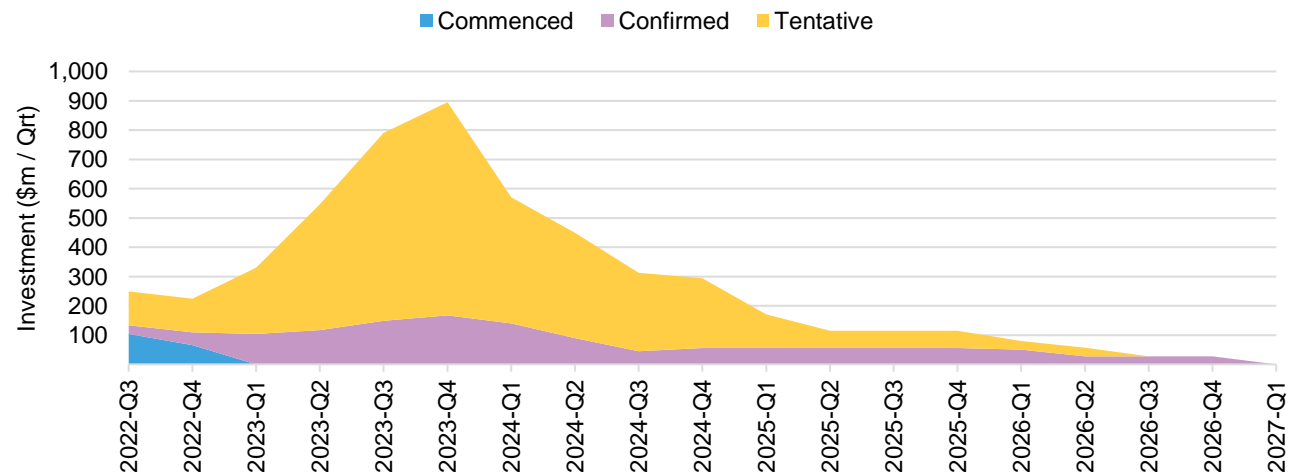
It is important to note that this investment profile is a point-in-time snapshot. It does not include future projects that may not yet have advanced planning or publicly available investment timeframes / expenditure estimates.

Investment Planned / Underway, Kalgoorlie-Boulder and Surrounds, 2022-27



Source: Urbis, misc. (see appendix)

Investment Planned / Underway, Central Goldfields, 2022-27



Source: Urbis

n.b. Kalgoorlie-Boulder and surrounds refers to within 200 km from Kalgoorlie. Central Goldfields includes area within approx. 300km of the town. This investment includes only major projects.

ECONOMIC AND INVESTMENT OUTLOOK | INVESTMENT FORECASTS (CONT.)

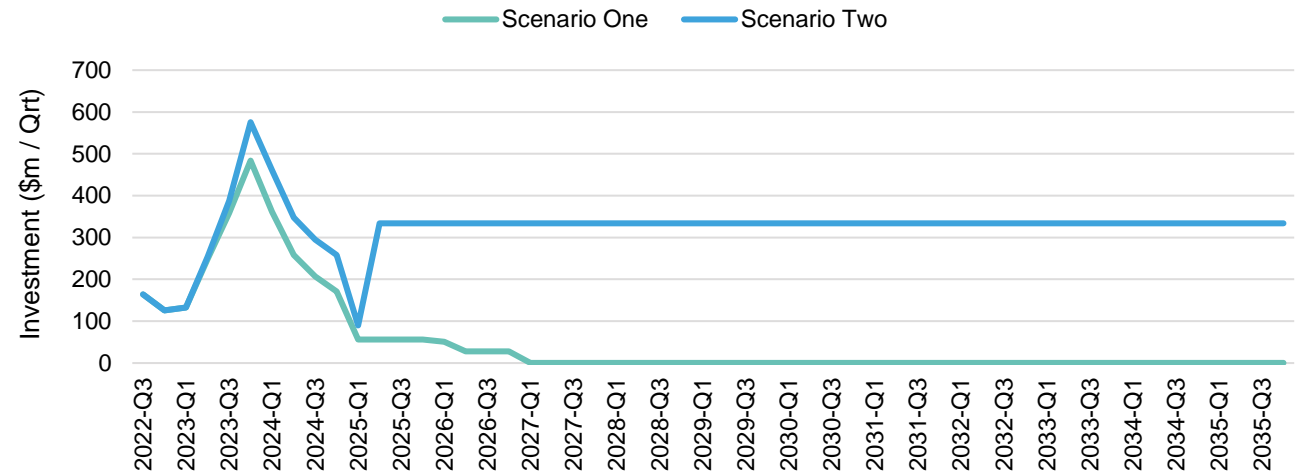
Key Findings

To help understand the expected investment outlook over the medium and long term, this study developed an investment scenario forecast (referred to as “scenario two”). This scenario adopted historical investment factors to estimate likely investment over the next 2-3 years. Average investment levels were adopted thereafter.

This scenario reflects that future investment projects are not currently known. It is also premised on the continued attractiveness of Kalgoorlie-Boulder as an investment destination for existing and emerging industries. And – most importantly – this investment is relatively unconstrained by housing availability.

If commensurate residential land and housing is not available to accommodate increasing workforce needs, then it is likely that this level of investment will not be able to be realised.

Investment Forecast Scenarios, Kalgoorlie-Boulder and Surrounds, 2022-32



Source: Urbis, misc. (see appendix)

ECONOMIC AND INVESTMENT OUTLOOK | WORKER FORECASTS

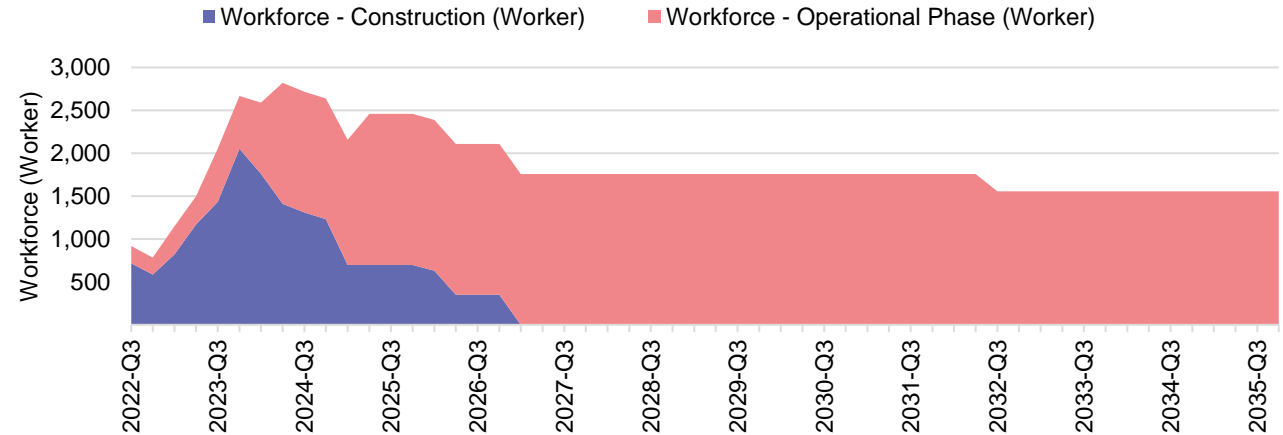
Key Findings

Based on the aforementioned investment profiles and construction and operational phase workforce estimates, this study developed forecast scenarios for workers. These estimates demonstrate that both the known and potential investment expenditure scenarios translate into significant worker needs.

Importantly, there are notable operational workforce requirements for projects underway and planned equivalent to approximately 1,800 workers. Taking into account expectations of future investment, worker requirements could exceed 5,000 over the medium term.

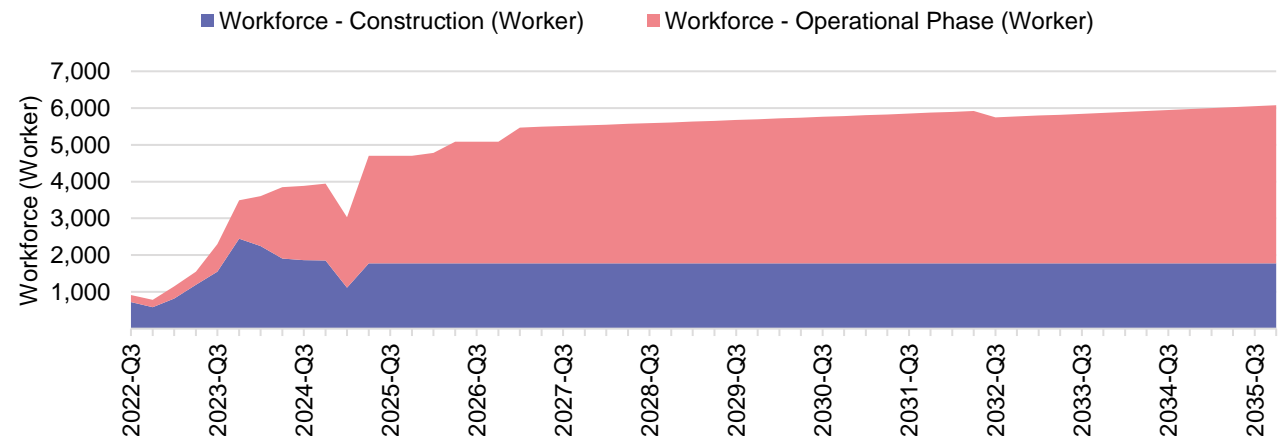
Whilst some of this workforce requirement could be met by the existing workforce, the business survey and economic context suggests that there is significant additional business need outside of major projects and indirect workforce needs as a result of this investment. As such, it was considered to appropriate to treat these worker forecast scenarios as additional workforce needs.

Worker Projection (Investment Scenario One), Kalgoorlie-Boulder and Surrounds, 2022-32



Source: Urbis; see appendix for detailed sources for investment figures.

Worker Projection (Investment Scenario Two), Kalgoorlie-Boulder and Surrounds, 2022-32



Source: Urbis

02

POPULATION & DEMOGRAPHIC DRIVERS



POPULATION AND DEMOGRAPHIC DRIVERS | HOUSEHOLD ATTRIBUTES

Key Findings

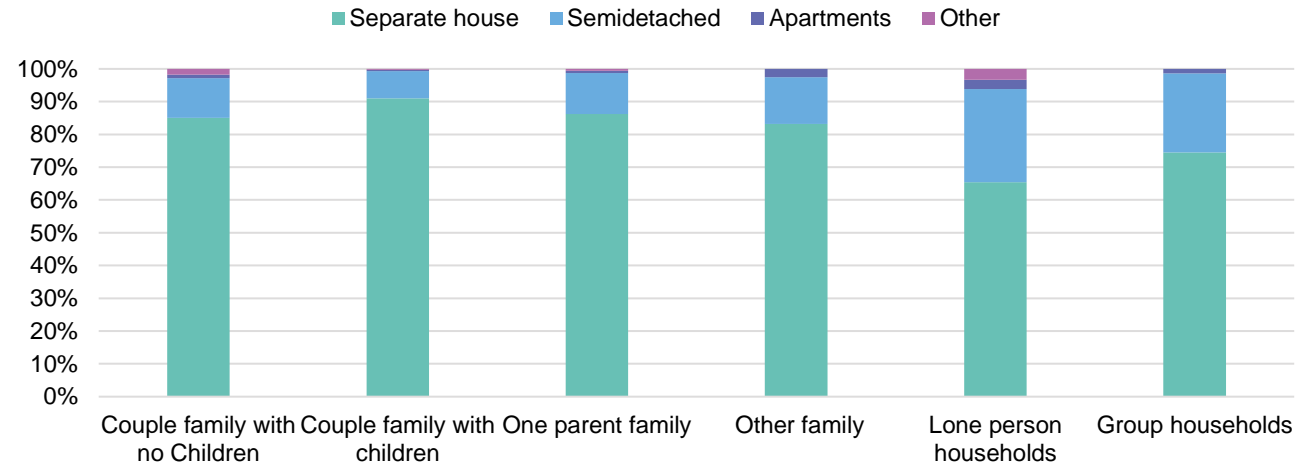
Despite a growing number of medium density developments in the area over the past 20 years, Kalgoorlie-Boulder is still characterised by a large proportion of detached housing. For all household types, detached housing is the predominant housing typology.

Lone person households are the main housing type within non-detached housing within Kalgoorlie-Boulder which is reflective of reduced need for larger homes. The second largest cohort for non-detached housing is couples without children. This can include downsizers, young couples and older adult couples.

In addition to above, there is a degree of homelessness in Kalgoorlie-Boulder. The Australian Bureau of Statistics estimates that the homeless rate in Kalgoorlie-Boulder is more than twice as high as the Western Australian average.

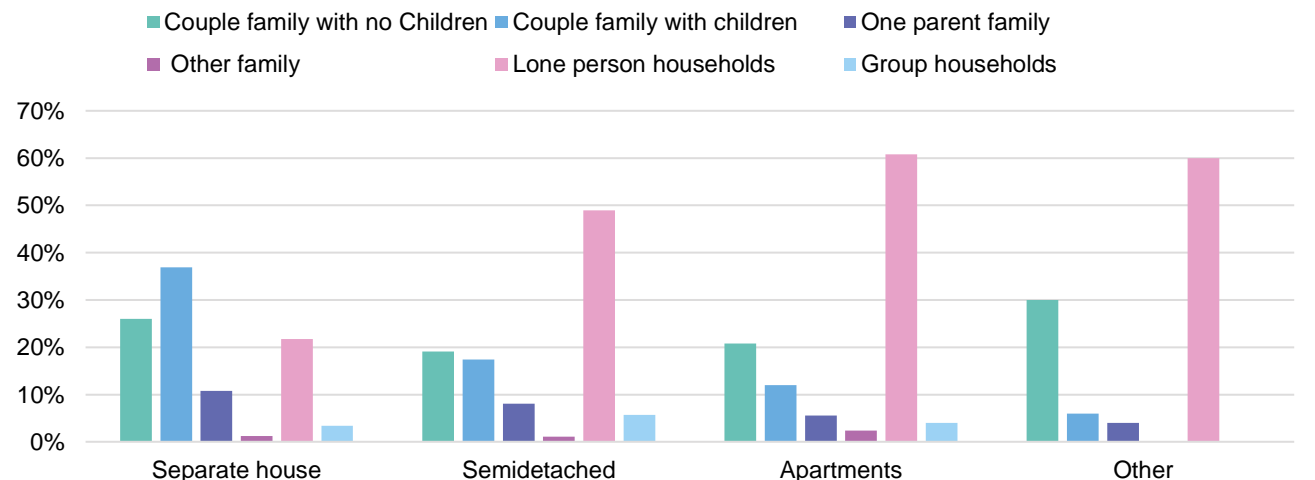
As with many regional service towns in Western Australia, Kalgoorlie-Boulder experiences seasonal changes in population movements and transient homelessness due, in part, to the influx of residents from remote regions coming to Kalgoorlie-Boulder to access government and community services. This issue has been recognised in the past and several initiatives have attempted to address the concern, including, most notably, the development of the Kalgoorlie Indigenous Visitors' Hostel in 2012 which provides temporary accommodation for indigenous persons that would have otherwise slept rough.

Dwelling Type by Household Composition, City of Kalgoorlie-Boulder, 2021



Source: ABS Census 2021

Household Type by Dwelling Type, City of Kalgoorlie-Boulder, 2021



Source: ABS Census 2021

POPULATION AND DEMOGRAPHIC DRIVERS | DWELLING CHARACTERISTICS










Key Findings

Kalgoorlie-Boulder's predominant housing typology is detached housing. However, in comparison, non-detached housing as a proportion of the dwelling stock (at 17.4%) is above areas with similar population levels, such as Orange (13.9%), Geraldton (13.2%), Dubbo (16.8%), Albany (11.9%) and Devonport (14.2%). Much of the medium density housing is within the suburbs of Boulder, Kalgoorlie and Somerville. Despite above, these figures highlight the lack of diversity in accommodation types within the area.

A review of other dwelling characteristics revealed the following key attributes.

- **Low proportion of flats/apartments:** There is a significantly lower proportion of flats and apartments in Kalgoorlie-Boulder at 1.3% as compared to the WA benchmark at 6.5%. All of the flats/apartments are in low-rise buildings of one or two storeys.
- **Large proportion of rented dwellings:** Over a third of dwellings are rented in the Kalgoorlie-Boulder area – indicating a strong rental market.
- **Low proportion of dwelling owned outright:** As compared to the WA benchmark, there is a significantly lower proportion of dwellings that are owned outright.

Dwelling Characteristics, 2021

	CITY OF KALGOORLIE-BOULDER	WESTERN AUSTRALIA
 Dwelling Structure – Separate House	81.2%	79.7%
 Dwelling Structure – Semi-Detached, Townhouse	15.7%	13%
 Dwelling Structure – Flat or Apartment	1.3%	6.5%
 Tenure – Owned Outright	18.3%	29.2%
 Tenure – Owned with a Mortgage	41.2%	40%
 Tenure – Rented	36.7%	27.3%
 Landlord Type – Rented through Formal Market	52.4%	55.2%
 Landlord Type – Rented through Informal Market	30.5%	30.7%
 Landlord Type – State Housing Authority	16.2%	13.5%

Source: ABS Census 2021

n.b. Formal market implies rental through real estate agent

* Dwellings structure definition is based on the ABS definition and may not align with planning policy documents definitions.

POPULATION AND DEMOGRAPHIC DRIVERS | DWELLING CHARACTERISTICS (CONT.)

