

**Submission  
No 120**

## **INQUIRY INTO DEVELOPMENT OF THE TRANSPORT ORIENTED DEVELOPMENT PROGRAM**

**Name:** Ms Ursula Bonzol

**Date Received:** 28 March 2024

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Ms Sue Higginson MLC  
Chair  
Portfolio Committee No. 7 – Planning and Environment  
Development of the Transport Oriented Development

28<sup>th</sup> March 2024

Dear Ms Higginson

**Re: Parliamentary Inquiry into the development of the Transport Oriented Development Program**

Thank you for the opportunity to comment on the Transport Oriented Development Program (TOD).

Community consultation on this massively important planning reform has been denied to residents affected by the TOD Part 2 program. I find the logic of allowing one group affected by the TOD Program having the opportunity for consultation and funding and not another inexcusable. Especially as the Ku-ring-gai stations of Roseville, Lindfield, Killara and Gordon are all in one LGA, and have the same deemed dwelling increase equal to 3 of the TOD Part 1 stations.

As a resident of Lindfield I will be affected by this proposal. I do not support the TOD process for increased housing supply, but prefer that of the previous Greater Sydney Commission place-based and council implemented approach. Though Ku-ring-gai has increased its apartments and townhouses significantly over the past 15 years in line with Sydney's growth, this has been conducted with community consultation and an understanding of local character and local planning issues.

It is obvious that the TOD policy has not been driven by good planning principles and lacks merit. It will not deliver affordable homes, but further intensify competition for land and homes throughout Ku-ring-gai.

**I urge the NSW Government to withdraw the proposed TOD Program. Councils planning powers will be removed with the introduction of this SEPP. This means they will not have the capacity to masterplan their own unique areas or uphold established controls that underpin Environment Planning & Assessment Act.**

The elements of liveability, environment and infrastructure that are essential to a community have not been considered. There has been no local consideration of the impact of this 'one size fits all' policy. It will result in irreversible loss of Sydney heritage, tree canopy, biodiversity and without major investment in community facilities, schools, open spaces and traffic and transport management will result in a degradation of social amenity and community wellbeing.

'Density done well' means maintaining and enhancing local character, considering specific typography, environment, heritage, tree canopy, biodiversity, design features and improved community facilities. None of which is considered in this SEPP.

Please find my specific comments in the accompanying submission.

Yours Sincerely,

Ursula Bonzol  
Lindfield NSW

## ***Submission to the Inquiry into the development of the Transport Oriented Development (TOD) Program***

### **Executive Summary:**

The current housing crisis will not improve with the implementation of the proposed Transport Oriented Development Program (TOD) or the decimation of R2 zoning to allow for Low and Mid-rise dwellings.

Developer driven housing supply allowed under this undemocratic top-down planning policy will only drive-up prices and inevitably increase NSW's housing crisis. This policy is based on developer lobbying, with no factual evidence in the TOD documents or elsewhere to support the myth that developer funded housing supply will drive down prices for homes or rents.

In fact, the opposite is true and well documented as highlighted in Appendix A. Developer driven housing supply increases house prices and rents.

The proposed changes are entirely incompatible with the local environment and heritage controls and Ku-ring-gai Council's Local Strategic Planning Statement, which have been informed by robust strategic planning and community consultation.

The TOD documents state 'We need to work together to address the housing crisis.' However, NSW Planning have excluded communities and allowed only minimum time for response from councils, while finding time to have at least 17 documented meetings with the developers and the construction industry in the preparation of this program.

The TOD program is littered with threats to councils and communities, including developer-preferential 'non refusal' standards and disingenuous 'merit assessment' statements. An intentionally short response time for implementation of the TOD program as of April 2024 comes with a completely unrealistic comment that this reform will apply until councils can prepare and deliver a comparable 'new strategic vision and rezoning for these areas.' This would take a minimum of 12 months for any council to deliver with the appropriate assessments and consultation required

Importantly, for Council to undertake any proper master planning process for these precincts, any estimates made of net dwelling yields for each of the TOD areas in Ku-ring-gai and the assumptions around take-up rates for residential apartments and shop top housing need to be released.

Please find below my comments on several of the **Terms of Reference items** stated in the Inquiry documents.

