

Submission
No 72

INQUIRY INTO DEVELOPMENT OF THE TRANSPORT ORIENTED DEVELOPMENT PROGRAM

Organisation: Building Beautifully

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BUILDING BEAUTIFULLY

My name is Sharath Mahendran, and I am the creator of the YouTube channel Building Beautifully. I create videos that primarily focus upon the transport and planning needs of Sydney. My channel has achieved over 38,000 subscribers and 3.9 million cumulative views on YouTube. I have been featured multiple times in the media, most notably with a profile piece in the Sydney Morning Herald (04/08/2023) entitled “[Meet the 21-year-old YouTuber taking on Sydney’s bad planning](#)”.

Of particular relevance to this inquiry is that I have made several videos regarding the housing struggles of Sydney, pictured below.

"The Housing Struggle" Series
Building Beautifully
5 videos 23 views Last updated on 14 Mar 2024

In this series, I'll explore the factors that have gotten Sydney into one of the worst housing crises in the world. I'll look at urban sprawl, the lack of density around railway stations, and the decades of NIMBYism that has gotten us into this mess. I'll explore what we as a city must do now to ensure that future generations can afford live in this great city. Google "Sydney YIMBY" to find out more about the housing advocacy group that I am a founding member of.

- We went to a council meeting about blocking housing. It was...weird**
Building Beautifully • 14K views • 9 days ago
- Australians hate Apartments! But why?**
Building Beautifully • 82K views • 2 months ago
- We Need Housing Diversity! (ft. Sydney YIMBY)**
Building Beautifully • 23K views • 6 months ago
- Transit-Oriented Development in Sydney**
Building Beautifully • 33K views • 10 months ago
- Marsden Park: The Devil of Urban Sprawl**
Building Beautifully • 114K views • 1 year ago

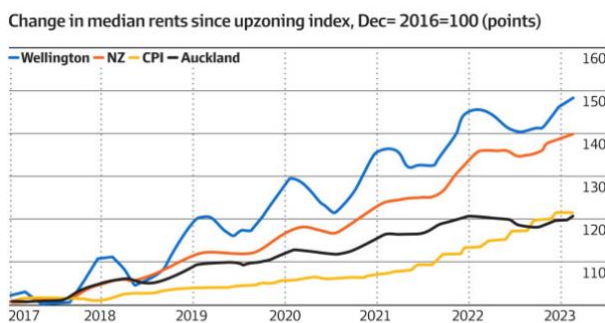
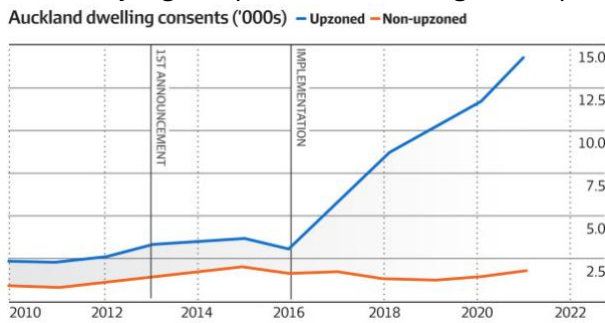
As a result, I have conducted hours of research into the housing needs of Sydney, and consequently based off this knowledge I would like to make a submission to this inquiry. First of all, I would like to voice my **strong and unwavering support for the TOD plan** put forward by the Chris Minns government. Sydney is in a housing crisis; that is abundantly clear. As a 22-year-old living in what has widely been considered the second most expensive city in the world, I genuinely worry that I will not be able to afford to live in Sydney as I get older and housing becomes more expensive.

Chris Minns' proposal to rezone land around 39 stations across Greater Sydney will allow for an estimated 185,800 additional dwellings over the next 15 years¹. I unequivocally believe that this will help to ease the housing crisis. I now refer this inquiry to evidence from the city of Auckland in New Zealand.

