Submission No 16

SYDNEY METRO WEST PROJECT

Organisation: Urban Taskforce

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Urban Taskforce

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Ms Lynda Voltz MP Chair Legislative Assembly Committee on Transport and Infrastructure Parliament House Macquarie St SYDNEY NSW 2000

Dear Ms Voltz

Re Inquiry into Sydney Metro West Project

Introduction

I write in relation to the NSW Legislative Assembly's Committee on Transport and Infrastructure inquiry into the Sydney Metro West project.

Urban Taskforce has been a strong supporter of Sydney Metro West since its inception. Its potential to deliver housing and employment opportunities along a public transport corridor linking the Sydney CBD with Sydney's second city, Parramatta, is a *game changer* that will prove to be a significant contributor to the NSW economy and the orderly growth of our city.

Critically, the Metro West can do much of the heavy lifting when it comes to delivery of the well-located housing and jobs to strengthen the NSW economy.

The Sydney Metro West is linked to the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) as a critical piece of infrastructure for large precincts such as Kings Bay (PRCUTS), Burwood Concord (PRCUTS) located along the Sydney Metro West corridor, which were recently rezoned for residential purposes with the major drawcard being good access to the Sydney Metro West. The success of these urban renewal precincts is dependent on the delivery of the Sydney Metro West as a key piece of transport infrastructure.

Recommendation 1: that the Committee recommend the Minns Government commit to the completion of the current Sydney Metro West project

Metro west should follow the principles of transit-oriented development

Urban Taskforce strongly advocates for transit-oriented development with public transport at the heart of community development to activate and emphasize the creation of vibrant, sustainable, and liveable neighbourhoods around transport

Urban Taskforce Australia Ltd. ABN: 21 102 685 174 | GPO Box 5396 Sydney NSW 2001 T 612 9238 3955 | F 612 9222 9122 | Level 12, 32 Martin Place Sydney NSW | Level 6, 39 London Circuit, Canberra ACT admin@urbantaskforce.com.au | www.urbantaskforce.com.au hubs. Transit-oriented development has multiple public benefits, specifically the opportunity for mixed-use development, including market and affordable housing options that would contribute towards the National Housing Accord of 1.2 million in 5 years.

Transit-oriented developed also increases accessibility to jobs, education, and healthcare by providing convenient access to public transportation which in turn Urban Taskforce believes will serve to stimulate economic development of the region by attracting businesses, creating job opportunities, and increasing property value, generating increased tax revenue for local governments. Overall, it integrates commercial, residential, retail, and other development so as to maximise public transport patronage and encourage walking and cycling. It also permits maximum flexibility in responding to market demand and getting the balance right to ensure the viability of centres.

Centres that should be considered include: Rosehill/Camellia precinct, as well as within the precinct situated between the Bays Precinct and Five Dock. The Committee should explore the feasibility of extending the line beyond the current Hunter Street terminus. These proposed expansions of the train network would undoubtedly contribute to enhanced connectivity and accessibility in the South East, part of Sydney's global economic corridor.

The Sydney Metro West project is a critical piece of infrastructure that aligns with the principles of transit-oriented development. The opportunity to extend the line and include additional stations needs to be considered in keeping with the Government's public stated commitment to transport oriented development.

Recommendation 2: that the Committee consider additional stations and extension of the line in keeping with its commitment to transit-oriented development

Metro West should serve housing and employment – missed opportunities

Any major investment in public transport needs to maintain a focus on two key outcomes that underpin a healthy economy - housing and jobs.

The absence of metro sites in the "long gaps" between the Bays Precinct and Five Dock, as well as a glaring omission of a metro station between Parramatta and Sydney Olympic Park represent cases in point.

Urban Taskforce submits that the former Government's myopic focus on journey time over and above the benefits derived by adding additional stops and facilitating housing and employment growth supported by a high spend, next generation metro transport investment, was misplaced. More stop means more opportunities for TODs. More height, more density, more jobs, more affordable housing, improved affordability and housing served by rapid public transport and located close to employment opportunity.

This pause in the development of the West Metro gives us all a welcome opportunity to re-examine the scope of the project with a fresh focus on the housing, employment and urban renewal potential of the West Metro line.

