

Property Council New Zealand

Submission to the Ministry of Housing and Urban Development and Ministry for the Environment on the Going for Housing Growth Discussion Paper

15 August 2025

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Ministry of Housing and Urban Development and Ministry for the Environment

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1. Summary

- 1.1. Property Council New Zealand (“Property Council”) welcomes the opportunity to submit to the Ministry of Housing and Urban Development (“MHUD”) and the Ministry for the Environment (“MfE”) on the Going for Housing Growth Discussion Paper.
- 1.2. Property Council supports the Going for Housing Growth Discussion Paper. The proposals will create a strong foundation for urban development within the new resource management system.
- 1.3. In saying that, we are concerned that 50-year spatial plans could result in local authorities collecting development contribution fees over a 50-year period, exponentially increasing fees and house prices. We strongly recommend the adoption of 30-year spatial plans that are funded in 10-year increments, adjusted every three years, to align with local government Long Term Plan and Annual Plan cycles.

2. Recommendations

- 2.1. Recommendations are listed at the end of the submission at Appendix 1.

3. Introduction

- 3.1. Property Council is the leading not-for-profit advocate for New Zealand’s most significant industry, property. Our organisational purpose is, “Together, shaping cities where communities thrive.”
- 3.2. The property sector shapes New Zealand’s social, economic, and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional, and sustainable built environment. We aim to enable opportunities to build sustainable and resilient communities, capable of meeting future needs.
- 3.3. Property is New Zealand’s largest industry and fastest growing source of employment. There are nearly \$2.2 trillion in property assets nationwide, with property providing a direct contribution to GDP of \$50.2 billion (15 per cent) and employment for 235,030 New Zealanders every year.
- 3.4. Property Council is the collective voice of the property industry. We connect over 10,000 property professionals and represent the interests of over 550 member organisations across the private, public, and charitable sectors.
- 3.5. Property Council’s submission provides feedback on [Going for Housing Growth – Providing for urban development in the new resource management system – Discussion](#)

[Paper](#). Comments and recommendations are provided on issues relevant to Property Council's members.

4. Part A: Introduction

Pillar 1: Freeing up land for urban development and removing unnecessary planning barriers

- 4.1. Pillar 1 explores the option of requiring local councils to spatially plan for 50 years of growth, instead of the current 30 years. We are concerned that extending the planning horizon to 50 years could lead to local councils collecting development contributions based on a 50-year outlook, substantially increasing the cost of development. This also raises issues around accuracy of projections and fairness across generations.
- 4.2. The current approach of funding and financing across a 30-year period has led to a sharp escalation in development contribution fees. For example, in March 2023, Drury in Auckland saw a 268 per cent increase in development contribution fees. Two years later, Drury had another 19 per cent increase. These shifts suggest ongoing challenges with short-term forecasting, which have contributed to longer-term cost escalations and uncertainty for the development sector. We are concerned that a 50-year timeframe will be linked to funding and financing and create transparency and accuracy issues.
- 4.3. We recommend 30-year plans that are funded in 10-year increments, adjusted every three years, to align with local government Long Term Plan and Annual Plan cycles. This should be considered when giving effect to as part of Phase Three of the resource management reforms.

5. Part B: Urban development in the new resource management system

A Planning Tribunal

- 5.1. Property Council supports the establishment of a Planning Tribunal. Currently there is unpredictability, lack of accountability and implementation issues that relate to granting resource consents.
- 5.2. Property Council New Zealand's submission in 2020 to the Ministry for the Environment on [Transforming the resource management system: Issues and Options Paper](#) recommended the establishment of an independent regulator to ensure accountability within local authority consent departments. The proposal to introduce a Planning Tribunal (as an alternative and more affordable option to the Environment Court) would effectively take on board Property Council's 2020 advice.

Managing effects based on externalities

- 5.3. The proposed system will set a higher bar for regulatory restrictions on property including requiring councils to complete regulatory justification reports to deviate from

national standards. While we support this approach in principle, the lack of defined thresholds for such deviations is concerning. We believe this may result in several unintended consequences such as:

- The absence of a high threshold for deviation could result in a high number of applications across local councils;
- The absence of criteria could lead to inconsistent applications across local councils; and
- There is no clear decision-making process outlining what happens when local councils diverge from national standards, leading to uncertainty for developers and investors. A consistent and transparent planning pathway is essential to maintain market confidence.