- a) **The analysis, identification or selection undertaken by the Government, the Premier's Department, The Cabinet Office or the Department of Planning, Housing and Infrastructure (Department) into the 31 Transport Oriented Development Program precincts where the Transport Oriented Development Program State Environmental Planning Policy (SEPP) applies.**
  - Following is a link to the Documents received following a Legislative Council request to provide relevant paperwork associated with the TOD SEPP planning.

[Return to order - Transport Oriented Development Program - Documents received on Wednesday 28 February 2024 from the Acting Secretary of The Cabinet Office, together with an indexed list of documents \(nsw.gov.au\)](#)

It is clear there exists limited documentation prior to November 2023 regarding the proposed TOD SEPP. This demonstrates that a thorough assessment of any potential dwelling numbers or that an impact analysis and infrastructure requirement assessment were not considered.

It supports the view that the TOD program is a rushed process based on a 'thought bubble' to address the 'Housing Accord' initiative. This is also supported by the fact that the TOD SEPP Part 2 planning document is only a scant four pages long.

The TOD SEPP document states "The department undertook analysis of 305 Sydney Train, Sydney Metro, and Intercity stations within the Six Cities Region to identify locations that have enabling infrastructure capacity close to a transport station to support additional housing growth. This was informed by an evidence-based approach that used planning, infrastructure, and spatial data, along with expert advice and feasibility analysis."

***Q. Where is this information? I contest that this analysis was only conducted in a cursory manner and not the in-depth independent assessments warranted by such a massive rezoning proposal.***

- There are 18 proposed TODs in Greater Sydney. Of them 4, or 22% are clustered in one LGA, being Ku-ring-gai. This is 4 consecutive TODs in less than a 5 km strip, with three stations bounded on one side by the Pacific Highway. This is not only an inequitable or rational allocation of the TOD, but clearly has not taken into account the existing development increases around these stations over the past decade, coupled with a 100 year old sewerage and drainage system that is already exhibiting overuse issues with an increasing number of breaches.
- Ku-ring-gai is being targeted with the highest intensive densification of all TOD target areas. There is no justification for this number of proposed dwellings in a concentrated area already struggling under high population increases of recent years. The additional projected dwellings of 17,800 over 15 years equate to more than 3 TOD Part 1 sites, all within close proximity of one another. However, there is no funding available to support the infrastructure requirements for these TOD Part 2 sites or planning to determine the best manner in which to protect the environment and character of the area.

**c) The development of the Transport Oriented Development Program policy approach by the Government**

One of the core issues not addressed in the Terms of Reference is the Housing Accord's key goal of delivering affordable housing and reduced rents and how the TOD SEPP will achieve these objectives. This Housing Accord is cited as one of the instigating factors of this SEPP.

There are no documents in the TOD information to support any improvement in affordability. The proposed 15 per cent affordable housing Part 1 TOD areas and minimum 2 per cent affordable housing contribution in Part 2 TOD areas will not generate a significant improvement in housing affordability and rent reduction. The only meaningful policy is to return to public housing construction with an increased proportion to the 7% of all dwellings from 30 years ago, rather than the current paltry 1%.

Local government's planning powers will be removed with the introduction of the TOD Part 2 SEPP. This means they will not have the capacity to masterplan their own unique areas or uphold established controls that underpin Environment Planning and Assessment (EP&A) Act.

## **SEPP's Lack of compliance regarding various NSW Planning Acts**

The TOD Program has been developed as a top-down approach with purely additional housing provided by developers as its objective. By doing so, it is in contravention of a number of state Acts and objectives while attempting to override concerns and proper planning from the community and councils.

The proposed enormity of the changes and the lack of detail do not meet the mandatory requirements of the EP&A Act:

- Encouraging effective and meaningful opportunities for community participation.
- Does not support the development of a local strategic plan to determine the best land use in the local area, preserving the special character and values of the area and how it will be managed into the future.
- The EP&A Act recognises the critical role of councils in strategic planning for their local area.
- The information needs to include estimated target dwelling numbers to allow Council to determine the best planned land use considering the specific issues related to the topography, environment, heritage and biodiversity of Ku-ring-gai.
- Division 3.3 of the EP&A Act sets out the legislative framework for strategic planning in NSW. This framework provides a clear progression from the regional level to planning and delivery at the local level.
- The EP&A Act requires District Plans to include housing targets for the number of net additional dwellings required for each local government area in the district for the next 5, 10 and 20 years in order to determine the development of Local Strategic Planning Statements and local planning responses for the provision of the required housing numbers. No such numbers have been provided.
- The TOD proposal is inconsistent with the principles of Ecologically Sustainable Development, which are stated objectives under the EP&A Act 1.3(b) and 1.3(e)

With the lack of analysis across the TOD locations, the SEPP will be in contravention of other state Acts.

