

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

**Organisation:** Strathfield Council

**Date Received:** 28 March 2024

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Ms Sue Higginson MLC, Chair  
Portfolio Committee No.7 – Planning and Environment  
New South Wales Legislative Council  
Parliament of NSW  
6 Macquarie Street SYDNEY NSW 2000

Dear Madam Chair

**Strathfield Council Technical Submission to the NSW Legislative Council Inquiry into the development of the Transport Oriented Development Program (December 2023)**

Strathfield Council appreciates the opportunity to provide comments to the NSW Legislative Council on the proposed Transport Oriented Development Program as it pertains to the Homebush Transit Oriented Development (TOD) Accelerated Precinct and greater Strathfield Local Government Area. Strathfield Council is a contributing member of the Homebush TOD program working group and, as an organisation, is committed to the realisation of a Masterplan which will inform changes to planning controls in the Homebush area and contribute significantly to the delivery of housing within the Strathfield LGA. Please note this is a staff submission and has not been endorsed by Council resolution due to conflicts of interests amongst Councillors not allowing a quorum to be formed for voting on the matter.

Strathfield Council remains committed to the delivery of new, as well as diverse housing supply in a considered and sustainable way. This includes the logical and sequenced release of urban growth areas to both manage housing delivery but also allow Council to plan for and fund new infrastructure delivery. By focusing on targeted areas, such as Homebush, a clear delivery and implementation plan can be prepared and funded. Without well considered planning and design matched with an infrastructure delivery program the release of a new housing area or growth area limits the capacity of any Council, and particularly smaller Councils to sustainably plan for and fund the infrastructure requirements of that growth.

It is also acknowledged that there is presently a housing crisis. However, the response to this crisis needs to be considered and multifaceted. At the moment, the focus is on the NSW planning system, however, there remain many other factors which contribute to rising house prices and restriction of housing supply. Some of these factors include:

- International movement of private capital to 'safe' assets in countries with stable government, such as Australia

- Impacts upon supply chain and construction work force and subsequent impacts upon cost of construction.
- General developer behaviour which seeks to minimise cost and maximise return on investment.
- Current rising interest rates and other tax incentives (such as negative gearing) which have impacts on housing prices.
- Access to capital both for the funding of new development and borrowing for home purchase.
- Slow growth of wages and general increase in the cost of living
- Emergence of short-term holiday platforms which have moved properties out of the long-term rental markets.

These points are not raised to abrogate responsibility, but to highlight that Councils, such as Strathfield are willing to play their part but cannot achieve the objectives of the National Housing Accord in isolation.

### **Commitment to supporting the delivery of Housing Diversity and Supply**

At the Council Ordinary meeting (27 February 2024) Strathfield Council resolved to acknowledge the inclusion of Homebush as an Accelerated Precinct within the Transit Oriented Development (TOD) Program and continue to actively participate in the program. This resolution included Council's commitment to the Strathfield community to provide further information regarding the Homebush TOD Masterplan process and project in accordance with Strathfield's Probity and Governance Plan and Community Engagement Strategy.

It must also be highlighted that Strathfield Council has put forward an ambitious platform for delivery within the Homebush precinct. This includes the achievement of multi layered economic, social, and environmental outcomes. Whilst Council is optimistic that the Department of Planning, Housing and Industry (DPHI) can deliver the Masterplan within the timeframes prescribed by the Minister for Planning, we restate that our key objectives for the Homebush TOD Master Plan are:

- Achievement of high quality urban design, place making and design excellence
- Creation of new public and open spaces and the enhancement of existing green spaces
- Robust Transport solutions
- Support for positive economic, social and environmental outcomes across the Homebush precinct.
- Delivery of affordable housing and infrastructure contributions

Additionally, Council is in the later stages of developing a Medium Density Housing Strategy (MDHS), which will respond to the issue of housing supply and delivery of low and mid-rise housing across the Strathfield LGA. Community consultation for the MDHS concluded on 8 March 2024 and the draft MDHS is expected to be reported to the April Council meeting with public exhibition in May 2024.

