

Thursday 11 June 2026

Attn: City of Newcastle
Community Engagement Team
12 Stewart Avenue
PO Box 489
Newcastle NSW 2300

Dear City of Newcastle,

Subject: Transport Oriented Development- Newcastle Consultation – Shelter NSW

Shelter NSW welcomes the opportunity to provide feedback on the City of Newcastle's Transport Oriented Development (TOD) Urban Design Frameworks for the Newcastle Interchange, Hamilton, Adamstown and Kotara precincts.

Shelter NSW strongly supports well-planned urban consolidation in locations with access to public transport, employment, services and infrastructure. We welcome the City of Newcastle's efforts to develop a place-based response to the NSW Government's TOD reforms, recognising the need to balance housing growth with local environmental, heritage and infrastructure considerations.

Who are we?

Shelter NSW has been operating since 1975 as the State's peak housing policy and advocacy body. Our vision is to create a sustainable housing system that provides a secure home for all. We are especially concerned for low-income households who struggle to afford good quality and well-located housing. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system. We are a member-based organisation; representing organisations and individuals committed to housing justice, from community housing providers, specialist homelessness services and related peak bodies, to community groups, policy professionals, academics and social housing tenants.

In principle support for place-based TOD precincts

Shelter NSW broadly supports the strategic direction outlined in the consultation materials. We acknowledge that this consultation is primarily focused on urban design, built form, transport, public domain and place-making rather than detailed housing policy settings. Shelter NSW considers it important to highlight, however, that the ultimate success of these precincts will not be determined solely by their urban design quality, but also by whether they contribute to improved housing outcomes for all people and communities who live, work, or have connections to the Newcastle area, and in particular those living on lower incomes.

The proposed approach appropriately seeks to direct additional housing growth towards locations that are well-served by public transport and existing infrastructure while improving active transport connections, public spaces and neighbourhood amenity. The emphasis on walkability, cycling infrastructure, public domain improvements and mixed-use development is consistent with contemporary best-practice planning and urban design principles.

We particularly welcome the City's commitment to ensuring that housing and urban growth responds to local conditions rather than relying solely on standardised state-wide planning controls. Consideration of flooding, environmental constraints, heritage values and local character is important in ensuring that future growth is both sustainable and resilient. We note that Shelter NSW has previously expressed concerns to the Department of Planning, Housing and Infrastructure (DPHI) about the pace and the scale at which planning powers are being standardised and concentrated across NSW, particularly where it comes to long term spatial planning and community consultation processes.

At a time when Newcastle continues to experience significant population growth and worsening housing affordability, planning for additional housing in well-located areas is both necessary and appropriate.

Planning for housing affordability from the outset

While Shelter NSW supports the objectives and overall intent of the project, we note that affordable housing receives relatively limited attention within the consultation materials. We also note, however, that this is not necessarily the doing of the City of Newcastle, and that Shelter NSW has previously – and will continue to – advocated for NSW Government to apply higher affordable housing contribution rates across TOD precincts and amend affordable housing definitions through the Ministerial Guidelines for Affordable Housing.

There is wide agreement amongst housing policy experts and practitioners, and more broadly the community services, housing and homelessness sector, that increasing housing supply alone will not deliver housing that is affordable to people living on lower incomes. Many people working in essential services, retail, hospitality, community services, education and health continue to experience significant housing stress (or worse, homelessness) despite ongoing high levels of dwelling approvals and completion.

Shelter NSW encourages the City of Newcastle to ensure that future stages of this work explicitly address affordable housing delivery alongside broader housing supply objectives.

The TOD program presents a significant opportunity to share value from uplift/rezoning and public investment in transport infrastructure to achieve social outcomes. Future planning controls and public policy – from both NSW Government and Newcastle City - should seek not only to facilitate

additional dwellings but also to secure a proportion of housing that remains genuinely affordable to lower income households over the long term (i.e. genuine affordable housing). Affordable housing should be retained in perpetuity. Affordable housing outcomes should not be lost after a fixed period or converted into market housing after initial occupation.

This is why Shelter NSW has been advocating to NSW Government to amend the guidelines, and in the absence of action, to local government to mandate that all 'affordable housing' be delivered and managed in perpetuity and rented under an income-based rent setting model. We do recognise that the current TOD affordable housing contributions are for affordable housing to be delivered in perpetuity but would like to see this applied across all affordable housing products.

Support for inclusionary zoning mechanisms in Newcastle

Shelter NSW recommends the preparation and implementation of an Affordable Housing Contribution Scheme (AHCS) across Newcastle. TODs have potential to generate substantial land value uplift. From our perspective, a much higher proportion of this uplift than the current 2% should be captured for public benefit through the delivery of affordable housing.

In our view, ambitious, high levels of affordable housing contributions should be embedded as a normal component of growth planning, reducing incentives for speculation and dampening rapidly rising land values.