- **The Biodiversity Conservation Act 2016**, which has an objective to conserve biodiversity at local and regional levels, including maintaining biodiversity and quality of ecosystems. Ku-ring-gai is an area rich in biodiversity, with unique pockets of flora and fauna. It is essential these are preserved.
- **NSW Heritage Act 1977** and its objectives of identification, conservation and protection of the State's Heritage is being totally ignored
- **Water Management Act 2000** requires that the principles of ecologically sustainable development are at the forefront of any planning. With the aim to protect, enhance and restore water sources and their ecosystems and water quality. No assessment has been made for the ability of Ku-ring-gai's water, sewage and drainage system to cope with the proposed massive increase in dwellings.
- **Local Government Act 1993** emphasises that councils are expected to work co-operatively and collaboratively with the State Government to achieve good community outcomes. An approach with a heavily restrictive time frame to respond, much less to undertake required analysis and consult with communities, does not meet this objective.

### **d) Consultations undertaken with councils, joint regional organisations and communities during the preparation of the Transport Oriented Development Program State Environmental Planning Policy**

The release of the TOD SEPP just before Christmas with submissions from councils in the first weeks of February exhibited the tone of the department's approach, where essentially

consultation with councils was unwelcome and superfluous. Many councils, such as Ku-ring-gai, hurriedly reviewed the impacts of this proposal which will have a highly destructive effect on the areas surrounding the four stations, Roseville, Lindfield, Killara and Gordon.

It is completely unacceptable that the Government has not requested nor considered any submissions from the public who are most impacted by the proposed changes. This is a legal requirement under the Environmental Planning and Assessment Act.

It is unacceptable that the TOD program is to proceed from 1 April 2024 with no public submissions particularly from residents directly affected. It is disturbing that the Minister for Planning, Mr Scully did not consider it necessary to publicise an explanation of intended effect, target dwelling numbers or a more detailed analysis of the proposed SEPP.

***Q. Why haven't normal processes been adhered to, such as consultation with ALL stakeholders? There is not spare capacity in the construction industry to support this rush of new dwellings and impose these massive planning changes.***

***Q. Why hasn't NSW planning issued any dwelling targets for each of these TOD stations? What would have been delivered by councils around stations and in the council areas over the next few years under existing zoning rules? How does this compare to what is now proposed? Is there any real gain from the TOD reforms?***

***Q. Why are councils plans overridden when they have already agreed to higher dwelling targets under the previous Greater Sydney Commission program? NSW Planning promised councils that they would supply new dwelling targets to allow councils to prepare a Strategic Planning approach for their delivery. However these dwelling numbers never eventuated and this draconian TOD program was presented in its place.***

***Q. Will the submissions received by NSW Planning regarding the TOD program, and any consideration, be made public before its implementation?***

Essentially, fundamental pieces of the jigsaw are absent with councils being denied access to any of the analysis or reasoning that led to the identification of these areas and the associated impact assessment, if, indeed, any fine-grain impact analysis has been done.

**e) Ongoing opportunities for review and input by councils, joint regional organisations and communities.**

There is no mechanism for ongoing reviews with councils as to their ability to implement this SEPP, everything is basically handed to the developers to select and build as they prefer. The inclusion of non-refusal conditions being imposed on councils where council considers that a development will not be in the best interests of the community, environment, traffic, heritage and resident amenity minimises the ability of any ongoing input by councils.

Communities were not considered in the initial establishment of this policy and likewise will most likely not be included in any review of the TOD plans.

**h) Release of information prior to the official publication of the Transport Oriented Development Program policy**

The TOD program was released just prior to Christmas when most residents were on their summer holidays.

It is appalling that developers knew about the information prior to the community. As such many living near the TOD targeted railway stations have been inundated with letters and calls by developers and real estate agents pressuring them to sell their properties. These

marketing overtures are intended to deliver 'luxury housing', with no context of affordable homes.

