

Chapter 12 Implementing the Urban Farming Master Plan in Horsley Park, Western Sydney: From Planning to Reality

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Abstract Maintaining rural character of peri-urban landscape is a significant challenge in Australia and it is particularly important in Australia to allow sustainable agriculture, horticulture and forestry. The Western Sydney Parklands is an urban park system located in Western Sydney with a commitment to provide urban farming in the Parklands. The Parklands is a 27 km long public open space corridor of approximately 5200 ha. The land is administered and managed by the Western Sydney Parklands Trust (Trust) under the Western Sydney Parkland Act 2006. The Trust is committed to providing 10% (or about 500 ha) of the Western Sydney Parklands (area 5280 ha) for urban farming as per the Western Sydney Parklands Plan of Management 2020. The strategic objective for the Trust is to develop an approach for converting fallow public land to productive space by providing commercial growers a secure tenure in the Sydney basin. This chapter outlines the process of developing and implementing a master plan for a Horsley Park, Western Sydney. The case study has highlighted that implementation of the master plan has a number of challenges including: legislative and regulatory processes; environmental and social matters; and provides some insights from planning to reality of farming in the Sydney region.

Keywords Landuse • Urban agriculture • Western Sydney and landuse planning

12.1 Introduction

Urbanisation is major challenge worldwide and threatening the rural character of peri-urban landscape and it is particularly important in Australia to allow sustainable agriculture, horticulture and forestry around city fringes. The Western Sydney Parklands is an urban park system located in Western Sydney (Fig. 12.1).

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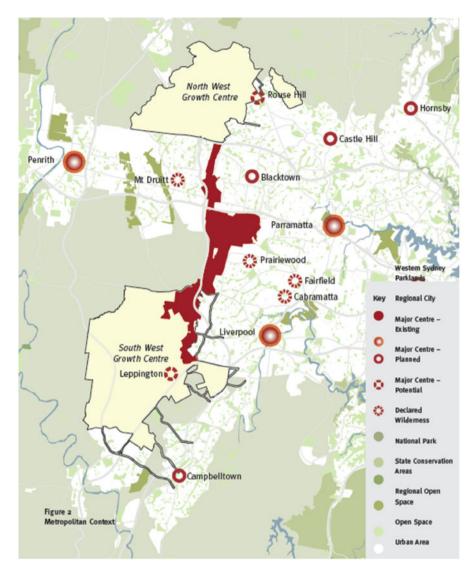


Fig. 12.1 Location of Western Sydney Parkland area (Source: Western Sydney Parklands Trust 2010)

The Parklands is a 27 km long public open space corridor of approximately 5200 ha. The land is administered and managed by the Western Sydney Parklands Trust (Trust) under the Western Sydney Parkland Act 2006. The Act identifies the Trust's principal function to develop a multi-use urban parkland and includes environmental conservation; heritage; regional recreational, entertainment and tourism; regional infrastructure for services such as water, gas and electricity; and 'to maintain the rural character of parts of the Parklands by allowing sustainable agriculture,

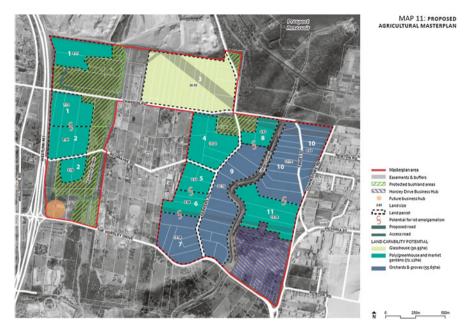


Fig. 12.2 Horsley Park precinct Master Plan in Western Sydney Parkland area (Source: Western Sydney Parklands Trust 2012)

horticulture or forestry in the Parklands'. The Trust land is unzoned and development is governed by the State Environmental Planning Policy (Western Sydney Parklands) 2009 (SEPP) (NSW Legislation 2009).

In 2012, the Trust developed a master plan to take forward the development of a 150 ha urban farming precinct in Horsley Park (Fig. 12.2). The master plan has provided a framework on the type of farming that may be suitable for the land, appropriate lot sizes, sustainability principles and general infrastructure requirements.

The Trust has been established to be a self-funded state government agency. To secure the required revenue to maintain and manage the Parklands assets and its operations, the Trust undertakes partnerships with commercial operators, primarily in the form of leases and licenses in the Parklands. This includes commercial tourism and recreational facilities such as Wet'n'Wild, Tree Top Adventure Park and the Sydney Motorsports Park; the development of business hubs; and smaller commercial operations such as horticulture and livestock agistment.

