STRATEGIC DIRECTION FOR BALANCING LAND USES ON THE CITY FRINGE
Sydney’s metropolitan fringe is a large, diverse area characterised by varied land uses and landscapes. It includes lands outside Sydney’s urban footprint, significant biodiversity and conservation reserves, cultural landscapes, and major agricultural and resource lands.

These are not simply areas awaiting urbanisation, but essential parts of the metropolitan framework, providing important employment, scenic, recreational, heritage and environmental benefits.

They are also the preferred location for important and sustainable agricultural and resource industries. These ensure Sydney has significant quantities of fresh food, close to market, and an ongoing supply of materials for construction and related industries.

Fringe lands are protected by focusing the majority of urban growth in existing centres and in the Growth Centres. By encouraging a compact urban form, the Metropolitan Plan seeks to enhance sustainability and environmental outcomes across the city.

To contain Sydney’s urban footprint and minimise its environmental impact, land used for urban development must be balanced with the region’s other land uses.

One of this Plan’s key strategic directions is the emphasis on urban renewal and strengthening strategic and local centres. The Plan encourages employment and housing growth in these locations because of their transport connectivity. Pursuing this spatial model of growth will maintain Sydney’s urban footprint.

The Benefits of Managing Urban Growth

Faster population growth and demographic changes in Sydney have increased the number of smaller households, generating more demand for urban land and travel within the metropolitan area. Overwhelming evidence indicates that satisfying this demand while containing Sydney’s urban footprint will provide social, economic and environmental benefits.

Research by the Centre for International Economics in 2010 assessed several greenfield and infill development growth paths for Sydney. It found a growth path with 50 per cent of new dwellings on the fringe and 50 per cent in existing areas has net costs of $5 billion relative to a growth path of at least 70 per cent built in existing areas and up to 30 per cent in greenfield areas.

Furthermore, transport modelling indicated potential for more congestion, slower travel times and increasing economic costs if development is not contained within the current footprint.

National and international research also indicates environmental and social benefits can be achieved from policies encouraging compact urban development—an approach that will also help protect agricultural and resource lands, and areas of high biodiversity conservation value.
The urban footprint refers to the combined extent of the existing urban area and endorsed future urban areas. Future urban areas are those identified by the NSW Government for the city’s expansion. They include the North West and South West Growth Centres, greenfield release areas and future employment lands.
Objectives & Actions

OBJECTIVE F1
TO CONTAIN SYDNEY’S URBAN FOOTPRINT

Containing Sydney’s urban footprint is central to achieving a more efficient, sustainable city and improving public transport services. It also provides certainty to stakeholders about where future urban development will occur and protects resource and agricultural lands.

Land earmarked for urban purposes currently has capacity for approximately 230,000 additional homes. Land with capacity for about 7,000 dwellings has also been released on the Central Coast and further supply is planned in the North Wyong Structure Plan area.

There is sufficient capacity to accommodate the Sydney region’s greenfield housing targets.

Sydney’s urban footprint will be contained by focusing land release in the Growth Centres and providing greater certainty around land release processes.

ACTION F1.1
Focus land release in Growth Centres

One of the most effective ways to contain Sydney’s urban footprint is to continue focusing land release in the North West and South West Growth Centres. The Growth Centres provide the bulk of Sydney’s greenfield housing supply. Land is released sequentially by the NSW Government in line with planned infrastructure provision.

The rapid release and rezoning of Growth Centre land since 2005 has been central to achieving Government benchmarks for land supply and boosting greenfield release stocks to record levels. The benchmarks, introduced in 2006, ensure sufficient stocks of land at each step in the supply process where Government has primary responsibility.