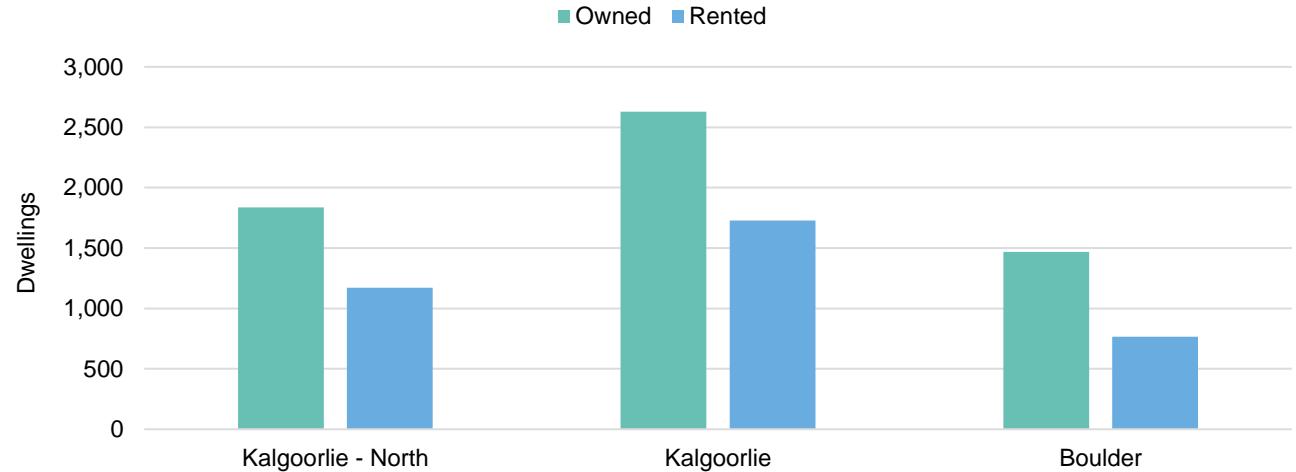
Key Findings

Similar to Western Australian averages, the main rental tenure type in Kalgoorlie-Boulder is formal (i.e. through a rental agent).

Informal dwellings are around a third of rental dwellings available. Informal rental accommodation are tenures through friends / families, informal tenancy agreements, employer provided housing and short stay accommodation.

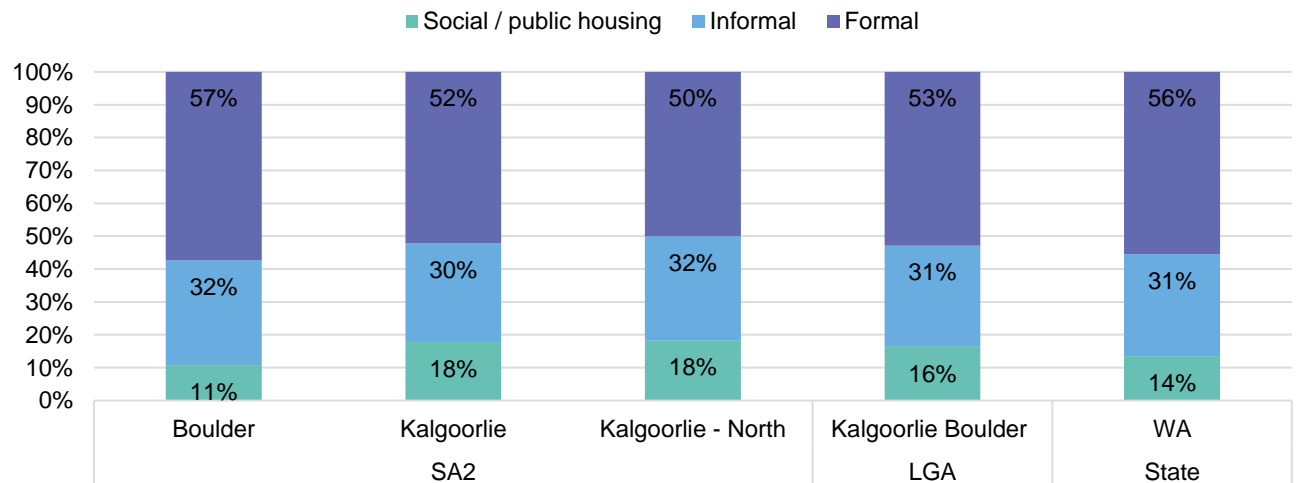
Social and public housing represent a larger share of the rental market in Kalgoorlie-Boulder compared to the rest of Western Australia (albeit only moderately).

Rental versus Owner Occupied Dwellings by SA2, Kalgoorlie-Boulder, 2021



Source: ABS, 2021

Rental Tenure Type by SA2, LGA and State, Kalgoorlie-Boulder, 2021



Source: ABS, 2021

n.b. Formal market implies rental through real estate agent

POPULATION AND DEMOGRAPHIC DRIVERS | DWELLING CHARACTERISTICS (CONT.)

Key Findings

A review of the age of the housing stock in Kalgoorlie-Boulder found that a quarter of the housing stock was built prior to 1960, with much of the older stock within the suburbs of Kalgoorlie and Boulder.

The 1990s was a period of particularly high dwelling construction activity and – to a less extent – there was notable construction activity during the 2000s. Of key importance, there was estimated to be less than 850 homes built in the 2010s and only 62 homes built in the 2020s (up until June 2022) – including an average of only 30 homes per annum over the past five years.

Age of Dwellings by Suburb, Kalgoorlie-Boulder, 2021

SUBURB	PRE-1950	1950S	1960S	1970S	1980S	1990S	2000S	2010S	2020S
West Kalgoorlie	1	0	0	0	0	2	0	0	0
Williamstown	56	10	3	3	2	0	1	0	0
Hannans	10	2	14	37	351	329	96	58	4
Karlkurla	0	0	1	1	0	0	1	95	10
Lamington	354	50	40	96	42	122	56	24	1
Mullingar	52	5	5	9	13	34	3	3	0
Piccadilly	374	28	22	66	90	255	120	55	3
West Lamington	26	6	1	67	245	107	51	27	0
Boulder	760	63	63	76	194	695	81	47	4
South Boulder	244	20	18	16	67	77	12	19	4
Victory Heights	98	4	12	8	80	111	17	14	0
Broadwood	0	3	0	0	0	57	157	18	5
Kalgoorlie	552	61	48	59	160	325	225	109	8
Parkeston	0	0	0	0	0	0	0	0	0
Somerville	6	3	3	6	50	767	360	290	16
South Kalgoorlie	316	32	70	260	581	272	104	88	7
Total	2,849	287	300	704	1,875	3,153	1,284	847	62

Source: Landgate

POPULATION AND DEMOGRAPHIC DRIVERS | SPECIALIST HOUSING

Key Findings

As the principal service centre in the region, the City of Kalgoorlie-Boulder has a high number of Government Regional Officer Housing stock. GROH is a self-funded housing program for most State Government agencies and departments (excluding WA Country Health Service, Western Power, Synergy and Alinta). The program employs local agents to acquire new dwelling stock on an as needs basis and in some situations purchases / constructs new dwellings. Preferences are for newer four bedroom and two bathroom dwellings, which represents much of the GROH stock in Kalgoorlie-Boulder.

A key challenge is forward planning for new housing requirements as agencies and departments are not always aware of future staffing requirements and how many will be local appointments (the program does not provide housing to staff that already own a home within 50km).

In the short term, there is an estimated immediate need for 33 homes in Kalgoorlie. Additionally, there is evidence of other agencies purchasing homes above this need.

Estimated GROH Need, Central Goldfields, As of August 2022

TOWN	2022/23	2023/24
Kalgoorlie	33	4
Kambalda	2	1
Laverton	4	-
Leonora	1	2

Source: Department of Communities

n.b. Additional demand only. There is the caveat that this is what client agencies have forecast as their need based on workforce planning and isn't a reflection of how many people are currently waiting for GROH. Demand is fluid and can change at any time.

POPULATION AND DEMOGRAPHIC DRIVERS | SPECIALIST HOUSING (CONT.)

Key Findings

There are two aged care facilities currently in Kalgoorlie-Boulder with a total of approximately 140 beds. Both facilities are nursing homes equipped with specialist services such as dementia care and palliative care. In addition to these facilities there are community care places for frail or disabled people who can maintain independence in their own homes and Home and Community Care services. The community care services include: the provision of meals, social support, personal care, respite care, and transport.

There are limited facilities for independent living units in the Kalgoorlie-Boulder area and low levels of independent living unit usage. Several villages are managed by Goldfields Masonic Homes Incorporated and Muschamp Village.

The state government recently supported an expansion of Pringle Village to meet the growing demand for independent living options through the transfer of a land holding. The four-stage development is expected to increase units from 49 to 250.

Age-based propensity rates (i.e. proportion of elderly population in aged care and independent living) is below state-wide averages. This suggests there is unmet demand in Kalgoorlie (e.g. estimated at approximately 60 aged care beds as of 2022).

There is additionally student accommodation at Agricola College, Curtin University.



POPULATION AND DEMOGRAPHIC DRIVERS | SPECIALIST HOUSING (CONT.)

Key Findings

It is important to recognise the large social housing within Kalgoorlie-Boulder and the current need for this housing type. According to the 2021 Census, there were an estimated 606 community and public dwellings occupied which represented 5.3% of the occupied housing stock. This is notably above the Western Australian average of 3.5%.

Indigenous households represented about 26% of social houses occupied in Kalgoorlie-Boulder (Goldfields Indigenous Housing Corporation manages close to 40 homes in Kalgoorlie in addition to homes across the rest of the region, Salvation Army manages an eight-unit Aboriginal community housing project).

A previous review of the characteristics of the public housing supply in Kalgoorlie-Boulder identified that much of the public housing was built prior to 2000 (72.2%). As such, the WA State Government has implemented a program to support the refurbishment of public housing stock across Western Australia, including Kalgoorlie-Boulder.

It is important to recognise that despite the high level of social housing, community housing is under-represented. The benefit of community housing can be the ability to re-invest in further development by leveraging existing equity. They also provide an alternative housing option with different services provided which could be considered more appropriate for the needs of some residents.

Furthermore, the lack of tenancy support funding for community housing has been identified as a challenge, with tenancy support funding only available for public housing.

In recent years, the decrease in more affordable private sector rental options has translated into an increase in social housing waitlists in Kalgoorlie-Boulder.

Estimated Social Housing Stock, City of Kalgoorlie-Boulder, 2021

DWELLING TYPE	STATE HOUSING	COMMUNITY HOUSING
Detached House	282	9
Semi-Detached House	234	57
Apartment / Flat	24	0
Total Occupied Stock	540	66

Source: ABS Census 2021

n.b. This includes only occupied stock and is an estimate based on Census information.

POPULATION AND DEMOGRAPHIC DRIVERS | HISTORICAL POPULATION TRENDS

Key Findings

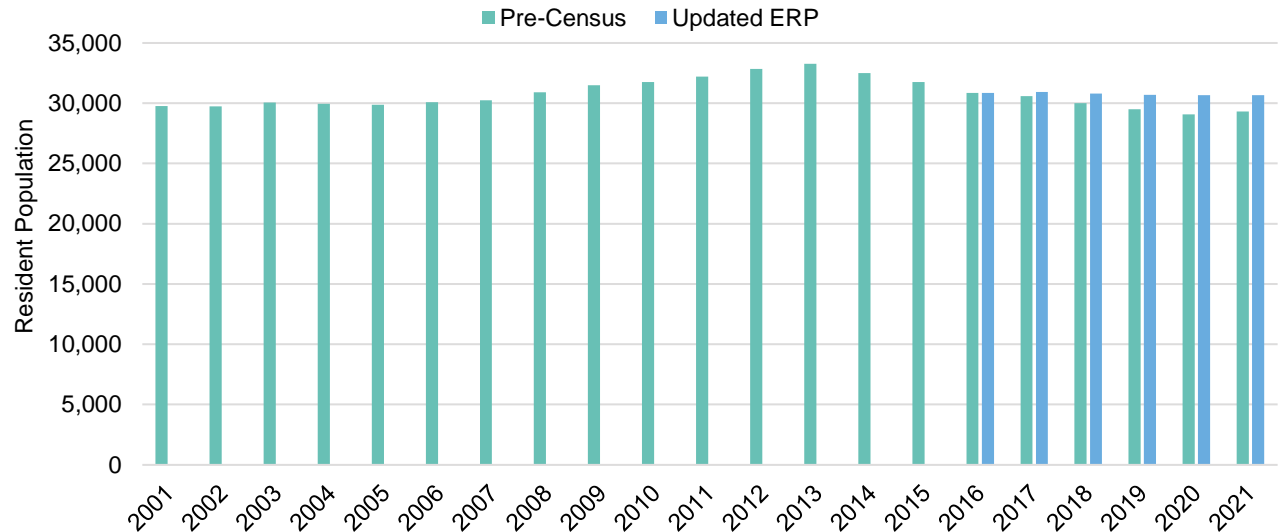
The City of Kalgoorlie-Boulder experienced considerable population growth during the heady years of high commodity prices and resource investment, but growth subsequently declined into negative territory as investment activity and labour needs declined in the region.

Between 2007 and 2013, growth across Kalgoorlie-Boulder averaged 1.8% per annum (or an average of 565 persons per annum). However, the Australian Bureau of Statistics estimates that the population declined moderately over the 2013 to 2021 period in response to lower labour requirements (from a peak of 33,267 in 2013 to 28,709 in 2021).

It is important to note that population estimates are difficult to derive given the transient nature of Kalgoorlie-Boulder. For instance, following the 2021 Census, the ABS revised population estimates upward.

Residential growth throughout the past two decades was largely accommodated within the larger suburbs of Somerville, Kalgoorlie, Piccadilly, South Kalgoorlie and Hannans. More recently, growth has occurred within West Lamington and Karlkurla in particular.

Estimated Resident Population, City of Kalgoorlie-Boulder, 2001-2021



Source: ABS

POPULATION AND DEMOGRAPHIC DRIVERS | HISTORICAL POPULATION TRENDS (CONT.)

Key Findings

Resident population figures only include population that permanently reside in the area. They do not account for additional non-resident population (such as the fly-in, fly-out workforce) that is considered part of the “service population”.

Given the relatively high service population of Kalgoorlie-Boulder compared to permanent population (especially during the construction phase of large resource investments), this study explored what this service population may be.

Utilising Tourism Research Australia information, on average, there was an additional 2,000 people per day visiting Kalgoorlie-Boulder for business in 2021. Whilst short term accommodation is important for this cohort, the established housing market also plays a key role to support transient and non-resident workers / visitors.

Anecdotal evidence from stakeholder engagement indicated that some businesses are booking various types of accommodation for extended periods to accommodate visiting contractors, which includes stock from the rental market.

Resident Population & Business Visitor Market, City of Kalgoorlie-Boulder, 2001-2021



Source: ABS; Tourism Research Australia

POPULATION AND DEMOGRAPHIC DRIVERS | POPULATION OUTLOOK

Key Findings

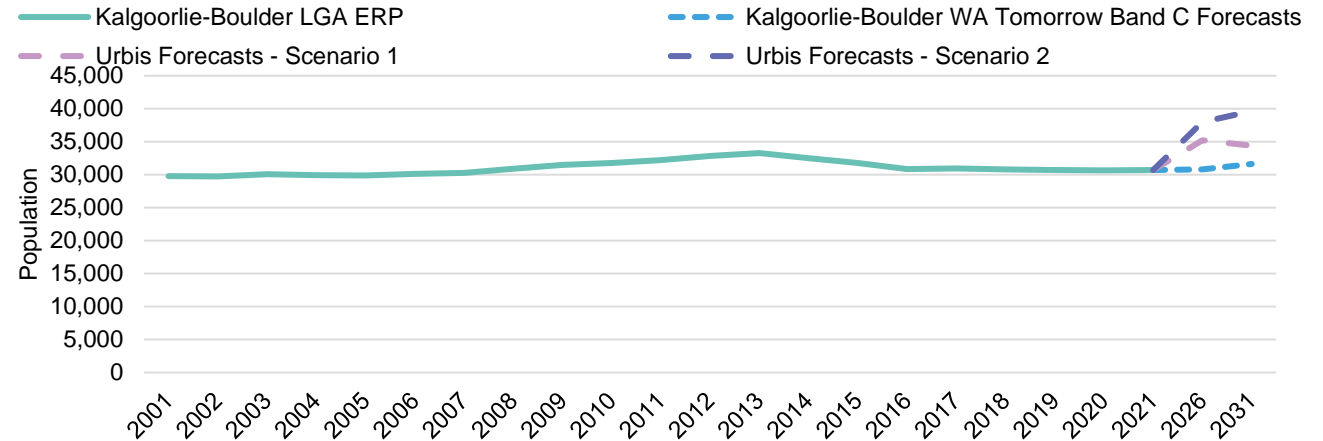
Population forecasts in regional centres such as Kalgoorlie-Boulder are challenging to accurately develop given the influence of macro-economic factors and major investment on population levels.

WA Tomorrow, the State Government's medium and long term population forecast, anticipates that the population levels in the City of Kalgoorlie-Boulder will increase to 31,600 people by 2031. It is important however to note that these projections are informed by recent trends (i.e. those over the past 5-10 years) rather than current economic conditions.

As such, this study translated the investment and worker forecasts into resident population projections to help illustrate potential alternative outcomes. Scenario two translates into potential population growth to approximately 39,600 by 2031. These forecasts represent the additional population growth that is expected to be required to support the projected investment in the region and, importantly, this population growth is reliant upon appropriate accommodation being available in the region. It also assumes that worker levels translate into resident population rather than FIFO / DIDO.