Although there is a strong commitment to urban farming in metropolitan Sydney strategic plans and directives, there are many variables such as the legislative and regulatory frameworks, variable costs of farming operations, availability of labour in the farming sector and environmental factors which hinder the growth of the urban farming sector in the Sydney Basin.

12.2 Legislative and Regulatory Framework

12.2.1 Requirements for a Development Application and Amendment to the SEPP

In the early stages of the development of the Horsley Park urban farming precinct, the Trust undertook a pilot program to test the market and understand some of the complexities in leasing public land for commercial farming. The pilot program was managed within the New South Wales (NSW) Government procurement process as an open tender application and concluded with the signing of a 3 year lease with an experienced market gardener commercially producing tomatoes, chillies and peppers. The process highlighted a number of challenges for the Trust. Some of these related to social matters in dealing with new migrants and the appropriateness of the government procurement process for these commercial activities. These issues will be discussed in later sections of this paper.

During the pilot process a requirement for a Development Application (DA) to the Local Council as the consent authority was required under the SEPP.

It was clear to the Trust that the new tenant, and indeed other applicants that submitted tenders, had not previously submitted a DA despite operating market gardens on other nearby private lots. In order to progress the pilot program, the Trust prepared and funded the DA on the tenant's behalf.

The approval to the DA detailed a number of conditions that needed to be met before the activity could occur. However, these conditions resulted in additional costs to the Trust and the new tenant. The conditions included the construction of a driveway crossing, fencing and environmental protection measures. Once again, to facilitate the pilot program the Trust undertook to implement the conditions in the consent with the cost of capital works returned to the Trust as part of rental payments.

From the experience gained through the DA the Trust determined that a simplified development approval approach was required. As noted in the introduction, the Parklands land is unzoned and development controls in the Parklands are defined by the SEPP (Western Sydney Parklands). To this end, the Trust identified the best approach would be an amendment to the SEPP to facilitate minor developments for agricultural purposes which could reduce cost and time. Critically, this amendment allows for a change in land use to agriculture without the requirement for development consent. It also enables farmers to immediately commence basic works required for initial farming setup, such as, soil movement, placement of irrigation systems and construction of a small storage shed. The important part of this amendment is that the Trust is now in a position to holistically manage the precinct access, fencing and environmental protection separately to the individual lots and commercial lease arrangements. Larger structures or farming operations still require development approval through normal processes which can be undertaken concurrently with small scale production. The process of amending the SEPP has resulted in a more streamlined and simplified process for the Trust and future operators.

12.2.2 Land Tax Exemptions for Primary Producers

Land tax is an annual tax on the total land value of all taxable land owned in NSW as at midnight 31 December of the previous year. There are a number of land tax exemptions, including an exemption for land used for primary production purposes.

Land investment in the Sydney Basin speculating on future rezoning and development opportunities has, in the short to medium term, provided an opportunity for both farmers and land speculators. The land owners are providing farming leases with little to no rent that enables the application of Land Tax exemption on the land by the land owner.

The influence of this on the Western Sydney Parklands farming program is that the realistic rent rate that the Trust can charge is much lower than the expected market rate or land value rate. This has caused the Trust to re-evaluate rental returns and review the pure financial return expected by the program. Initially the Trust planned a business case purely on the financial return from farming. The Trust is now including the non-financial benefits, such as improved land management, benefits to the local community, improved visual amenity, reduced costs from environmental and noxious weed management and illegal social activities which place an increase financial cost to the Trust such as dumping and vandalism.

12.2.3 Local Government Act and Council Rates

The Local Government Act 1993 defines land which is rateable by Local Councils. Crown Land is exempt from rates except where the land is held under lease for private purposes. Under these circumstances it is stated in the Act that the lessee is liable for the rates. As such, as soon as the Trust enters into a lease with a commercial farmer, the land becomes rateable with the cost borne by the farmer. Whilst the rates begin immediately, production on the land and a commercial return may take months and sometimes years.

On similarly leased private blocks in the Sydney Basin, the land owner will bear the cost of rates irrespective of activity on the land. The introduction of farming on the lot may allow the land owner to argue for a reduction in rates depending on the rateable category that is assessed.

The Local Council has advised that they have no discretion for any reduction, exemption or staggered application of Local Council rates. They are simply following the Local Government Act and application of rates based on Gross Rental Value as assessed by the Valuer General's Office every 4 years. They will consider a deferred payment but with the application of interest charges. The impact of rates has in effect doubled the rental charge. The net result is a marginal business model and a constraint on the financial operation of the Trust's program. The Trust is investigating the possibility of identifying any possibilities for incentives using

staggered application of rates to allow the business to develop. This approach is already used by the Trust with rent waiver periods and scaled application of rents.

