

## Briefing

Interim measures to accelerate the upzoning of land for housing			
<b>Date:</b>	12 March 2021	<b>Security level:</b>	In Confidence
<b>Priority:</b>	Medium	<b>Report number:</b>	HUD: BRF20/21030895 MfE: 2021-B-07699

Action sought		
	Action sought	Deadline
Hon Dr Megan Woods <b>Minister of Housing</b>	<p>Note this briefing sets out interim measures to accelerate the upzoning of land for housing.</p> <p>Discuss these measures with officials and direct them on which ones you would like to progress.</p>	25 March 2021
Hon David Parker <b>Minister for the Environment</b>		
Hon Nanaia Mahuta <b>Minister of Local Government</b>		
Hon Phil Twyford <b>Associate Minister for the Environment</b>		

Contact for discussion			
Name	Position	Telephone	1 <sup>st</sup> contact
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Other agencies consulted
Treasury, Kāinga Ora – Homes and Communities

### Minister's office to complete

<input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> Approved <input type="checkbox"/> Needs change <input type="checkbox"/> Not seen by Minister <input type="checkbox"/> Overtaken by events <input type="checkbox"/> Declined <input type="checkbox"/> Referred to (specify) _____
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Comments

Date returned to HUD:

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## Briefing

### Interim measures to accelerate the upzoning of land for housing

**For:** Hon Dr Megan Woods, Minister of Housing  
Hon David Parker, Minister for the Environment  
Hon Nanaia Mahuta, Minister of Local Government  
Hon Phil Twyford, Associate Minister for the Environment

**Date:** 11 March 2021      **Security level:** In Confidence

**Priority:** Medium      **Report number:** BRF20/21030895 (HUD)  
2021-B-07699 (MfE)

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#### Executive summary

1. Resource management (RM) reform, the National Policy Statement on Urban Development (NPS-UD), and three waters reform are key initiatives that will bring on significant land supply for development in the medium to long-term.
2. However, there is an urgent need to unlock land so more homes can be built quickly. Ministers asked officials to look at several measures designed to accelerate the upzoning of land. We consider interim measures that can upzone land more quickly could significantly increase development capacity over the short to medium-term.
3. The briefing provides advice on four interim measures proposed by Ministers:
  - Option 1 – applying the Auckland Unitary Plan (AUP) Residential – Mixed Housing Urban Zone more widely
  - Option 2 – enabling hyper-localism
  - Option 3 – improving strategic planning for the Auckland Southern Rail Corridor
  - Option 4 – extending the sunset clause of the COVID-19 Recovery (Fast-track Consenting) Act 2020.
4. Officials have also provided advice on four additional measures that could speed up the intensification of urban areas and enable an increase in housing supply. These include:
  - Option 5 – enabling councils to voluntarily apply default planning rules
  - Option 6 – amending the NPS-UD timeframes
  - Option 7 – passing a package of emergency Resource Management Act 1991 (RMA) amendments
  - Option 8 – passing emergency legislation to enable centrally directed intensification.
5. Officials are keen to discuss these interim measures with Ministers and get direction on which ones to progress to more detailed policy development.

### Recommended actions

6. It is recommended that you:

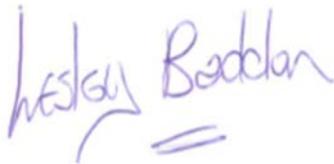
- 1. **Agree** to discuss the interim measures to accelerate the upzoning of land for housing in this briefing with officials Yes/No
- 2. **Direct** officials on which of these interim measures you would like to progress to more detailed policy development. Noted




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Jessica Range  
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 Regulatory Tools, Te Tūāpapa Kura  
 Kāinga – Ministry of Housing and  
 Urban Development**

12/3/21




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Lesley Baddon  
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12 / 3 / 21

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Hon Dr Megan Woods  
**Minister of Housing**

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Hon David Parker  
**Minister for the Environment**

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Hon Nanaia Mahuta  
**Minister of Local Government**

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Hon Phil Twyford  
**Associate Minister for the Environment**

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## **Interim measures are needed to speed up the upzoning of land for housing**

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*The Government has initiatives underway that will have a significant impact on land supply over the longer term*

7. There are several initiatives underway to improve the way New Zealand's cities function and bring on significant land supply for development. These include resource management (RM) reform, implementation of the National Policy Statement on Urban Development (NPS-UD), and three waters reform.
8. Together these initiatives will ensure that councils plan for growth on a comprehensive and enduring basis, so that New Zealand's cities provide higher quality environments that better respond to change. They will have a significant impact on housing supply over the medium to long-term.