Missed opportunity no. 1 – metro station between Parramatta and Olympic Park

The Sydney Metro West is a critical transport infrastructure project for Greater Sydney. Urban Taskforce iterates its calls for the Government to include a metro station in the Rosehill/Camelia precinct.

This would serve as an eastern gateway to Sydney's Riverland City - Parramatta, in much the same way as Westmead will form its western gateway.

We note that the distance between Sydney Olympic Park and Parramatta is approximately 7 kilometres. It is highly unusual for metro rail lines to have such long distances between stations and we believe it would be a significantly missed opportunity to deny the location of an additional Metro station west of Sydney Olympic Park at Camellia precinct.

There is a clear strategic land use planning and transport alignment for Sydney Metro West in the Rosehill/Camellia precinct. The City of Parramatta's executive leadership and elected councillors express a strong preference for a station in the precinct, and the Council's Local Strategic Planning Statement, as endorsed by the then Greater Sydney Commission, highlights the critical importance of the precinct to Parramatta as a future centre.

The Rosehill/Camellia precinct holds long-term potential to strategically extend the land footprint of the Parramatta CBD by rezoning employment lands as exhibited by DPE in 2018 as a 'Planned Precinct'. This would broaden the precinct economic base and transition towards an integrated mixed-use employment and residential hub, including a high-density core of smart jobs in commercial offices along with retail and conference associated employment in precinct. This option has the potential to support a large increase in employment in the Rosehill/Camellia SA2 in 2050 from 65,000 jobs without renewal to up to 131,000 jobs with renewal – catalysed by Sydney Metro West.

There is no doubt that any additional Metro station would come at a greater cost and disruption. However, the opportunity for significant development brings with in an opportunity for financial support for the associated infrastructure. Contributions towards infrastructure that facilitates the increased utilisation of land is commonplace and has already been foreshadowed by some developers with land holdings in the precinct. Recommendation 3: that the Committee recommend the delivery of an additional metro station in the vicinity of the Rosehill/Camelia precinct, supported by high density housing and employment.

Missed opportunity no. 2 - station between Bays Precinct and Five Dock

The other significant length of the Sydney Metro West corridor is not serviced by a station is the 5 kilometre stretch between the Bays Precinct Metro and the Five Dock Metro station.

A station at Lilyfield or Leichhardt North should be considered, however this would need to be accompanied by a significant uplift in housing density or height to justify the additional expense of an additional station.

Recommendation 3: that the Committee recommended further assessment of an additional metro station between the Bays Precinct and Five Dock.

Missed opportunity no. 3 – South Eastern extension from the Hunter St terminus

The former Government's plan for the Sydney Metro ignored the need and opportunities of extending the Metro West to the South East, beyond the current Hunter Street terminus to service the significant housing growth at Zetland, and then extending the line along the South East to La Perouse. Having a terminus and turnback located under the Botanical Gardens is not sensible.

An extension to the South East would provide an already needed service for the population in and around Green Square. Such an extension would open up further urban renewal opportunities along the eastern seaboard. The extension could be delivered in stages, starting with an extension to Zetland, but in time, going further to Kensington and down Anzac Parade all the way to Long Bay. In fact, this alignment was first proposed by the lemma Government in March 2008 as the proposed extension of the first iteration of the North West Metro.

It should be noted that the light rail to Randwick and Kingsford cannot be extended due to capacity constraints and the interaction of light rail with regular traffic (at Haymarket, Goulburn Street, Liverpool Street, Druitt Street, Market Street, King Street and Bridge Street) between the SCG and Circular Quay.

A South East extension to the West Metro could service suburbs such as Maroubra, Malabar, Long Bay, Little Bay, Chifley and La Perouse. All these suburbs have significant potential to accommodate renewal, more affordable, social and market housing with high amenity, closely located to the employment centres of Sydney's CBD, Port Botany, the Botany Rd Alexandria industrial precinct, Mascot Domestic and International Airport, if a Metro transport link were to support this renewal. South East Sydney has some of the most advanced strategic transport planning under the Government-endorsed South-East Sydney Trasport Study (SESTS) which follows on from the 2056 Transport Plan.

It is occupied by a significant concentration of large parcels of Government land including golf courses, LAHC Sites and Long Bay Correctional Centre.

South Eastern Sydney has some of the highest rates of housing unaffordability in Greater Sydney. The Metro extension from the Botanical Gardens to the South East, in the first instance to Zetland, could be a truly transformative project for Sydney.