- 5.4. We recommend the new Resource Management legislation establishes a threshold, clear criteria and a timeframe for decision-making regarding deviations from national standards.

National standardised zones

- 5.5. Property Council supports the introduction of nationally standardised zones under the new resource management system, as this will reduce the need for consents, support more permissive zoning for economic activities, and deliver cost savings for developers who currently must modify identical proposals to meet different district plan requirements. Standardisation will also reduce the cost and complexity of preparing and updating plans, benefiting both the development sector and ratepayers. Greater consistency will provide our members with more certainty and make it easier to deliver development across district boundaries.
- 5.6. Standard rules will make it easier to replicate successful projects across regions, such as proven school or hospital designs, which can shorten planning and construction timelines, reduce design and procurement costs, and enable bulk purchasing of materials.
- 5.7. We recommend that the standardisation of zones take immediate legal effect once the legislation is passed, rather than being delayed until future plan changes. We also recommend strong central leadership and clear national guidance to ensure consistent implementation and prevent councils from adding multiple overlays, controls, or precincts that could undermine standardisation.

What does the new resource management system need to do to enable good housing and urban development outcomes?

Education and training for local council staff

- 5.8. Education and training for local council staff is key to improving the effectiveness of housing and urban development under the new resource management system. When staff are well-equipped with the right skills and knowledge, they can make informed, consistent decisions and handle resource consent processes more efficiently. This not only speeds up approvals and reduces delays but also helps local councils align development with long-term urban planning goals.
- 5.9. To support this, we recommend a nationally consistent approach to training and guidance. The Planning Tribunal could play a role in developing guidance materials for local councils, helping to build capability, promote consistent decision-making, and ensure the new system is implemented effectively across regions.

Collaboration between relevant Ministries and the property sector

- 5.10. Collaboration between MHUD, MfE, and other relevant Ministries with the property sector and key stakeholders is vital for accurate growth projections. By sharing data, insights, and expertise, this partnership ensures that predictions about housing demand and urban expansion are grounded in real-time trends and future needs.
- 5.11. We recommend collaboration between relevant agencies and the property sector to ensure accurate growth projections are properly integrated under the new resource management system.

Streamlining the appeals process

- 5.12. For the new planning system to be effective, it must also provide clear direction on the scope and timing of litigation. This includes limiting opportunities to challenge decisions or appeal outcomes and setting strict timeframes for appeals. These measures are especially important given the number of proposed district plans across the country that remain only partially operative, or not operative at all. Streamlining the appeals process would help resolve these long-standing issues and significantly improve the system's overall functionality.

6. Part C: Design details of Going for Housing Growth

Future Development Strategies

- 6.1. We support future development strategies in the NPS-UD being replaced by a spatial planning regime in the Planning Act.
- 6.2. Under the National Policy Statement on Urban Development 2020, only Tier 1 and Tier 2 local authorities were required to prepare a Future Development Strategy. However, in a joint announcement on 24 March 2025 titled [“New Planning laws to end the culture of ‘no’”](#), Minister Chris Bishop and Parliamentary Undersecretary Simon Court stated that every region will now be required to have a spatial plan.

Spatial Plans

- 6.3. Property Council's vision is to have spatial plans which are strategic documents that have a 30-Year Plan for the region. We recommend each region have one spatial plan, as it enables certainty for our sector. A spatial plan would have a wide range of information on one plan including future roading networks, railways, airports, hospitals, schools, urban development, commercial and industrial development, public transport routes, parks and open spaces, protected environments signalled and public amenities. The key shift introduced by spatial plans is that they formally align central and local government to shared long-term planning and funding commitments within a region.
- 6.4. We support the expectation that stakeholders who may be involved in implementing the spatial plan are able to provide information to inform its preparation (including infrastructure providers, developers and landowners). It is important that key delivery stakeholders have opportunities for early engagement to ensure that the spatial plan proposals are feasible and likely to be taken up.
- 6.5. When establishing the framework or guidance to a spatial plan, we recommend all relevant agencies work together to establish accurate growth forecasts and test these with property and development sectors.
- 6.6. We recommend the following central government agencies as well as other relevant Ministries and Crown entities, participate in the development of the spatial plans, with one organisation being the lead, on behalf of the following central government agencies:
- Ministry of Housing and Urban Development
 - Kāinga Ora
 - Ministry for the Environment
 - Ministry of Transport
 - New Zealand Transport Agency
 - Ministry of Education
 - Ministry of Health (and DHBs)
 - Ministry of Business, Innovation and Employment
 - The Treasury New Zealand
 - Department of Internal Affairs
 - National Infrastructure Funding and Financing
 - Infrastructure Commission.
- 6.7. One concern with spatial planning is that the process could be lengthy having regard to the number of local councils and central government agencies required to participate. We recommend that clear guidelines around the timeframe in which decisions need to be made, with a clear principle that compromise is required.