**i) Heritage concerns with the Transport Oriented Development Program**

The removal of protections for Heritage Conservation Areas and Heritage Areas will wipe out large sections of Sydney's early settlement history. This will ensure irreplaceable loss to our cultural heritage.

The TOD proposal in Ku-ring-gai will directly impact 530 heritage listed properties, with 40% of heritage land classified as a Heritage Conservation area or heritage item within 400 metres of a train station. For Killara station, 83% of the affected land is heritage listed. More than 2,000 listed properties are impacted by the parallel proposal within 800 metres of these four stations.

The heritage impact of the proposed density is heightened in Ku-ring-gai because of its distinct local history and heritage, where Ku-ring-gai's listed buildings are concentrated in the immediate vicinity of the train line. The majority of Ku-ring-gai's exceptional Heritage is within 800 metres of these train stations and will be decimated if this proposal is implemented.

The proposal has a disproportionate impact on Ku-ring-gai's heritage by placing the highest density on land containing the largest concentration of significant historic development in the area. The proposed SEPP will irreversibly degrade the heritage significance of the area especially due to the proposed removal of council's capacity to refuse detracting development under the non-refusal conditions.

Lacking any requirements to retain heritage significance, fabric or setting, the proposed increased density will instead incentivise partial or complete demolition of heritage buildings, over-scaled infill development and loss of garden settings.

**j) Enabling infrastructure capacity for every station selected or considered as part of the Transport Oriented Development Program.**

There has been no discussion or recommendations for additional expenditure on infrastructure required to support this massive increase in population within the Ku-ring-gai council area. There have been no assessments presented to council or in public documents as to what will be required to maintain adequate infrastructure and amenity for residents, both existing and new.

The four stations in Ku-ring-gai are supposed to deliver approximately 17,800 dwellings over 15 years, up to a 100% population increase even before one includes the impact of rezoning R2 and R3 for low to mid rise dwellings. This is more than 3 times the target dwellings for each of the master planned and funded TOD Part 1 sites.

With such an increased population there will need to be funding for community services such as libraries, medical services, schools and community facilities. It is estimated that 5-6 new schools will be required to handle each of the additional primary and secondary school students. The issue is where will these schools and amenities be located when potential existing sites are held by developers.

Ku-ring-gai Council's Community Facilities Strategy 2018 has highlighted an undersupply of libraries and community facilities which will be exacerbated by such a significant population increase.

Currently Sportsgrounds and Open Spaces do not meet NSW per capita standards. Land will need to be purchased for these and located near areas of higher density, such as close to the TOD locations, where land values will be at a premium. Already we have seen an increase in property and land values based on the publication of this SEPP.

Ku-ring-gai is already grappling with an overloaded and ageing water and sewage system, with the system already experiencing frequent overflows. This will need to be assessed and updated to handle any substantive doubling of the population as forecast.

The 4 Ku-ring-gai areas identified all have stormwater capacity limitations that cannot be addressed through the application of on-site detention measures alone. The ridge top development nature of the areas targeted means that the runoff will also impact downstream environments, particularly the waterways within the surrounding National Parks.

A full assessment of transport, parking and congestion implications will be required. It is obvious the impact of such a population increase will be massive and as such need to be factored into the initial planning. With the Pacific Highway bordering 3 out of 4 of the TOD stations, this will cause severe increased congestion in terms of increased traffic at major crossing points and around stations. This will undoubtedly require a slowing of traffic along the Pacific Highway through Ku-ring-gai.

Parking is already at a premium in these centres and this will only increase. A full assessment and adequate car parking within any development will need to be included. By virtue of being close to a train station does not absolve the requirement for adequate car parking per dwelling within a development. These stations already service a high commuter population along its suburban streets and with the Low and Mid-Rise Housing policy this will only increase. More commuter parking stations will be required.

The traffic generated from the SEPPs will result in gridlock, especially around Gordon, Lindfield, Killara and Roseville railway stations and town centres due to limited railway crossings and existing traffic choke points. Ambulances and other emergency services will be affected. Already at peak times, these crossing points lead to long wait times on either side of the Pacific Highway.

None of the above required infrastructure areas have been raised in the TOD documents or funding or time allowed for their assessment within the SEPP proposal.

