

Submission  
No 6

**INQUIRY INTO ENVIRONMENTAL PLANNING AND  
ASSESSMENT AMENDMENT (HOUSING AND  
PRODUCTIVITY CONTRIBUTIONS) BILL 2023**

**Organisation:** City of Ryde Council

**Date Received:** 7 June 2023

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# City of Ryde Submission

## Housing and Productivity Contribution Reforms

June 2023

## Housing and Productivity Contributions

The City of Ryde Council (Council) supports the State Government funding critical major infrastructure for current and future growth through developer contributions and welcomes efforts to improve the efficiency of the current contributions framework, through the proposed Housing and Productivity Contributions Plan (HPC).

The currently proposed use of the Greater Cities Commission (GCC) six (6) cities regions as the catchments that receives the majority of the funds collected is not supported. In fact, Council is opposed to funds being collected in the City of Ryde for any of the infrastructure provided for the six cities. The six cities model is adverse to the best outcomes for metropolitan Sydney as it supports the drainage of jobs and economic productivity that can be derived from other major strategic centres, such as Macquarie Park and the Meadowbank Education and Employment Precinct (MEEP), dispersed around the city. There is a community expectation that funds collected for local population growth is spent in a manner that has a clear local nexus to address infrastructure shortfalls in those areas. Council requests that consideration be given to the establishment of smaller regions to ensure funds are not siphoned out of local communities in need.

Further, given the importance for transparency with the allocation of funding collected under the HPC, the level of Ministerial discretion available requires careful consideration. It is recommended that funds should only be spent on major infrastructure projects in the precincts within in which the funds are being collected.

In particular, any Housing and Productivity Contributions collected from Macquarie Park should be reinvested in infrastructure projects identified by the state's adopted Macquarie Park Place Strategy (MPPS) and other clearly and transparently identified projects that will support the local growth from which funds are collected.

The MPPS recognises Macquarie Park as a critical hub for business, innovation research and education contributing to the economic growth of Sydney and NSW. The MPPS also provides a framework that will inform the planning of new connections and open spaces, as well as at least 20,000 new jobs and up to 7,650 homes in the investigation area. It is instructive to note that many more thousands of residents are anticipated to locate immediately adjacent to the investigation area, as there are currently over twenty State Significant Developments lodged for Macquarie Park, a majority of which contain a build-to-rent component. Whilst Council will continue to carry more than our fair share of new housing supply and residential growth, it is of the utmost importance that we protect and enhance our commercial core and innovation district and the jobs, investment and significant economic benefits and productivity this brings.

The MPPS assessment of infrastructure and services identified 182 infrastructure and service proposals, estimated to cost approximately \$6.5 billion over the first 15 years to 2036. This includes capital costs to enable a pipeline of future projects beyond 2036. We are now two (2) years into this period (i.e. 2021) and as of today not one piece of new infrastructure is proposed. Further to this, Schools Infrastructure is actually proposing to utilize the community's existing open space (Wilga Park) to be the school grounds for the proposed school grounds at the Ivanhoe Estate (Midtown) and Ambulance NSW recently approached City of Ryde to utilize our land in Macquarie Park for a new station.

When funds are collected through the HPC from Macquarie Park and other City of Ryde growth areas, they should be utilized for major infrastructure associated with supporting that growth, with the associated planning and development costs to enable major linear city-shaping and city servicing transport infrastructure up to and beyond 2036. This includes the future "missing link", St Marys to Tallawong mass transit metro link, that will connect Western Sydney Airport to Macquarie Park and the Sydney CBD. It will also include several strategic rapid bus corridors that will support the significant growth already underway in Macquarie Park, Melrose Park and Parramatta. It should also include significant new open space, not double counting parks such as Catherine Hamlin Park in Macquarie Park, that should have been delivered by now to service the nearly 11,800 residents and 50,000 workers there.

Based on the proposed new Gross Floor Area (GFA) for employment and proposed new dwellings for the investigation area of the MPPS and the proposed contribution rates for the HPC, there will be a significant shortfall of funds for Macquarie Park to meet the state infrastructure demands generated by the proposed growth in the precinct.

Given Macquarie Park's significant contribution to the State's GDP as one of its few established and successful innovation precincts, being Australia's original innovation district, a failure to invest in its ongoing growth would be hugely damaging to the State's economy and to the surrounding communities reliant upon the precinct to provide employment opportunities and services.

Without a framework for funding the growth envisaged by the MPPS, not to mention the areas omitted from the MPPS by Department of Planning & Environment (DPE), including the Ivanhoe Estate, BaptistCare, Meriton (Talavera Rd and Cottonwood Cres precincts) and Macquarie Centre developments, and the backlog of state infrastructure it is unclear how it can be progressed in a sustainable manner.

In addition, there are a range of State upgrades required to support growth in on other areas of the Ryde Local Government Area, including, but not limited to, widening of Victoria Road and the rail overpass at West Ryde to address pinch points and delivery of open space in the LGA. These needs arise from previous state rezonings and demand increases associated with state projects such as the MEEP, and the new schools to be delivered to support recent growth. State investment in the supporting infrastructure is essential for the success of these state projects to ensure they are not displacing existing residents' access to local amenities.

In summary, Council is concerned that:

- The Housing and Productivity Contribution will not be effective enough to raise appropriate funding for significant State Infrastructure Projects, especially within Macquarie Park
- As the Contribution will be a regional funding mechanism:
  - growth areas in each of the regions will be competing for funds;
  - significant short falls in critical state infrastructure are likely to result;
  - there is a high risk of reduction in living standards for communities where funds are siphoned out of the locality and expended elsewhere.
- Macquarie Park is at severe risk of decline and failure if the State Government cannot commit to the minimum funding required of \$6.5 billion for the essential infrastructure to support the growth proposed in the MPPS, as the Housing and Productivity Contribution will only raise a fraction of the funds required.
- Oversight mechanisms are required to ensure the state is allocating the funds in a manner consistent with the community expectation that there is a local nexus between the funds collected and the purpose for which they are used.

Thank you for the opportunity to make a submission and Council looks forward to continued collaboration with the new State Government on improvements to the State Contributions framework.

Yours sincerely

Wayne Rylands  
Chief Executive Officer