



Summary

Homes for All: Social and Affordable Housing Opportunities Around Train Stations

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About Shelter NSW

Shelter NSW is a non-profit organisation that conducts housing research and advocacy on behalf of households on ordinary incomes — those in low- and moderately-paid work, in casual or part-time employment, or getting by on government support payments. We were founded in 1975 as a member-based organisation that today represents a diverse network of other organisations and individuals who share our vision of a sustainable housing system that provides a secure home for all. To advance our vision, we engage our members, experts, and partners and advocate on housing reforms that aim to benefit our economy, our society, and our environment.

Summary- Homes for All: Social and Affordable Housing Opportunities Around Train Stations

The NSW Government announced its Transport Oriented Development (TOD) program on the 7 December 2023, which focused on delivering 138,000 new dwellings across Greater Sydney and regional NSW over 15 years. It also committed to a percentage of the dwellings to be dedicated as affordable rental housing, however, the announcements were vague in terms of percentages, in perpetuity requirements and how the affordable housing delivery system would work.

In response, to the TOD announcement, **Shelter NSW developed a research brief, aimed at identifying opportunities that could support the delivery of more affordable, public and social housing near rail and metro stations as part of a broad TOD program.**

The research brief sought to evaluate and scope any additional capacity within the TOD program; to explore redevelopment opportunities linked with government-owned land within the Sydney metro rail network, including an evaluation of the land use controls and land holdings around transport hubs. In the end, the research identified several additional stations that could be included in the Government TOD Tier 1 and Tier 2 transport hubs, along with a list of Government-owned land holding adjacent to rail and metro stations that could deliver affordable, public and social housing.

Section One of the report presents data showing that Sydney is one of the most expensive cities in the world. It argues based on this, that the TOD program should go beyond just housing supply and include a stronger focus on delivering more public, social, and affordable housing. It argues that the TOD program should aim to capture a percentage of planning bonuses and related financial benefits that will otherwise be gifted away to landowners through the TOD's program up-zoning and planning benefits.

Section Two of the report highlights key problems in the NSW housing system, such as: a median house purchase price in Metro Sydney of 1.6 million; housing supply shortfall; short-term rentals and high rental costs. This Section summarises work by SGS Economics on behalf of National Shelter, Beyond Bank, and the Brotherhood of Saint Lawrence indicating large percentage of NSW renters already paying more than 30% of their household income in rent; with only dual-income households being able to afford Sydney rents. More importantly, the research illustrates that increasing housing supply alone will not alleviate the rising housing affordability problems in greater Sydney.

Section Three of the report considers what Transport Orientated Development is, highlighting the benefits of increasing housing supply around transport nodes, with the flow-on social outcomes such as quality of life, and economic and sustainability benefits. The section unpacks research by KPMG (2023), which found that 35% of new homes were already being supplied within a kilometre of a railway station, thus indicating there is already a trend by developers towards transport-orientated housing supply. The KPMG (2023) report emphasised that the TOD will require good governance arrangements; effective partnerships between State and transport agencies; clear targets; and master plans with a strong vision and clarity around housing deliverables if it is to meet its desired outcomes.

Section Four is informed by research commissioned by the Committee of Sydney's *Rethinking Station Precincts (2022)* (endorsed by Shelter NSW on its launch). This report found that there was capacity for an additional 327,000 dwellings to be delivered in highly accessible transport-orientated locations connected with good amenities. It had 10 key recommendations that align with Shelter NSW's thinking. One is that TOD projects need a delivery strategy linked with a clear requirement for affordable rental housing within all station precincts.

Section Five explores the TOD program and argues for a robust monitoring and management system which can track housing completions and highlight any obstacles in the delivery system. This way problems can be rectified in the stated housing target.

Section Six deals with Shelter NSW station opportunities analysis. This section is focused on a desktop evaluation undertaken as part of the research project. This included a review using the NSW Government planning portal, Spatial Viewer and Apple Maps. It focuses on locations where the TOD program could potentially deliver more affordable, public and community housing (social housing). It discovered a total of 170 stations in the Sydney rail network that could potentially be included in the Government TOD program; indicating 17, T1 and 22, T2 potential precinct sites for inclusion into the TOD program.

In addition, **the analysis identified 61 stations where there may be opportunities to use Government-owned land for discrete infill housing developments.** Some of these sites comprise adjoining station car parks which could accommodate parking at the ground level with high-rise residential above. It also highlighted a number of smaller infill sites that could easily be developed in collaboration with community housing providers as 100%, social and affordable housing.

The station opportunities analysis also revealed that out of the 18 designated two-tier precincts on the Sydney rail network, only four stations had no R4 High-Density Residential zoned land in the vicinity of a station. This suggests that changes to land use zones which allow higher-density residential buildings is unlikely to unblock the delivery of new homes in many of the current TOD locations. With this in mind, the TOD precinct should be closely monitored so that the effects of upzoning can be tracked.

What we know from the research is that the housing problem will not be solved by just providing planning benefits alone. Shelter NSW contends that they TOD should be more innovative and go further - requiring a broad-based intervention from all levels of government. Importantly, the TOD program should also deliver more affordable, public and community (social) housing connected with transport infrastructure. This includes bringing government-owned land into the mix through joint venture arrangements which will help to ensure housing affordability doesn't get worse.

Recommendations

Key Housing Related Recommendation from the *Homes for All: Social and Affordable Housing Opportunities Around Train Stations Report*.

1. Based on the imputed value associated with any planning bonus programs the Government needs to capture a percentage of this value generated from the planning to deliver more social and affordable housing connected with any Transport Oriented Development (TOD) program.
2. In line with Recommendation 1; prior to rezoning or providing planning bonuses connected to the TOD program, the Government should adopt a framework to capture a

least 30% of the value associated with any planning bonus which should increase by 2 per cent for every future two-year planning period.