*Interim measures could be put in place to complement these longer-term initiatives*

9. However, there is an urgent need to unlock land for housing. Ministers have asked officials to look at several options for upzoning land. We consider that interim measures that focus on upzoning could significantly increase development capacity in the short to medium-term and accelerate housing supply. This is most likely to be achieved through focusing on those areas where people want to live, and developers are likely to build.
10. This approach would be consistent with the objectives and policies of the NPS-UD. The NPS-UD aims to promote housing density in areas that have good transport links, are close to jobs and other services, and promote a low carbon urban form. The cost of providing infrastructure can be less as existing areas already have roads and other infrastructure in place.

*Achieving speed will require exceptional processes*

11. Any measure that speeds up planning processes and results in significant increases in development capacity will have a necessarily disruptive impact on the current system. The interim measures explored in this briefing achieve speed in a range of ways including curtailing council processes, enabling central government to play a role in planning processes, and limiting appeal rights. Arguably, these changes could limit public participation and curtail private property rights, and local government decision-making. The diagrams in Annex A illustrate this point.
12. The risks of these changes can be mitigated to an extent by ensuring appropriate checks and balances are in place and mitigating against unintended consequences when designing and implementing measures.

## **Eight interim measures have been explored**

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13. This paper looks at four interim measures proposed by Ministers to accelerate the upzoning of land:
  - Option 1 – applying the Auckland Unitary Plan (AUP) Residential – Mixed Housing Urban Zone more widely
  - Option 2 – enabling hyper-localism
  - Option 3 – improving strategic planning for the Auckland Southern Rail Corridor
  - Option 4 – extending the sunset clause of the COVID-19 Recovery (Fast-track Consenting) Act 2020.
14. Officials have also identified additional measures that achieve similar outcomes to those proposed by Ministers. These measures fall into four broad categories ranging from voluntary to directive:
  - Option 5 – enabling councils to voluntarily apply default planning rules
  - Option 6 – amending the NPS-UD timeframes

- Option 7 – passing a package of emergency Resource Management Act 1991 (RMA) amendments
  - Option 8 – passing emergency legislation to enable centrally directed intensification.
15. In assessing all eight measures, we have considered the following criteria:
- a. the potential increase in development capacity (both the volume of land released and speed of release)
  - b. the extent to which measures vary from the current regulatory settings
  - c. the potential impact on local government, public participation and private property rights.
16. The relative position of each measure in relation to these criteria is outlined in *Annex A*.

### **Interim measures proposed by Ministers**

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#### ***Option 1: Applying the AUP Residential – Mixed Housing Urban Zone as the minimum density zone across Auckland and other cities***