- 6.8. If spatial plans are developed at the regional level, strong governance structures must be established to ensure consistency and effective implementation. These governance bodies should include representatives from the private sector, public sector, iwi, and charitable sector. Their role is to collaborate closely on delivering the plans and to apply their practical knowledge to ensure the plans are realistic and achievable.
- 6.9. Separately, to provide oversight and accountability, we recommend that the Planning Tribunal be responsible for monitoring the implementation of spatial plans. This oversight would ensure local councils adhere to the plans while allowing flexibility to approve justified changes. By doing so, the Planning Tribunal would create certainty for the development sector and enable the system to respond to emerging opportunities and market dynamics. Additionally, incorporating public consultation in spatial planning processes will help ensure the plans are feasible and have broad support, increasing their chances of successful adoption.
- 6.10. We recommend that local government Long-Term Plans should be aligned with regional spatial plans, particularly in relation to the funding and financing of agreed future infrastructure. This would better promote funding and financing of projects agreed to at a regional level and reduce the risk of adding another layer of complex planning.
- 6.11. Cabinet has signalled that spatial plans will be used to better align land use and infrastructure planning with investment. Agreed investment from both central and local government is crucial for market certainty. Coordinated public investment, like a new rail station, combined with feasible land use planning provides clear signals for development, reducing risks and encouraging timely private investment. Without this alignment, uncertainty can delay projects and increase costs.
- 6.12. In order to achieve this, local authorities could publish clear, itemised infrastructure plans that include both cost and delivery timeframes. Any changes could be regulated by the Planning Tribunal to ensure certainty for developers and accountability for local authorities.
- 6.13. We also recommend that spatial plans are aligned with the National Infrastructure Plan to ensure genuine commitment to pipeline certainty. This should include a hierarchical and fast-tracked planning pathway that prioritises delivery of nationally significant and large-scale infrastructure.

7. Housing Growth targets

- 7.1. We support the use of high-growth population forecasts in developing housing growth targets, as they help ensure infrastructure planning keeps pace with future demand. Historically, New Zealand has experienced underinvestment in infrastructure, often due to underestimated growth. Overestimating growth is preferable to underestimating it, as the latter can lead to significant shortfalls and long-term infrastructure constraints.

Providing an agile land release mechanism

- 7.2. While local councils will need to include sufficient development capacity to meet housing growth targets in their regulatory plans, MHUD and MfE considers that it is unlikely that councils could immediately service that level of growth with adequate transport and three waters infrastructure. This may mean that councils identify residential development capacity in their plans that is not ready to be developed.
- 7.3. The RM Expert Advisory Group recommended developing an agile land release mechanism to enable development areas to be brought online through a streamlined process. It also recommended that where growth areas are identified in a spatial plan and then zoned as an indicative urban zone in the regulatory plan, that land can be released for development without a formal plan change. To achieve this, the regulatory plan could be required to specify triggers for release such as infrastructure availability, developing and agreeing a detailed structure plan, or land price indicators.
- 7.4. Property Council members are generally supportive of this recommendation as it aligns with the need for more responsive and flexible urban growth management. In saying that, our do members have some potential concerns.
- 7.5. The proposal for “Indicative Urban Zones” acting as a trigger for land release risks becoming a copy of “Future Urban Zones” under the RMA, which our members think offer limited certainty or actionable development rights. For areas intended to deliver at least 30 years of housing growth, relying on broad indicative zoning without robust structure planning risks continuing the current cycle of uncertainty and delay. Instead, such growth areas should be supported by detailed structure planning upfront, so zoning is clear and meaningful from the outset, reflecting land use, infrastructure provision, and staging. With this approach, there would be no need for “indicative” zones, rather, development potential would instead be “unlocked” based on objective, transparent infrastructure triggers, such as availability of water, transport, and other key services.
- 7.6. In relation to infrastructure triggers, we are concerned that local councils might set overly ambitious or unrealistic infrastructure triggers that could stall development. To ensure fairness and transparency, these triggers should be established through a formal plan-making process.