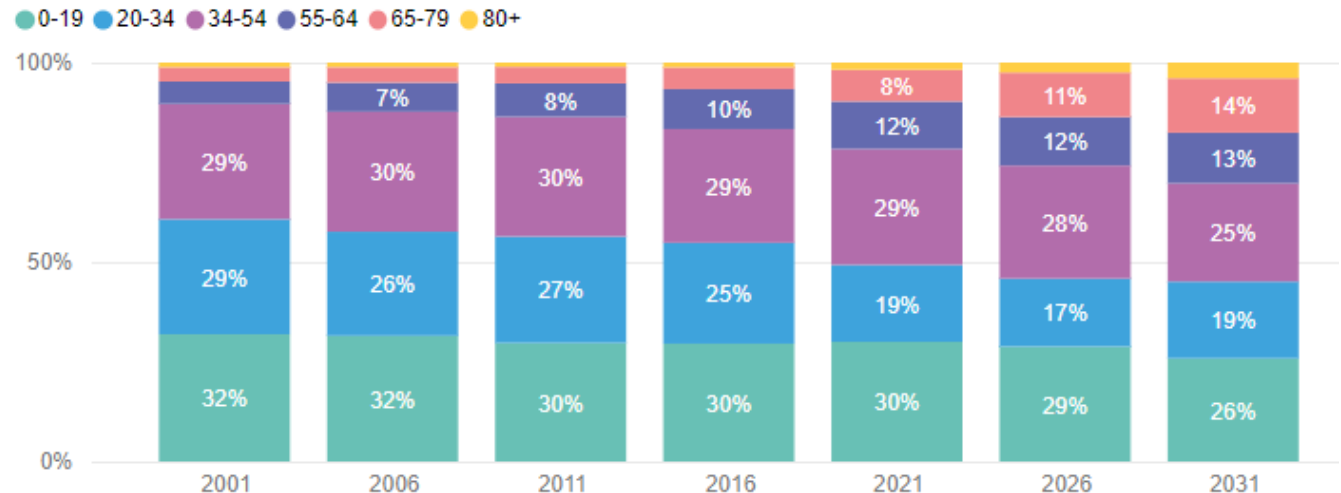
The WA Tomorrow forecasts also provide a breakdown by age group. For Kalgoorlie-Boulder, these forecasts project a growing share of older residents. The proportion of residents who are aged 65+ years is expected to increase by 2031, accounting for 14% of the total population in Kalgoorlie. The age distribution in the region will influence household formation and housing demand.

Population Projections, City of Kalgoorlie-Boulder, 2001-2031



Sources: ABS, DPLH WA Tomorrow Band C Forecasts, Urbis
n.b. ERP refers to updated data post-2021 Census

Age Distribution Projections, Kalgoorlie Statistical Area, 2001-2031



Source: DPLH WA Tomorrow Band C Forecasts

03

RESIDENTIAL MARKET CONDITIONS



RESIDENTIAL MARKET CONDITIONS | ESTABLISHED MARKET

Key Findings

Housing market conditions in Kalgoorlie-Boulder have been analysed to provide important context as to the future demand and development of residential dwellings in the area and changing housing preferences experienced over the last few years.

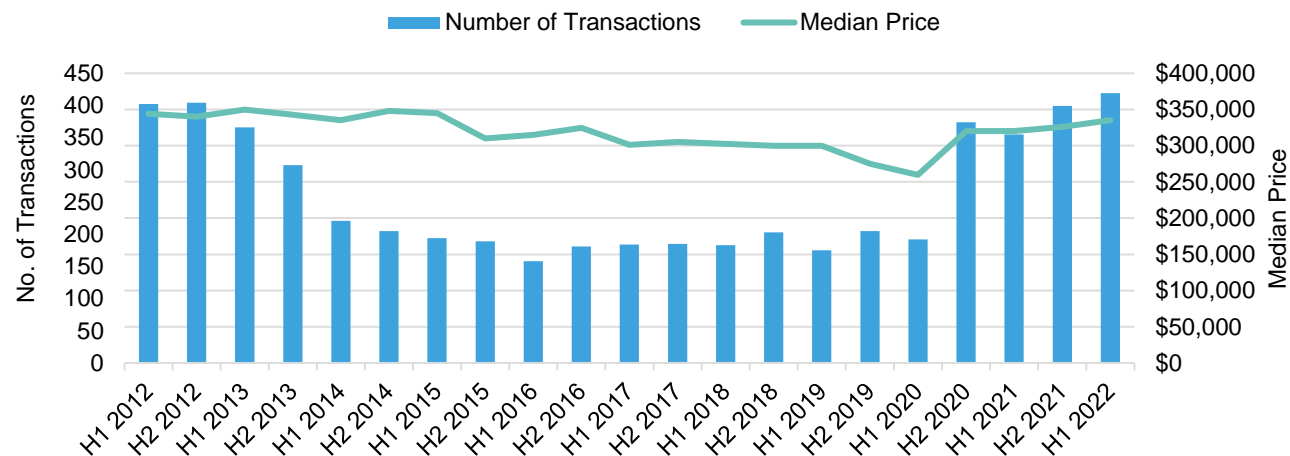
Overall, the housing market in the City strengthened in the second half of 2020 against the backdrop of interest rate declines and housing stimulus provided by state and federal governments. In the second half of 2020, transactions for houses increased to the highest levels since 2012. Volumes have subsequently increased despite a lack of supply on the market.

Whilst property values have increased from early 2022 lows, they are yet to exceed previous highs. As such, a number of households are potentially experiencing negative equity – thus, challenging upgrader and downgrader purchasing.

The lack of capital growth in regional areas is considered a major constraint to new housing development and particularly undermines the ability for diverse medium density housing choices to be developed as well as other more innovative housing designs.

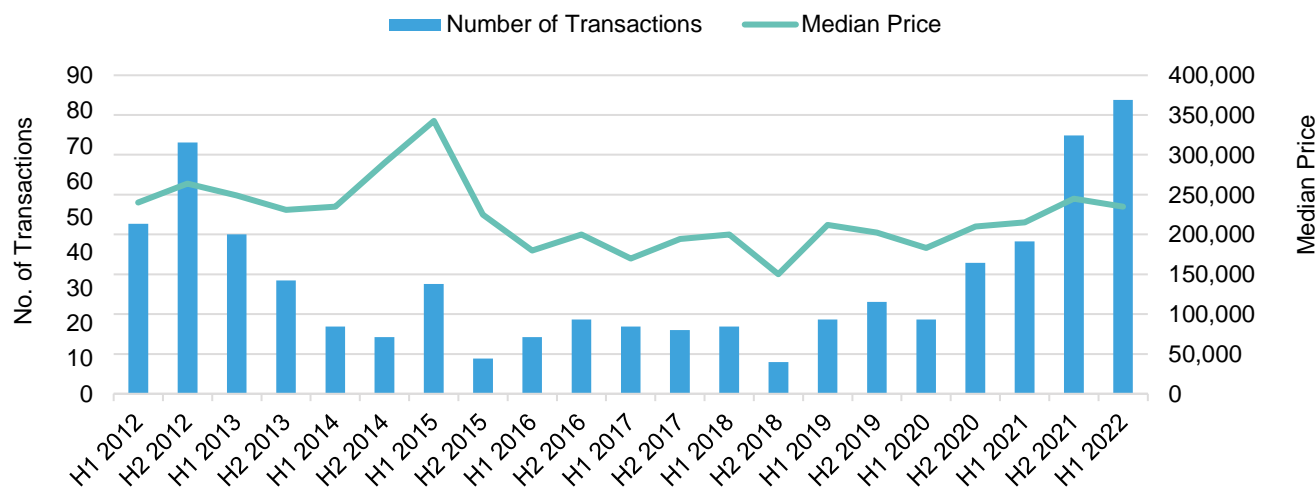
A notable driver of recent sales activity is business purchases for staff housing, with analysis of purchaser details estimating approximately 8% of turnover was due to businesses (though this included purchases in Williamstown by Northern Star due to vibrations from mining activity).

House Sales and Sales Volume, City of Kalgoorlie-Boulder, 2012-2022



Source: Landgate
n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

Unit Sales and Sales Volume, City of Kalgoorlie-Boulder, 2012-2022



Source: Landgate
n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

RESIDENTIAL MARKET CONDITIONS | ESTABLISHED MARKET (CONT.)

Key Findings

The Kalgoorlie-Boulder residential market has seen the greatest activity in three and four bedroom houses in the 6 months to June 2022. Four bedroom houses receive a significant premium of +37% over three bedroom houses, in terms of median prices.

The market for units has seen the greatest activity in relatively larger product for that typology, being two and three bedroom product. One bedroom dwellings represent only 10% of the total residential market.

Sales and Price by Dwelling Type, City of Kalgoorlie-Boulder, H1 2022

Bedrooms	HOUSE		UNIT	
	Median Price	Sales (6 months to)	Median Price	Sales (6 months to)
1	\$282,500	43	\$140,000	9
2	\$302,000	74	\$225,000	35
3	\$320,000	162	\$290,000	35
4	\$437,000	121	\$425,000	3
Total	\$335,000	419	\$235,000	83

Source: Landgate

n.b. Some sales captured by Landgate data do not contain information regarding the number of bedrooms – these sales have been excluded.

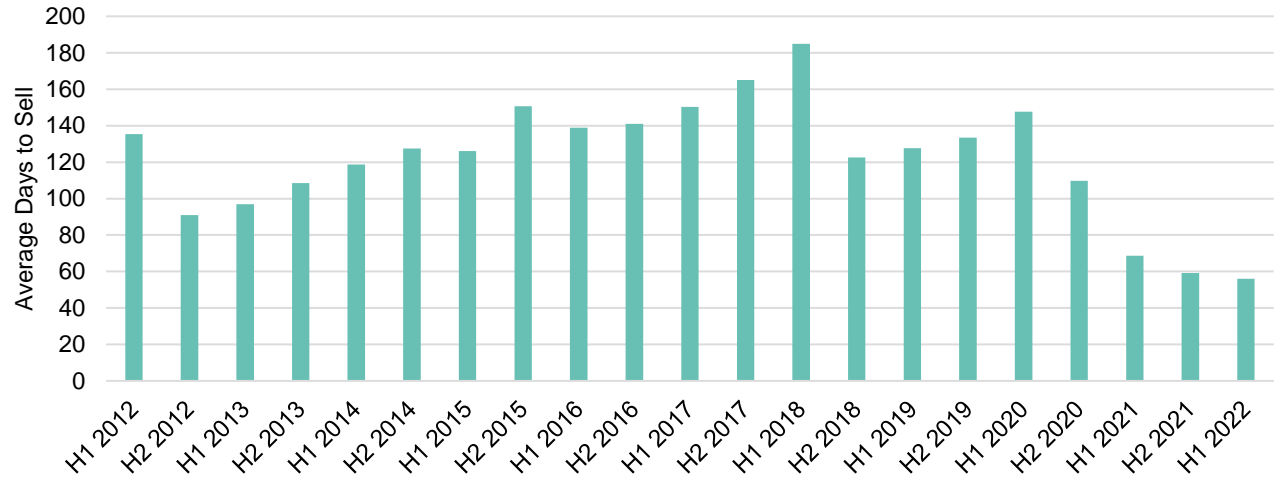
RESIDENTIAL MARKET CONDITIONS | ESTABLISHED MARKET (CONT.)

Key Findings

The effects of a tightening housing market can be seen in the declining time to sell and lease in Kalgoorlie-Boulder.

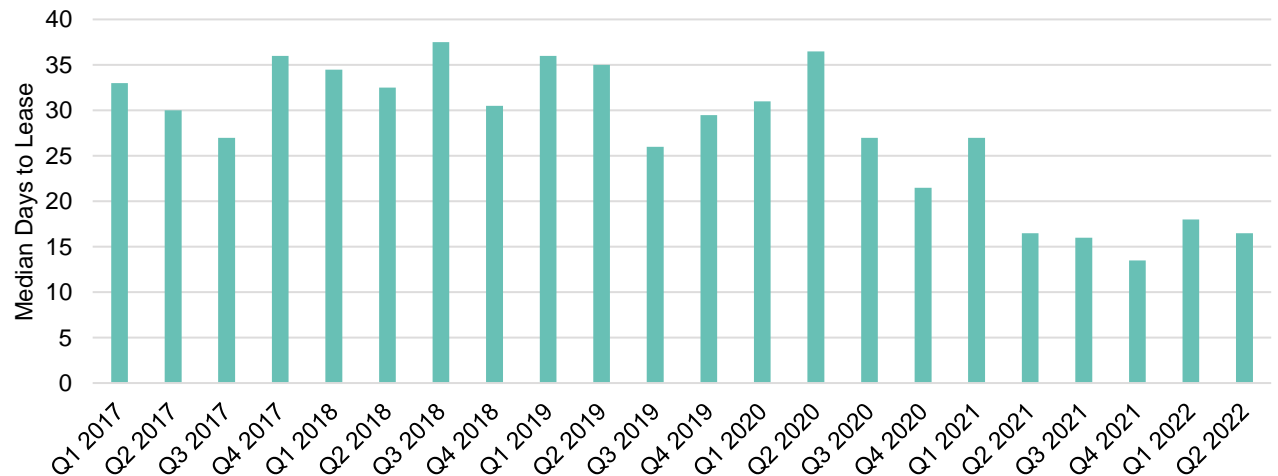
The average days to sell in particular has seen a steep decline since a peak of 185 in H1 2018. The average days to sell has dropped by 70% to H1 2022.

Average Days to Sell, City of Kalgoorlie-Boulder, 2012-2022



Source: Pricerfinder, Urbis
n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

Median Days to Lease, City of Kalgoorlie-Boulder, 2017-2022



Source: Pricerfinder, Urbis
n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

RESIDENTIAL MARKET CONDITIONS | RENTAL MARKET

Key Findings

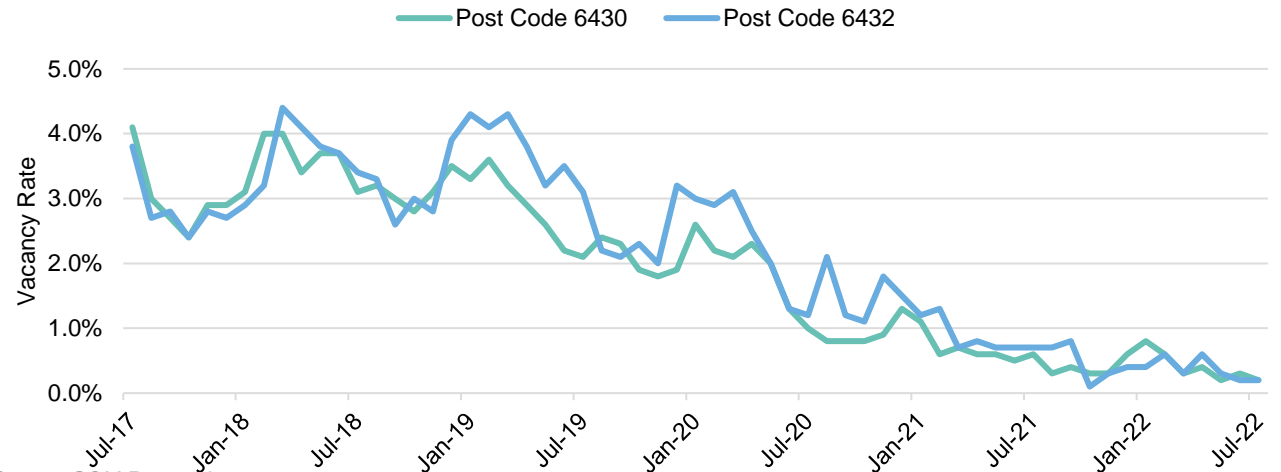
Improving labour market and economic conditions have coincided with tightening rental market conditions.

The rental vacancy rate in the subject area has been declining since January 2020 and has since reached a historic low in 2022 of 0.2%.

The median weekly rent increased in the fourth quarter in 2021 and has since continued to increase and currently sits at \$480. There are expected to be further increases in rental costs over 2022 and 2023.

There is currently a lack of rental stock which is having a negative effect on population attraction and retention.

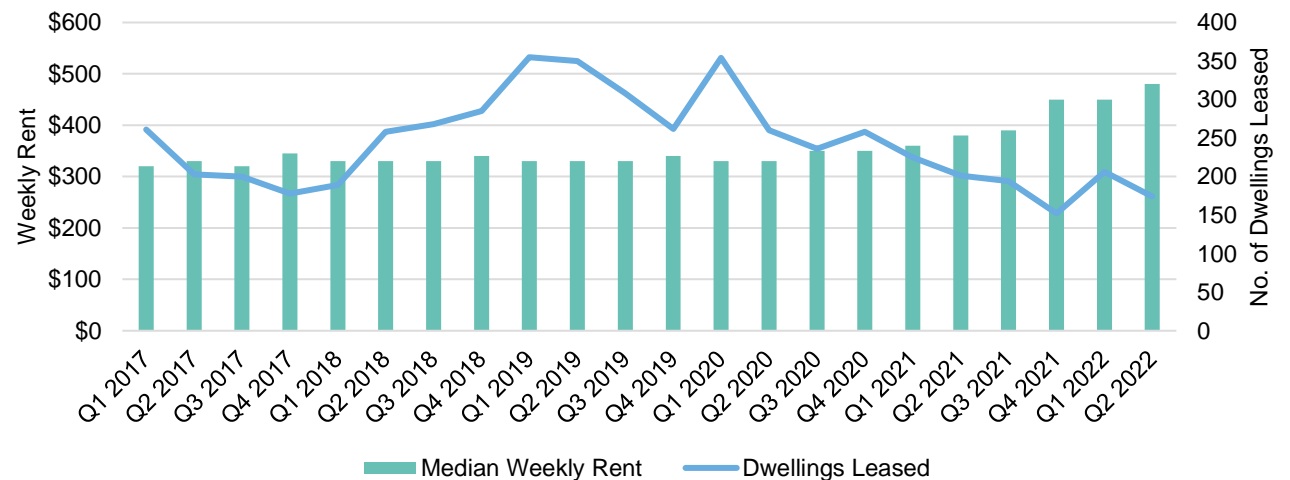
Rental Vacancy Rate, Kalgoorlie-Boulder, 2017–2022*



Source: SQM Research

*This data has been sourced from SQM Research which have collected the data by postcode rather than by suburb. As such, the postcode as been adopted in this analysis.

Median Weekly Rent and Dwellings Leased, City of Kalgoorlie-Boulder, 2017-2022



Source: REIWA / Pricfinder

RESIDENTIAL MARKET CONDITIONS | RENTAL MARKET (CONT.)