### TABLE F1 FUTURE URBAN LAND CAPACITY FOR METROPOLITAN SYDNEY AT JULY 2010

<table>
<thead>
<tr>
<th>METROPOLITAN SYDNEY FUTURE URBAN LAND (RESIDENTIAL)</th>
<th>ESTIMATED CAPACITY AT JULY 2010 (POTENTIAL DWELLINGS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREENFIELD RELEASE AREAS</td>
<td>125,000</td>
</tr>
<tr>
<td>LAND NOT YET RELEASED IN THE NORTH WEST AND SOUTH WEST GROWTH CENTRES</td>
<td>105,000</td>
</tr>
<tr>
<td>TOTAL FUTURE URBAN LAND</td>
<td>230,000</td>
</tr>
</tbody>
</table>

### TABLE F2 MDP GREENFIELD RELEASE AREA CAPACITY FOR THE SYDNEY REGION AT JULY 2010

<table>
<thead>
<tr>
<th>SYDNEY REGION LAND STOCK TYPE</th>
<th>ESTIMATED STOCK LEVEL (POTENTIAL DWELLINGS)</th>
<th>GOVERNMENT BENCHMARK (POTENTIAL DWELLINGS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL MDP RELEASE AREAS</td>
<td>132,000</td>
<td>112,500</td>
</tr>
<tr>
<td></td>
<td>RECORD LEVEL</td>
<td>15 YEARS SUPPLY</td>
</tr>
<tr>
<td>REZONED MDP RELEASE AREAS</td>
<td>89,000</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>RECORD LEVEL</td>
<td>8 YEARS SUPPLY</td>
</tr>
<tr>
<td>ZONED STOCK WITH TRUNK INFRASTRUCTURE</td>
<td>56,000</td>
<td>55,000</td>
</tr>
</tbody>
</table>
To boost future dwelling production, the Government will review the sequencing of Growth Centre precinct release while continuing the existing streamlined planning process. It will also extend this approach to other priority release areas.

Rural settlements outside the Growth Centres, including rural residential (large lot residential) and rural villages, will be managed through new comprehensive local strategies prepared by local councils and endorsed by the Department of Planning. Local strategies will cover the entire local government area, respect the character and integrity of existing villages, acknowledge physical village limits, and promote agricultural viability and environmental quality.

Future rural settlement growth should focus on infill in towns and villages where adequate infrastructure and services exist. Large-scale expansion of settlements is inconsistent with containing Sydney’s urban footprint. Further subdivision of rural and resource land for additional dwellings should also be avoided unless in the form of minor incremental expansion of existing villages to accommodate local growth.

No new significant development fronts, other than the Growth Centres, need to be considered, until the next five yearly comprehensive review of the Metropolitan Plan.

**ACTION F1.2**

**Simplify the land release process**

The Government will conduct a land supply assessment annually (or more frequently if required) to determine whether more land should be released. It will ensure sufficient land is in the pipeline to meet housing requirements and avoid price pressures.

If more land is needed, precincts within the Growth Centres and strategy-consistent land release requests outside the Growth Centres will be considered.

Land release decisions must maintain the integrity of urban containment, not undermine the strategic planning of local councils, and optimise infrastructure planning priorities under the Metropolitan Plan.

Current land release requests are assessed individually at different times, through a variety of means. It is preferable to consider all requests simultaneously in an annual process, to provide a holistic approach to land release and prevent unnecessary encroachments onto rural and resource lands.

Land released by Government is adopted onto the Metropolitan Development Program (MDP) for ongoing monitoring, triggering plans to service and rezone. More information on streamlining land releases can be found in *Delivering The Plan*.

**ORAN PARK PRECINCT**

**SOUTH WEST GROWTH CENTRE**

Oran Park Precinct, one of the first release precincts in the South West Growth Centre, was rezoned in December 2007, 16 months after being released. This was a record time for a rezoning of this size to occur. Construction of the Oran Park Link Road has commenced and the first lots were sold in March 2010.

The 1,119 hectare Oran Park Precinct includes:
- potential for 7,540 new dwellings for nearly 21,500 new residents;
- capacity for 4,120 jobs;
- around 18 ha of employment land;
- 50,000 m² Town Centre and two Neighbourhood Centres;
- 36 km of walking and cycling routes; and
- more than 10% (148 ha) of open space.

