



Ms Kiersten Fishburn
Secretary
Department of Planning, Housing and Infrastructure
Locked Bag 5022
Parramatta NSW 2124

EB (CPE)

12 July 2024

Dear Ms Fishburn

**MECHANISM TO FUND ESSENTIAL COMMUNITY INFRASTRUCTURE FOR THE
CROWS NEST ACCELERATED TOD PRECINCT**

On 24 June 2024, North Sydney Council (Council) considered a Notice of Motion (attached) in relation to the evidence given by the Mayor Zoë Baker on 23 February 2024 to the Upper House Inquiry into the development of the Transport Oriented Development (TOD) Program on behalf of the Council and community. Council resolved in part:

2. THAT Council call on the State Government to provide a special infrastructure contribution for the Crows Nest Accelerated TOD Precinct to fund and deliver essential community infrastructure for the existing, planned and additional planned population including open space, road upgrades, community facilities etc.

North Sydney Council recognises the urgency of the housing crisis, the complexity of the causes and solutions and is committed to careful planning for population growth and delivering affordable housing. Council has a long and successful history of working with the local community to develop strategies that support state government's dwelling targets and delivering much needed open space and community infrastructure through the VPA process.

The timely delivery of essential infrastructure to support the high growth areas of Crows Nest and St Leonards, however, is becoming increasingly uncertain. The imposition of various new state levies has all but removed Council's ability to enter into planning agreements. We now look to state government to put in place a transparent mechanism that ensure funds collected from high growth areas comes back to those areas to deliver essential local open space and recreational facilities, through to school places and hospital beds.

Previously, the Department's *St Leonards and Crows Nest 2036 Plan* (the '2036 Plan') was supported a Special Infrastructure Contribution (SIC). The SIC was to fund a \$115 million infrastructure schedule for the precinct

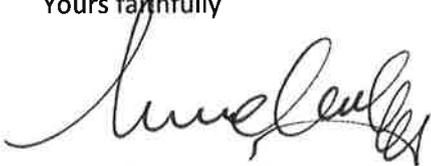
that included road crossing upgrades, education, open space, and pedestrian and cycle improvements. When the SIC was abolished last year and replaced by the Housing and Productivity Contribution, funding for that vital community infrastructure became extremely uncertain.

Further, the more recent inclusion of Crows Nest in the TOD Accelerated Precincts Program indicates \$520 million to be apportioned between eight high growth centres. However, there is no detail as to how that amount will be divided nor how the differences in cost of delivery will be accounted for between the centres.

Critical utility upgrades also remain uncertain. Sydney Water's 2024 Growth Servicing Plan recognises limited trunk capacity for wastewater in the St Leonards area which forms part of the Crows Nest Accelerated TOD precinct area. This needs to be addressed as a matter of urgency.

Crows Nest and St Leonards has the potential to be an exemplar of higher density living and working. To achieve this, however, a more transparent and equitable mechanism to fund essential community infrastructure is needed. In accordance with Council's resolution, Council respectfully requests the Department consider the matters raised in this correspondence and the attached Notice of Motion and reinstates a special infrastructure contribution for the Crows Nest Accelerated TOD Precinct.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Marcelo Occhuzzi', written over a light blue horizontal line.

MARCELO OCCHIUZZI
ACTING CEO

8.3. MM03: Transport Oriented Development Inquiry

On 15 December 2024 the State Government announced the establishment of the Transport Oriented Development (TOD) program as part of planning reforms to address the housing crisis.

The TOD program consists of two streams:

- Tier 1 relates to 8 accelerated precincts to create infrastructure and capacity for 47,800 new homes over 15 years. Land within 1,200 metres of 8 rail and metro stations is to be rezoned by the NSW Government to allow for more new and affordable homes. The 8 stations are: Bankstown, Bays West, Bella Vista, Crows Nest, Homebush Hornsby, Kellyville and Macquarie Park.
- Tier 2 relates to precincts that have existing infrastructure and are located within 400 metres of (now) over 33 stations to create capacity for 138,000 new homes over 15 years.

The Crows Nest Metro Station is one of the eight Tier 1 accelerated TOD precincts. The North Sydney LGA is not part of the Tier 2 TOD program. At the time that the TOD program was announced, the State Government proposed that the rezoning of the eight Accelerated TOD Precincts would be finalised by November 2024, with exhibition of draft planning instruments around April 2024. The Department of Planning, Housing, and Infrastructure has been tasked with master planning each Precinct to determine the extent of rezoning required. The rezonings will mandate the provision of 15% of affordable housing in each new development, to be provided in perpetuity. The State Government announced that there would be \$520M allocated for infrastructure improvements including critical road upgrades, active transport links, and provisions of parks and walkways for the eight Accelerated TOD Precincts.

On 23 February 2024 the Upper House Portfolio Committee No. 7 – Planning and Environment published Terms of Reference for an Inquiry into the development of the Transport Oriented Development Program. A copy of the Terms of Reference is attached.

On 7 June 2024 I attended the Upper House Inquiry and gave evidence on behalf of Council and our community. I attach a copy of my opening statement to the Inquiry together with transcript of the evidence before the Inquiry on 7 June 2024. In summary, I submitted:

The fact is that the limited capacity of utilities such as wastewater are reflected in the densities adopted under the existing 2036 Plan. The TOD program has not adequately addressed delivery of capacity upgrades in the precinct.

The Minister announced \$520m for the eight Tier 1 Accelerated TOD Precincts for the provision of infrastructure to accompany additional density – open space, school places, road upgrades etc. There is no detail as to how that amount will be divided and the differences in the cost of delivery between the eight precincts.

The proposed infrastructure funding will not touch the sides of the need or deliver for the additional density in the Accelerated TOD precincts.

We already have an existing infrastructure deficit for those living in the Crows Nest TOD Precinct now. That deficit is intensified for the planned 2036 population and this TOD program will add to that again without any plan or certainty about the delivery of the essential open space, school places, recreational facilities and hospital beds.

*Adequate, realistic funding and delivery of infrastructure and capacity upgrades to accompany any new development is required **now** – history and experience with the SIC shows that if it is not provided up front it may never eventuate.*

Planning ultimately is not about theoretical dwelling numbers, it's about people and shaping where and how we live.

The failure to fund and deliver for open space, school places, hospital beds, road upgrades will have direct and devastating negative impacts on the existing and future residents of these precincts.

I therefore recommend:

- 1. THAT** Council note the attached evidence to the Upper House Inquiry into the impacts of the Transport Oriented Development.
- 2. THAT** Council call on the State Government to provide a special infrastructure contribution for the Crows Nest Accelerated TOD Precinct to fund and deliver essential community infrastructure for the existing, planned and additional planned population including open space, road upgrades, community facilities etc.
- 3. THAT** a copy of this resolution and Minute be provided to the Upper House Inquiry.

**COUNCILLOR ZOË BAKER
MAYOR**