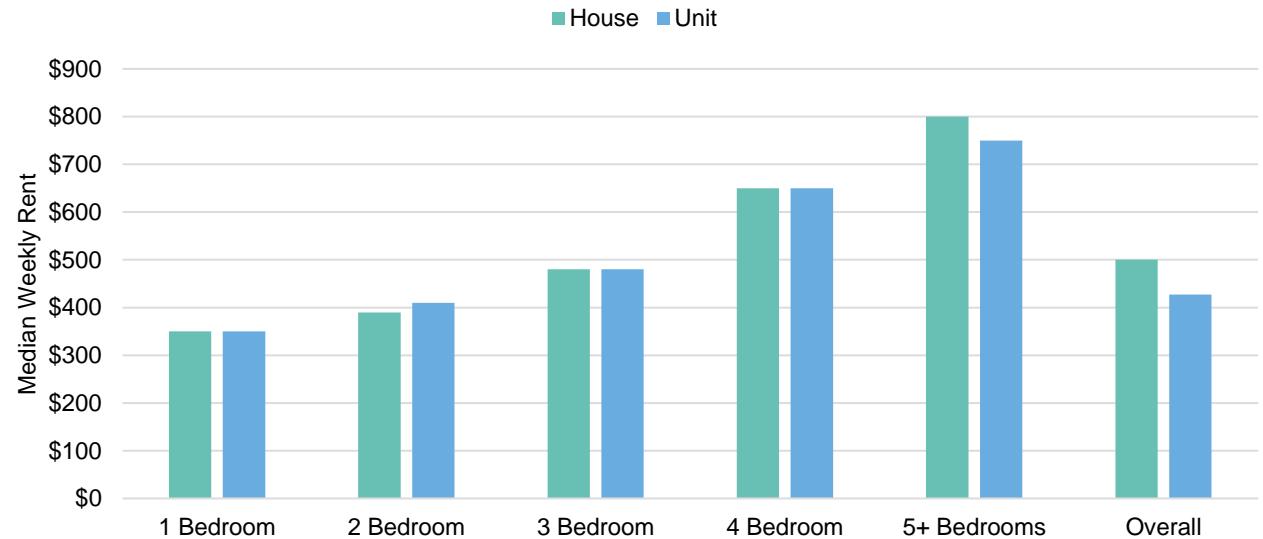
Key Findings

The median weekly rent for houses in Kalgoorlie-Boulder was \$500 in Q2 2022. The median weekly rent for units over the same period was \$428.

It is important to note that the ability of households to afford considerable changes in rental costs varies dramatically. For low and moderate income households, increasing rents lead to lower expenditure on other household items. For instance, families and individuals will forgo medicines, a dentist or doctor appointment, heating / cooling a home etc. to continue to afford rents.

This challenge is heightened in the current environment as there is very limited alternative choice available to tenants.

Median Weekly Rent by Product Type, City of Kalgoorlie-Boulder, 2022



Source: Pricerfinder

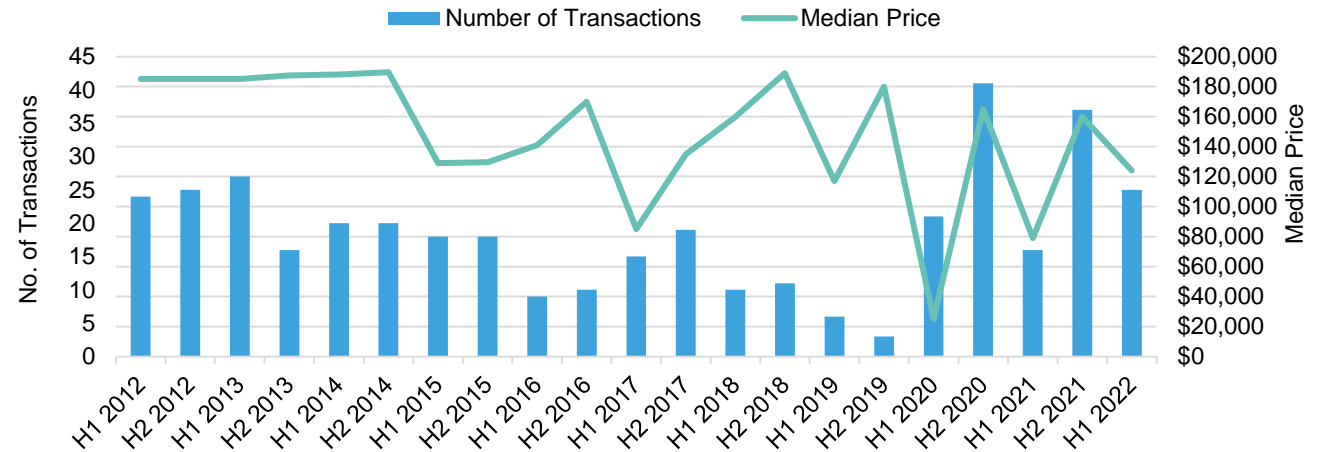
RESIDENTIAL MARKET CONDITIONS | RESIDENTIAL LAND MARKET

Key Findings

The median price for vacant land has been relatively volatile over the previous 5 years, reaching a historic low of \$25,000 in H2 2020 and a high of \$189,000 in H2 2018.

Along with the median price, the number of vacant land sales transactions have also been volatile in the past 5 years. The vacant land sales volume peaked in H2 2020 at 43 transactions and has since dropped to 25 transaction in H1 2022.

Vacant Land Sales and Median Prices, City of Kalgoorlie-Boulder, 2012-2022



Source: Landgate

n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

04

LAND & HOUSING SUPPLY OUTLOOK



LAND AND HOUSING SUPPLY OUTLOOK | DWELLING CONSTRUCTION

Key Findings

The number of approvals for dwellings in Kalgoorlie-Boulder highlights the low level of housing development that has occurred over the last decade. This has significant implications for the ability of the local workforce to respond to increased demand.

There is also a clear difference in the mix of dwellings that have been approved in the last decade compared to the early 2000s; when a larger volume of approvals were for dwellings other than houses (i.e. townhouses, apartments etc).

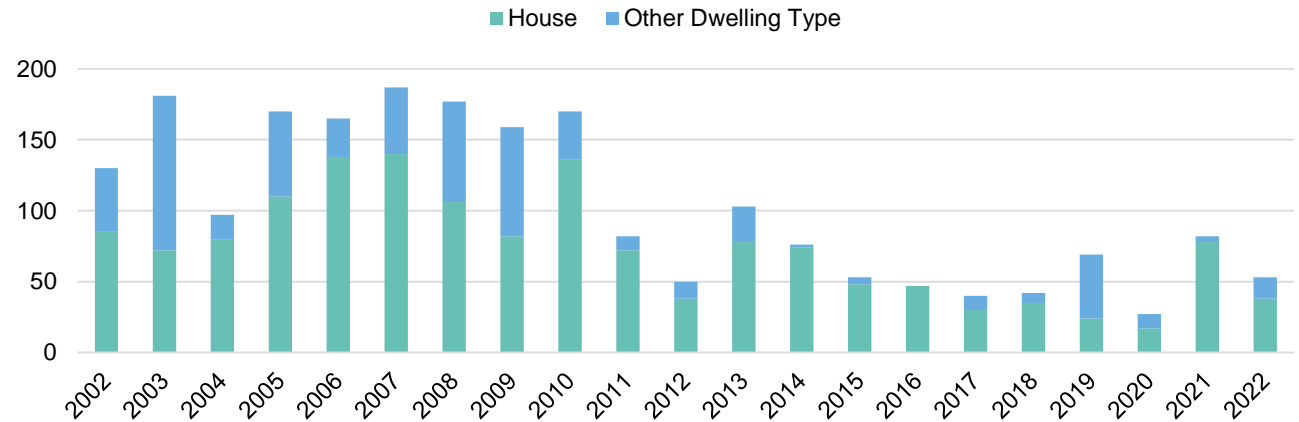
A key issue currently is building costs in Kalgoorlie-Boulder. Over the last two years, houses developed in Kalgoorlie-Boulder were estimated to cost 15% more than the Perth average, with the average house estimated at a construction cost of \$333,000.

According to building surveyor Rawlinsons, construction costs are an estimated 35% above costs within the Perth metropolitan area (though currently higher in the current environment).

The lack of serviced lots for the market has additionally constrained residential construction activity.

There are a limited number of grouped dwelling and infill projects that have been recently completed, under construction or in advanced planning.

Approvals by Dwelling Type, Kalgoorlie Statistical Area, July 2002 – July 2022



Source: ABS Building Approvals
*Other dwelling type includes apartments, semi-detached dwellings and townhouses

Infill Activity, Kalgoorlie-Boulder

ADDRESS	PRODUCT TYPES AVAILABLE	COMMENTS
4 Yilkarri Parade & Lot 205 Aslett Drive, Karlkurla	3x2 terraced homes	Aslett Drive is a grouped dwelling for terrace homes located Karlkurla. It offers 22 new dwellings, communal facilities including a gym, games area and swimming pool, car parking and associated landscaping. The construction commencement date was indicated as late 2022.
38 Great Eastern Highway, Somerville, WA 6430	One 1-storey dwellings, Seven 2-storey dwellings	The construction stage for this project is expected to be completed in late 2022. The project offers 13 new dwellings and the total site area is 13,433 sq.m.

Source: Urbis, Cordell Connect

LAND AND HOUSING SUPPLY OUTLOOK | WORKER HOUSING

Key Findings

Given the lack of traditional land and housing availability, a number of worker housing facilities have advanced planning recently. This includes expansion of existing facilities such as Compass Group's existing camp. More notable however is the increased focus on worker camps within or near established communities.

In August, the Regional Joint Development Assessment Panel members approved a \$3.5 million proposal for an accommodation facility at 36 Great Eastern Highway. A month earlier (in July), the City approved a \$6.5 million temporary facility in South Boulder for MLG Oz and TopDrill workers to address an accommodation shortfall in the region. The workforce accommodation village on Vivian Street is proposed to house 302 people across 76 buildings, including one universally accessible accommodation building.

The current focus on worker housing using modular construction to meet immediate and short term needs is occurring across many parts of regional Western Australia, including regional centres such as Bunbury.

There are additional worker accommodation proposals in the pipeline in the region, including the Shire of Coolgardie's proposal to build a worker camp in Kambalda.

There is additionally a proposal by M/Group to develop housing on two key parcels of land near Kalgoorlie-Boulder Airport. This is intended however to be broader than housing for a particular organisation's needs.

Worker Housing Projects Proposed, Kalgoorlie-Boulder and Surrounds

PROJECT	CAPACITY	STATUS	COMMENTS
MLG Oz and TopDrill 	302	Development approval granted July 2022	Features include five laundry buildings, one linen building, one toilet block, a dry mess building for patrons, an administration and gymnasium, 39 on-site car parking bays and 54 street bays.
Compass Group Kambalda East 	+208	Development application	Current village has 574 rooms, 56 of which will be demolished to construct 264 new rooms. Shire of Coolgardie has supported the development approval which has been lodged with the Regional Joint Development Assessment Panel.
Jagcor Somerville Accommodation 	66	Development approval granted August 2022	The accommodation village comprises 66 single-storey transportable units with 58 units having two rooms each and five of the units to contain laundry facilities.

LAND AND HOUSING SUPPLY OUTLOOK | VACANT LAND MARKET OVERVIEW

Key Findings

The City of Kalgoorlie-Boulder has experienced limited new residential land development over the past decade despite the more recent increase in sales activity.

A driver of reduced land development was reduced economic activity and employment growth (including flow on population and capital value declines). Secondly, the lack of active land development influenced sales volumes.

There is limited readily available land for subdivision of scale. DevelopmentWA is the only major developer active in Kalgoorlie-Boulder currently, with limited private sector activity (the City has previously developed residential land).

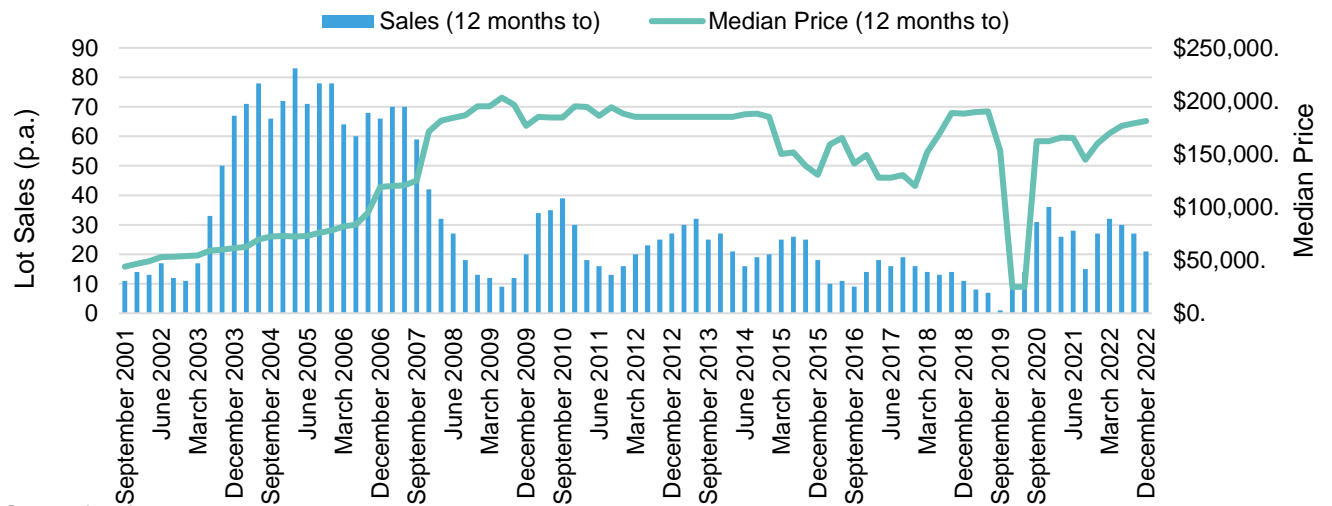
The context plan for GreenView highlights the potential volume of land that is available over the long-term. There is however limited available lots over the short term planned.

The business case for stage 4A is confirmed and pre-selling with occur as soon as contractor locked in (with an estimated 25-35 lots as part of this stage). This release is supported by a considerable State Government subsidy.

DevelopmentWA may need to put forward business case for stage 4B given civil / site works costs but have no confirmed timing on this as it will depend on market interest from stage 4A.

The Hannans Golf Course site is critical to future land requirements. It is understood that DevelopmentWA will be preparing a business case for acquiring this site contingent on the City remediating the area.

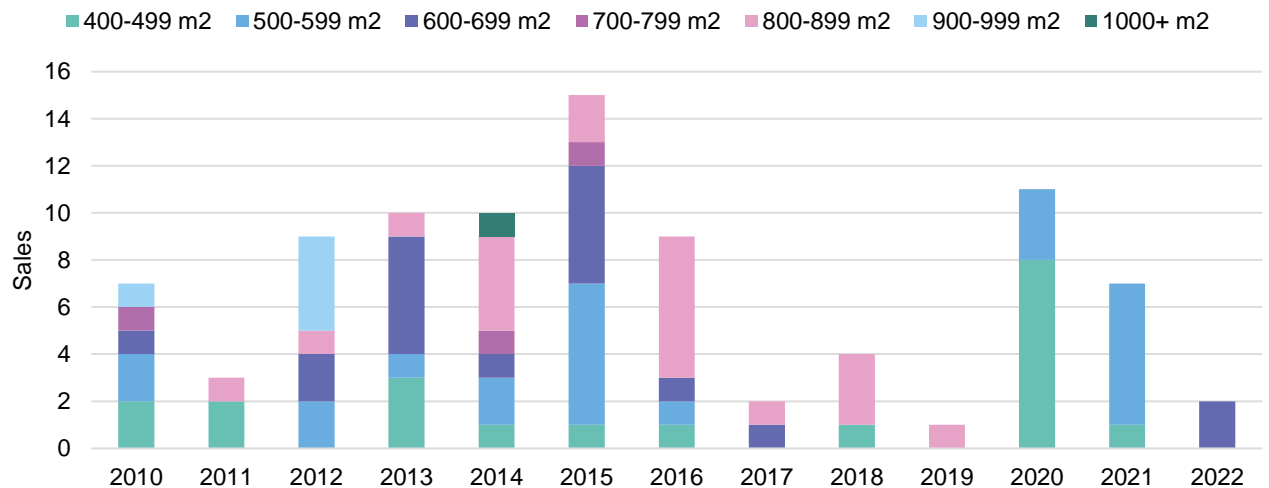
Developer Lot Sales, City of Kalgoorlie-Boulder, 2001-2022



Source: Landgate

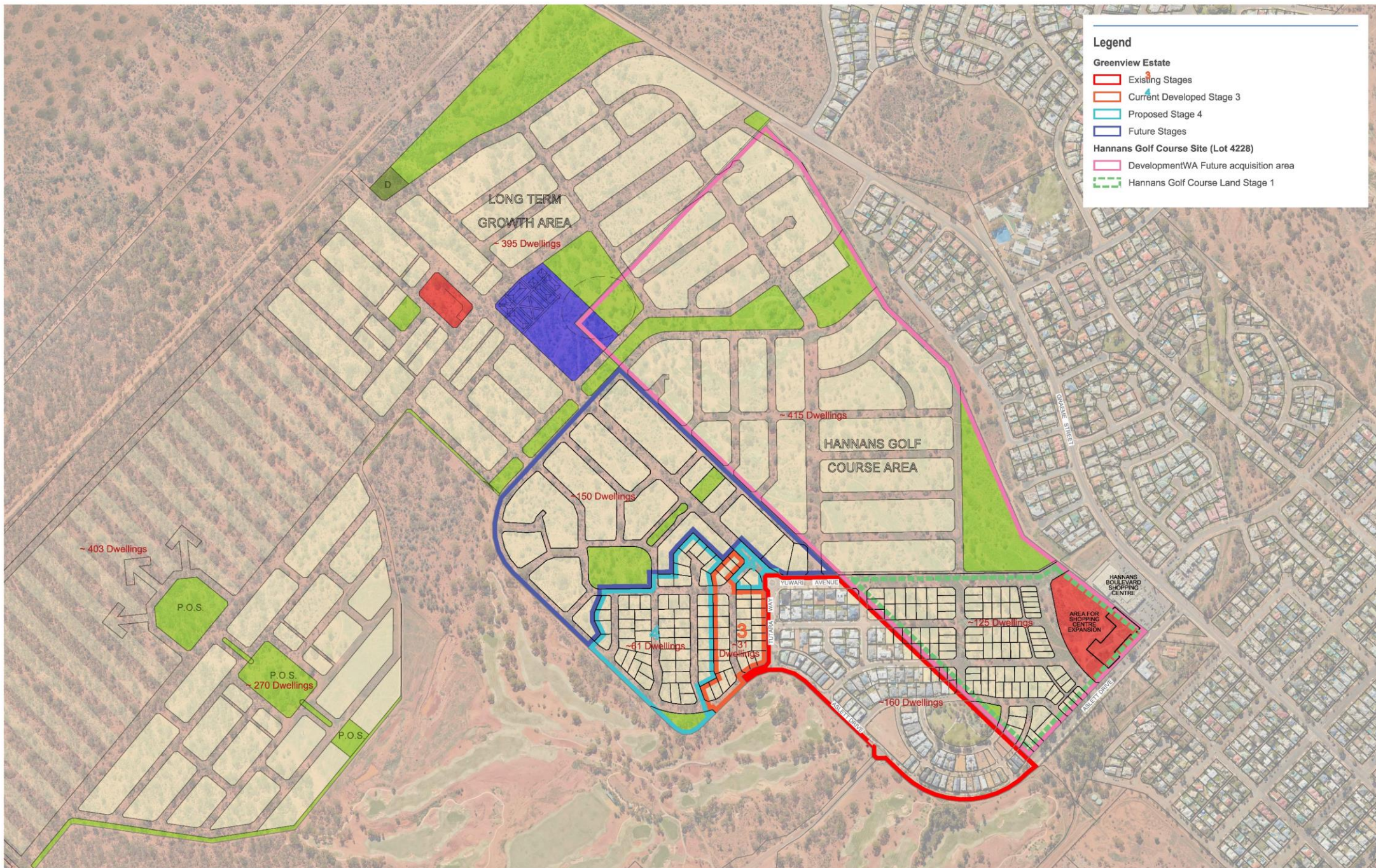
n.b. sales for 2021/22 are incomplete due to settlement delays for lots.