Detailed planning of the town centre is currently underway and will accommodate both civic and retail spaces by incorporating a range of retail, commercial, entertainment, recreation and community uses to serve the needs of the wider community as well as higher density housing and mixed use development. The Precinct will be supported by:
- upgrades to The Northern Road, Cobbitty Road, Camden Valley Way and the creation of Badgally Road
- four public primary schools, one public high school and two private K–12 schools
- land for emergency services and an integrated health care centre, and
- strategic bus corridors to take new residents to regional cities and Major Centres and train stations.
**RECENT LAND RELEASE DECISIONS**

**Macarthur South**
In July 2009, the Government considered urban development in Macarthur South after approaches by several major landowners to release their land for housing. Options ranged from proceeding with the existing Mt Gilead MDP release area for 5,500 dwellings to fully developing the area for up to 62,000 dwellings. The Government decided to suspend investigation of the area primarily due to existing adequate stocks of land available for housing in the South West Growth Centre, prohibitively expensive infrastructure costs, and the high value of resources in the area.

**Oxford Falls**
In April 2009, the Planning Assessment Commission (PAC) independently assessed four proposals in the Oxford Falls area of Warringah for inclusion on the MDP—Oxford Falls West, Red Hill, Lizard Rock and Cromer Golf Club. The PAC found the sites did not meet sustainability criteria particularly in relation to transport, access, housing diversity and some environmental and land use conflicts. Additionally, the sites were not required in the short term and were considered too small to be release areas. On the basis of the PAC’s advice, the Minister for Planning did not include the sites on the MDP.

---

**FIGURE F2 LAND RELEASE CONTEXT**

**STRATEGIC PLANNING**
Greenfield land identified for future urban purposes in:
- Metropolitan Plan
- Subregional Strategy
- endorsed local strategy

**RELEASE**
Greenfield land released for housing and adopted onto the MDP through:
- Annual Land Supply Assessment

**REZONING**
Greenfield land rezoned to allow housing through either:
- a local plan
- a State Environmental Planning Policy

**MEASURED AS FUTURE URBAN LAND**

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**MEASURED AS TOTAL MDP RELEASE AREAS**

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**HORIZON 25 YEARS**

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**BENCHMARK SUPPLY 15 YEARS**

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**BENCHMARK SUPPLY 8 YEARS**

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OBJECTIVE F2
TO MAINTAIN AND PROTECT AGRICULTURAL ACTIVITIES AND RESOURCE LANDS

Agriculture and resource lands are vital assets underpinning the efficient and sustainable use of the metropolitan area. They provide important economic, social, scenic, historic, environmental and aesthetic functions for Sydney. Importantly, agricultural lands provide Sydney with fresh, locally produced food.

Sydney’s agricultural industries contribute approximately seven per cent of the State’s total value of agricultural production, yet comprise just 0.2 per cent of NSW’s total rural holdings. ABS data valued all Sydney farm production at $630 million in 2006, and total agricultural production including value adding and processing is currently around $1.5 billion annually.

Twelve per cent of NSW’s agricultural workers are employed in Sydney (ABS 2006). In 2006, there were 2,548 agricultural businesses in the Sydney metropolitan area, employing 8,162 full-time workers and many part time, casual and seasonal staff.

Major agricultural industries in Sydney include poultry, mushrooms, other vegetables, herbs, nurseries, cut flowers and turf. The major production areas in Sydney are rural areas in the local government areas of Hornsby, The Hills, Hawkesbury, Blue Mountains, Blacktown, Penrith, Fairfield, Liverpool, Camden and Wollondilly.

The benefits of Sydney’s agricultural sector are numerous and include:

- **Food security**
  Maintaining agricultural lands near a large population ensures a reliable supply of fresh, healthy food close to market.

- **Climate change mitigation and adaptation**
  Climate change science indicates that Sydney’s future climate and rainfall are less likely to be affected by climate change than in other food producing areas of NSW. Retaining agricultural activity in Sydney will mitigate carbon emissions through reduced transport impacts of locally produced food, greater capacity for growers to become carbon neutral, the use of waste products to provide energy and water and better water capture and recycling.

- **Environmental benefits**
  Sydney’s agricultural lands provide important environmental benefits, for example, recharging groundwater.