17. The Auckland Unitary Plan (AUP) *Residential – Mixed Housing Urban Zone* could be applied as a minimum density zone across Auckland and other cities. This zone is a medium density residential zone permitting buildings up to three storeys and multiple dwellings per site. A similar approach was recently implemented in Oregon (USA), which gives all local authorities two years to remove 'single-family zoning' from all plans.
18. There are two main ways to do this:
- a. require all councils nationwide, or a subset of councils where there is evidence of growth pressures, to change their plans immediately to provide this zone across urban areas (potentially with matters of national significance carved out). This approach would override local decision-making but would see a significant impact on development capacity. Councils would experience less resourcing pressure on their planning functions as they would have less discretion in how they implement the new rules (i.e. there would be very limited exceptions so councils would not have to go through the process of identifying them).
  - b. direct councils to implement this zone within a certain timeframe, giving them time to identify local exceptions. This would override local decision-making to a more limited extent but would set up a parallel, and potentially contradictory, approach to the NPS-UD that could distract councils from its implementation.
19. Most residential zones across the country currently enable less development than the AUP *Residential – Mixed Housing Urban Zone*. Therefore, both approaches to this option could result in a significant increase in development capacity. This option would also have the benefit of increasing capacity in multiple centres – both in New Zealand's largest cities and in smaller cities and towns.
20. A risk with this option would be the desire from local communities for heritage, viewshaft and character protection. Benefits realised would depend on implementation details, particularly the extent to which existing overlays are removed. For example, if all existing character overlays are retained, it would limit more intensive development in some of the areas closest to services and in highest demand. Natural hazard risks and issues such as biodiversity would also need to be considered. Also plans are complex documents, and this option would likely result in zones that do not fit well with the rest of plans. Plan consistency, particularly at implementation, could be an issue for councils because of this.
21. There are several different mechanisms to deliver both options – amending the RMA or issuing a National Environmental Standard (NES) or a National Planning Standard. Each of these will have different timeframes and procedural risks. Although further analysis would be required to identify the best mechanism, an NES or National Planning Standard would be the natural fit. Either of these are likely to take a minimum of 12 months (all previous NES and National Planning Standards have taken a minimum of 18 months).

Applying the AUP Mixed Housing Urban Zone across Auckland and to other cities	
<b>Description</b>	Apply the Residential – Mixed Housing Urban Zone rules from the Auckland Unitary Plan, which enables a minimum of 3 storeys, to all of Auckland and other cities.  This could be achieved via a national direction instrument or a change to the RMA.
<b>Potential impact</b>	The potential impact would be high as it would lead to a substantial increase in development capacity across key urban centres. However, it may not lead to increases where there are currently constraints on urban development, because of the need to protect heritage and biodiversity, or respond to natural hazards.
<b>Costs / Risks</b>	There is a significant trade-off between speed and risk when designing this option. If changes are made quickly, this would involve a substantial override of local decision-making. Longer timeframes that allow councils to consider local conditions would likely have similar timeframes to implementing the NPS-UD.  This option would not necessarily align with the requirements of the NPS-UD and could distract councils from implementing the higher density intensification policies.  It could result in inconsistent plans that are difficult for councils to implement or insufficient consideration of natural hazards and climate change risks and environmental impacts.
<b>Considerations</b>	Adjustments may need to be made to the Residential – Mixed Housing Urban Zone before applying it more widely.

### **Option 2: Enabling hyper-localism**

22. We understand hyper-localism to mean changes to the RMA to allow neighbours to negotiate land-use controls at a neighbourhood or street level if they support increased density.
23. This approach could reduce the disincentive for neighbours to consent to higher density by creating reciprocal intensification rights for those who consent to their neighbours' activities. It could alleviate some of the concerns that existing residents often have around higher density housing by giving them more control over what happens in their neighbourhood – while also making it easier for them to consent to density when they want it. It could allow for gradual intensification of existing suburban neighbourhoods and new housing typologies (such as perimeter block housing) to occur.
24. There are a range of ways hyper-localism could be implemented, including reciprocal intensification between neighbours or wider street level plans. The 2017 RMA amendments introduced a form of hyper-localism, though it has not seen widespread uptake.
25. We consider the potential impact of policies enabling hyper-localism would be low in terms of increasing development capacity. These policies would also need to be carefully designed to limit the unintended consequences that can arise when there is less involvement and oversight by local government. These consequences could include poor design and limited mitigation of natural hazard risks.
26. The effects of introducing these changes would not be seen in the short term as the practice would take time to embed. Homeowners need time to understand the benefits of intensifying and to negotiate with neighbours. The effort required to negotiate an agreement may limit take-up.

27. Officials will consider hyper-localism within the scope of RM reform, including options for how it could be included in the new system.

Enabling hyper-localism	
<b>Description</b>	Hyper-localism shifts the control of land-use from local government to the neighbourhood or street level.  Different options for devolved planning requirements are available.
<b>Potential impact</b>	This option would have a low impact on development capacity. It will take time for homeowners to understand the benefits of intensifying and negotiate with neighbours.
<b>Costs / Risks</b>	Implementing hyper-localism in the short-to-medium term would require diverting officials from work on RM reform. Officials would need to carefully design these policies so unintended consequences are mitigated.
<b>Considerations</b>	Hyper-localism will be included in options development for the RM reform.