This work parallels the policy put forward under the Low-Mid Rise Housing EIE and TOD SEPP. It is another example of the positive work that this, and other, Councils are undertaking to meet their

commitment to maintaining positive housing supply. We say that Councils should be left to complete this work as it provides well considered, evidence-based solutions to the release of new housing opportunities within existing suburbs, close to centres and public transport.

Strathfield Council has also provided a draft submission to the Department Planning, Housing and Industry (the Department) on the proposed housing reforms as contained within the *Explanation of Intended Effect (EIE): Changes to create low and mid-rise housing* (December 2023). The draft submission provides a summary of issues identified within the EIE by Council and can be read as an attachment to this submission (see APPENDIX A).

The key issues that associated with the TOD Program are:

### **Out of sequence with the delivery of promised regional planning.**

Although Council is encouraged by the NSW Governments steps to progress strategic planning for well-located precincts such as Homebush, insufficient information has been provided to determine the scope and scale of the TOD program and accompanying State Environmental Planning Policy (SEPP). The TOD Program is out of sequence given the Six Cities Plan is still under development with DPHI and specific housing targets for Councils, including Strathfield are unclear. It is therefore difficult to have oversight of how any Council is performing in relation to their housing targets and whether any additional planning policy review is needed.

The NSW State Government has promised the development and delivery of the Six Cities Region Plan by the end of 2024. The purpose of the Region Plan and City Plans is to ensure that housing supply is delivered in priority areas that are well supported by appropriate infrastructure. A critical element of the upcoming 2024 Region Plan is the greater emphasis on infrastructure delivery and social and environmental infrastructure with a focus on the creation of well-designed places that provide local access to infrastructure, enhanced cultural amenity, essential services, childcare, improved walking and bike riding facilities, waterways, and quality open space. It is unclear how the NSW Government will effectively meet the infrastructure needs and capacity concerns for local centres and neighbourhoods in absence of a Region Plan.

This includes specific housing targets for each of the priority areas identified within the TOD program and low and mid-rise housing reforms.

### **Inconsistency between the TOD program and Low and Mid-Rise Housing reforms**

The TOD Program is proposed to work in tandem with the proposed planning reforms contained within the Low and Mid-rise housing EIE, whereby the reforms under the TOD program will prevail over the less permissive EIE controls where those areas overlap. A comparative summary of the proposed planning controls is provided below:

TOD Program Reforms	EIE Mid-Rise Reforms	Comment
<p><b>Part 1:</b> Rezoning of land within 1,200 metres of eight (8) rail and metro stations including Homebush Station</p> <ul style="list-style-type: none"> <li>A new State Significant Development (SSD) assessment pathway will be triggered for developments with a Capital Investment Value (CIV) threshold of \$60 million until November 2027. Development under \$60m will be assessed by Council.</li> <li>DA approvals will be time-limited to two (2) years to support construction to occur more quickly.</li> <li>90 day commitment to SSD application processing times.</li> <li><b><u>Affordable housing in perpetuity: up to 15%</u></b></li> </ul>	<p><b>Changes to permissibility within Station and Town Centre Precincts</b> which are:</p> <ul style="list-style-type: none"> <li>800m walking distance of heavy rail, Metro, or light rail; or</li> <li>800m walking distance of land zoned E2 Commercial Centre; or</li> <li>800m walking distance of land zoned E1 Local Centre or MU1 Mixed Use with conditions around existing services.</li> <li><b><u>Affordable housing: NIL</u></b></li> </ul>	<ul style="list-style-type: none"> <li>Inconsistency between radial catchments of the two documents.</li> <li>Risk of disorderly development and poor infrastructure network planning and provision as pressured by shorter SSD processing and DA expiration times.</li> </ul>
<p><b>Part 2:</b> Applies to precincts within 400 metres of 31 stations (Tier 2).</p> <ul style="list-style-type: none"> <li>Residential apartment buildings permitted in all residential zones (R1, R2, R3 and R4); and residential apartment buildings and shop-top housing in local and commercial centres (E1 and E2) on land within 400 metres of Tier 2 stations.</li> <li>Maximum building height of 21m (approx. 6 storeys)</li> <li>Floor space ratio 3:1</li> <li>No minimum lot size or width</li> <li>Maximum parking rates</li> </ul>	<p>Applies to Medium Density Residential (R3) Zones that are located within <i>station and town centre precincts</i>.</p> <ul style="list-style-type: none"> <li>Residential Flat Buildings permitted with consent.</li> <li>Additional height and FSR permitted within <b>inner</b> (0-400m) and <b>outer</b> (400-800m) catchments of station and town centre precincts.</li> <li>Inner (0-400m): maximum building height of 21m and an FSR of 3:1</li> <li>Outer (400-800m): maximum building height of 16m and an FSR of 2:1</li> </ul>	<ul style="list-style-type: none"> <li>Apparent mismatch between FSR and HOB development standards (see APPENDIX A submission for full discussion).</li> <li>No stations within the Strathfield LGA have been identified as part of the <b>Part 2</b> reforms, however Lidcombe Station and North Strathfield Metro station are both listed as <b>Part 2</b> precincts, and each are within proximity to the <b>Part 1</b> Homebush precinct.</li> <li>Risk of disorderly overdevelopment and poor infrastructure network planning and provision</li> </ul>