12.3 Environmental

12.3.1 Water Supply, Harvesting and Storage

Access to the water supply for the Horsley Park urban farming precinct is generally not an issue with Sydney Water's potable water supply lines being readily accessible. However, the cost to connect to this infrastructure, including an appropriately sized connection with backflow device and the ongoing supply costs place a heavy burden on commercial returns to the tenant.

One alternate is overland flow harvesting, tail water reticulation and storage in onsite farm dams. In a peri-urban environment, with increasing industrial and residential development within the catchment causing excessive run off from hard surfaces, the addition of dams to harvest water for agriculture makes perfect sense in the water balance equation. However, with the current embargo on Water Access Licenses, and no sub-catchment analysis of water balance completed, the difficulty in obtaining approval to construct new dams or utilise new water without purchasing an existing license is providing obstacles for the Trust and the potential tenants. This is exacerbated by a water market in Sydney that is relatively small and difficult to identify. Transfer availability and costs are uncertain.

The Trust undertook to develop a water harvesting and dam plan for the Horsley Park urban farming precinct with a view to consolidate this in a wider catchment context in discussion with NSW Office of Water.

Briefly, the dam plan process is:

- assessment of existing dam conditions and adequacy of structural elements,
- assess Maximum Harvestable Rights for current dams and Water Access License compliance,
- identify opportunities for increased water storage capacity and assess opportunities for improved water capture and circulation within each parcel to optimise water yield, and
- provide preliminary water security assessment and water quality analysis for each parcel and identify further works to optimise site water management.

Critically, the dam plan identified that storage is not the main issue for the precinct and that supply from rainfall and run off was the limiting factor. Long term this issue will need to be addressed and it is hoped the precinct will provide opportunities for development of larger stormwater harvesting from nearby industrial areas or possible sewerage treatment and reticulation. As the Horsley Park urban farming precinct develops the Trust will be looking towards innovation and investment to support water supply to the precinct.

The project is ongoing and the next stage is to work closely with the Office of Water to gain approvals and licenses for the precinct, based on the water harvesting and dam plan, and commence capital works for existing dam repairs, new dams and reticulation basin construction. The Trust is concerned about the costs of these works and acknowledges that these costs may not be fully recoverable from commercial leases.

12.3.2 Environmental and Noxious Weeds

The Horsley Park urban farming precinct is largely fallow, unmanaged lots. The spread of noxious and environmental weeds, mainly blackberry, is rife across the precinct.

Noxious weeds are plants that are controlled under the Noxious Weeds Act 1993 in NSW which is enforced by the Local Councils. Control actions will vary depending on the risk to primary production, cost to undertake the control and the ultimate benefit. They include actions such as complete removal and suppression through to restrictions on sale or propagation.

The majority of weeds in the urban farming precinct are class 4 weeds, meaning they are a serious threat and widespread. As such, the cost to control them is prohibitive so the legislated control measure for most of these species is limited to restricting propagation or sale. This highlights the reason for the spread of these weeds, that is, there is no forced control.

The impact for the Trust is that many lots are not suitable to take to the market without large capital investment in the removal of weeds. Many of these species will take many years and control attempts before they succeed. To counter this issue the Trust has embarked on a program of crash grazing. Lots are offered free of charge for short term grazing. Agistees are required to erect fencing to contain the animals and manage all access issues. There has been considerable success in the reduction of African Olive using cattle and some limited impact on the spread of Blackberry. The Trust is in the process of seeking other livestock, such as goats, that may help remove the Blackberry.

12.3.3 Critically Endangered Cumberland Plain Woodland

The Horsley Park urban farming precinct was selected within the Parklands as it was historically cleared farmland and, as such, is largely cleared of native vegetation. However, there are some small remnant patches that are important refuges and stepping stone links to larger conservation areas. These patches of bushland are of vegetation type 'Cumberland Plain Woodland' and are therefore protected under State and Federal Government legislation.

The Trust has implemented a Parklands Biodiversity Strategy and has included the bushland remnants within bush regeneration works that occur throughout the Parklands. Where bushland occurs on lease lots, the lease includes clauses excluding access and use of the bushland areas and allowance for the Trust's contractors to access the area for management.

12.4 Social

12.4.1 Government Procurement Process

As a government agency the Trust is required to follow Government Procurement Guidelines in offering public land to the private sector. This process is to ensure probity and equity in the market place. The reality is that it creates barriers for entry into the market for many market gardeners. The pilot project conducted prior to the master plan for the precinct provided the Trust with good insight into this issue.