As background, in 2016 Auckland upzoned three-quarters of its land due to the amalgamation and creation of new zones²:

“The plan created three separate types of residential zoned space. The most intensive allowed for five- to seven-storey dwellings, designed for areas with good transport connections. The next most intensive zoning allowed for three-storey dwellings. The least intensive was for two storeys with greater site coverage than was previously possible, but this has since been superseded by new central government planning regulations.”

Consequently, a building boom followed in Auckland, as developers were no longer confined to restrictive zoning laws. Rents have increased by only 10 to 20 per cent in Auckland, compared with a very high 40 per cent in Wellington, as pictured in the below image:

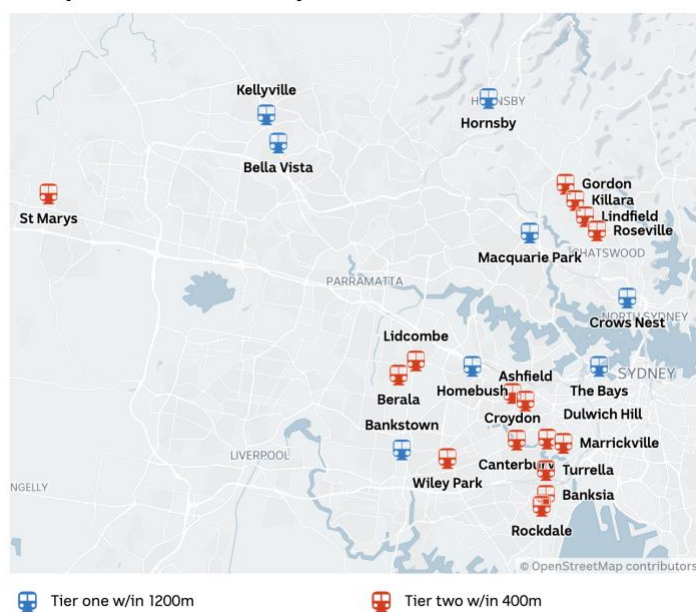


SOURCE: RYAN GREENAWAY-MCGREYVY, PETER C. B. PHILLIPS, ONE FINAL EFFORT

I see this as undeniable evidence that when a city chooses to build more housing, its citizens are rewarded with lower house prices and rents. It would be a stretch to suggest that the findings in Auckland were not caused by the zoning changes, with countless studies such as *Can Zoning Reform Reduce Housing Costs? Evidence from Rents in Auckland* (Ryan Greenaway-McGrevy)³ determining that the lower rise in rents is statistically significant. Naturally, many are sceptical of Chris Minns' plan, fearing that it will do nothing to resolve the housing crisis. However, Auckland demonstrates clearly that increasing supply decreases prices. This is, in fact, simple economics; when supply increases, demand decreases and hence prices decrease as well.

