

Tuesday 7 July 2026

Subject: Transport Oriented Development- Key Site 6 Macquarie Park – Shelter NSW

Shelter NSW welcomes the opportunity to provide feedback to the NSW Department of Planning, Housing and Infrastructure, on a request by the applicant for 2-4 Giffnock Av, Macquarie Park (SSD 79017211) (TOD Site 6, Macquarie Park) to increase the height, FSR, number of units, and to support the applicant argument for a reduction in the dedication of affordable housing dwelling from 10% to 5%.

In the previous State Significant Development (SSD 79017211) application for 2-4 Giffnock Avenue, Macquarie Park, the applicant also sought (December 2025) a variation to Clause 7.5(2) of the Ryde Local Environmental Plan (RLEP (2014) to reduce the legislated Affordable Housing contribution rate from 10% to 5%. Shelter NSW's submission primarily responds to the ongoing request by the developer to vary Clause 7.5 (2), Affordable Housing in the Ryde Local Environmental Plan (Ryde LEP) (2014), to reduce the affordable housing contribution requirement from 10% to 5%.

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.

Transport Oriented Development (TOD) precinct and Affordable Housing

Shelter NSW recognised the benefits of the TOD program as an innovative initiative by the NSW State Government, as it provided an opportunity to deliver much-needed affordable rental housing in proximity to transport, infrastructure, and jobs. These create significant benefits, such as:

- **Reduces systemic poverty:** Lower combined housing and transit costs, freeing up income for food, healthcare, and education.
- **Promotes social inclusion:** Placing diverse income groups in well-connected areas helps prevent physical concentration of poverty.

- **Optimises public investment:** Building densely around existing stations maximises the financial return on expensive public transit infrastructure.
- **Curbs urban sprawl:** Concentrating housing near hubs protects natural green spaces and our agricultural lands.
- **Reduced transit costs:** Transportation is usually the second-largest expense after housing costs, so delivering affordable housing near major transport hubs means families can live without a car, saving thousands in annual savings.
- **Access to jobs:** Reliable transit connects low-income workers to a wider pool of employment opportunities.
- **Prevents displacement:** High-quality transit upgrades align with gentrification impacts. Building dedicated affordable housing ensures low-income residents are not priced out of their own neighbourhoods.
- **Lowers carbon emissions:** Transit-adjacent residents walk, cycle, and use public transport more often, which reduces traffic congestion and air pollution.

Questionable use of Clause 4.6

Shelter NSW maintains that the usage of Clause 4.6 as a premise to reduce affordable housing contribution is invalid for several reasons.

The intent of Clause 4.6 is to provide flexibility to depart from strict planning controls such as maximum building height, floor space ratio (FSR), or minimum lot size. The aim is to support superior site design outcomes, address topology constraints, or support solar access issues, not to remove or vary affordable housing contribution rates.

Allowing a variation to the Macquarie Park Transport Oriented Development Precinct Clause 7.5 affordable housing contribution rates using Clause 4.6 will set an undesirable precedent for future development.

Why the Financial Arguments to Vary the Affordable Housing Contribution Require Additional Due Diligence

The Department of Planning, Housing and Infrastructure (DPHI) commissioned Atlas Economics (2024) to prepare a financial analysis report: TOD Rezoning Accelerated Precincts Review of Affordable Housing Contributions. This was to understand the exhibited affordable housing contributions requirement and how they applied across the several TOD precincts: Bankstown (3%-10%), Bella Vista and Kellyville (3%-8%), Crow's Nest (10%-15%), Homebush (5%-10%), Hornsby (5%-10%), and Macquarie Park (10%-15%). The Atlas report tested the commercial feasibility of the development scenario for Macquarie Park and recommended a 10% Affordable Housing Contribution (AHC) rate. The Atlas (2024) report also points out that the land holdings were already consolidated under a single ownership.

The premise of the argument is based on a report by Hill PDA: 'Commercial Feasibility and Affordable Housing Analysis (2-4 Giffnock Avenue, Macquarie Park)'. Hill PDA indicate that it was approached by Holdmark to test the 10% viability as outlined in a report by Atlas Economics (2024). At no point did Hill PDA undertake its own site-specific analysis. Instead, it conducted a peer review of the Atlas Economics report (2024) under the direction of the applicant.

The Hill PDA review document seems to lack transparency regarding assumed costs, revenues, and feasibility outcomes, such as documentation on the residual land value. The report points out that the holding costs were not disclosed. The original development scenario for the site was a 39-storey mixed-use development with 622 residential units, while the current proposal is for 747 units¹. The report does not provide full development feasibility land value assumptions (e.g. capital gains since 2012).

In addition, the Hill PDA report bases its valuation on a purchase price of 45 million, while the Atlas (2024) report indicates that the developers appeared to have paid \$8.3 million for the site in 2012. The site also had a set of buildings on it with paying tenants. A major hotel was later developed on one corner of the site – appearing that it has been very financially viable since it was originally purchased. Significantly, the peer review doesn't include the cost of providing affordable housing in its calculation, and as pointed out by the Council, the proposed affordable housing units were on the lower floors, which would mean they had a lower value.