- **Agricultural landscapes**
  Sydney’s agricultural landscapes are heritage, scenic and tourism assets, providing valuable recreational and leisure benefits. Some areas have been continuously cultivated since early European settlement, such as the Hawkesbury River floodplain around Richmond.

- **Social inclusion**
  Sydney’s agricultural industries provide income and self esteem for many people from culturally and linguistically diverse backgrounds, including recent migrants and refugees.

SYDNEY’S AGRICULTURAL LANDS—ANALYSIS

A study undertaken in 2010 by the University of Western Sydney’s Urban Research Centre was commissioned by the Department of Planning to understand the state of knowledge around the land use and value of agriculture in the Sydney Basin.

The study noted that over the last two decades various reports and data have been produced on agriculture in Sydney. However the reports have used varied data sets and methodologies, resulting in significant disparities in accounts of the industry. It is therefore difficult to gain a comparative analysis over time of the industry in Sydney. The study highlights the importance of transparent and replicable methodologies for collecting reliable data on Sydney’s agriculture.

The report noted that the Australian Bureau of Statistic 2006–07 data is the most consistent and comprehensive data set on agriculture in the Sydney Basin. The report recommends that a mapping exercise, using GIS technology and ground truthing, is required to provide much needed detail on the location and size of areas under production. This can provide an accuracy check on ABS data and allow for the development of consistent data sets to determine long-term trends, which is vital to planning for Sydney agriculture in the long term.
The Sydney metropolitan area also contains valuable mineral, extractive and energy resources. Sydney’s mineral production in 2008–09 was worth around $2 billion, largely due to coal production. High quality, hard coking coal is mined in Sydney’s south for steel making at nearby Port Kembla and Whyalla in South Australia and for export.

Sydney also has an established and expanding coal seam methane gas (CSM) industry which supplies almost 10 per cent of NSW gas requirements and contributes to the region’s economy. The proximity of these resources to the market reduces the volume of gas supplied from distant sources, with consequent economic and environmental benefits.

Recent exploration drilling results elsewhere in the Sydney basin indicate potential exists for shale gas resources. There is also potential for the discovery of geothermal energy sources (hot dry rocks) in basement rocks within the region.

Construction materials are also a valuable local resource in Sydney, with approximately 5 million tonnes of construction sand, hard rock aggregate, crushed sandstone, structural clay/shale, soil and small amounts of dimension stone and flagging stone produced in 2007–8. As construction materials are low unit value commodities, transport is a major component of the price paid by consumers. The availability of resources nearby helps minimise building costs and reduces the environmental impact of transporting materials.

**ACTION F2.1**  
Consider development of an agriculture policy for Sydney

An agriculture policy will highlight the importance of local food production, to maintain a reliable supply of food close to market and support the economic significance of the industry in Sydney. It would provide guidance for decision-makers on all aspects of the food system. It will aim to guide land use planning to provide greater certainty for the growth of agriculture in Sydney.

An agriculture policy for Sydney will encourage the planning system to support local producers through policy making that allows businesses to develop best practices to respond to environmental and consumer demands. It will also be consistent with any Federal or State government initiatives in this area.

**ACTION F2.2**  
Undertake mapping to inform future strategic policy making with respect to agricultural activities and resource lands

Existing data on the extent and nature of agricultural and resource land uses within Sydney’s urban fringe areas is inconsistent. Comprehensive mapping will ensure the best future policy and land use management outcomes for these important land uses and industries.

Mapping regional rural activities and resource lands will identify the location of activities and inform subregional planning. Criteria will be developed to include consideration of regionally significant agriculture, mining and petroleum uses, extractive industries, and special uses. Mapping will be undertaken by the Department of Planning in partnership with Industry & Investment NSW, the Department of Environment, Climate Change and Water, and local government.

Mapping enables State agencies and local councils to help protect and manage rural lands by recognising existing agricultural clusters and identifying potential agricultural precincts.

Mapping of mineral resources is already undertaken through the NSW Mineral Resource Audit by Industry & Investment NSW (Mineral Resources) to inform land use planning and decision-making by State and local government.
Agricultural activities and resource lands need a secure planning framework that provides greater certainty and encourages investment. It is also important to minimise land use conflict, particularly in relation to agricultural activities.