Recommendation 4: that the committee recommend the Government examines the extension of the current Sydney West metro corridor beyond the Hunter Street terminus to Zetland and down through the suburbs of Maroubra, Malabar, Chifley, Long Bay, Little Bay and La Perouse.

All investment in Public Transport needs to be backed by a robust business case and reviewed by government to ensure that anticipated benefits are realised

Governments need to be transparent with the community in explaining the expectations around suburbs and localities that will benefit from the NSW taxpayers allocated significant amounts of funding towards such projects.

Approving large investment in public transport infrastructure needs to be accompanied by a business case that justifies the investment. Housing and employment are critical outcomes and benefits of public transport. The business cases used to justify the allocation of public money often include assertions of increases in the height and density of surrounding development. These developments provide housing and employment, generating stamp duty, payroll tax, GST revenue, support for social and affordable housing as well as local and state infrastructure contributions.

The NSW Productivity Commission's White Paper recommended that the Government needs to publicly justify infrastructure spending.¹ Besides public transport considerations, there needs to be consideration given much earlier in the decision-making process on large, expensive infrastructure projects like Sydney metro west, to ensure that the benefits for the economy, for housing supply and for job creation are realised.

The anticipated economic and housing supply benefits that underpinned the business case should be carried over into the subsequent developmental outcomes associated with any transport project. The planning system must be required to accommodate the uplift anticipated in the business case, to ensure the benefits to the economy arising from the commitment of massive sums of

¹ NSW Productivity Commission, White Paper, 2021, p. 311

public money for the delivery of the infrastructure (in this case, the Metro West) are realised.

To have public exhibitions on zoning, densities, and heights, well after the decision to allocate funding for large public infrastructure projects, risks the under-delivery of public goods such as new housing, commercial space as well as other social infrastructure that would help justify these projects in the first place.

This is exactly what happened with the North West Metro. The underdevelopment of North Sydney, Crows Nest, St Leonards, Chatswood, Macquarie Park and Cherrybrook all resulted from a planning system that effectively diminished the outcomes of the public expenditure of billions of dollars on this project.

There needs to be a stronger correlation between the decision to fund a particular infrastructure project and the development that will ensue on completion of the project which justified the allocation of public funding in the first place.

Besides creating greater certainty and transparency around Government decision making, it will also help ensure maximising outcomes from any such decision. The "rivers of gold" from the initial rounds of "asset recycling" under Mike Baird will not continue, and it is critical that the Government in the future maximise the public return on these mega-projects.

Driving high density housing around public transport will not only address housing supply, but the new housing will also in itself deliver revenue for the government through property taxes and stamp duty. This, in additional to overall economic stimulus, needs to help underpin the business cases for these large public outlays on infrastructure.

Changes stemming from any review of the Sydney Metro West need to be supported by robust businesses cases, with outcomes expected from these changes, such as new housing and employment opportunities, clearly communicated by the Government.

Recommendation 5: that the committee recommend that the NSW Government clearly articulate the business case for any alteration to the current Sydney West Metro project, publicly stating the housing and jobs expected to be delivered as a result of any changes made to the project's scope, and that assumptions underpinning the business case built into the planning system

Conclusion

The NSW Government's decision to reappraise the Sydney Metro West offers the opportunity to have another look at the rationale behind this major transport infrastructure project and any additional opportunities that have not been included in the current scope of the project.

The former Government missed a number of key opportunities that would arise from a metro line connecting the Sydney CBD with Parramatta – perhaps too heavily influenced by a perspective which placed greater emphasis on travel times than the housing and job creation opportunities that the project could deliver.

In a similar way, an additional station sites between the Bays Precinct and Five Dock should be investigated.

Finally, there needs to be a reappraisal of the benefits of extending the current Metro West line beyond its current Hunter Street terminus through to the South East peninsula, an area with high amenity, well located and part of the global economic corridor of Sydney.

Moving forward, decisions on major transport infrastructure projects must be made in a transparent manner, armed with business cases which justify the significant outlay in public expenditure in terms of expected outcomes such as new housing and employment.

Should any Committee member wish to discuss matters relating to this submission, please contact Head of Policy, Planning and Research,



Tom Forrest Chief Executive Officer

or via email