The stations that the Government have chosen are pictured below:⁴

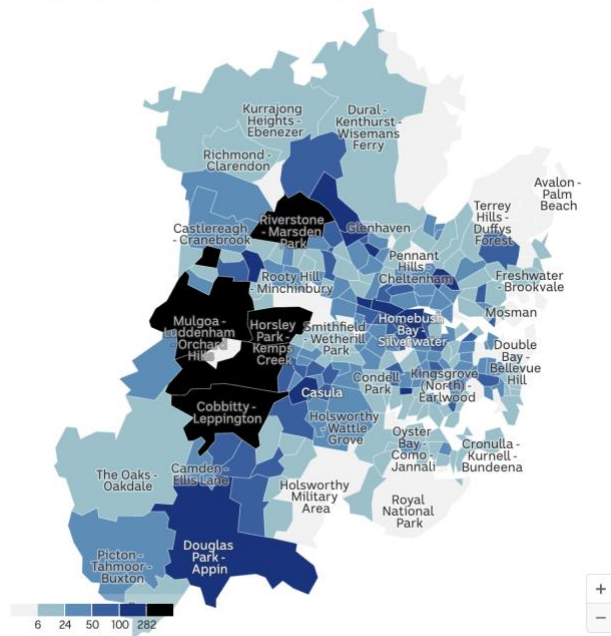
Transport Orientated Development zones



ABC News / Source: NSW government

Most of these stations lie east of Parramatta, in areas very well served by public transport, schools, hospitals and other amenities. Hence, I strongly support these choices. Currently, the burden of building more housing in Sydney is unfairly placed on Western Sydney. The below map, sourced from the ABC⁵ using data from the ABS and the NSW Department of Planning and the Environment, shows that most growth in Sydney is expected in suburbs in Sydney's far west by 2041.

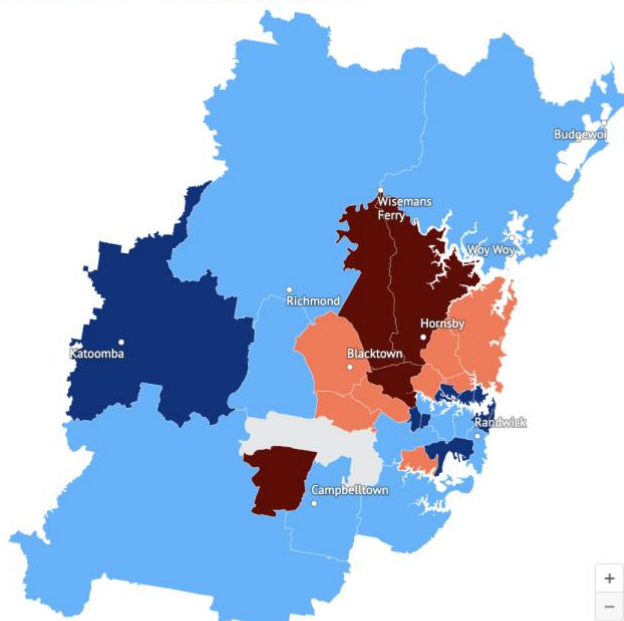
How Sydney's population will grow by 2041



These are suburbs that are very poorly serviced by public transport. They also have fewer hospitals and schools; the latter of which is depicted in the below image:

2023 Public school enrolment caps

Proportion of schools over cap by 100+ students
 ■ < 1% ■ 1%–10% ■ 10%–15% ■ 15%–30% ■ > 30%



Enrolment caps identify schools that can enrol out of area students. It is not a target or limit on students who can be enrolled in a school

Source: School Infrastructure NSW | Map data: ABS

As can be seen, LGAs such as The Hills, Blacktown and Fairfield all have many schools over their enrolment cap, while most of inner Sydney – that is, the areas chosen in the TOD program – have abundant schooling capacity⁸.

Furthermore, being further inland with far lower tree canopy than the eastern suburbs, Western Sydney is far hotter⁹.

Note that eastern Sydney is not expected to grow substantially over the next couple of decades, despite being home to a substantially better infrastructure. This is why I support Chris Minns' plans; it will help to rebalance the uneven divide between the east and the west, ensuring that housing gets built in places with high amenity.

Simple logic dictates that the suburb of Dulwich Hill – with a light rail and a metro station – has better infrastructure than the suburb of Marsden Park, which currently has no rail access. This is just one of many examples that I could reference.