Determining housing growth targets

- 7.7. The current NPS-UD allows councils flexibility in estimating housing demand, which can lead to inconsistent capacity planning and risk underestimating future development needs.

- 7.8. Property Council supports the proposed standardisation of housing growth target calculations, removing council discretion. We also support the use of centrally provided data to improve consistency and certainty as the baseline for setting housing targets.

Calculating development capacity

- 7.9. MHUD and MfE are seeking feedback on what adjustments should be allowed when local councils calculate feasibility as part of demonstrating compliance with housing growth targets.
- 7.10. Property Council members believe there could be significant benefit in greater standardisation of feasibility assessments. Currently, every local council approaches this differently, which can lead to inconsistencies and added costs. The Government could support local councils by developing a centralised, standardised feasibility assessment tool for widespread use.
- 7.11. It is also essential that planning policy clearly states these development capacity calculations are high-level estimates intended for strategic planning guidance only. Many local councils currently treat these figures as fixed, which risks misinforming planning decisions.
- 7.12. In summary, we support allowing adjustments to feasibility assumptions where justified, but within a transparent, standardised framework to improve consistency and reduce costs across councils.

Capacity to be 'reasonably expected to be realised'

- 7.13. Currently, the NPS-UD requires development capacity to be 'reasonably expected to be realised'. While the proposed shift to 'reasonably expected to be realistic' may appear to change the intent, in reality, Property Council members view this as no different. What is truly needed is a clearer, nationally consistent definition of what the standard means in practice. This could include indicative benchmarks or capacity rates to better align expectations with what is actually feasible in different market conditions.

Infrastructure requirements

- 7.14. Property Council agrees that local councils should use the most likely growth scenario for infrastructure planning. It is important that the development sector rely on accurate council predictions when it comes to future infrastructure. In particular, housing projects depend on infrastructure being delivered on time, and if those predictions are not reliable, development cannot stack up.

Responding to price efficiency indicators

- 7.15. Property Council agrees that development capacity should be informed not only by housing growth targets but also by indicators of how land markets are functioning in practice, including price indicators. We support Cabinet's decision to introduce

requirements ensuring that these price indicators do not deteriorate over time, as this helps ensure that planned housing capacity is realistic, commercially viable, and responsive to market conditions.

- 7.16. MHUD has suggested that one way of doing this could be to build in requirements that council planning decisions are responsive to a suite of price efficiency indicators, which would be measured and published by the Te Tūāpapa Kura Kāinga. This suite could include measures of urban fringe land price differentials, price-cost ratios and land ownership concentration. These indicators would inform whether council plans are enabling enough development capacity to support competitive urban land markets and, if not, trigger a requirement for councils to enable more capacity in their plans.
- 7.17. While using price efficiency indicators to inform planning decisions could help ensure councils are more responsive to market conditions, we are concerned that there could be a lack of clarity around how this would be implemented in practice. It is unclear which planning decisions the indicators would apply to and at what level, for example, whether they would influence high-level spatial or zoning decisions, or if they would also be expected to inform individual resource consent applications.
- 7.18. Applying such indicators too broadly or at inappropriate stages in the planning process could lead to confusion, delays, and legal uncertainty. We recommend that there be clear guidance to ensure these measures are used effectively and consistently.

Business land requirements

- 7.19. Proposed housing growth targets only apply to development capacity for housing. To ensure that provision of housing capacity does not crowd out business capacity, MHUD and MfE are seeking feedback on whether local councils should also need to enable enough business capacity in their regulatory plans to meet long term (30 years) demand. Property Council is supportive of this.
- 7.20. However, we seek confirmation that “business land” includes a full range of uses, specifically retail, commercial, and mixed-use. This will ensure that all essential economic activities are adequately provided for within urban planning frameworks.

8. Responsive planning

- 8.1. MHUD and MfE are seeking feedback on whether there is a need for stronger requirements for councils to respond effectively and efficiently to unanticipated or out-of-sequence development proposals.
- 8.2. While the principle of enabling responsive decision-making is important, ideally this should not need to be a significant feature of the new resource management system if spatial planning is done effectively from the outset. Well-designed spatial plans, developed in close collaboration with the public, private, iwi and charitable sectors, should reduce the likelihood of unanticipated or out-of-sequence development

proposals. When spatial plans are robust, forward-looking, and aligned with private sector intentions, there is less need for private plan changes or ad hoc responses to emerging development pressures.