**k) Impact on localised environment and amenity values caused by the Transport Oriented Development Program**

The objective of NSW Planning is to not just manage housing supply but also to build better and liveable cities.

The TOD SEPP will have a disastrous impact on Ku-ring-gai's environment and the amenity of its residents, both current and new. Not only will residents experience increased traffic, and congestion, loss of heritage, increased overshadowing, lack of open spaces, overcrowded schools, lack of amenities and increased resident stress but also environment degradation due to increased urban heat island impact.

The natural environment and its existing tree canopy will be decimated based on the overuse of sites with reduced setbacks on all sides, and an increased proportion of existing Lots covered by buildings and hard surfaces. This is a critical factor in the layout and design of our heritage areas, and supports the current planning recommendations for adaptation in the face of climate change.



It is estimated that up to 32,000 trees are at risk should the proposed planning policies be adopted. This would in turn devastate the ecosystems and fauna that utilise these trees for their survival.

Reducing the tree canopy and the setbacks which allow for deep soil planting, and side setbacks for air flow will have a deleterious result on the liveability and character of the area. Increasing hard surfaces will add to urban heat and add to stormwater damage and flooding which are already existing issues in Ku-ring-gai.

The TOD SEPP will require massive vegetation clearing, with consequential biodiversity loss, habitat fragmentation, encouraging weed infestation and proliferation of invasive species.

Before the March 2023 NSW election, Ms Penny Sharpe MLC claimed that Labor's priorities would be to "develop options to recognise and protect significant trees and urban bushland and wildlife corridors as part of the recognition of national heritage". Yet the SEPP controls abandon the protection of Ku-ring-gai's significant trees, urban bushland, wildlife corridors and outstanding biodiversity.

**l) Existing or potential measures and programs analysed, considered or implemented by all NSW Government agencies to support additional housing density, including the housing series reports published by the NSW Productivity Commissioner**

NSW Planning had promised to set target dwelling numbers for councils to work towards. This has not occurred. The existing process of developing a strategic plan and attendant assessments of the infrastructure required to mitigate higher density issues as per the EP&A Act has not occurred.

Importantly, NSW Planning has not shown how the TOD or the Low and Mid-Rise Housing plans will address the core objective of increased affordable housing, both for purchase and rent. Leaving the management of this key Housing Policy in the hands of profit driven developers will result in higher prices not less. It continues to be shown that increased density does not deliver lower housing prices. If the market for homes falls, the developers tend to withhold properties until values increase so as to meet their profit targets. The TOD SEPP fails as a policy to improve liveability and housing stress. See Appendix A.

The Productivity Commission has estimated that a 1% increase in overall housing supply could reduce rents by up to 2.5%. However, this simplistic assertion is not based on any evidence of this having been achieved within an Australian context. It is an implausible scenario as the development industry has clearly stated that it withholds available property or delays construction until prices are rising. The extensive 'land banking' by developers in NSW, and Victoria, is more the reason for reduced building activity while costs of construction remain an issue, not that of the existing council-based approvals process.

**o) The Impacts of the proposed Diverse and Well-Located Homes process and program**

Introducing these two planning policies concurrently has massive consequences for planning within Sydney in terms of added complexity and conflicting planning controls. The overlapping approach of multiple planning 'reform' announcements risks adding to an already complex planning system. In combination, the concurrent changes proposed in the TOD Program and EIE, along with affordable housing bonus provisions already in place and complying development provisions in the Low-Rise Housing Diversity Code - each with differing definitions, controls and application - are confusing for planning professionals and development proponents, let alone for landowners and the general public.

This added complexity with minimal information in how these policies will be applied across a diverse city such as Sydney will inherently cause confusion and unintended consequences, which will result in negative outcomes for communities.

Ku-ring-gai's Tree Canopy will be significantly denuded by both proposals. The proposed planning control reduces deep soil planting requirements meaning that tree targets will be reduced from 50% to 7% of site area for Low and Mid-Rise Housing SEPP. This will make it impossible for NSW to meet its tree canopy targets

The proposed zoning changes will lead to the extinction of fauna and plant species. The NSW Government's TOD and Low and Mid-Rise Housing SEPPs will lead to irreversible biodiversity extinction not just in Ku-ring-gai, but across the entire Greater Sydney & Regions

q) **The adequacy of measures to deter and punish the misuse of confidential market sensitive government information and the future processes that should be put in place.**

The TOD program presents high levels of risk and corruption. Effectively the NSW Government is handing planning controls over to developers. Homeowners, living 400-800 metres from Roseville, Lindfield, Killara and Gordon Railway Stations have been inundated with developer letters seeking that they sell their properties and make a 'windfall'.