Sales by Lot Size, GreenView at Karlkurla, 2010-2022



Source: Urbis analysis of Landgate data

n.b. sales for 2021/22 are incomplete due to settlement delays for lots.



LAND AND HOUSING SUPPLY OUTLOOK | ZONED LAND STATUS

Key Findings

The Department of Planning (now DPLH) assessed the availability of developable land across the City of Kalgoorlie-Boulder in late 2015. This document identified that there is considerable zoned residential land and land zoned for future residential purposes to cater for population growth within the City over the medium term.

Whilst DPLH are updating this 2015 report currently, based on the City's Local Planning Scheme No. 1, the majority of future residential development was within the North West Sector (north of the railway line and west of the urbanised areas of Piccadilly, Lamington and Hannans), though it is our understanding that development within this precinct is constrained by the existing rifle range and explosive reserve, which have significant relocation costs. There was additionally found to be developable residential land within Broadwood, western portions of Boulder and Somerville.

Lots are classified as developed, undeveloped (vacant) or unrated based on Landgate property valuation information. Lots classified as unrated are those for which no vacant land or premises valuation information has been captured in Landgate's property valuation database. This may include State or local government owned lots or premises exempt from rates, Crown allotments, common property within lots on survey, newly created lots on survey, land otherwise exempt from rates and some public roads which may be zoned for residential purposes under the local planning scheme.

The majority of land classified as unrated is in Karlkurla and West Lamington and predominantly comprises land zoned future urban, most (if not all) of which is owned by the State Government. However, as noted above, the key challenge is the timely servicing of this land and delivery to the market for purchase.

Status of Zoned Land (ha), City of Kalgoorlie-Boulder

	DEVELOPED	UNDEVELOPED	UNRATED	GRAND TOTAL
Extensive residential	50	11	16	76
Broadwood	18	5	1	24
Somerville	19	2		22
West Kalgoorlie	4	2		6
West Lamington	8	2	15	25
Future urban	96	68	1,461	1,624
Boulder	1	0	-	1
Hannans	2	61		64
Karlkurla	92	2	1,403	1,497
South Boulder	1	5	12	17
West Lamington			46	46
General residential	782	29	60	872
Boulder	137	4	11	152
Broadwood	18	0	4	22
Hannans	71	1	1	72
Kalgoorlie	72	2	2	76
Karlkurla			1	1
Lamington	66	1	1	68
Mullingar	11	0	17	29
Piccadilly	64	1	1	66
Somerville	94	14	10	118
South Boulder	36	1	1	38
South Kalgoorlie	141	3	7	151
Victory Heights	33	1	3	36
West Lamington	40	0	-	41
Special residential	29	2	5	35
Broadwood	4		-	4
Somerville	25	2	4	31
Grand Total	957	109	1,542	2,607

Source: DPLH
n.B Based on LPS 1

LAND AND HOUSING SUPPLY OUTLOOK | ZONED LAND STATUS (CONT.)

Key Findings

DPLH undertook a review of the City's Local Planning Scheme No. 1 and the potential lot yield within each suburb in the City. This work highlighted that there is notable planning capacity across Kalgoorlie-Boulder.

It is important to note however that it does not take into account other factors which may affect dwelling configuration and yield, such as heritage, environmental and/or infrastructure constraints, as well as any other provisions of the local planning scheme that may apply. It additionally does not take into market viability considerations.

The City's Draft Local Planning Scheme No. 2 (draft LPS 2) has been in development since 2012. On 27 June 2022, the City resolved to support the draft LPS 2 with proposed modifications to address issues raised in the submissions. The draft LPS 2 proposes to replace the general residential, special residential and extensive residential zones with the residential zone. It also proposes to replace the future urban zone with the urban development zone, in line with the model provisions for local planning schemes (as set out in Schedule 1 of the Planning and Development (Local Planning Schemes) Regulations 2015).

The City of Kalgoorlie-Boulder's (the City) draft Local Planning Scheme No. 2 proposes to apply the urban development zone to approximately 927 hectares of land across eight localities/suburbs in the Kalgoorlie Significant Urban Area (SUA). Approximately 701 hectares (76 per cent) of this supply is in Karlkurla, followed by 83 hectares (9%) in Mullingar and 73 hectares (8%) in Somerville. Approximately 565 hectares of land proposed to be zoned urban development under the draft LPS 2 are currently zoned future urban under the City's Local Planning Scheme No. 1 (LPS 1).

Status of Zoned Land (ha), City of Kalgoorlie-Boulder

	EXISTING DWELLINGS	ADDITIONAL DWELLINGS (EST.)
Boulder	1,864	1685
Broadwood	190	153
Hannans	962	741
Kalgoorlie	1,220	1080
Karlkurla	-	26
Lamington	825	284
Mullingar	127	275
Piccadilly	1,125	907
Somerville	1,104	639
South Boulder	460	330
South Kalgoorlie	1,924	1622
Victory Heights	372	313
West Lamington	562	347
Total	10,735	8402

Source: DPLH
n.b. Based on LPS 1

LAND AND HOUSING SUPPLY OUTLOOK | PLANNING AND POLICY CONSIDERATIONS

Key Findings

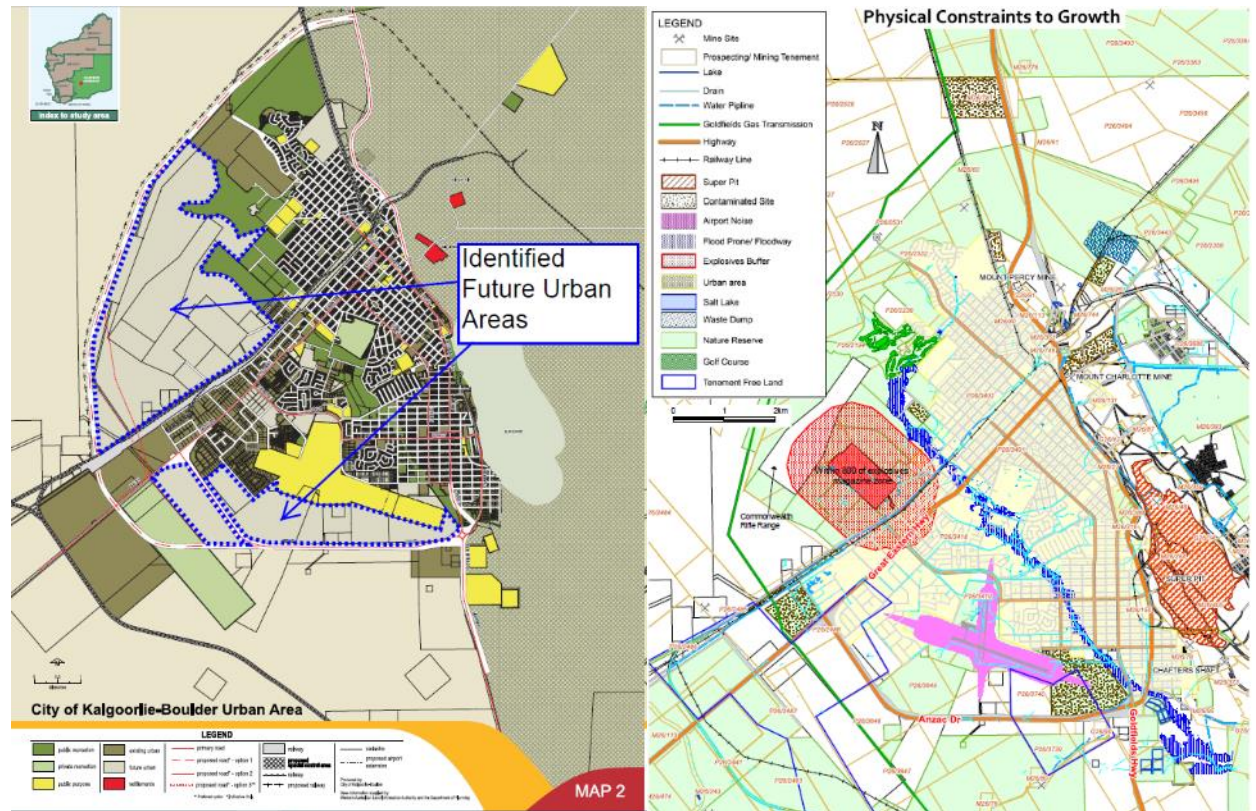
The City of Kalgoorlie-Boulder has been progressively planning for urban expansion and infill capacity over the last 15 years.

The City's Local Planning Strategy provides a 20 year strategic direction for the town, and ultimately guides the local planning scheme review. In terms of strategic direction for residential development, the following key points are noted.

- There is enough existing zoned land and potential land to meet future residential demands.
- Notwithstanding the above, there are barriers associated with delivering serviced land within the zoned areas relating to the provision of infrastructure and land use conflict, for example with the existing explosives testing facility.

There are significant structure planning and subdivision activities underway associated with Karkurla and significant areas of land within the Kalgoorlie City Centre is proposed to upcoded to R-AC4 to allow for additional infill dwellings.

Additionally, the draft North Somerville District Structure Plan has been prepared on behalf of the City and advertised between June and September 2022. The draft Structure Plan seeks to facilitate the future subdivision and development of approximately 600 residential lots.



LAND AND HOUSING SUPPLY OUTLOOK | PREVIOUS RESEARCH FINDINGS

Key Findings

A range of documents and studies have been prepared by and for project partners in recent years which have identified a range of challenges and opportunities related to housing and proposed strategies and initiatives to address these.

This study included a review of these documents and provided summaries. It is important to note the key findings from these documents as they complement the analysis undertaken within this study.

Previous Research Findings

DOCUMENT	KEY FINDINGS
Kalgoorlie-Boulder Regional HotSpots Land Supply Update (2008)	<p>The document identified the following challenges for land release and housing supply: capacity constraints in the building and construction industries; housing affordability, with building and servicing costs generally higher; capacity of sewage system, with preliminary planning for an additional facility underway; and dust abatement in the northern quadrant.</p> <p>The following key findings were presented:</p> <ul style="list-style-type: none"> Older housing stock, with more than 50% of the housing stock pre-dating 1970 and many dwellings being constructed prior to 1940; and Modern housing style, with the housing type and style largely reflecting the historical associations of each town, with Boulder having many traditional two bedroom miners' cottages, and the larger three and four bedroom houses being established in the relatively more affluent suburbs of Kalgoorlie, however newer development generally reflects the architectural styles of the day rather than the historical association of the area in which it is constructed. <p>The document also considered future housing supply and identified that potentially a total of 2,987 lots can be created from both future land release areas and long and medium term identified land parcels. The majority of land earmarked for new residential development is located in the North West Sector, however there are few other substantial freehold land holdings that can be released for residential development due to the mining and native title implications on the majority of Crown land surrounding the city and the constraints imposed by the Gribble Creek Flood Plain through the city.</p> <p>Several specific initiatives have been identified, including:</p> <ul style="list-style-type: none"> Promotion of 'shop top' housing, especially within the Boulder and Kalgoorlie commercial areas; Promotion of inner-city living, including increasing awareness of benefits of inner-city living; Encourage re-use of existing vacant buildings for mixed use developments; Redevelop surplus land, such as within the railway reserve; Promote aged housing options, especially within existing aged accommodation precinct in South Kalgoorlie; and Facilitate student housing aligned with Curtin University campus.
Kalgoorlie-Boulder Housing Strategy Review Draft (2011)	

LAND AND HOUSING SUPPLY OUTLOOK | PREVIOUS RESEARCH FINDINGS (CONT.)

Previous Research Findings (cont.)

DOCUMENT	KEY FINDINGS
Local Planning Strategy, City of Kalgoorlie-Boulder 2013-2033 (2013)	<p>The City prepared an updated Local Planning Strategy in 2013. It was found that there was approximately 15 years of land supply available, with a potential 3,310 residential lots of varying size available to be developed and the greatest proportion of land available for new dwellings in the Hannans planning area, followed by Piccadilly, O'Connor and a smaller portion of lots in both Boulder and Kalgoorlie (excluding lots that can be delivered from Karlkurla planning area due to dependence on re-location of existing explosives reserve).</p> <p>The LPS identified several objectives related to residential land supply, including:</p> <ul style="list-style-type: none"> ▪ Provide land for housing and accommodation options to meet future population growth, through the encouragement of increased densities and provision of density bonuses in certain areas; ▪ Facilitate 'Rural Residential' living, through the identification of rural residential development and lobbying to unlock Karlkurla planning area; ▪ Residential development is well planned, with structure plans guiding development outcomes in residential release areas; and ▪ Protect future fully service urban areas from inappropriate land uses, subdivision and development, through preparation of district structure plan and ensuring planning controls are in place.
Goldfields Esperance Housing Needs Study (2014)	<p>In June 2014, Goldfields-Esperance Development Commission published a study prepared by RPS Group which explored future and current housing requirements. The following key findings were presented:</p> <ul style="list-style-type: none"> ▪ Affordable housing, with whole of market affordability considered generally positive (with a median multiple of 3.2 compared to 6.0 for Western Australia) and reflecting household incomes due to exposure of the local economy to mining activity; ▪ Moderate housing need, with an estimated undersupply of approximately 250 dwellings by 2020 in the City of Kalgoorlie-Boulder; and ▪ Cyclical rental market, with private rents rising rapidly between 2011 and 2013 and vacancies declining as gold mining conditions changed. <p>The study identified a set of priority recommendations for the City of Kalgoorlie-Boulder, including:</p> <ul style="list-style-type: none"> ▪ Review Local Planning Schemes to ensure granny flat product is supported and encouraged, as a way of providing downsized residential housing for older residents, and partner with private developers to promote product; ▪ Fund and deliver increased short-term residential and hostel accommodation for transient populations, including Aboriginal residents; ▪ Partner with local builders and architects to demonstrate feasibility small lots housing; ▪ Review the current building application and approvals process to determine whether current process is impacting capacity for new stock to be brought to market; and ▪ Identify opportunities for the delivery of affordable housing options, given the higher median house price and lifestyle nature of the area.

LAND AND HOUSING SUPPLY OUTLOOK | PREVIOUS RESEARCH FINDINGS (CONT.)

Previous Research Findings (cont.)

DOCUMENT	KEY FINDINGS
<p>Kalgoorlie City Centre Revitalisation Project (2014)</p>	<p>The Kalgoorlie City Centre Revitalisation Project forms part of the ongoing strategic work being undertaken by the City. A master planning process was undertaken as part of this project to be used as the primary tool to guide public realm improvement of the city centre.</p> <p>As identified within the Kalgoorlie City Centre Strategy, the city centre is facing an apparent number of challenges, including:</p> <ul style="list-style-type: none"> ▪ Loss of economic focus (evidenced by vacant floorspace); ▪ Conservation and enhancement of streetscape and heritage (evidenced by past demolition and recent decay); ▪ Environmentally sensitive design, climate change and the cost of adapting a heritage city (evidenced by increased maintenance costs); ▪ Social focus and diversity (question “who is the City for and how can it remain important for the people that live there?”); ▪ Changing economic times (evidenced by the amalgamation of businesses, closures and relocations); and ▪ Changing governance (evidenced by the proposed amalgamation of WA local governments and the revision of services provision).
<p>Kalgoorlie Regional Centre Housing Study (2015)</p>	<p>As part of the development of the Kalgoorlie Regional Centre Plan, a housing study identified:</p> <ul style="list-style-type: none"> ▪ Increasing housing needs, from 12,705 dwellings in 2015 to between 14,000 and 15,300 dwellings by 2030; ▪ An estimated greater need for one and two bedroom unit development which has not historically been met; ▪ A notional growing need for aged care and independent living, though the family home is expected to continue to be the primary form of housing for ageing households; and ▪ A requirement for significant social housing development, with between 20 and 26 dwellings developed per annum over the next 15 years. <p>This study identified a range of core focus areas to guide the identification of actions and initiatives, including:</p> <ul style="list-style-type: none"> ▪ Housing costs, in particular the high cost of construction and redevelopment in relation to established dwelling values; ▪ Urban revitalisation and diversity, especially within central Kalgoorlie and Boulder; ▪ Indigenous and social housing, including the expansion of alternatives housing options for low-income residents; and ▪ Housing an ageing population, including consideration of aged care, retirement living and ageing in place requirements.

05

**LAND & HOUSING
NEED**



LAND AND HOUSING NEED | DEMAND FORECASTS

Key Findings

At present, there is an undersupply of at least 168 dwellings in Kalgoorlie-Boulder (the required additional rental stock to increase the vacancy rate to a 3% levels which is considered to represent a balanced rental market in equilibrium). There are additionally a further 2,000+ job advertisements in the region which have implications for additional housing need.

