

22 February 2021

Matt Vincent
Executive Director
Planning Implementation
Department of Environment, Land, Water and Planning

By email: planning.implementation@delwp.vic.gov.au

Dear Matt

UDIA Victoria Submission: Planning for Melbourne's Green Wedges and Agricultural Land

The Urban Development Industry of Australia, Victoria Division (UDIA Victoria) welcomes the opportunity to provide a submission to the Department of Environment, Land, Water and Planning (DELWP) as part of the consultation for the Planning for Melbourne's Green Wedges and Agricultural Land.

UDIA Victoria is a non-profit advocacy, research and educational organisation supported by a membership of land use and property development organisations, across the private sector and Victoria's public service. We are committed to working with both industry and Government to deliver housing, infrastructure and liveable communities for all Victorians.

We recognize the importance of ensuring fertile and viable agricultural land close to Melbourne can continue to operate for agricultural purposes. We also acknowledge the value of protecting the significant features and assets found in the designated green wedges and their role in supporting the ongoing environmental, economic, cultural and health and wellbeing outcomes for all Victorians.

Whilst we commend the Victorian Government's efforts to achieve the above, we believe a balanced approach needs to be taken to amending existing planning controls to ensure the range of objectives set out in *Plan Melbourne* can be achieved.

Recommendations

We believe a more strategic and contextual approach should be taken so that priority is only given to agricultural land that is of genuine strategic importance. Factors that contribute to this are obviously the soil quality, water supply, topography and whether there are any interface issues with sensitive or other uses.

In the context of the issues noted above, we recommend the following:

- 1. That the proposed policy be amended to ensure that a minimum of fifteen years of residential land supply can be provided to support the ongoing growth of Melbourne and cities and towns within 100km of Melbourne.
- 2. That the proposed policy be amended to ensure it has regard to the range of other strategic objectives of *Plan Melbourne* and the *Draft 30 Year Infrastructure Strategy* in terms of leveraging existing infrastructure for future growth, including in regional and peri-urban areas.
- 3. That a site-specific approach be taken to identifying genuinely viable agricultural land. At a minimum, land in the study area could be noted as potentially having strategic agricultural



- importance and which should be investigated and confirmed prior to the land being designated for other uses in, for example, a Precinct Structure Plan.
- 4. That the proposed policy recognise the opportunity for periodic strategic adjustment to the Urban Growth Boundary via the logical inclusions process to facilitate the strategic expansion of urban land.

Issues with the proposed policy

The proposed policy outlined in the Consultation Paper assumes that all non-urban land within a 100 kilometer radius of Melbourne (the "study area") is strategic agricultural land and effectively quarantines it for that use. The proposed policy also seeks to apply legislation and planning regulations that will halt most forms of development across significant parts of Victoria that are within close proximity to the rich infrastructure and services associated with the Melbourne metropolitan area.

We consider this to be a blanket approach to design and development outcomes without appreciating the significant differences across land within 100 kilometres from Melbourne, including land topography, soil quality and access to water.

We believe the proposed policy goes further than was contemplated by *Plan Melbourne*, and we are concerned about unintended consequences that will arise from this. The proposed policy changes and consequential tightening of the planning controls will create an unreasonable constraint on land within the study area, and may have the unintended consequence of encouraging land banking and speculation.

Specific issues with the proposed policy are outlined below:

- It is unclear why 100 kilometres was selected as the radius from Melbourne that should comprise the study area. We understand it includes the twelve designated green wedge areas and a broader peri-urban area, but beyond this it appears arbitrary. Further, it cuts through Local Government Areas and includes some regional centres that are designated for growth.
- There is significant variation in the land within the study area therefore a site-specific approach for the protection of agricultural land is more appropriate.
- The site-specific approach should consider the viability of the land for agricultural purposes, whilst also balancing the broader needs of land supply to support growth. In some cases, land within the study area may not be viable for agricultural purposes.
- The proposed policy will restrict the highest and best use for land that could easily leverage off existing or planned infrastructure and services to meet growth demands. For example, land surrounding the Outer Metro Ring road is well placed for commercial or light industry use, but under the proposed policy it would be quarantined for agricultural use.
- Further to this, the Infrastructure Victoria *Draft 30 Year Strategy* contemplates making more efficient use of infrastructure in regional areas. As we understand it, the proposed policy would make this extremely difficult if not impossible. On this basis, consideration should be given to excising the rural urban interface in areas identified for growth.
- The proposed policy and consequential legislative amendments will require the approval of the Minister for Planning and ratification of both Houses of Parliament to permit a Planning Scheme Amendment to change the zone. This is a lengthy process and is likely to significantly reduce the subdivision potential of the land in the designated study area even where it is otherwise designated for future development.



- Further to the above, the proposed policy doesn't currently allow for logical inclusions to be excised from the ratification process to facilitate the strategic expansion of urban land.
- Any mechanism that impedes the delivery of residential land to market in an orderly manner, or that impacts on the policy principle to have at least fifteen years of residential land supply available, will increase the cost of residential lots and therefore adversely impact on housing affordability.
- The discussion paper places too much emphasis on the protection of agriculture without properly analysing the role that our Green Wedges can and should play across a range of strategic land uses, particularly for tourism related reasons.
- The discussion paper imposes strong restrictions on tourism based uses across a vast area of land. There is no economic or social analysis carried out to quantify the impact this policy will have on the tourism sector.

Questions raised by the proposed policy

The proposed policy also raises a range of questions which require consideration together with the proposed policy. These include the following:

- How will outward growth of Melbourne be managed in the short, medium and long term?
- Is the Victorian Government suggesting that Melbourne will not grow further outward at all?
- Is the Victorian Government seeking to remove any options for urban expansion within 100km of Melbourne?
- How will the need for urban expansion be balanced against the soil-based issues identified in the project work? Does soil quality now take precedence over every other policy of the Victorian Government and the community?
- If a smaller town is losing population and some additional growth would support retention of services, including for example, a State Government school, does the Victorian Government not wish to balance such considerations against agricultural output?
- Can the VPA or Councils prepare strategic plans to facilitate urban expansion in the light of the proposed policy?

We thank you for the opportunity to engage in this important consultation process and we look forward to discussing the matters raised in this submission. Please contact Dr Caroline Speed, UDIA Victoria Policy and Research Director by emailing caroline@udiavic.com.au to arrange a suitable time to do so.

Yours sincerely

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