This occurred even before the introduction of the SEPP. Already there has been inadequate measures to deter and punish the misuse of confidential market sensitive government information. This SEPP and the EIE together offer an enormous potential for corruption and money laundering, both by local and international players. Minimising oversight, evaluation and assessment by local bodies, such as councils will undoubtedly cause increased malfeasance, with the inevitable detriment to the community.

**Recommendations:**

- The TOD SEPP Housing proposal, should be immediately withdrawn. This policy and the Low and Mid-Rise Housing policy will do irreversible damage to liveability, heritage, biodiversity, tree canopy, environment and communities. And it will not reduce prices and rents because developers will build and release in such a manner as to ensure prices stay high.
- Planning policy must return to a collaborative approach with councils and communities as per NSW Planning's own website. In which it outlines collaboration with Councils and communities and the preparation of Local Housing Strategies to support delivery of new homes in the right locations. The strategies use a place-based planning approach to help provide great places to live.  
<https://www.planning.nsw.gov.au/plans-for-your-area/local-housing-strategies>
- NSW Planning to commence immediate and substantial investment in public housing and return to the 1990 percentage of total dwellings being for public housing in the order of 7%. In 2023 this was a paltry 1% of total dwellings constructed, resulting in a fall in public and community housing dwellings in NSW from 151,004 to 149,678 while population and rental stress continues to rise rapidly.
- NSW Planning should immediately work with councils to agree dwelling targets for the next 5, 10 and 15 years including targets for affordable housing in perpetuity. The changes to R2 and R3 zones are inconsistent with the principles of the Environment Planning and Assessment Act 1979 (EP&A Act) and should be abolished.

- Under a re-establishment of consultation with councils and community engagement as to a local strategic plan, the non-refusal standards stated in these proposed policies will only contribute to corruption and developer pressure on residents and should be removed.
- A 'one size fits all' approach, attempting to set a uniform approach across the Six Cities lacks credibility. There is no recognition of local character, how places developed over time and areas to be preserved and enhanced. It undermines orderly planning principles developed over decades, and ignores the importance of strategic planning for local areas. As stated on the NSW Planning website. **"The local strategic planning statements shape how the development controls in the local environmental plan (LEP) evolve over time to meet the community's needs. The LEP is the main tool to deliver the council and community's plan."** This is what needs to be the approach taken by NSW Planning!
- The proposed changes are entirely incompatible with the local environmental and heritage controls and Ku-ring-gai Council Local Strategic Planning Statement, which have been informed by robust strategic planning and community consultation.

## Conclusion

The proposed TOD Part 2 and the proposed Low and Mid-rise dwellings for R2 and R3 should be immediately withdrawn. It is obvious that the policy has not been driven by good planning principles and lacks merit. It will not deliver affordable homes, but further intensify competition for land and homes throughout Ku-ring-gai. It has already set the scene for both political and developer corruption, and will undoubtedly deliver immense profits to developers at the expense of residents' amenity.

The elements of liveability, environment and infrastructure that are essential to a community have not been considered, as shown above. There has been no local consideration of the impact of this 'one size fits all' policy. It will result in irreversible loss of Sydney heritage, tree canopy, biodiversity and without major investment in community facilities, schools, open spaces and traffic and transport management will result in a degradation of social amenity and community wellbeing.

Local government's planning powers will be removed with the introduction of this SEPP. This means they will not have the capacity to masterplan their own unique areas or uphold established controls that underpin the EPA&A Act. A return to the Greater Sydney Commission model of planning is strongly recommended. 'Density done well' means maintaining and enhancing local character, considering specific typography, environment, heritage, tree canopy, biodiversity, design features and improved community facilities. None of which is considered in this SEPP.

## Appendix A

### Developer driven housing policy raises prices and rents.

The proposed Transport Oriented Development Program (TOD) does not even purport to be in anyone's interest other than Developers. All the documents focus on one aspect...housing supply. It intimates this will improve affordability, but little evidence is available in any of the DPHI documents that support that outcome.