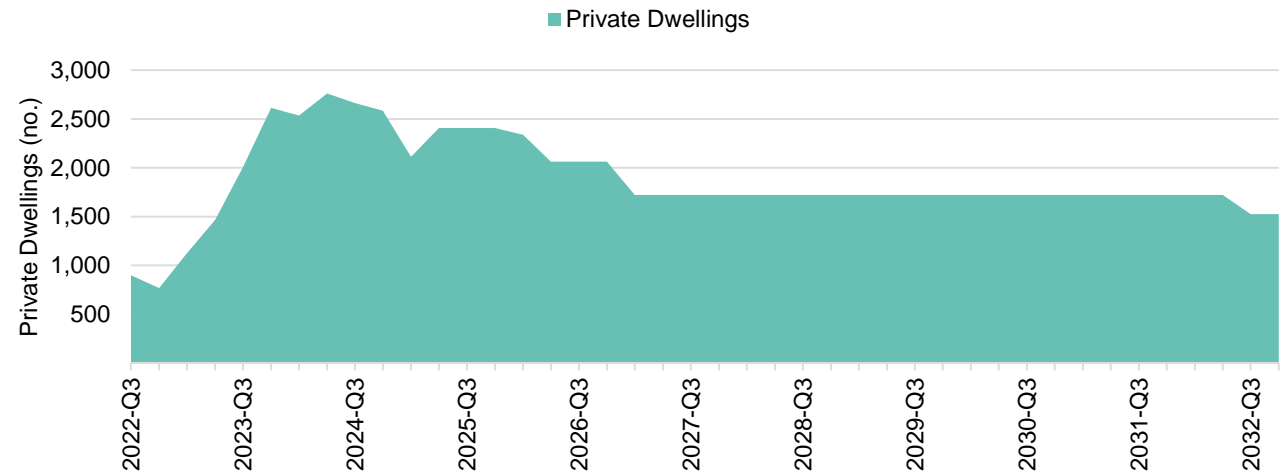
Looking further forward, this study quantified what the likely need is for additional residential land and housing to support the aforementioned future investment and worker scenarios.

Whilst scenario one is not anticipated to be a realistic estimate of future need – given there will inevitably be new investment planned that is not yet known – it was prudent to consider both scenarios for this study.

The known investment scenario translates into a short term need for an additional 2,762 dwellings before declining to 1,721 additional dwellings by 2027 (following the construction phase of a number of projects).

Whilst it is likely that a non-residential workforce will play a role in supporting this investment outlook, it is important to note that the traditional housing market will need to nonetheless expand. Even if worker housing projects are developed, there are flow on impacts on the rental and short term markets.

Dwelling Projections (Investment Scenario One), Kalgoorlie-Boulder, 2022-32



Source: Urbis

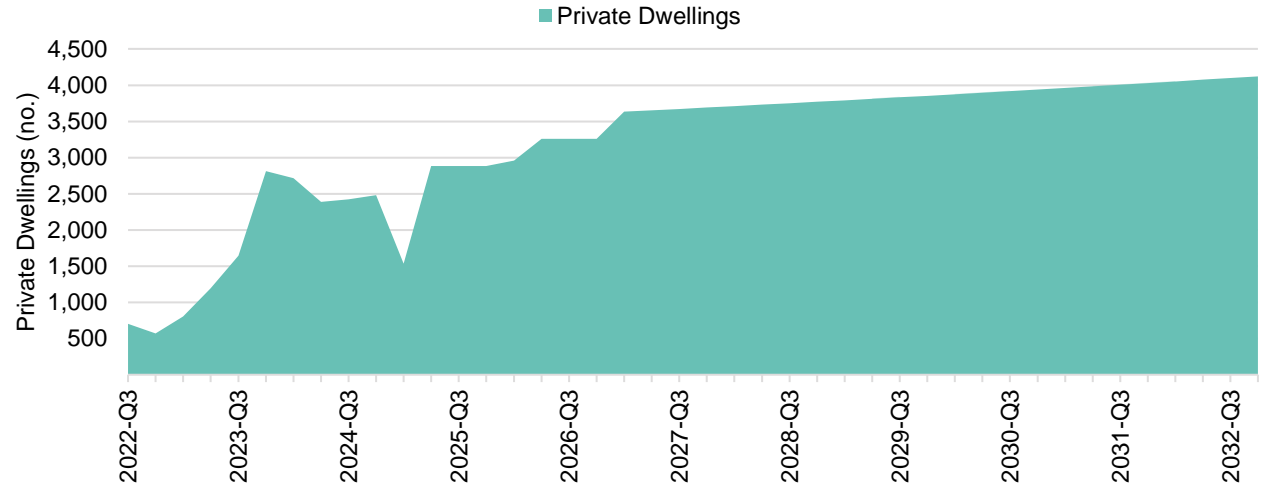
LAND AND HOUSING NEED | DEMAND FORECASTS (CONT.)

Key Findings

This dwelling scenario is premised on continued investment in the region above projects known today. That is, new investment will continue to be planned and delivered in the region given its competitive advantages and emerging advantages.

For this investment scenario, the expected housing need is significant. This scenario translates into a housing need of approximately 4,099 by 2032 – on average, an additional 410 dwellings per annum over the next decade.

Dwelling Projections (Investment Scenario Two), Kalgoorlie-Boulder, 2022-2032



Source: Urbis

Typology Mix Projections (Investment Scenario Two), Kalgoorlie-Boulder, 2021-2032

	EXISTING STOCK	ADDITIONAL DWELLINGS		
	2021 CENSUS	2022-25	2025-29	2029-32
Detached Houses	8,110	2,385	768	237
Units & Townhouses	1,569	461	149	46
Apartments	127	37	12	4
Total	9,806	2,883	929	287

Source: Urbis, ABS Census 2021
n.b. Dwellings as at June 30

LAND AND HOUSING NEED | SUPPLY SCENARIOS

Key Findings

To help understand the implications of different land and housing supply scenarios, this study comparatively assessed the investment scenarios against a base case (i.e. business as usual).

This study demonstrates the significant investment and residential population that could be attracted alongside housing and land needs.

Whilst growth of circa 410 dwellings per annum is a large increase on historical levels, it translates into a population growth rate of 3.1% per annum – a level experienced across a range of other regional centres and a degree of both previously exceeded in Kalgoorlie-Boulder during the 1990s and 2000s.

The degree of housing supported by the residential land market compared to infill is a high level assumption informed by the previous analysis. There is likely potential for both residential land markets and infill to play greater roles however this will be influenced by the degree of market intervention in the near term to support these outcomes.

Supply Scenarios Overview (2022 to 2032)

SCENARIO	RESIDENTIAL LAND (LOTS P.A.)	INFILL DEVELOPMENT (DWELLINGS P.A.)*	TOTAL ADDITIONAL DWELLINGS (P.A.)	MAJOR PROJECT INVESTMENT FACILITATED (P.A)	RESIDENT POPULATION FACILITATED (P.A)
Base Case	+20	+20	+40	Limited	+90
Investment Scenario One	+85	+85	+172	\$370m	+400
Investment Scenario Two	+205	+205	+410	\$1.3b	+950

Source: Urbis

n.b. Base case scenario is based on the WA Tomorrow Forecasts Band C.

* Infill includes detached and non-detached housing in existing developed areas of Kalgoorlie-Boulder.

06

The background of the slide features a blurred brick wall with several colorful sticky notes (yellow, orange, pink, and green) scattered across it. A horizontal bar with a teal-to-purple gradient is positioned below the number '06'.

KEY FINDINGS & ACTION PLAN

KEY FINDINGS AND ACTION PLAN | FINDINGS SUMMARY

ECONOMIC OUTLOOK

Kalgoorlie-Boulder and the broader Goldfields region are the focus of state-significant investment; investment in the historical competitive advantage areas of the region and new and emerging industries supporting a transition to a low carbon economy.

An estimated \$3.7 billion of major projects are underway or in advanced planning in Kalgoorlie-Boulder and a further \$2.7 billion across the Goldfields region. These projects are and will support major increases in construction and operational phase employment (directly and indirectly). These projects are estimated to require an additional housing need of 1,700 to 4,000 dwellings over the next 5-10 years.

The degree to which the region and Western Australia can take advantage of this investment and economic opportunity is however constrained by a severe land and housing shortage in Kalgoorlie-Boulder.

LAND & HOUSING MARKET CHALLENGES

A central finding from this research was recognition that a 'business as usual' approach to the land and housing development will not drive the required outcomes.

Whilst the Kalgoorlie-Boulder market is experiencing improved property market and economic conditions and there are a number of major projects which could drive economic and population growth in the region, this study identified a range of challenges.

The key challenges include:

- Elevated construction costs and availability of labour / materials;
- Historical population and property market decline;
- Infrastructure availability and capacity;
- Land availability and timeframes for development and de-risking; and
- Housing finance.

Taken together, these challenges heighten investment risk and limit financial returns for housing development.

LAND & HOUSING MARKET OPPORTUNITIES

There are, conversely, a number of positive attributes, trends and opportunities which provide a strong impetus for land and housing investment. These include:

- Improving economic conditions;
- Increasing permanent population; and
- Increasing visitation.

Overall, it is reasonable to assume that Kalgoorlie-Boulder will continue to experience positive economic conditions that will require commensurate investment in accommodation options.

There are a range of major projects in various stages of development which could support a sustained period of growth after a number of years of stagnant and declining population growth. These projects would require significant construction-phase employment and additionally provide ongoing employment directly and indirectly.

Based on a review of economic trends, this study estimated that permanent population levels have

likely increased over the past 12-18 months. Looking forward, population forecasts (based on investment activity forecasts) suggest that the City's population could increase by 9,500 persons over the next decade.

Lastly, since the adoption of border controls due to Covid-19, many regional areas across Western Australia have benefitted from increased intrastate tourism – and this trend has played out in Kalgoorlie-Boulder. This resulted in increased demand for all accommodation types.

Visitation levels are expected to increase as international and interstate visitation returns. Without additional short stay supply (outside of known short term developments) and residential land and housing options, there would likely be constraints on accommodating the forecasted visitor growth. As such, there is a strong rationale that new land and housing is needed to unlock visitation economy opportunities.

KEY FINDINGS AND ACTION PLAN | FINDINGS SUMMARY (CONT.)

Key Challenges / Market Failures

CHALLENGE	DESCRIPTION
Construction Costs	Construction costs for residential dwellings are estimated to be significantly higher than the Perth metropolitan area average. A major challenge is the lack of competition and remoteness of Kalgoorlie-Boulder compared to the Perth market, with the area only home to two major building firms and an array of smaller building contractors. Additionally, wage pressure in the dominant resource sector influences the costs of labour in the residential construction sector.
Cost of Infrastructure and Services	<p>Land development costs are relatively high within Kalgoorlie-Boulder due to the cost of expertise, with quality civil engineering and associated consultancy costs inflated by the need for travel-related costs. There are also fewer experienced personnel available in Kalgoorlie-Boulder given it is a relatively small market. These attributes result in development costs at approximately 30-50% above Perth metropolitan rates (with subsidies per lot at close to \$200,000). However, land is considered to be relatively unconstrained in relation to environmental issues and the capacity of urban infrastructure needs to be catered for.</p> <p>Additionally, as with many regional markets in Western Australia in resource-rich areas, negotiations of native title and mining tenements can restrict the timely provision of development areas in times of high demand.</p>
Housing Investment and Development Finance	<p>Households in regional Australia, including Kalgoorlie-Boulder, regularly experience challenges and disadvantages in access housing finance and innovative products compared to metropolitan home buyers. Finance access constraints vary though complaints include higher deposit requirements, decreased choice of lenders and poor access to financial services. These constraints on finance access reflect a combination of factors, including, but not limited to market depth and liquidity risks and negative equity issues, with particular implications during periods of declining economic conditions. As recently as 3-5 years ago, it was revealed that Boulder and South Kalgoorlie are suburbs that ANZ Bank Group will not provide the option of lenders mortgage insurance which effectively limits purchasers that do not have a deposit of 20%.</p> <p>Additionally, the financing of both development and ownership/investment in innovative housing products has been identified as a potential constraint. New housing products can be regarded as higher risk than traditional housing due to unknowns regarding market acceptance and depth and value retention and appreciation over time. A key example is shop top dwellings promoted by the City, with banks noting their concerns regarding the provision of loans for this housing type. The promotion of innovative housing products through planning controls meanwhile is considered less of a constraint yet an important barrier for some products which have a perceived negative impact on the existing urban amenity.</p>
Lack of Private Rental Stock	<p>Private rental stock availability is effectively at emergency levels. When stock becomes available, there is strong demand that far outpaces supply. This is leading to increased pressure on social housing and informal housing (e.g. short stay, caravan parks etc.).</p> <p>High rents in Kalgoorlie-Boulder during periods of peak demand (as currently experienced) can be unaffordable to workers in lower income professions, creating a gap in the market to which neither private or public (i.e. social housing) sectors cater. People in lower income occupations, particularly those in tourism, retail, agriculture and personal services sectors have lower purchasing power than other individuals and households in the economy.</p>

KEY FINDINGS AND ACTION PLAN | FINDINGS SUMMARY (CONT.)

Key Challenges / Market Failures (cont.)

CHALLENGE	DESCRIPTION
Housing Feasibility	The review of development demonstrated the lack of viability for this product historically and more so in the current environment. Moreover, access to fit-for-purpose infrastructure is a key requirement of all housing developments. Within an infill and redevelopment context, network capacity (water, waste and electricity) upgrades are routinely being required. The cost of these upgrades can be substantial and result in projects being unviable, resulting in underutilisation of key land/property assets. Additionally, the City of Kalgoorlie promotes urban infill in the central Kalgoorlie and Boulder areas which are not affluent areas. Land values in these areas, which are influenced by high crime and amenity concerns, constrain many development proposals.
Housing Quality and Capital Values	The age and quality of housing stock has deteriorated significantly in some areas of Kalgoorlie-Boulder. Houses in the city have a median age of 30-40 years and this housing stock quality has been affected by declining population levels and property values. The housing stock quality has implications on values and desirability of housing.
Population Attraction and Retention	As noted in the business survey, housing availability is a key constraint and can lead to businesses reducing operating capacity / hours and closure. This is a function of residents not able to stay in Kalgoorlie-Boulder as their housing circumstances change or in an environment of increasing rents (or property owners selling rental property). It is also a significant detractor to accommodating new residents to replace roles or fill new roles.
Visitation Accommodation Availability	Businesses and workers are increasingly relying on short term accommodation, with examples of many short stay establishments largely servicing workers. This limits the ability to attract visitors and has a flow on effect on tourism / visitor sector businesses.
Private Sector Investment Attraction	Ultimately, the degree to which the region and Western Australia can take advantage of this investment and economic opportunity is constrained by a severe land and housing shortage in Kalgoorlie-Boulder. The planned investment is unlikely to materialise if additional housing is not created.

KEY FINDINGS AND ACTION PLAN | OVERVIEW OF APPROACHES

Key Findings

Government has a range of influencing roles on the availability of diverse and affordable land and housing in Kalgoorlie-Boulder. Broadly, the key levers for government are:

- Policy controls and information publication;
- Enabling infrastructure;
- Direct investment; and
- Incentives / subsidies.

Land and Housing Levers Summary



Policy Controls & Information Development



Enabling Infrastructure



Direct Investment



Incentives / Subsidies

What policy measures and information can be used to incentivise and remove barriers to development of land and housing?

What key infrastructure can be delivered, and in what timeframe, to encourage land and housing investment?

Where can government directly invest in land and housing and who should it partner with?

What incentives or subsidies can be applied to encourage land and housing development by private investors / land owners?

KEY FINDINGS AND ACTION PLAN | FOCUS AREAS

Key Findings

Three key priorities are identified to drive increased land and housing availability and create the conditions for increased private sector investment.

- **Increase residential land supply** – deliver an increased number of residential serviced lots to the market.
- **Increase diverse housing supply** – support increased supply of diverse residential housing options.
- **Market responsiveness** – enhance the ability of the residential market to respond to periods of high demand.

Under these priorities there are 25 actions across the immediate, medium and long term for stakeholders to deliver themselves, collaborate with others and advocating for change.

This plan prioritised initiatives as follows:

- High priority initiatives are essential for the future prosperity of the region's communities and need to be progressed substantially or completed within the near term;
- Medium priority initiatives will provide significant benefits to a local community and can demonstrate broader regional benefits; and
- Low priority initiatives will provide valuable benefits to a local community.

Recommended Land and Housing Focus Areas



Residential land supply

Support increased availability of residential land options to the market to address current and expected unmet needs



Housing supply and diversity

Stimulate and unlock increased infill and greenfield housing construction for owner occupation and rental



Market responsiveness

Enhance the responsiveness of the residential market to periods of high demand and major projects investment

KEY FINDINGS AND ACTION PLAN | IDENTIFIED ACTIONS

FOCUS AREA	ACTION	INTERVENTION TYPE	STAKEHOLDER ROLE	TIMING	PRIORITY
Residential Land Supply	Align short-, medium- and long-term urban land supply opportunities with growth forecasts and funded infrastructure provision (i.e. infrastructure service extensions and upgrade occur prior to forecast need).	Enabling Infrastructure	Advocate	Ongoing	High
	Fast track immediate serviced lot supply to address estimated undersupply of at least 168 dwellings.	Direct Investment	Advocate	Short-Term	High
	Undertake housing construction / land development feasibility benchmarking study to explore opportunities for incentives and alternative construction methods to deliver land and housing.	Policy Control & Information Development	Partner	Short-Term	Medium
	Develop a site opportunity prospectus / EOI process for key government-owned sites that could be offered to the market to support land development.	Policy Control & Information Development	Partner	Ongoing	Low
	Identify the extent and costs of deconstraining works and discussions for land subject to contamination, native title and mining tenement constraints.	Direct Investment	Partner	Short-Term	Medium
	Review land tax and rates measures for long-term vacant land earmarked for urban development to encourage development outcomes.	Incentives / Subsidies	Partner	Medium-Term	Medium
	Advance development timing and funding for Hannans Golf Course lots to align with investment and housing need forecasts.	Direct Investment	Advocate	Short-Term	High
	Provide land tax and rates relief for DevelopmentWA to encourage land development in Kalgoorlie-Boulder (where private sector not meeting market need).	Incentives / Subsidies	Advocate	Short-Term	Medium

KEY FINDINGS AND ACTION PLAN | IDENTIFIED ACTIONS (CONT.)