**ACTION F3.1**
**Promote agricultural activities positively in Sydney to reduce land use conflict**

Sydney’s agricultural industries are generally intensive, creating noise, odour and dust, using sprays and often operating night and day. As a result there is a conflict between different land uses, with industry arguing that conditions imposed by councils on their operations impact on profitability. Conversely, others argue agricultural industries could do more to improve their practices.

Better communication between industry, councils and the community will help to reduce conflict. A range of options will be considered by State and local government to educate and inform land owners of ways of coexisting in agricultural areas.

The interface of rural and urban land uses can also be addressed through the ‘reverse sensitivity’ concept, which describes the effect new development may have on rural activities already occurring in an area. State-owned land can also be made available for food production and research to promote agriculture in Sydney.

**CASE STUDY**

**WESTERN SYDNEY PARKLANDS TRUST FUTURE FARMING PROGRAM**

The Western Sydney Parklands Trust has initiated the *Future Farming Program* with the support of other NSW Government agencies, research institutions and the private sector. This program highlights:

- Commercial farming including greenhouses, market gardens, orchards, farm production and sustainable technologies
- Applied research and development in urban farming, farm production and sustainable technologies, and
- Industry training, employment pathways, community education, agri–tourism, farmers markets and food festivals.

The Western Sydney Parklands Trust aims to work with commercial operators to access these designated agricultural areas within the Parklands.
**ACTION F3.2**
Prepare and release guidance on planning for agricultural activities

Sydney’s rural areas need a consistent planning approach, underpinned by comprehensive data and an understanding of the operational needs of agricultural enterprises.

Agriculture is an employment land use and may be accommodated in broader land use zonings, including industrial zones. Intensive agriculture, such as greenhouse horticulture, in particular, shares attributes and challenges with industrial activities.

The Western Sydney Employment Area and the North West and South West Growth Centres have significant areas of land with potential to accommodate ‘agribusinesses’.

To address these issues, the Department of Planning, Industry & Investment NSW, local government and industry, will prepare and release guidance on planning for rural activities in Sydney covering:

- the use of mapping
- appropriate permissible land uses in rural and industrial zones
- agricultural uses and the Standard Instrument, and
- the preparation of Development Control Plans consistent with industry best practice

**ACTION F3.3**
Plan for the sustainable management of construction materials

Construction materials are vital to development in Sydney. It is economically and environmentally sensible to source these materials locally.

The Department of Planning and Industry & Investment NSW are developing a *Construction Materials Sector Strategy* to provide a framework for the sustainable management of construction material resources in Sydney.

The strategy will identify important construction material resources in the Sydney region to supply Sydney’s ongoing requirements and protect them through land use planning instruments. It will ensure resources are extracted and used efficiently, and encourage the use of recycled and substitute materials (including manufactured sand, recycled building materials, slag and spoil) where feasible.

Best practice guidelines will be developed with the quarry industry. Local performance criteria will also be developed for key resource areas.
Soil, like water and air, is a fundamental natural resource, providing food, biomass and raw materials, and supporting most of our biodiversity. It also acts as a store and filter for many substances including water and acts as a carbon store. Soil health, therefore, influences food production, water quality and biodiversity.

There are significant challenges in soils management today including increased demand for food, fibre and clean water and a changing climate with hotter and drier conditions and extreme weather events.

Sydney’s soils face increasing competition for land and water resources, especially on the urban fringe where food production and biodiversity values are prevalent. Containing Sydney’s urban footprint will therefore help maintain soil condition.

**OBJECTIVE F4**
**TO MAINTAIN SYDNEY’S SOIL HEALTH**

**ACTION F4.1**
Finalise and implement the NSW Soils Policy

A NSW Soils Policy is being prepared by the NSW Land and Property Management Authority. It will set the direction and strategic vision for the protection and, where possible, the improvement of soils in NSW. The Policy will rely on a range of stakeholders to ensure the conservation and sustainable management of soils in the Sydney metropolitan area.