In fact, providing a free rein to developers supports only an increase in housing prices, which then drives higher rents. <https://www.sydney.edu.au/henry-halloran-trust/news-and-media/latest-news/2015/09/09/2015-annual-lecture.html> **Professor Lawrence Murphy** clearly highlights that private market housing supply does not reduce house prices, but the opposite. Housing prices increase overall as developers and investors compete for more land. Professor Murphy states, *"When house prices are going up, it is a signal to develop, with an expectation of future increases. No developer will build when the expectation is that house prices are going down...A market solution leads to market pricing...not affordable housing."*

*"The raison d'être of a developer is – believe it or not – not to produce community benefit. It's first and foremost to deliver profit for the investors in that enterprise. It's not our job to deliver benefits for the community."*

**Tom Forrest, CEO, Urban Taskforce**

As property economist **Dr Cameron Murray** also explains, it suits property developers to claim that planning constraints and red tape cause housing shortages but they typically hold years' worth of approved subdivisions and slow down their development whenever prices falter, to keep the market tight and hot. <https://www.fresheconomicthinking.com/p/property-cartel-goes-mainstream>

**Greens MP Sue Higginson, spokesperson for planning** 9<sup>th</sup> February 2024

*"The Government has been grappling with measures to streamline planning with a top down approach, appeasing developer pressure, playing divisive Nimby Yimby politics and further undermining the critical protections in the system. The system has consultation and environmental assessment as key protections and these must be strengthened, not weakened. ... The Planning Minister must reach out and do what he should have started on day 1. Consult with the Parliament, consult with councils and communities, and consult with independent experts outside of the developer lobby."*

No industry lobbies for deregulation if it genuinely believes stronger competition and lower prices would be the result. The developer lobby is no different.

*"Even under gentle questioning from pro-developer Liberal MP Jason Falinski at a 2022 inquiry, the country's biggest developers admitted that housing prices wouldn't fall if state and local governments rezoned more land to allow for greater supply. The best they could spin was that prices would rise more slowly." *The Great Housing Hijack: The hoaxes and myths keeping prices high for renters and buyers in Australia.* **Dr Cameron K Murray.***

The Housing Crisis we now face is a result of allowing the Developer Lobby to run our Housing Policy. This started back in early 2000, and has been supported by successive NSW governments, both Labor and Liberal, allowing rezoning that allowed properties to be sold and developed for high-priced luxury units. Concurrently, over these 30+ years, building dwellings for Public Housing has reduced from 7% to less than 1% of new dwellings, over a period of greatest population growth. Astoundingly NSW in recent years has been selling off its public

housing stock making the situation even worse. Last financial year NSW public housing, including community housing, went backwards.

**There is not a housing supply crisis, but a crisis of affordability.** A five minute exercise to review available places for rent or buy across Sydney highlights the range of available properties. As of 14<sup>th</sup> February, there are 705 properties to buy and 389 to rent in Gordon and its surrounding suburbs. Extrapolate that across Sydney, and at any given time there would be over 200,000 available dwellings. Already heavily skewed to Apartments! But most at inflated prices due to NSW Planning policies in tandem with the Federal Government preferential tax concessions.

Building social housing and taking say 20,000 dwellings out of the private rental market each year, will reduce rent competition which will drive rents down, and hence reduce housing price growth as investor returns will not be able to justify higher prices.

Affordable housing assists this equation only to the extent it is in perpetuity. However, the proposed generous bonus' for increased heights for affordable housing will work against any reduction in rents and should not be allowed.

The TOD will only exacerbate this dilemma by removing more modestly priced accommodation in favour of apartments. **The application of the TOD and the Low and Mid-Rise housing in R2 zones is just kicking the issue of affordability down the road for more decades to come.**

By allowing dual occupancies housing throughout R2 zones and low-rise housing in R2 and R3 zones within 800 metres of transport hubs and town centres will simply increase competition for houses. This will drive prices up further as not only new home buyers and investors will be competing for properties, but now also developers. **This will further increase house and land prices across Sydney.**

In Ku-ring-gai thousands of letters of offer have been distributed to households by developers, some so new they are yet to have a website. They will probably never build, just on-sell when big profits can be made.