The Trust released a 'Request for Proposals' to the market with an 18 page document providing details on the lot to lease, the tender process and required information to be submitted by the applicant. Information requested by the Trust included financial capacity to fund and maintain any capital works and improvements, skills and experience of key staff and a demonstration of the organisation's track record in farming, the proposed operation and in particular, to assess the impacts on public land, how the operation would respond to:

- land and soil management,
- · water management,
- · chemical management,
- nutrient management,
- · biodiversity,
- · waste management,
- · air management, and
- · energy management.

The applications were reviewed and assessed by an independent panel against selection criteria (weighted). The assessment included site visits by the panel to applicants existing operations. In an attempt to gain better market exposure, the Trust engaged a local real estate agent to market the opportunity through local papers and with site visits to the local produce markets to meet directly with suppliers. The agent was not part of the assessment panel so could be tasked with helping the applicants with their submissions.

Through all these efforts the Trust received six applications and most were deficient in information requested. The site visits and personal interviews proved of most benefit for the Trust in assessing operations and suitability to enter into a lease on public land. All of the applicants were from non-English speaking backgrounds and all expressed difficulty in understanding the requirements in the application process.

Following the application process, the Trust encountered further delays and negotiation with the successful applicant. The clauses within the lease, necessary to ensure the sustainable operation on public land, created anxiety for the applicant. The Trust desired an outcome whereby the operators leasing in the Horsley Park urban farming precinct would commit to achieving sustainable farming practices. Initially the lease included requirements to move toward environmental accreditation of their operation. Several meetings were required and clauses amended to a 'guideline' approach to address these concerns.

The successful applicant was a migrant from Cambodia and was fearful of Government processes. The advice received from the NSW Department of Primary Industries and other consultants in the industry was that even the best support and advice was viewed with suspicion if it came from a government source.

Following from this early experience the Trust made an attempt to simplify the early stages of the application. The aim was to obtain applications and then engage with appropriate applicants personally to garner further information. This process was to build a relationship with the applicant to foster trust. However, the few applicants who submitted during this approach became frustrated by the level of investigation by the Trust. The Trust, in safeguarding the financial risk to this public asset requested a thorough understanding of the operator's business model. This level of scrutiny was not apparent in the early stages of the simplified process and the applicants withdrew. In one case, whilst the Trust was undertaking its deliberations, the applicant was offered an alternative private block of land with no rental charge and was able to access the land immediately. Subsequently the applicant withdrew from the negotiation process with the Trust. The Trust is still working to achieve a balance in its process whereby it is simple and quick for the applicant but also transparent, risks are identified early and the arrangement is financially viable for the Trust.

12.4.2 Migrant Farmers and Generational Change

Within the Horsley Park urban farming precinct the Trust had one existing medium scale operator who had leased Trust land for many years. Their family ties to the area started when their father migrated to Australia from Malta and started farming in the area and the business continues with two brothers operating the farm. This business operates with a core staff of Vietnamese migrant workers.

The issue facing this operator is that his children are moving away from farming as a business so there is little chance for generational handover of the family operation. Also, his core staff is aging and on the occasion where the business has required additional staff it has been very difficult to source reliable workers.

This is a similar story to the applicant in the pilot project that operates his farm with the support of integrated family (his daughters and their partners). His daughter has just completed a University degree and moving to full time employment so her availability to support the farm at times of high activity continues to decline. The farmer also holds down two additional jobs to support the farm during low economic times, poor environmental conditions and to meet family financial obligations. This has led to periods where, as a contracted worker elsewhere, the farming program has been delayed or missed seasons due to lack of resources.

The Trust has experiences with similar issues through other applications to lease the land that did not proceed. Many are small scale with little to no supporting workforce that creates a risk for the Trust. Others are first time farmers looking to start in the business and the lack of experience is also a risk to the Trust. All applicants request some form of accommodation on the land to reduce costs and time constraints and enable the family unit to assist more efficiently. The Trust, under the SEPP (Western Sydney Parklands), does not permit residential dwellings and existing residential dwellings are disconnected from the farming land or require extensive maintenance to make them fit for purpose.

The information to the Trust through discussions with operators in the region is that the larger scale farmers are either secure on their land or are moving west of the Blue Mountains to larger lots with smaller overheads and are offsetting the additional transport time and costs to market.

12.5 Conclusions

This Chapter is a snapshot in the early stages of a long-term program to model urban farming opportunities on public land in the Sydney Basin. It details the challenges facing the Trust's urban farming program and the diversity of factors that it must address to be successful in achieving this outcome. The Trust will continue to pursue the implementation of the Horsley Park urban farming master plan as it is committed to the environmental, land use and social outcomes that this activity can provide to the Parklands and the Sydney Basin.

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