

What is the Open Space Network

Following the Western Sydney Aerotropolis rezoning, a Draft Aerotropolis Precinct Plan was exhibited from November 2020 to March 2021 which included a proposed “Open Space Network” plan. The Valuer General reflected the proposed Open Space Network in the new valuations recently issued. The Department of Planning Industry and Environment is currently considering community feedback on the Open Space Network proposals. If this feedback results in changes to the Open Space Network, the Valuer General will reflect this in future valuations.

The Open Space Network plan covers some areas rezoned within the Aerotropolis and the Valuer General considers that the market interprets this as being a planning constraint like a height limit or density control. For example, if land was rezoned Enterprise Zone but was 50% covered by the Open Space Network, the effect would be that the owner can develop 50% of the land for Enterprise Zone purposes but cannot develop the 50% of the land that is in the Open Space Network.

How is land valued that is affected by the Open Space Network?

Land that is impacted by the Open Space Network will generally be valued by comparing it to sales of properties that are also impacted by the Open Space Network. As the Valuer General considers that the market interprets the Open Space Network as being a planning constraint, this land is generally valued lower than developable land.

However, the property’s existing use may also impact the land value. For example, if a property’s existing use is for a house, yard and associated rural uses it will be valued based on this existing use.

Example land values for a 10 Ha property

The following three examples show how the Open Space Network can impact different types of properties.

The examples are based on the following typical land values for a 10-hectare property:

- Prior Rural zoned land value = \$3,500,000
- Current Enterprise zoned land value = \$12,000,000
- Open Space land value = \$1,000,000

- Open Space land with existing use as house, yard and associated rural uses = \$3,500,000

Example 1

Sofia owns a 10-hectare rural property which is used for a house, yard and rural purposes. The land was previously zoned Rural and had a land value of \$3,500,000.

The land was rezoned to Enterprise (ENT), but all the land is affected by the draft Open Space Network plan. However, the new land value will be determined based on the property’s ability to continue to be used for a house, yard and rural purposes.

So, Sofia’s new land value will remain at \$3,500,000.

Example 2

Stella owns a 10-hectare rural property which is used for a house, yard and rural purposes. The land was previously zoned Rural and had a land value of \$3,500,000.

The land was rezoned to Enterprise (ENT) but 5ha is affected by the draft Open Space Network plan.

So, Stella’s new land value is determined at \$6,500,000 being calculated as:

- \$6,000,000 for the 5ha zoned ENT that is not affected by the Open Space Network, (being half the value of \$12,000,000 if all 10ha were zoned ENT) plus
- \$500,000 for the 5ha zoned ENT that is affected by the Open Space Network (being half the value of \$1,000,000, if all 10ha was affected by the Open Space Network)

Example 3

Stefano owns a vacant 10-hectare property, which he uses for rural purposes. The land was previously zoned Rural and had a land value of \$3,500,000. There was no house on the land, but the Rural zoning permitted a house to be built.

The land was rezoned to Enterprise (ENT), but all the land is affected by the draft Open Space Network plan.

As the property is vacant and cannot be developed due to being 100% affected by the draft Open Space Network, the property will be valued as Open Space land only.

So, Stefano’s new land value is determined at \$1,000,000.

Questions?

For further information please contact the Valuer General’s dedicated assistance line on 1800 458 884 or Valuer General NSW on 1800 110 038 or +61 2 6332 8188 (international).