		caused by concentration of higher density development in these neighbouring precinct areas.
<b><u>Mandatory affordable housing contribution: 2%</u></b>	<b><u>Mid-rise affordable housing contribution: NIL</u></b>	<ul style="list-style-type: none"> <li>Inconsistency between proposed reforms and provision of affordable housing despite the anticipated increase of housing density intended within both documents.</li> </ul>

Table 1: Summary of key inconsistencies between proposed TOD and EIE planning reforms

The key difference between the proposed conditions in the Low-Mid Rise Housing EIE and TOD EIE is the absence of an affordable housing contribution for new development under the Low-Mid Rise EIE, even though the FSR and Height provisions are identical. The omission is considered a flaw and a missed opportunity to capture significant value uplift and direct this toward affordable housing delivery.

## Conclusion

Strathfield Council recognises that the Federal, State and Local governments have a shared responsibility to make appropriate provision for housing and population growth. However, this needs to be undertaken in a structured and prioritised way that allows Councils to undertake growth management, long term financial planning and infrastructure delivery. This includes the ability to plan for growth in the context of an updated Regional Plan, being the Six Cities Plan, which must provide clear housing targets as well outline how NSW will manage sustainable growth within climate adaptation requirements.

Strathfield Council is committed to realising the potential of key growth areas, including the Homebush Accelerated Precinct, announced under the TOD program. This precinct will make a substantial and material contribution to housing supply for Greater Sydney, within a location that is well serviced by existing and planned public transport and can be supported by the orderly delivery of new infrastructure. Strathfield Council remains supportive of the NSW Government in the delivery of the Homebush Tier 1 TOD and recognises their leadership and support in that delivery.

However, the provisions proposed under the TOD SEPP for Tier 2 Precincts and the proposes under the Low-Mid Rise Housing EIE, lack a clear planning evidence base, are not well considered, and will result in poor planning and development outcomes. It is our position that Council should be allowed to continue and implement our work under our Medium Density Housing Strategy to improve housing diversity and supply across the LGA. This strategy is aligned with the objectives of the NSW Governments changes to create low and mid-rise housing.





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For this reason, Strathfield Council confirms that it seeks a deferral in the implementation of the planning control changes proposed in the TOD SEPP for Tier 2 precincts and the Low-Mid Rise Housing EIE so that we can finalise our Medium Density Housing Strategy which is being informed by a comprehensive community engagement program and analysis of local characteristics. This work, which will be completed in March 2024, should be allowed to progress, and be considered by our local community as it represents area specific, evidenced based planning.

Thank you for opportunity to provide this submission.

Your sincerely

Michael Mamo

**General Manager**