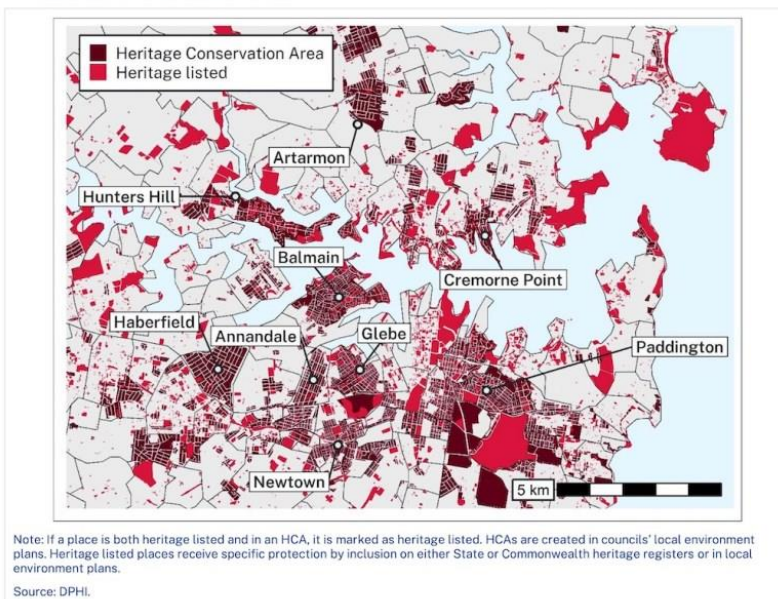
Some believe that the government chose its stations haphazardly and carelessly. However, I do not agree with this. Many residents deserve to live next to railway stations, especially younger renting residents who are less likely to be able to afford the high operating costs of a car and hence are more likely to use public transport. As a result, building new housing next to railway stations is crucial; this is where people want to live.

The only sense in which the stations that have been chosen poorly is in the sense that too many stations were *left out*. I not only believe that every station that has been chosen warrants rezoning, but that *every station* in Greater Sydney should be rezoned, bar the rare exception such as Vineyard which sits on a floodplain. There is simply no other economically viable way to bring prices down in Sydney.

Concerns about heritage are certainly valid. There is a substantial portion of Sydney covered by heritage zoning, as pictured below⁶:

Figure 17: Blanket historic zoning stops more people living in Sydney's most valued locations

Heritage-protected areas of inner Sydney, 2021

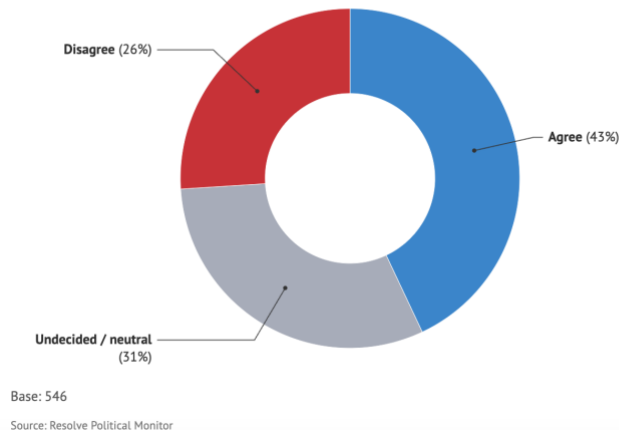


A significant portion of our inner city – arguably the most convenient and liveable areas in all of NSW – is locked up in heritage protection. While I do understand the need to preserve heritage, I believe that it would make more sense to preserve only a bare minimum of specific buildings, while allowing others to be more extensively modified. The best cities should be forever changing, moulding with the times, rather than remaining stagnant. I understand that these are very subjective views, however I believe that when it comes to a choice between preserving the past and allowing more people to have a roof over their heads, the obvious choice is the latter. Ideally, we must find a way to do both, but the latter *must always* be the priority.

I must point out to this inquiry that a majority of Sydneysiders are on board with Chris Minns' plan; 43% support it, 31% are undecided, and only 26% oppose it⁷.

Higher density housing

Q: Premier Chris Minns has recently committed to approving higher density housing in many areas to help increase housing supply and cost of housing. The State Government can overrule councils that fail to approve higher density. Do you agree or disagree with Chris Minns' approach on increasing housing, or not?



Sydneysiders clearly understand how beneficial Chris Minns' plan will be for Sydney. It is obvious that it will help to reduce prices, while allowing residents to live in amenable areas rather than out west in infrastructure deserts.