We encourage the City of Newcastle to investigate mechanisms that would secure affordable housing outcomes as development occurs, including mandatory affordable housing contributions and partnerships to ensure all affordable housing in the area is ultimately managed by registered community housing providers (CHP).

Shelter NSW also encourages the City of Newcastle to adopt a definition of affordable housing based on household incomes rather than discounts to market rents. Affordable housing should be rented to a mix of very low-, low- and moderate-income households at rents that do not exceed 30 per cent of household income.

Precinct-specific comments

Newcastle Interchange

The Newcastle Interchange precinct is potentially one of the most strategically significant locations for housing growth within the city.

The precinct already benefits from excellent access to public transport, employment opportunities, services, education and regional connections. The vision for a mixed-use urban centre, combined with improved walking and cycling connections and the continued evolution of Wickham as a creative and residential neighbourhood, seems appropriate.

The Interchange precinct could accommodate a substantial share of future housing growth. We encourage the City to ensure that this growth also delivers affordable housing outcomes, particularly given the increasing cost of living in and around Newcastle's city centre.

Hamilton

Shelter NSW supports the proposed approach to Hamilton, particularly the intention of reinforcing Beaumont Street as a vibrant high street while unlocking opportunities for additional housing around the station and railway corridor.

The challenge of balancing heritage conservation with housing delivery is acknowledged. However, we encourage the City to ensure that heritage considerations are applied carefully and proportionately so that opportunities for well-designed housing growth are not unnecessarily constrained.

Hamilton's accessibility, existing services (including community services supporting people living on lower incomes and/or social housing) and proximity to both the city centre and Broadmeadow make it an important location for additional housing, including affordable housing.

Adamstown

Shelter NSW also supports the vision for Adamstown; a connected mixed-use precinct centred on the Brunner Road corridor and linked to surrounding centres. The emphasis on strengthening walking and cycling connections, improving public spaces and providing a wider range of housing types is welcome. We particularly support the intention to accommodate additional housing close to transport, shops and services.

As growth occurs in Adamstown, consideration should be given to ensuring that new housing includes options that are accessible to lower income households, key workers and younger residents seeking to remain in the area.

Kotara

Shelter NSW recognises the significant environmental, topographical and accessibility challenges affecting the Kotara precinct.

Despite these constraints, the vision for improved connectivity, a strengthened local centre and additional housing opportunities is encouraging. We support efforts to improve links between housing, transport, retail and employment destinations and to create a more walkable and accessible precinct over time.

The inclusion of a broader range of housing forms, including townhouses and apartments, is particularly important in providing greater housing diversity within Newcastle's established suburbs such as Kotara.

Creating diverse and inclusive communities

Shelter NSW believes that successful TOD precincts should be diverse and inclusive communities, particularly from a **socio-economic** point of view. Without deliberate intervention, there is a risk that many of the benefits created through TOD planning reforms will be captured primarily by higher-income households. This would undermine the broader social objectives of transit-oriented development and limit access to well-located housing for those who would benefit most from living close to jobs, transport and services.

Future planning work should therefore include specific consideration of how social housing, affordable rental housing and other forms of non-market housing can be integrated within TOD precincts. We note that this must involve NSW Government and that many of the responsibilities and powers needed for this to occur are shared/split between state and local government levels.

Conclusion

Shelter NSW supports the overall direction of the City of Newcastle's TOD precincts and commends Council for pursuing a tailored, place-based approach to housing growth in the city. The proposals demonstrate a strong commitment to improving housing supply, urban amenity, active transport and public spaces while responding to local environmental and heritage considerations.

As this work progresses, we encourage the City of Newcastle to place a stronger emphasis on affordable housing outcomes. Housing targets should be viewed as a minimum rather than a maximum, and planning reforms should be accompanied by mechanisms that ensure a meaningful proportion of new housing is affordable to very low-, low- and moderate-income households.

Specifically, Shelter NSW encourages the preparation of an Affordable Housing Contribution Scheme and the implementation of mechanisms that secure affordable housing in perpetuity through registered CHPs, with rents linked to household incomes and capped at 30 per cent of income. Housing managed by registered CHPs also ensures that is adequately designed and managed for a range of people with diverse needs and circumstances, including people living with disability, families, young people, First Nations people and families, and older people.

We thank the City of Newcastle for the opportunity to comment and look forward to continued engagement – for example through Shelter NSW participation in the City of Newcastle Liveability & Affordability Working Party - as the urban design frameworks are refined and developed. Please contact Shelter NSW Senior Policy Officer, Thomas Chailloux, on 0490 030 809 or thomas@sheltersnsw.org.au should you wish to discuss our comments further, or the Shelter NSW team via admin@sheltersnsw.org.au or (02) 9267 5733.

Sincerely,
Thomas Chailloux on behalf of Shelter NSW