From Shelter NSW's perspective, the documentation and peer review process used to validate the reduction in affordable housing lacks a site-specific financial viability assessment process.

Shelter NSW supports a consistent approach that does not undermine locally based Affordable Housing Contributions Schemes

The NSW Government's policy directions emphasise increased affordable rental housing supply in high land-value locations connected to transport infrastructure. Macquarie Park meets this criterion.

With ongoing encouragement from the NSW State Government, many NSW councils have adopted affordable housing contributions rates in well-located TOD precincts. These precincts provide an essential opportunity for **higher contribution rates**, because they provide high land values, superior value uplift in terms of planning benefits and reduced infrastructure burden per dwelling.

It is important to acknowledge that, as part of the Macquarie Park Masterplan and TOD program, substantial economic analysis was undertaken regarding height, land use zones, floor space ratios, and affordable housing contribution rates. The result of this work is evident in Part (7) Division 1,7.5 of the Ryde Local Environmental Plan (November 2014). This has an affordable housing levy contribution for of 10% for TOD - Key Site 6 Macquarie Park.

¹ Keylan. June 2026. Amendment Report 2-4 Giffnock Avenue, Macquarie Park SSD 79017211.

The baseline 10% contribution rate was backed up by work undertaken between Council and the NSW Department of Planning, Housing and Infrastructure throughout the development and implementation of the locally based Affordable Housing Contributions Scheme. This background work requires in-depth economic land value analysis before the implementation of any local 'Affordable Housing Contributions Scheme' signed off by the Department.

Delivering affordable housing in Sydney is critical to preventing the current situation for low-income renters and, through the TOD framework, provides an essential safety net. It supports economic stability, social diversity, and overall liveability in the TOD precinct and will help to ensure that the essential workforce can afford to live near their jobs.

Recommendation

Shelter argues that the 10% affordable housing requirement should remain unless a site-specific financial modelling is undertaken.

We thank the NSW Department of Planning, Housing and Infrastructure for the opportunity to comment and look forward to continued engagement. Please contact admin@shelternsw.org.au or (02) 9267 5733 should you wish to discuss our comments further.

Sincerely,
Shelter NSW

References

City of Ryde Council. August 2024. Staff submission - Macquarie Park Innovation District Stage 2 Rezoning Proposal (Transport-Oriented Development)

Department of Planning, Housing and Infrastructure, (November 2024) Atlas Economics, Macquarie Park Affordable Housing Contribution Scheme.

Jayne Klein Dan, Danielle Wigg, and Dan Keary: Submitted to the DPHI on behalf of 388 LCR Development. Requesting to vary Clause 7.5 (2) of the Ryde Local Environmental Plan 2014

Hill PDA, 2025. Holdmark .Commercial Feasibility and Affordable Housing Analysis 2-4 Giffnock Avenue, Macquarie Park.

Phibbs, Peter & Murray Cameron (October 2025) Density Deals: The unequal value of the In-fill Affordable Housing density bonus. Shelter NSW.

Shelter NSW Submission (August 2024) Department of Planning, Housing and Infrastructure RE: Macquarie Park - Transport Oriented Development (TOD) accelerated precinct.

Appendix A

Appendix A

Ryde Local Environmental Plan 2014

Current version for 31 October 2025 to date (accessed 29 June 2026 at 12:00)

1. **Part 7 Macquarie Park Transport Oriented Development Precinct**
2. *Division 1*
3. *Section 7.5*

7.5 Affordable housing contributions

(1) The consent authority may, when granting development consent to development on land to which this part applies, impose a condition requiring an affordable housing contribution equivalent to the contribution specified in subclause (2) or (3).

(2) The affordable housing levy contribution for development on land in an area specified in Column 1 of the following table is the percentage, specified in Column 2, of the gross floor area of the residential component of the development—

Column 1	Column 2
Area	Percentage of residential GFA
1	5%
5	5%
6	10%
9—	
(a) for a site that only comprises SP 64146, 1 Talavera Road, Macquarie Park	3%
(b) otherwise	4%
10	4%

11	4%
12	5%
13	10%

(3) The affordable housing levy contribution for development not specified in subclause (2) is 3% of the gross floor area of the residential component of the development.

(4) A condition imposed under this clause must permit a person to satisfy the condition by—

(a) a dedication, in favour of the Council, of one or both of the following, and a monetary contribution, paid to the Council, for any remainder—

(i) land comprising 1 or more dwellings, each having a gross floor area of at least 50m²,

(ii) other land approved by the Council in accordance with the *Macquarie Park Affordable Housing Contribution Scheme*, or

(b) a monetary contribution, paid to the Council, of equivalent value to the relevant gross floor area specified in subclause (2) or (3).