FOCUS AREA	ACTION	INTERVENTION TYPE	STAKEHOLDER ROLE	TIMING	PRIORITY
	Provide road / pedestrian / community infrastructure to housing land where this is limiting development.	Enabling Infrastructure	Advocate	Medium-Term	Low
	Department of Communities to identify long-term GROH needs in line with worker projections and prioritise new build lease-back arrangements and / or review market return framework.	Policy Control & Information Development	Advocate	Medium-Term	Medium
	State or federal government worker rental affordability scheme to incentivise investors to provide eligible worker households (e.g. low income essential workers) with long-term rentals.	Incentives / Subsidies	Advocate	Short-Term	High
	Adopt short-term empty homes incentive (e.g. through rates concession with state government funding) to encourage investors to offer housing to workers.	Incentives / Subsidies	Deliver	Short-Term	High
Housing Supply	Promote housing development opportunities and expectations for future housing need to demonstrate financial return potential and encourage private sector investment.	Policy Control & Information Development	Partner	Short-Term	High
	State Government 'worker housing development grants' for priority locations to support the viability of multi-unit / group housing development.	Incentives / Subsidies	Advocate	Medium-Term	Low
	Explore the funding opportunities and site requirements for the Aboriginal transitional housing program (as per Kimberley programme) to be provided in Kalgoorlie. The program enables and facilitates Aboriginal families' transition into home ownership.	Policy Control & Information Development	Partner	Medium-Term	Medium
	Support funding of accommodation to meet specific needs including homelessness, family violence protection and supported housing for those with mental health needs.	Direct Investment	Advocate	Medium-Term	Medium
	Implement infrastructure expansion projects (both capacity and extension of services) in line with infill housing need projections.	Enabling Infrastructure	Advocate	Medium-Term	High

KEY FINDINGS AND ACTION PLAN | IDENTIFIED ACTIONS (CONT.)

FOCUS AREA	ACTION	INTERVENTION TYPE	STAKEHOLDER ROLE	TIMING	PRIORITY
Market Responsiveness	State Government to phase out stamp duty in favour of a land tax in line with ACT and NSW government approaches.	Incentives / Subsidies	Advocate	Medium-Term	Medium
	Develop a business case to expand the water / sewer infrastructure in priority redevelopment areas (identifying alternative funding / financing mechanisms).	Policy Control & Information Development	Partner	Medium-Term	Medium
	Review approvals pathway and awareness of feasibility and options for alternative housing construction methods	Policy Control & Information Development	Partner	Medium-Term	Medium
	Apply a “no worse off” approach for workers choosing to locate in Kalgoorlie-Boulder versus FIFO / DIDO through review of Fringe Benefits taxation policy.	Incentives / Subsidies	Advocate	Medium-Term	High
	Implement “development industry support requirement” in DevelopmentWA’s role in Kalgoorlie-Boulder to ensure a minimum level of land and housing development is undertaken to support skills development and retention in Kalgoorlie-Boulder (without need for hurdle rate to be achieved) during periods of low private investment in land development.	Policy Control & Information Development	Advocate	Medium-Term	High
	Maximise countercyclical housing investment opportunities through targeted development (e.g. through DevelopmentWA and Department of Communities) and infrastructure investment.	Direct Investment	Advocate	Medium-Term	Medium
	Prepare investment comparisons between temporary mining camps and permanent residential construction to encourage resources and major project companies to consider the return on investment for residential projects in the long term compared to the loss on capital for temporary accommodation.	Policy Control & Information Development	Advocate	Medium-Term	Low
	Adopt a community / social impact assessment approach as part of process for mining / major projects approvals / licensing process which considers the direct and indirect impacts and mitigation measures on local housing markets.	Policy Control & Information Development	Advocate	Medium-Term	High

KEY FINDINGS AND ACTION PLAN | NEXT STEPS

Next Steps Considerations

To support the implementation of the action plan, this study includes the following recommended next steps.

1. Undertake targeted preliminary engagement with key stakeholders such as potential funding partners and decision makers of relevance to high and medium priority initiatives.
2. Develop advocacy and engagement strategy to support implementation of action plan. Advocacy strategy should detail advocacy purpose, talking points, key stakeholders and stakeholder interests mapping and roles and responsibilities.
3. Promote key findings of the study, with consideration of different audiences such as government and private sector investors.
4. Actively monitor action plan delivery and outcomes and update actions priorities as required.
5. Monitor and promote housing needs as investment outlook changes.

APPENDIX A

DETAILED ANALYSIS



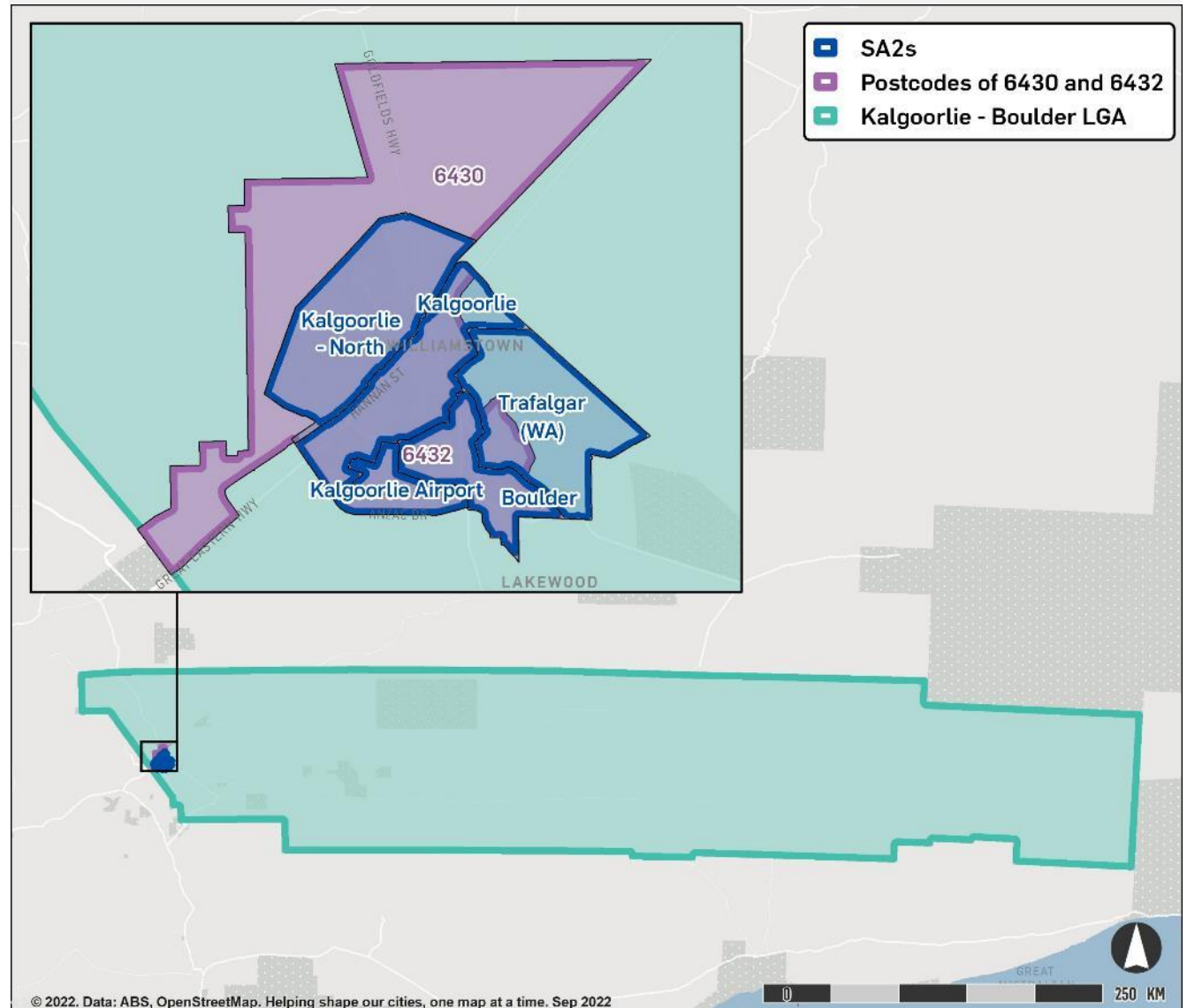
APPENDIX A | GEOGRAPHICAL STUDY AREAS

Overview

For the purposes of this report, the following geographical boundaries were used:

- **City of Kalgoorlie-Boulder** – the Local Government Area for Kalgoorlie-Boulder.
- **Kalgoorlie Statistical Area** – as defined by the ABS, SA2s included in this analysis are Kalgoorlie, Kalgoorlie North, Trafalgar (WA), Boulder, and Kalgoorlie Airport.
- **Postcodes of 6430 and 6432** – which includes the suburbs of Mullinger, Karlkurla, Hannans, Lamington, West Lamington, Piccadilly, Williamstown, Kalgoorlie, South Kalgoorlie, West Kalgoorlie, Somerville, Broadwood, Binduli, South Boulder, Firmiston, Boulder and Victory Heights.

Geographical Areas











Source: Urbis

APPENDIX A | DEMOGRAPHIC CHARACTERISTICS

Key Findings







A review of resident demographics revealed the following key attributes.

- **Younger demographic:** The City of Kalgoorlie-Boulder is characterised by a younger demographic with a significantly lower proportion of retirees (at 9.1% as compared to WA with 16.1% retirees). The average age is also lower at 34 as compared to the WA average of 38.
- **Tertiary education:** The subject area has a significantly lower proportion of students that are undertaking tertiary education or attending university at 13.7% compared to the WA benchmark of 21.3%.
- **Higher household income:** The median weekly household income is significantly higher in the subject area as compared to the WA benchmark by \$509.

Demographic Snapshot, 2021		CITY OF KALGOORLIE-BOULDER	WESTERN AUSTRALIA
	Population	29,306	2,660,026
	Aged 15 - 24	12.4%	11.8%
	Aged 55 - 64	11.7%	11.8%
	Retirees (65+)	9.1%	16.1%
	Avg Age	34	38
	Couple Family with No Children	36.3%	38.8%
	Proportion of Students Attending University or undertaking Tertiary Education	13.7%	21.3%
	Median Weekly Household Income	\$2,324	\$1,815






Source: ABS Census 2021

APPENDIX A | EXAMPLE STOCK FOR SALE (HOUSES)

IMAGE	PROPERTY ADDRESS	SALE DATE	SALE AMOUNT	SALE AMOUNT PER SQ. METRE	SITE AREA	YEAR BUILT	TYPE
	123 Davis Street, Victory Heights	Under Offer	\$529,000	\$522.73 m ²	1,012 m ²	1915	6 x 2
	61 Campbell Street, Lamington	18/06/2022	\$372,000	\$367.59 m ²	1,012 m ²	1919	3 x 1
	8 Hartrey Lane, Hannans	Under Offer	\$519,000	\$652.01 m ²	796 m ²	1989	4 x 2
	31 George Street, Kalgoorlie	21/06/2022	\$337,000	\$424.43 m ²	794 m ²	1973	3 x 1
	63 Ardagh Avenue, Kalgoorlie	N/A (For Sale)	\$299,000	\$482.26 m ²	620 m ²	1945	4 x 1
	27 Mosconi Circle, Somerville	N/A (For Sale)	\$455,000	\$563.12 m ²	808 m ²	2000	4 x 1

Source: Realestate.com.au, Pricerfinder

APPENDIX A | EXAMPLE STOCK FOR SALE (UNITS)

IMAGE	PROPERTY ADDRESS	SALE DATE	SALE AMOUNT	SALE AMOUNT PER SQ. METRE	SITE AREA	YEAR BUILT	TYPE
	4/17 Belmont Avenue, Kalgoorlie, WA 6430	N/A (For Sale)	\$229,000	\$789.66 m ²	290 m ²	1988	2 x 1
	4/4 Rule Court, Somerville	N/A (For Sale)	\$429,000	\$2,246.07 m ²	191 m ²	2017	4 x 2
	5A Erin Court, Boulder	N/A (For Sale)	\$235,000	\$701.49 m ²	335 m ²	2001	3 x 1
	24/396 Hay Street, Somerville	N/A (For Sale)	\$449,000	\$1,486.75 m ²	302 m ²	2012	4 x 2
	1/74 Moran Street, Boulder	N/A (For Sale)	\$265,000	\$2,304.35 m ²	115 m ²	1996	3 x 2
	4/110 Collins Street, Piccadilly	09/08/2022	\$305,000	\$1,155.30 m ²	264 m ²	1998	3 x 2

Source: Realestate.com.au, Pricfinder

APPENDIX A | CASE STUDIES

Victoria

The Victorian Planning Authority and local councils released an action plan in 2020 to address housing supply and affordability:

- **Creation of developable land with reduced costs** – using council owned land and Community Land Trust
- **Alternative housing models** – co-living and tiny houses can offer lower housing costs and incorporate sustainable design that will lower running costs. Tiny homes are also easier to construct (done offsite) and are easy to relocate (non-permanent homes)
- **Build to rent** – developers build dwellings with the purpose of letting them to tenant households. Rents can be set at market price or discounted to provide affordable housing.

NSW

The NSW government has implemented recommendation from the Regional Housing Taskforce. This includes:

- Supporting regional councils to plan for housing with a \$12 million grant through the Regional Housing Strategic Planning Fund.
- Funding for urban development programs in high-growth regional areas.
- Funding to improve regional housing data that will help manage the housing supply pipeline.
- \$120 million invested to support the delivery of infrastructure that will support new houses.
- \$174 million to deliver 270 homes to key workers in regional areas.

Pilbara region

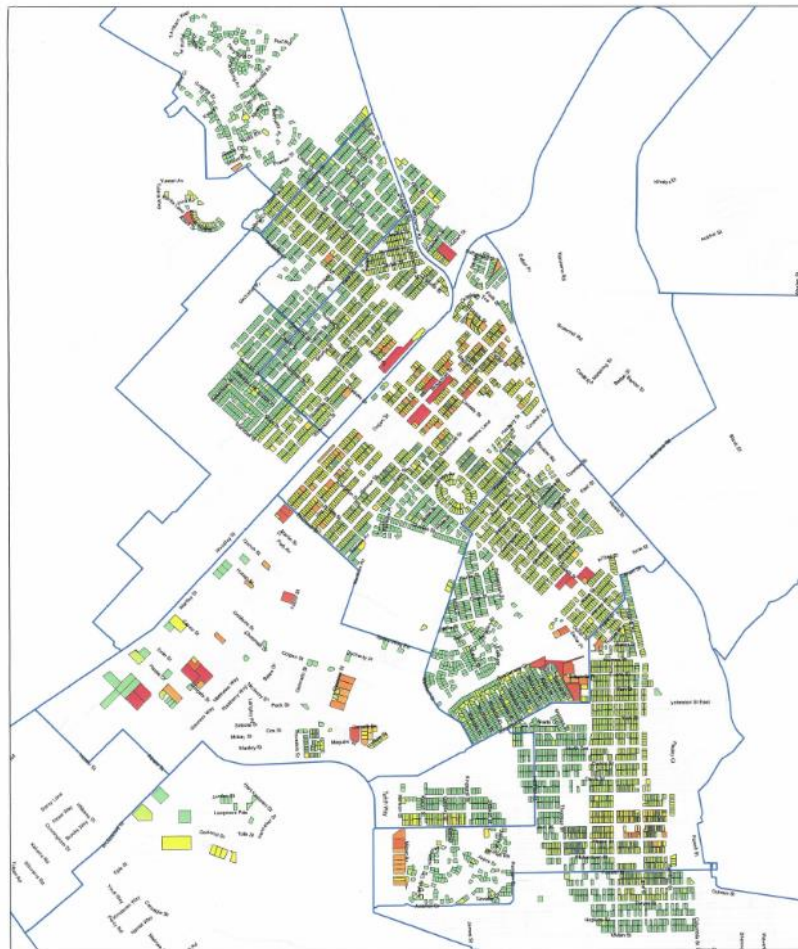
The state government has several initiatives underway to improve housing availability. These include, for instance:

- Investing into social dwellings (with \$6.1 million to purchase 16 social dwelling and a further \$3.2 allocated to purchase more social dwelling over the next financial year);
- Refurbishing 48 vacant public housing properties;
- Investing \$7.8 million in modular dwellings; and
- \$12.5 million to subsidise residential lots.