3. Any affordable housing contribution scheme within the TOD program should be held in perpetuity.
4. That the Government expand the current Tier 1 TOD precincts to include further opportunities for urban renewal and masterplan sites to support the delivery of more social and affordable housing (Some of these opportunities are listed in Table 1 and addressed in more detail in the Cox research, 2024).
5. The Government expand the proposed Tier 2 TOD precinct to deliver more housing connected with land in public ownership (for potential infill joint venture) to support the delivery of more social and affordable housing (Some of these possibilities are listed in Appendix A Table 1 and addressed in more detail in the Cox research, 2024).
6. The NSW Government look at the potential for over-station development to deliver more social and affordable housing connected with joint ventures (Some of these possibilities are listed in Appendix A Table 1 and addressed in more detail in the Cox research, 2024) One clear opportunity which was highlighted in the Cox report is the old Woollahra Station on the Eastern suburbs line, where the platform and footings remain, but no development ever took place.
7. That the Government explore opportunities to partner with Government Housing Authorities and pre-qualified not-for-profit community housing providers on government-owned infill site.
8. That the Government designate a transport agency as the overall responsible authorised body for the TOD program and that it be given a clear mandate to support the deliver social and affordable housing.
9. That the Government build increased capacity for delivering larger social, affordable or mixed-use developments on sites adjacent to rail infrastructure using a range of delivery models such as joint venture partnerships.
10. That the Government designated transport agency develop an appropriate design guide for the different TOD sites.
11. Where possible the NSW Government retain the long-term leasehold interest enabling the land to revert to Government control in the future.
12. That the Government establish a more transparency process on the selection of station locations for the TOD Program, including the availability of technical studies, proposed boundaries and infrastructure requirements, particularly where the land is in public ownership.

Appendix A Table 1 Shelter NSW- Sydney Rail Network Station Opportunities Analysis

Category 1 Tier 1 Precincts further opportunities for Urban renewal and master planned precincts

Metro North West Line – Tallawong Rouse Hill Norwest, Epping.

Metro West Line - Westmead Metro, Rosehill.

Metro Western Sydney Airport Line Orchard Hills, Luddenham.

North Shore Line - St Leonards.

T 1 Western Line - Rooty Hill, Blacktown, Westmead (essential worker hub).

T2 Inner West Line - Homebush, Strathfield, Burwood.

T4 Illawarra/Cronulla Line – Sutherland, Hurstville, Kogarah, Miranda .

T9 Northern Line -Epping, West Ryde .

Category 2 Tier 2 additional locations with land in public ownership for potential infill , and rezoning opportunities.

Metro South West – Punchbowl, Wiley Park, Lakemba, Belmore

Metro West Line – Burwood, North, Five Dock.

North Shore Line – Berowra, Asquith, Wahroonga, Turramurra, Pymble, Artarmon

T1 Western Line - Emu Plains, Penrith, Kingswood, Werrington Rooty Hill, Wentworthville

T3 Bankstown Line (remainder) Regents Park, Birrong, Yagoona.

T3 Liverpool Line - Liverpool, Warwick Farm, Carramar, St Peters.

T4 Illawarra/Cronulla Line – Waterfall, Heathcote, Loftus, Jannali, Como, Caringbah, Oatley, Mortdale Rockdale, Tempe, Gymea Kirrawee.

T5 Cumberland Line -Edmondson Park, Merrylands, Casula, Liverpool ,Warwick Farm Fairfield.

T5 Cumberland Line (Richmond) Richmond, East Richmond, Windsor.

T8 Airport & South Line – Campbelltown, Leumeah, Ingleburn, Macquarie Fields, East Hills ,Revesby, Padstow, Riverwood, Narwee, Bardwell Park .

T9 Northern Line – Thornleigh, Beecroft, Eastwood, West Ryde, Concord West.

Category 3 Locational Analysis potential opportunities for large sites or joint ventures

Metro North West - Hills Showground, Cherrybrook, Macquarie Park.

Metro South West – Canterbury, Sydenham.

Metro West - Rosehill, Sydney Olympic Park Metro.

Metro Western Sydney Airport – St Marys.

T1 Western Line – Kingswood, Werrington, St Marys, Blacktown ,Rooty Hill ,Wentworthville, Seven Hills, Granville and Granville Junction, Clyde .

T2 Inner West Line – Lewisham, Petersham, Macdonaldtown.

T3 Liverpool Line (remainder) -Villawood, Leightonfield.

T4 Illawarra/Cronulla Line -Caringbah.

T5 Cumberland Line (Leppington) – Merrylands.

T5 Cumberland Line (Richmond) – Mulgrave, Riverstone, Schofields.

T7 Olympic Park Line -Sydney Olympic Park.

T8 Airport & South Line – Macarthur, Panania, Bexley North

T9 Northern Line - Pennant Hills.

Category 4 Potential for over-station development projects

Metro North West Line - Crows Nest, Norwest, Hills Showground, Castle Hill.

Metro South Line- Waterloo.

Metro West Line - Sydney Olympic Park.

T1 North Shore Line – Hornsby, Chatswood.

T2 Inner West Line – Newtown.

T4 Eastern Suburbs Line - Woollahra –Land held since 1976 for Woollahra Station Platform & footing remain.

T9 Northern Line Hornsby, Epping.

Source - (Shelter commissioned research report by Cox, Homes for All: Social and Affordable Housing Opportunities Around Train Stations (2024). Sydney Rail Network Station Opportunities Analysis 2024