- 8.3. However, where local councils delay or are slow to implement or update spatial plans, there is a greater likelihood that development will occur out of sequence with planned growth. This can result in increased reliance on private plan changes to meet housing and infrastructure demand. Therefore, while responsiveness is important, the real priority should be on ensuring timely and collaborative spatial planning from the outset, thereby reducing the need for reactive processes down the line.

9. Rural-urban boundaries

- 9.1. Cabinet has agreed to remove the ability for local councils to impose rural-urban boundary lines in their planning documents. MHUD and MfE propose that the new resource management system should make it clear that councils cannot include a policy, objective, or rule that set urban limits or rural–urban boundary lines in their plans for the purposes of urban containment.
- 9.2. Property Council is supportive of this. Housing policies should enable growth both up and out, ensuring enough land is available for development. However, simply removing the rural-urban boundaries will not, on its own, enable more development. The key issue lies in the policies that govern how and where urban expansion can occur. These policies must be framed in a way that is genuinely enabling, providing a clear, consistent pathway for greenfield development where appropriate.

10. Intensification

Key public transport corridors

- 10.1. MHUD and MfE are proposing to require major urban centres to enable intensification across two new categories of current or planned ‘key public transport corridors’. Property Council has been a longstanding supporter of intensification near key transport nodes to support the delivery of housing, return of investment in infrastructure, and reduce carbon emissions.

Category 1

- 10.2. Local councils would be required to apply a standardised zone enabling at least six storeys within walking distance of ‘Category 1 key public transport corridors.’ These would be defined broadly in line with the New Zealand Transport Agency’s One Network Framework classification of ‘spine’ corridors. These are strategically significant routes where numerous frequent services operate and where multiple public transport lines converge.
- 10.3. Property Council supports the proposed approach for Category 1. Encouraging intensification along these high-capacity spine corridors will maximise access to

frequent public transport, promote sustainable travel choices, and make efficient use of existing infrastructure. This approach aligns with the goals of supporting smart, well-connected urban growth in areas already well-served by public transport.

Category 2

10.4. Under Category 2, local councils would need to apply a standardised zone allowing at least three storeys within walking catchments of 'Category 2 key public transport corridors'. These are intended to align with the One Network Framework's "primary" corridors, defined as "strategic corridors where frequent public transport services operate across most of the day, seven days a week".

10.5. Property Council supports Category 2 but is concerned that the current definition could create unintended loopholes. For example, local councils might reduce service frequency on a single day to avoid meeting the threshold, limiting zoning requirements and undermining the policy's intent. We recommend refining and clarifying the definition of Category 2 key public transport corridors to prevent such loopholes.

Furthermore, key transport routes should be formally identified through consultation, Ministerial approval, or central government direction before local councils undertake rezoning. This will provide certainty about where intensification rules apply and help avoid delays caused by disputes over route designations.

Intensification catchments sizes

10.6. To avoid future debate about what constitutes a walkable catchment, MHUD and MfE are proposing minimum intensification catchment sizes around city and metropolitan centre zones (or equivalent zones in the new resource management system), rapid transit stops and key transit corridors.

10.7. Property Council supports Option 2:

- 1,500 metres from the edge of city centre zones (or equivalent);
- 1,200 metres from the edge of metropolitan centre zones (or equivalent) and rapid transit stops; and
- 600 metres from the edge of the road reserve of key transit corridors.

10.8. Compared to Option 1, which applies smaller catchment distances across the different zones, Property Council supports casting a wider net through Option 2 to enable greater density in these areas. This approach would allow more people to live closer to the central city, with improved access to public transport and local amenities. It would also reduce housing pressure in other parts of the city and contribute to positive environmental outcomes, including lower transport-related carbon emissions.

Minimum building heights to be enabled

10.9. We agree with the proposal that the requirement to enable at least six storeys should be increased, in certain areas. However, we believe councils should not treat six storeys as a cap. Instead, district plans should actively enable greater heights where appropriate—particularly in areas well-served by infrastructure, transport, and services. This will help create a varied skyline.