The City of Karratha has multiple initiatives to boost affordable housing supply for service workers. These include:

- **Identifying Crown Land for residential development** - The Lazy Lands project has been ongoing since 2012 and aims to identify crown land that can be made available for residential development. This project has helped unlock 5 large parcels of land in Nickol and Bulgarra. The state government transferred crown land to the City of Karratha to deliver more affordable housing for service workers. The land is 13,563 sqm and will house approximately 44 medium density residential dwellings. The state government has also offered a 23% discount on the land, which equated to \$470,000 off market price.
- **Refurbishing existing dwellings that are not currently in use** - The housing boost initiative by the City of Karratha will provide 30 new units as an affordable housing option for service workers. The units were built in the 1970's and were not being used and have been acquired by the City of Karratha to refurbish and add back into the market. The first units will be available in the coming months and the remaining units will be completed by early 2023. The City of Karratha has been working with Rio Tinto, Woodside and other industry stakeholders to identify underutilized properties that can be made available to eligible people in our community.
- **Worker housing development:** The City of Karratha is currently pursuing a \$35 million investment into new apartment housing stock. DevelopmentWA has assisted with the land supply and the housing is expected to provide a mix of public / social, GROH and private dwellings

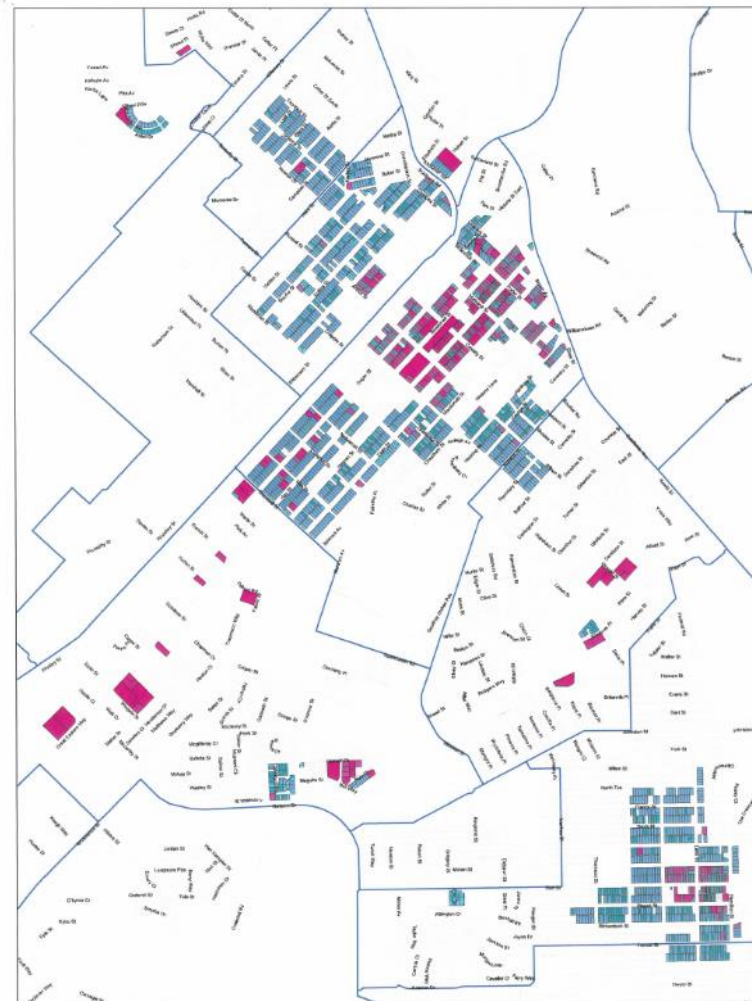
APPENDIX A | INFILL CAPACITY



Development Potential - Lots

50 to 200	(12)
30 to 50	(9)
20 to 30	(7)
15 to 20	(21)
10 to 15	(43)
8 to 10	(24)
6 to 8	(130)
4 to 6	(376)
2 to 4	(2227)
1 to 2	(3411)




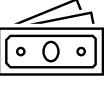



Infill Development potential by Lot
Potential new dwellings in addition to the existing dwelling



50 to 238	(18)
15 to 50	(51)
12 to 15	(96)
10 to 12	(95)
8 to 10	(263)
6 to 8	(885)
4 to 6	(270)
2 to 4	(894)
all others	(30)

Infill development potential by Lot Apartments
Based upon best possible outcomes

APPENDIX A | MEGATRENDS

TREND	DESCRIPTION	IMPACT / INFLUENCE FOR HOUSING
 <p>Covid-19 Pandemic</p>	<p>The Covid-19 Pandemic has had a large global impact and will continue to have a lasting influence on how we live and work going forward.</p>	<p>The lasting influence of Covid-19 has seen the rise in remote working, virtual learning and telehealth as supported by technological advancements. There was also an increase in regional migration during and after the pandemic – though heightened in the East Coast.</p>
 <p>Population Growth</p>	<p>Population growth projections estimate the world population to increase to 9.7 billion by 2050 and 11.2 billion by 2100 (UN, 2019). Increasing population places pressures on resource availability.</p>	<p>Both state and federal governments are actively seeking to increase migration to Australia which presents opportunities for regional areas to benefit (if appropriate housing available).</p>
 <p>Health</p>	<p>Australia is shifting to an aged demographic with the amount of people aged 65 and over is expected to double by 2055. This influences the available health services, labour market productivity and overall lifestyles (PIA, 2016).</p>	<p>Indirect effects on population retention.</p>
 <p>Cost of living</p>	<p>The cost of living has become an increasing issue with housing affordability becoming a large driver in the increasing cost of living.</p>	<p>A double-edged sword for Kalgoorlie-Boulder with relatively affordable housing (for purchase) but higher cost of living.</p>
 <p>Climate Change</p>	<p>Climate-driven changes to the earth are happening faster than expected and climate disruption exacerbates existing resource and social challenges. This has led to an increasing need for carbon solutions and decarbonization.</p>	<p>Kalgoorlie-Boulder is vulnerable to climate change risks such as bushfires and drought.</p>
 <p>Technological Advancement</p>	<p>Technological advancements have been growing rapidly and has made significant progress in the past few years. This has led to growth in many sectors including e-commerce, remote working, virtual learning and telehealth.</p>	<p>The growth of e-commerce, remote working, virtual learning and telehealth allows for a wider range of services available in a regional area like Kalgoorlie-Boulder.</p>
 <p>Urbanisation</p>	<p>Increasing urbanisation is evident with now more than half of the world's population living in urban areas and 85% of global GDP being generated in cities. This places huge demand on infrastructure, services, job creation, climate and environment (PWC).</p>	<p>As a regional centre, Kalgoorlie-Boulder will accommodate people from smaller, remote and regional communities.</p>

APPENDIX B

METHODOLOGIES AND ASSUMPTIONS



APPENDIX B | INVESTMENT SCENARIOS APPROACH

Key Findings

This study has estimated a net investment curve for new projects in the region. This undertaking included projects identified from multiple sources, including:

- Resources and Energy Major Projects 2021 (Office of the Chief Economist, Department of Industry, Science and Resources);
- 2021 Economics indicators resources data (Department of Mines, Industry Regulation and Safety);
- Goldfields – Esperance Development Commission; and
- Stakeholder engagement.

This analysis took a conservative approach to the definition of the scope of projects to be included. Only projects within 200km of the Kalgoorlie town centre were included. This analysis has included projects with an estimated project value of greater than \$2 million. These assumptions are considered to be prudent in measuring additional investment of an appropriately large volume and proximity to Kalgoorlie-Boulder to have a material impact on the workforce in the City. It is acknowledged that there is additional investment that is ongoing or planned within Kalgoorlie-Boulder, however, it is expected that some projects will be resourced with the existing workforce in the region.

The investment curve has been calculated by aggregating the expected investment profile (timing of expenditure) for each project. The investment profile for each project was estimated based on an s-curve. This distribution is commonly used in project management literature to estimate expenditure across the lifetime of a construction project.

This report considered two alternative scenarios of future investment. These scenarios are summarised below.

- **Scenario 1:** Additional investment in major projects in Kalgoorlie-Boulder occurs inline with the level that is confirmed, as identified in the sources listed above.
- **Scenario 2:** Additional investment occurs beyond the horizon of major projects that are currently publicly announced.

The following page provides details of the sources used to determine this investment outlook.

Investment Outlook Scenarios

SCENARIO	DESCRIPTION	ASSUMPTIONS
1. Current Investment Outlook	Scenario one is determined based on currently available investment outlook data.	<ul style="list-style-type: none"> ▪ Major projects are defined as those with capital expenditure > \$2 million ▪ Projects within a 200km radius of Kalgoorlie were considered
		This scenario applied the same parameters as scenario one, as well as applying a factor.
2. Projected Investment Outlook	Scenario two is determined using the known investment outlook from scenario one, with an additional factor to allow for the fact that there will be future investment in the region that is not yet known.	<ul style="list-style-type: none"> ▪ The additional factor on investment is calculated using the ABS Private New Capital Expenditure and Expected Expenditure data, which calculates a “realisation ratio” of expected investment versus that which was realised. This ratio is applied to the presently available investment outlook (scenario one) to project the additional investment that will occur in the future that is not yet known.

APPENDIX B | FUTURE INVESTMENT

PROJECT	DEVELOPER	INVESTMENT VALUE (\$M)	FIRST YEAR OF OPERATION	SOURCE
Binduli North	Norton Goldfields	\$278	2022	Office of the Chief Economist ¹
Bullabulling	Norton Goldfields	\$315	2023	Office of the Chief Economist ¹
Cracking and leach plant processing facility	Lynas Corporation	\$500	2022	GEDC ² Business News ³
Firmiston South	Northern Star	\$600	2023	Office of the Chief Economist ¹ GEDC ²
Western Australian pCAM	Northern Star	\$460	2024	Office of the Chief Economist ¹ Pure Battery Technologies ⁴
Kalgoorlie Nickel Project	Ardea Resources Limited	\$1,165	2025	GEDC ² Ardea Resources ⁵
Yilkari Gas-Fired Power Station	Energy OZ	\$130	2022	GEDC ² Energy OZ ⁶
Balagundi	Black Cat Syndicate Limited	\$54	2025	Office of the Chief Economist ¹
Bardoc Gold Project	Bardoc Gold Limited	\$232	2024	Office of the Chief Economist ¹

1. Office of the Chief Economist 2021. Resources and Energy Major Projects Report. Department of Industry, Science, Energy and Resources.
2. Data provided to Urbis by Goldfields-Esperance Development Commission (email correspondence 4 August 2022).
3. Beyer, M. 2022, 3 August. 'Lynas announces \$500m mine expansion'. Business News. <https://www.businessnews.com.au/article/Lynas-announces-500m-mine-expansion>.
4. Ardea Resources. Kalgoorlie Nickel Project. <https://ardearesources.com.au/projects-knp>.
5. Robinson, T. 2021, 25 June. 'Progress at last on Lot 350'. EnergyOZ Pty Ltd. <https://energyoz.net.au/news-5/>.
6. Pure Battery Technologies. 'Western Australian pCAM Hub'. <https://purebatterytech.com/wa/>.

APPENDIX B | HOUSING DEMAND APPROACH

This study sets out to estimate the future demand for housing in the City of Kalgoorlie-Boulder. The methodology undertaken translates the projected investment in the region to the likely demand for housing.

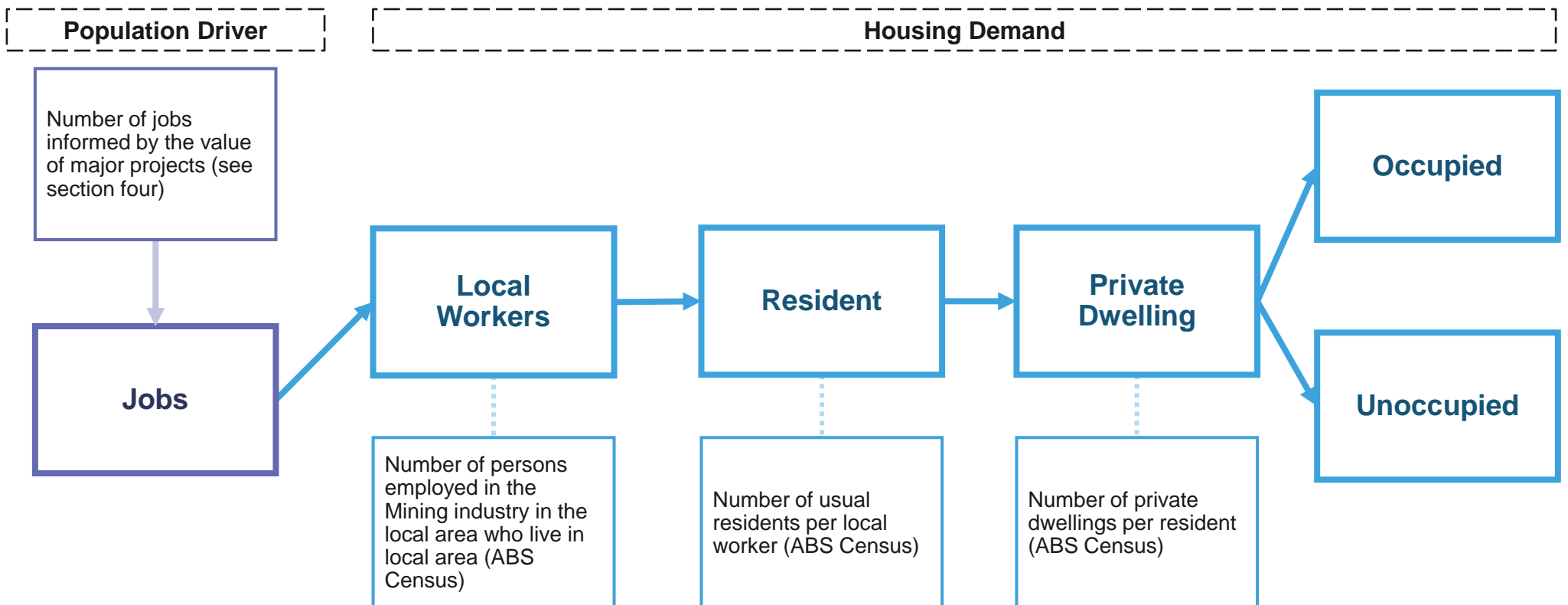
The analysis assumes that all additional workers that work in Kalgoorlie-Boulder as a result of new investment will be accommodated in private residential dwellings.

In reality, a proportion of these additional workers in the region are likely to be accommodated in

purpose-built worker housing (i.e. worker camps). However, the assessment of the total number of private dwellings that would be required to accommodate these workers as residents in Kalgoorlie-Boulder is a useful figure to consider when planning for the future of the City. Private dwellings are most often houses or flats that are occupied or suitable to be occupied by one or more people. Private dwellings exclude dwellings that provide communal or transitory types of accommodation (e.g. hotels, motels, staff quarters).

Additionally, this methodology only includes housing that is expected to result directly from major projects (as defined in Section One). This means that the results are net of any additional employment that occurs indirectly as a result of this investment (e.g. service workers that are required in the region to support the mining sector population growth).

The timeframe for this assessment considers projects that will have completed the construction phase from 1 July 2022 onwards.



APPENDIX B | HOUSING DEMAND ASSUMPTIONS

MEASURE	ASSUMPTION	SOURCE
Residents per worker	2.14 residents (UR) in Kalgoorlie-Boulder LGA for every person who lives (UR) and works (POW) in the LGA.	ABS 2021 Census
Private dwellings per resident	0.45 private dwellings (DWTD) per resident (UR).	ABS 2021 Census
Typology mix	83% detached houses, 16% units & townhouses, 1% apartments (STRD) as proportions of occupied private dwellings.	ABS 2021 Census

COVID-19 AND THE POTENTIAL IMPACT ON DATA INFORMATION

The data and information that informs and supports our opinions, estimates, surveys, forecasts, projections, conclusion, judgments, assumptions and recommendations contained in this report (Report Content) are predominantly generated over long periods, and is reflective of the circumstances applying in the past. Significant economic, health and other local and world events can, however, take a period of time for the market to absorb and to be reflected in such data and information. In many instances a change in market thinking and actual market conditions as at the date of this report may not be reflected in the data and information used to support the Report Content.

The recent international outbreak of the Novel Coronavirus (COVID-19), which the World Health Organisation declared a global health emergency in January 2020 and pandemic on 11 March 2020, has and continues to cause considerable business uncertainty which in turn materially impacts market conditions and the Australian and world economies more broadly.

The uncertainty has and is continuing to impact the Australian real estate market and business operations. The full extent of the impact on the real estate market and more broadly on the Australian economy and how long that impact will last is not known and it is not possible to accurately and definitively predict. Some business sectors, such as the retail, hotel and tourism sectors, have reported material impacts on trading performance. For example, Shopping Centre operators are reporting material reductions in foot traffic numbers, particularly in centres that ordinarily experience a high proportion of international visitors.

The data and information that informs and supports the Report Content is current as at the date of this report and (unless otherwise specifically stated in the Report) does not necessarily reflect the full impact of the COVID-19 Outbreak on the Australian economy,

the asset(s) and any associated business operations to which the report relates. It is not possible to ascertain with certainty at this time how the market and the Australian economy more broadly will respond to this unprecedented event and the various programs and initiatives governments have adopted in attempting to address its impact. It is possible that the market conditions applying to the asset(s) and any associated business operations to which the report relates and the business sector to which they belong has been, and may be further, materially impacted by the COVID-19 Outbreak within a short space of time and that it will have a longer lasting impact than we have assumed. Clearly, the COVID-19 Outbreak is an important risk factor you must carefully consider when relying on the report and the Report Content.

Where we have sought to address the impact of the COVID-19 Outbreak in the Report, we have had to make estimates, assumptions, conclusions and judgements that (unless otherwise specifically stated in the Report) are not directly supported by available and reliable data and information. Any Report Content addressing the impact of the COVID-19 Outbreak on the asset(s) and any associated business operations to which the report relates or the Australian economy more broadly is (unless otherwise specifically stated in the Report) unsupported by specific and reliable data and information and must not be relied on.

To the maximum extent permitted by law, Urbis (its officers, employees and agents) expressly disclaim all liability and responsibility, whether direct or indirect, to any person (including the Instructing Party) in respect of any loss suffered or incurred as a result of the COVID-19 Outbreak materially impacting the Report Content, but only to the extent that such impact is not reflected in the data and information used to support the Report Content.

This report is dated **December 2022** and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of **Kalgoorlie-Boulder Chamber of Commerce and Industry, City of Kalgoorlie-Boulder, GEDC and RDA – Goldfields Esperance** (Instructing Party) for the purpose of a **Land and Housing Position Paper** (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events including wars, civil unrest, economic disruption, financial market disruption, business cycles, industrial disputes, labour difficulties, political action and changes of government or law, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

In preparing this report, Urbis may rely on or refer to documents in a language other than English which Urbis will procure the translation of into English. Urbis is not responsible for the accuracy or completeness of such translations and to the extent that the inaccurate or incomplete translation of any document results in any statement or opinion made in this report being inaccurate or incomplete, Urbis expressly disclaims any liability for that inaccuracy or incompleteness.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading bearing in mind the necessary limitations noted in the previous paragraphs. Further, no responsibility is accepted by Urbis or any of its officers or employees for any errors, including errors in data which is either supplied by the Instructing Party, supplied by a third party to Urbis, or which Urbis is required to estimate, or omissions howsoever arising in the preparation of this report, provided that this will not absolve Urbis from liability arising from an opinion expressed recklessly or in bad faith.

Urbis acknowledges the important contribution that Aboriginal and Torres Strait Islander people make in creating a strong and vibrant Australian society.

We acknowledge, in each of our offices, the Traditional Owners on whose land we stand.

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