I understand the concern that councils are being overridden by the changes to planning in NSW as part of the TOD program. However, when councils are left to their own vices, it is quite common that they will not act to increase their density or populations. As an example, the Inner West is only expected to grow by 0.3% by 2041, far lower than an LGA such as Penrith, expected to grow by 1,13%, over three times higher than the Inner West¹⁰. Indeed, simply attending council meetings which I have done several times makes it clear that many councillors act in the interests of their existing community rather than their future community – I observed this at a Georges River council meeting regarding upzoning around Mortdale Station. The Minns' government has had to step in because councils are incentivised to maintain existing local votes and hence keep areas low-density, instead of trying to build good density and grow their populations. This needs to change, and Chris Minns seeks to do this.

I am concerned that a group of residents who already own detached homes in amenable areas across Sydney will attempt to stop Minns' plans dead in its tracks, due to a belief that there is a better way to resolve the crisis. However, evidence described in this submission suggests that there isn't.

Even if Chris Minns decided to shut down the private market and instead build 100% public housing, the east remains the best place to build it, and this public housing should go in the locations chosen, if not every station. Indeed I would absolutely support 100% public housing, although I doubt it would be economically possible.

All younger Australians want is to be able to afford to live in the neighbourhoods that they grew up in. We want to continue to live in amenable areas. However, I do understand that this TOD program does need to be implemented properly. Special care needs to be made to ensure that new developments have sufficient green space, schools, healthcare, and other basic infrastructure, as well as a high level of walkability and liveability. I believe that this is self-assured given the existing amenity of the areas chosen, however of course it is important to be certain.

As such, I make the following recommendations to this inquiry:

- 1. Strongly support the upcoming changes in the Transport Oriented Development Program**
- 2. Urge the Chris Minns government to consider upzoning land even further as follows:**

- a. **Upzone to R4 within 400 metres of every train, metro and light rail station on the Opal Network**
- b. **Upzone to R3 within 800 metres of every train, metro and light rail station on the Opal Network**
3. **Ensure that the TOD Program creates developments with a high degree of walkability, liveability, amenity and accessibility.**
4. **Investigate other ways that the Minns' government could resolve the housing crisis**

I do strongly urge this inquiry to investigate every possible avenue by which the Minns government could lower house prices in NSW.

I do believe that the TOD program should be strongly supported by this inquiry, as it is evident that it will be transformational for Sydney. I thank this inquiry for giving me the opportunity to table a submission. I hope to be able to speak to you in person at the hearing in a few months.

Sharath Mahendran
Building Beautifully Creator

Sources:

1. <https://www.planning.nsw.gov.au/policy-and-legislation/housing/transport-oriented-development-program>
2. <https://www.afr.com/policy/economy/how-auckland-took-on-the-nimbys-and-won-20230522-p5da9o>
3. <https://cdn.auckland.ac.nz/assets/business/about/our-research/research-institutes-and-centres/Economic-Policy-Centre--EPC--WP016%203.pdf>
4. <https://www.abc.net.au/news/2024-03-11/nsw-rezoning-housing-sydney-suburbs-communities-density-planning/103566510>
5. <https://www.abc.net.au/news/2022-02-10/population-growth-outstrips-infrastructure-in-outer-sydney/100816952>
6. <https://www.productivity.nsw.gov.au/sites/default/files/2024-02/What-we-gain-by-building-more-homes-in-the-right-places.pdf>
7. <https://www.smh.com.au/politics/nsw/majority-of-voters-back-minns-housing-density-push-20240305-p5f9yd.html>
8. <https://www.smh.com.au/national/nsw/sydney-s-most-overcrowded-schools-breaching-their-student-cap-20230511-p5d7mt.html>
9. <https://www.climatecouncil.org.au/urban-heat-island-effect-western-sydney/>
10. <https://www.planningportal.nsw.gov.au/populations>