

# NOT ALL TODs ARE EQUAL

## The Displacement Effect at the Centre of the TODs

Shelter NSW welcomes the NSW Government's **Transit Oriented Development (TOD) SEPP** and the vision for the supply of well planned lower-cost rental dwellings.

**Importantly, not all TODs are equally placed to deliver an increase in both housing supply and lower-cost rental dwellings.**

Shelter NSW has compared three Tier 2 TOD precincts.

- Where housing density and cost are **low**, the number of lower-cost rental dwellings could **increase** as a result of the TOD SEPP.
- Where housing density and cost are **high**, the amount of Affordable Rental Housing could increase by a **small amount** as a result of the TOD SEPP.

However,

- Where housing density is **high**, but costs are **low**, the number of lower-cost rental dwellings could **decrease** as a result of the TOD SEPP.

**To make the most of the new TODs, Shelter NSW recommends:**

- Increase Affordable Rental Housing contribution requirements to **10% (minimum)** for Tier 2 precincts.
- Provide a mechanism to deliver Affordable Rental Housing via **monetary contributions**.
- Mandate a **diverse mix** of Affordable Rental Housing, such as 3-bedroom or accessible apartments.

**Wyong**  
Tier 2 TOD

↓ **LOW DENSITY**

There are **190 DWELLINGS**  
Around **1/3 APARTMENTS<sup>1</sup>**

**\$ AFFORDABLE**

**66%** of residents **RENT<sup>1</sup>**  
paying an average **\$460** per week<sup>2</sup>

As both housing density and cost are **LOW**,

The TOD SEPP could deliver more housing at an affordable price, in addition to the required 2% *Affordable Rental Housing*<sup>3</sup>

Wyong has **capacity** to ...

**INCREASE**  
THE NET SUPPLY OF **LOWER-COST RENTAL DWELLINGS**

**Killara**  
Tier 2 TOD

↑ **HIGHER DENSITY**

There are **880 DWELLINGS**  
Around **2/3 APARTMENTS<sup>1</sup>**

**\$\$\$ LESS AFFORDABLE**

**38%** of residents **RENT<sup>1</sup>**  
paying an average **\$745** per week<sup>2</sup>

As both housing density and cost are **HIGH**, and *Affordable Rental Housing* is required to be delivered at a rate of **2%**<sup>3</sup>,

Killara has **potential** to deliver a ...

**SMALL INCREASE**  
TO THE NET SUPPLY OF **AFFORDABLE RENTAL HOUSING**

**Wiley Park**  
Tier 2 TOD

↑ **HIGHER DENSITY**

There are **1,500 DWELLINGS**  
Around **2/3 APARTMENTS<sup>1</sup>**

**\$ AFFORDABLE**

**61%** of residents **RENT<sup>1</sup>**  
paying an average **\$460** per week<sup>2</sup>

**However**, dwellings built in the **PAST 10 YEARS** are:

**APPROX. ↑17%**

**MORE EXPENSIVE** than older stock.<sup>4</sup>

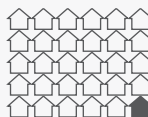
As land value **increases** with redevelopment, Wiley Park could ...

**DECREASE**  
THE NET SUPPLY OF **LOWER-COST RENTAL DWELLINGS**

An existing building in Wiley Park contains **10 apartments**, most of which are **affordably priced rental dwellings**.



If redeveloped under the TOD SEPP, the supply of dwellings will increase.



However, the redevelopment could result in an overall **loss** of **affordably priced rental dwellings** as values increase - down to the minimum requirement of 2%, to be managed by a Community Housing Provider (CHP).

<sup>1</sup> Australian Bureau of Statistics, 2021

<sup>2</sup> The NSW Government has identified a requirement for 2% of dwellings in TOD area developments (greater than 2,000sqm) to be delivered as Affordable Rental Housing.

<sup>3</sup> Median Rental Price Snapshot for Units, realestate.com, April 2024.

<sup>4</sup> The private market rental price of 2-bedroom units in Wiley Park was compared using data from realestate.com and Domain, May 2024.