The urban growth boundary is a tool that the government introduced in 2002 to help manage outward growth. Melbourne 2030 set an interim boundary to protect Melbourne’s highly valued farming, conservation and recreation areas, but indicated that the boundary around the five growth areas would be subject to review in light of growth area development needs in the longer term. The Smart Growth Committees carried out the review during 2004-05.

On advice from the committees about future development, and in light of the government’s commitment to maintain a 15-year minimum land supply for housing and industrial development, the urban growth boundary has been amended.

Based on the current State Government population projections, this change will provide enough land within the urban growth boundary in each growth area for around 25 years of development. This will provide certainty and a firmer basis for long-term planning for sustainable growth. It will also avoid the need for additional changes in the short term and help ensure future market competition and downward pressure on prices.

Melbourne 2030 objectives are to locate more new households in the established metropolitan area and see greater housing yields and choice in new development in growth areas. In this case, land within the urban growth boundary will last significantly longer.

The revised urban growth boundary:

- protects environmentally significant and high-value agricultural areas from urban development
- supports economic development by including areas for employment and industry in accordance with the growth area plans.

The urban growth boundary changes are detailed in the planning scheme amendments approved by the Minister for Planning in November 2005, and are indicated on the growth area framework plans in this document.
INTERIM ARRANGEMENTS

Some of the land brought into the amended urban growth boundary was zoned Green Wedge and is currently used for rural purposes. The Farming Zone will generally be applied as an interim measure to this land.

While the Farming Zone enables existing uses to continue until the land is rezoned for urban development, it will be gradually replaced with new urban zonings as the growth area plans are refined, allowing the intent of the plans to take effect.

Officer (Casey–Cardinia) and Toolern (Melton–Caroline Springs), both designated as a ‘Preferred Development Area’, will require more work to identify new land use zones and appropriate urban forms because of complex design and land use management issues.

The Department of Sustainability and Environment will work with local councils and the new Growth Areas Authority as required, to confirm appropriate zoning arrangements for the growth areas, particularly in relation to land that will not be required for urban development in the short to medium term.

MONITORING THE DEMAND FOR LAND

The government will monitor the supply and demand for residential land on an ongoing basis, to enable a review of the impact on land supply of any future shifts in anticipated housing demand.

Investment in major industrial development has a long lead time, particularly for industries that require large sites or have very specific location or access requirements. These needs must also be carefully monitored.

The government’s Urban Development Program, which reports annually after consultation with the development industry and local government, provides a detailed annual assessment of land requirements.

The new Growth Areas Authority will also have a role in researching and distributing up to date information regarding the supply of land available for development.