10.10. At the same time, intensification must be undertaken thoughtfully. Not every location, or city, needs or wants six-storey buildings, and planning should reflect the unique character, scale, and aspirations of each community.

Offsetting the loss of development capacity

10.11. Property Council supports the approach for local councils to offset for the loss of capacity in directed intensification areas. This is a good way to ensure that development capacity is not lost through a subjective application by local councils.

11. Enabling a mix of uses across urban environments

11.1. Property Council supports greater flexibility in zoning to enable a wider mix of residential, commercial, and community activities, particularly in areas where Tier 1 councils are required to enable six or more storey developments. This will help support the development of thriving, resilient, and well-connected communities.

12. Minimum floor area and balcony requirements

12.1. We appreciate MHUD and MfE's recognition of the challenges posed by district plans that impose requirements exceeding market demand. The imposition of certain rules can make development unfeasible, reducing housing and housing affordability.

12.2. We support the exclusion of minimum floor area and balcony requirements, whether as standards or matters of discretion, from standardised zones. These aspects of design are typically shaped by market demand and lending practices rather than planning regulations.

12.3. For example, banks influence minimum apartment sizes through their lending criteria. Prior to 2021, apartments smaller than 45 sqm generally required a 50% deposit, significantly limiting buyer access. However, in 2021, ANZ updated its policy to allow standard freehold apartments of 38 sqm or larger to qualify for a 20% deposit. This example illustrates how the market responds and adapts to lending frameworks, making prescriptive planning rules on unit size unnecessary and potentially counterproductive. Allowing greater flexibility supports more diverse and affordable housing options.

12.4. MHUD and MfE are seeking feedback on current rules that may unduly affect development feasibility. Property Council members consider that certain planning provisions, such as those introduced through Auckland Council's Plan Change 79, have,

as a whole, a disproportionate impact on the viability of development. This includes, for example, rules relating to:

- Pedestrian access requirements
- Loading bays requirements
- Bike parking requirements
- EV charging requirements
- Heavy vehicle access requirements
- Minimum width requirements for vehicular access to rear residential sites
- Minimum accessible car parking requirements.

13. Transitioning to Phase 3

13.1. MHUD and MfE is seeking feedback on whether Tier 1 and Tier 2 councils should be required to prepare or review their Housing and Business Development Capacity Assessment and Future Development Strategy in accordance with current NPS-UD requirements ahead of 2027 or whether they should be suspended to allow for a focus on implementation of Phase 3.

13.2. Property Council supports suspending this process to focus on implementation of Phase 3. We recommend guidance is given to local councils on where to focus their preliminary efforts as part of Phase 3. For example, local councils could start conducting work to identify future high growth housing areas or undertaking natural hazard mapping to help kickstart national alignment. This would free up valuable council resources, particularly given that the future development strategies will ultimately be replaced by a spatial planning framework under the Planning Act.

14. General comments on the Going for Housing Growth workstream and other government reforms

14.1. While this consultation focuses on the Government's Going for Housing Growth workstream, it cannot be meaningfully progressed without also considering related future reforms, particularly the Development Levies workstream, which will be critical to ensuring the financial viability of housing supply. A coordinated and aligned approach is essential to ensure that funding and financing tools enable, rather than hinder, housing delivery. This includes improving transparency, consistency, and certainty in how Development Levies are applied across councils, as well as exploring innovative funding models that better align infrastructure investment with housing outcomes.

14.2. While we support reform of the current development contributions system, we are concerned that the proposed replacement will create greater uncertainty for the development sector. Namely, in the delivery of infrastructure assets.

14.3. The proposed removal of the causal nexus test, and a shift towards aggregate growth costs, will allow local councils to collect over a wide area rather than tying the costs

received to specific infrastructure needs for a development. For example, social housing providers rely on certain infrastructure being built, in order to deliver housing. Similarly, private developers rely on this too, and in many instances will build a road connection in order to receive a resource consent. The proposed change risks greater uncertainty of council delivering infrastructure needs and will likely halt the Government's growth objectives.

14.4. Property Council also notes that the timing of an independent regulator for the new levy scheme is crucial. Without an independent regulator established upfront with decision-making ability, developers will have little trust and confidence in the new scheme.

14.5. The development sector is ready and willing to contribute to the design of this system. Without practical, on-the-ground insight from the outset, there is a real risk the system will fail at the implementation stage.

15. Conclusion

15.1. Property Council thanks MHUD and MfE for the opportunity to submit on the Going for Housing Growth Discussion Paper.

