Overview of proposals
November 2018
What is the Housing and Urban Development Authority?

- The authority will be a new Crown agency with two key roles - being a world class public landlord and leading small and large-scale urban development projects in partnership with other agencies, local government, iwi and private partners.
- It will consolidate all three essential centres of development capability – Housing New Zealand and its subsidiary HLC, and KiwiBuild – and include Housing New Zealand’s existing role as a public landlord and in delivering housing products and services.
We need to transform our urban areas

• This Government is:
  – Taking a hands-on approach to tackling homelessness and unaffordable housing
  – Ensuring much-needed urban development, housing and infrastructure is delivered at scale and pace

• We want our urban areas to be well designed, people-focused and ready for the future
Why set up a UDA?

New Zealand is becoming more urban with more people living in cities and towns than ever before.

Traditionally New Zealand’s towns and cities have grown by turning neighbouring rural land into suburban homes. Second generation or “brownfields” development is often difficult and risky with poor quality, aging or at-capacity infrastructure and disparate and fragmented land ownership. This means the private sector struggle to undertake these developments alone.

This is a new way of planning large-scale and complex development so we can achieve scale and pace, coordinate different aspects of urban development and master-plan projects, assemble large or strategically placed parcels in developments and ensure quality intensification, great urban design and public goods.
Urban development authorities overseas

There are numerous Urban Development Authorities in the US, UK, and Australia.

Barangaroo, Sydney

London Docklands (incl. Canary Wharf)
What will the authority achieve?

<table>
<thead>
<tr>
<th>Scale and pace</th>
<th>Coordination</th>
<th>Land assembly</th>
<th>Government participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ability to</td>
<td>A single public</td>
<td>The ability to</td>
<td>Central government can</td>
</tr>
<tr>
<td>undertake large-</td>
<td>entity responsible for all</td>
<td>assemble large,</td>
<td>participate directly</td>
</tr>
<tr>
<td>scale complex projects at pace</td>
<td>aspects of urban development</td>
<td>useful parcels of land at strategic sites</td>
<td>in urban transformation at a local level</td>
</tr>
</tbody>
</table>
The authority will take the best from current developments

- It builds on:
  - The success of master-planned developments, such as **Hobsonville Point**
  - The success of transit-led developments, such as **New Lynn**
  - Urban regeneration in **Britomart** and **Wynyard Quarter**
  - Current developments like **Tāmaki, Māngere, Roskill** and **Porirua**
Timeline of the UDA

2006 - Urban Development Authorities Team DPMC
2007 - Sustainable Urban Development Unit DIA
2007 - House Prices Unit DPMC
2008 – Cabinet paper: Urban Transformation Mechanisms (MfE)

February – May 2017
Meetings with key stakeholders

May- July 2017
Submissions and feedback analysed

May 2018
Cabinet decision on UDA framework

2006 - Research: Catalysing Positive Urban Change in New Zealand (MfE/SGS)
2007 - Cabinet paper: Urban development authorities and a new sustainable urban development approach
2008 – Discussion document: Building Sustainable Urban Communities (DIA)

February 2017
Discussion document released for consultation

May 2017
Submission received

December 2017
High level Cabinet paper

Q2 2019
Introduction of the bill to the House

August – November 2018
Cabinet decisions on entity structure and development powers
A UDA will deliver large and small urban developments

- **A broad range of urban development outcomes**
  - A Government's lead developer
  - Will undertake two types of development
  - Business-as-usual development projects (use standard development powers)

- **Delivery of new public, affordable and market housing**
  - Specified development projects (have access to more enabling development powers)

- **Driving the delivery of KiwiBuild housing**
  - Land for Housing Programme
  - Buying off the plans

- **Greenfield development** (transport, commercial, industrial, public realm and amenity, social regeneration)

- **Greyfield development**

- **Brownfield development**
Initial projects

These projects are in addition to:

- **Government-led developments**: The Government builds state, KiwiBuild and market homes on Crown land (e.g. Northcote, Marfell)
- **KiwiBuild Land for Housing**: The Government purchases land to build state, KiwiBuild and market homes (e.g. UNITEC)
- **KiwiBuild Buying off the Plans**: The Government underwrites private developers so they can build more homes, speed up their developments, and incentivise the construction of affordable homes.
- **Building Public Houses**: The Government is investing over $4b to build over 6,400 new public homes and renovate existing state homes so they are warm and dry.
- **Local Housing Partnerships**: The Government is partnering with local authorities to build affordable homes.
- **HASHAA**: Council and Crown fast-track the supply of land.
- **Urban Growth Agenda**: Changing the system settings to ensure we have more affordable land, better spatial planning and finance and fund infrastructure.
Establishing a specified development project

Establishment phase

1. Project identified
   - Any party (e.g. iwi or territorial authority) can recommend that the authority consider a particular development project.

2. Initial assessment
   - The authority prepares an assessment of the development proposal and seeks information.

3. Public consultation
   - The authority seeks public feedback on the strategic objectives and the proposed project area.

4. Decision to establish
   - The authority recommends to the authority’s Minister to establish the project.

Development plan phase

5. Development plan prepared
   - The authority produces detailed draft development plan, collaborating with other partners.

6. Public consultation
   - Draft development plan issued for public consultation.

7. Revise development plan
   - Development plan revised following feedback.

8. Plan published
   - Recommended plan published for public review.

9. Submissions
   - Submissions to the recommended development plan are lodged (if any).

10. Development plan approved
    - Minister responsible for the authority reviews and makes final decision on approving the development plan.

Submissions process

- Development plan submissions sent to independent commissioners
- Commissioners consider plan and submissions
- Commissioners make recommendation to Ministers
Enabling development powers for specified development projects

- Shortened planning and consenting processes
- Building and changing infrastructure
- Funding for infrastructure and development activities
- Acquisition of land, including under the Public Works Act
- Reconfiguring reserves
### Summary of enabling development powers for specified projects

#### Land Assembly
- Crown-owned land can be repurposed for a development project
- The UDA can compulsorily acquire private land (except sensitive Māori land), including for transfer to a third party
- Legislation will list works for which the UDA can acquire land
- Land owners may be compensated with an equity share in the development project
- Decisions on acquiring Crown agent land will be made by Ministers
- Offer back obligations won’t apply to most land transfers by the UDA (except former Māori land)
- The UDA may ‘resume’ land transferred to a private developer, if it doesn’t deliver what is agreed

#### Funding
- Buy, sell and lease land/buildings in the project area
- Auction off development rights for project land
- Set a targeted rate inside the project area (arrangements being finalised but there will not be taxation without representation)
- Charge development contributions or enter development agreements
- Require betterment payment from landowners for transport projects
- Charge connection fees to UDA infrastructure

#### Reserves
- The UDA can seek approval from the Minister of Conservation and the HUD Minister to use Government, local purpose, recreational, scenic and historic reserves for development purposes, but not natural or scientific reserves.
- Special provisions will apply to reserves related to Treaty settlement.

#### Infrastructure
- Power to build, alter or remove any building or infrastructure in the project area
- Same powers as Auckland transport related to land transport (with exceptions, including state highways)
- Same powers as a territorial authority related to three waters / drainage infrastructure and services
- Power to suspend, make or amend bylaws
- Power to enter onto private land

#### Planning and Consenting
- Provisions that can override, add to, or suspend provisions in existing RMA planning documents
- UDA is the resource planning authority for project area
- May alter, remove, amend or replace designations
How will the enabling development powers work?

• These powers already exist, but are spread between different parts of central and local government and have separate processes

• Each development plan will set out the powers available for that project and how they will be used

• These powers will be publicly consulted on when preparing the development plan