



## **Housing and Urban Development Authority Factsheet**

# **Infrastructure and funding powers for specified development projects**

Traditionally, infrastructure planning and provision has been spread across central government, local government, and the private sector. This adds time, cost and complexity when undertaking developments. To remove these barriers the Housing and Urban Development Authority (the Authority) will work constructively with councils and infrastructure providers in a partnership-type model when doing a specified development project.

### **What infrastructure powers will the Authority have?**

Within a specified project area the Authority will essentially have the same powers as a council to:

- build, change or remove any building or infrastructure (excluding infrastructure of national significance)
- build, change or remove transport infrastructure
- build, change or maintain water services
- create, suspend or amend bylaws.

Existing checks and balances will continue to generally apply. The Authority will still need to get resource or building consents as required.

For projects that require supporting infrastructure outside of the specified project area, the Authority will work with councils to build, change or upgrade infrastructure. The Authority will provide funding in fair proportion to the costs involved. If councils are unable to afford or agree, they may be required to provide infrastructure where the project is in the national interest, with funding organised by the Authority.

### **When will the Authority's infrastructure powers be used?**

The Authority will work in partnership with councils to ensure the necessary infrastructure is incorporated into local plans. The Authority's infrastructure powers will only be used where agreement is not reached in time to achieve the projects objectives. This means that they are essentially back-up powers that will enable the Authority to ensure:

- the right infrastructure is in the right place at the right time
- infrastructure is coordinated and integrated with growth and development
- specified development projects are delivered efficiently and effectively.

### **Who will pay for the infrastructure?**

As part of the specified development project's development plan, the Authority will negotiate binding infrastructure and cost-sharing agreements with councils and other relevant stakeholders.

## **How will parties pay for infrastructure and other development activities?**

The Authority will have access to a range of funding mechanisms so it provides the necessary infrastructure in a project area. This will be done in a way that means the residents and businesses that benefit directly from the new or upgraded infrastructure pay their fair share of the construction costs.

This targeted approach means residents and businesses will not have to pay for infrastructure outside their neighbourhood, or even in a different town/city.

Like councils, the Authority will be able to:

- set targeted rates within a project area
- require development contributions
- require betterment payments
- set a fee or charge for connecting to or using infrastructure provided by the Authority (except for transport infrastructure).

## **Checks and balances**

Similar checks and balances will apply to the Authority as councils. This includes checks and balances to ensure that developers, builders or homeowners do not pay twice for the same infrastructure or development activity.

## **For more information and updates on the Authority**

- **Visit:** Ministry of Housing and Urban Development website – [www.hud.govt.nz](http://www.hud.govt.nz)
- **Email:** [info@hud.govt.nz](mailto:info@hud.govt.nz)