15.2. Property Council is supportive of many of the proposals as they will create a strong foundation for urban development within the new resource management system. We have provided some recommendations where we see the proposals require adjustments.

15.3. Property Council looks forward to engaging with the Government on the next phase of the reforms.

15.4. For further enquiries, please do not hesitate to contact Sandamali Ambepitiya, Senior Advocacy Advisor, via email: sandamali@propertynz.co.nz.

Yours Sincerely,



Denise Lee

Property Council Advocacy Consultant

Appendix 1

Full list of recommendations

Property Council recommends the following:

- Adopt 30-year spatial plans that are funded in 10-year increments, adjusted every three years, to align with local government Long Term Plan and Annual Plan cycles;
- Establish the Planning Tribunal;
- The new resource management legislation establishes a threshold, clear criteria and a timeframe for decision-making regarding deviations from national standards;
- Establish national standardised zones that reduce the need for consents and support more permissive zoning for economic activities;
- Consider duplication of successful projects (schools, hospitals, etc) across different regions by factoring this into spatial planning;
- Standardisation of zones take immediate legal effect once legislation has passed;
- Robust education and training of council staff to improve effectiveness of housing and urban development under the new resource management system;
- Collaboration between relevant agencies and the property sector to ensure accurate growth projections are properly integrated under the new resource management system;
- The new planning system includes clear limits on litigation and appeals, with strict timeframes and a streamlined process to reduce delays and improve system efficiency;
- Mandate each region to have a spatial plan;
- Central government agencies as well as other relevant Ministries and Crown entities, participate in the development of the spatial plans;
- Clear guidelines are set around the timeframe in which decisions about spatial plans need to be made;
- The governance of spatial plans includes representatives from the private sector, public sector, iwi, and charitable sector;
- The Planning Tribunal to oversee the implementation of spatial plans, to ensure that local councils comply with the spatial plans;
- Spatial plans be subject to public consultation;

- Long-Term Plan process of local government takes into account spatial plans and the funding and financing of agreed future infrastructure at the spatial plan level;
- Spatial plans be aligned with the National Infrastructure Plan;
- High-growth population forecasts are used for establishing housing growth targets;
- An agile land release mechanism be developed to allow development areas identified in spatial plans to be brought online more quickly;
- Regulatory plans include clear, objective triggers for land release to ensure development can proceed when conditions are met;
- Growth areas for long-term housing should have detailed upfront structure plans with clear zoning based on land use, infrastructure, and staging, avoiding vague “indicative” zones that create uncertainty;
- Infrastructure triggers for land release be set through a transparent and formal plan-making process;
- Introducing the standardisation of housing growth targets calculations, removing local council discretion;
- Centrally provided data and criteria to be used for setting housing targets;
- Adjustments to feasibility assumptions be permitted only within a transparent and standardised framework to ensure consistency and reduce costs across local councils;
- A clearer, nationally consistent definition of what “reasonably to be realistic” will mean in practice;
- Local councils use the most likely growth scenario for infrastructure planning;
- Clear guidance be developed to define how and at what stages these price efficiency indicators should be applied;
- Provide clarity on whether “business land” includes a full range of uses (retail, commercial, industrial, mixed-use, etc) to ensure that all essential economic activities are adequately provided for;
- Remove local councils’ ability to impose rural-urban boundary lines and for housing policies to provide direction on how and where urban expansion can occur;
- Amend Category 2 definition to ensure that councils genuinely support intensification along well-served, strategically important routes;

- Key transport routes be formally identified through consultation, Ministerial approval, or central government direction before councils undertake rezoning;
- Adopt Option 2 – intensification and walkable catchments;
- Requirement for six storeys to be increased, in certain areas;
- Local councils to offset for the loss of capacity in directed intensification areas;
- Greater flexibility in zoning to enable a wide mix of residential, commercial and community activities, particularly in areas where Tier 1 councils are required to enable six or more storey developments;
- Exclude minimum floor area and balcony requirements from standardised zones;
- Review Auckland Council Plan Change 79 that unduly impacts development feasibility;
- Tier 1 and Tier 2 council suspend their processes to prepare/review their HBA and FDS in order to focus on the implementation of Phase 3; and
- Consider the Going for Housing Growth workstream in conjunction with other Government reforms, such as the future Development Levies scheme.