### ***Option 3: Improving strategic planning for the Auckland Southern Rail Corridor***

28. This option would create a Specified Development Project (SDP) under the Urban Development Act 2020 for the whole of southern Auckland from Papakura to Pukekohe (and possibly Pokeno and Waiuku). This would support the existing and planned investment in the rail corridor and the potential for a frequent passenger rail link between Hamilton and Auckland in the future.
29. The Southern Rail Corridor will deliver significant development capacity in the medium to long-term. However, establishing an SDP is unlikely to speed up the availability of this capacity in the short-term.
30. An SDP of this size and complexity would take several years to establish and approve. Key considerations would be the need to identify and resolve the linkages and dependencies between the multiple agencies and parties involved, and to align all the different components needed for the success of the project (e.g. roading, rail, three waters, education and housing). An added complexity is that the corridor involves multiple developments progressing at different speeds.
31. The main benefits from establishing an SDP for the Southern Rail Corridor would be central government coordination and leadership, and integrated planning of infrastructure and land uses. At this point in time, officials consider that central government is better to continue working closely with local councils and other key stakeholders on the development options and opportunities for the corridor. This work will include considering whether an SDP would be beneficial to facilitate development across all or in parts of the corridor.

Improving strategic planning for the Southern Rail Corridor	
<b>Description</b>	Establishing an SDP would improve strategic planning and delivery at pace and scale for the Southern Rail Corridor.
<b>Potential impact</b>	There would be benefit from the coordination and integrated planning provided by an SDP.
<b>Costs / Risks</b>	It will take considerable time to establish an SDP for a project of the size and complexity of the Southern Corridor and for benefits to be realised. Therefore, it is unlikely to increase development capacity in the short-term.
<b>Considerations</b>	The Urban Growth Partnership work on the Southern Rail Corridor will be able to identify areas where an SDP could be beneficial.

**Option 4: Extending the fast-track consenting legislation beyond the sunset period**

32. Minister Woods has asked HUD for advice on extending the sunset clause of the fast-track consenting legislation beyond 9 July 2022.
33. The COVID-19 Recovery (Fast Track Consenting) Act 2020 (FTCA) introduced a short-term consenting process to fast-track projects to boost employment and economic recovery from COVID-19. It was intended to fast-track approvals for projects already planned and ready to begin construction, pending RMA approval.
34. The FTCA process is best suited to large resource consents or developments. This is because the applicant must apply to the Minister for the Environment and go through an assessment process. There are also high costs associated with the process as applicants must pay the costs of the Expert Consenting Panel. This process is unlikely to be used for an average housing resource consent or small housing development.
35. While this option would continue to provide a faster pathway for some larger developments, it would not contribute to an increase in upzoned land for housing. The process of assessing an application under the FTCA uses the relevant RMA plans. If the underlying plan has provisions that do not enable intensification and development, the consent may be declined.
36. Extending the timeframe for the FTCA would require a significant amendment to the Act. The length of time the Act was applicable for was assessed and debated during its parliamentary process. The purpose is currently tied to the economic recovery from COVID-19 and creating jobs and would need to be amended accordingly.
37. Officials consider improvements could be made to the timeliness and certainty of the resource consent process for intensification through the RMA (discussed below). These improvements would provide a more efficient and less costly process for resource consents for developments of all sizes and complement the FTCA while it is in force.

Extending the sunset clause of the Fast-track Consenting Act	
<b>Description</b>	The COVID-19 Recovery (Fast Track Consenting) Act 2020 would be amended to extend its sunset clause past 2 years.
<b>Potential impact</b>	The potential impact would be low in terms of increasing development capacity as existing plan provisions would apply to applications.  FTCA is only useful for large developments with the resources to apply and to create enough jobs. Therefore, it has limited application.
<b>Costs / Risks</b>	The FTCA process carries high costs for applicants, particularly when providing for Panel members' expenses. This limits the types of developments applying to use the process.
<b>Considerations</b>	There are a limited number of people with expertise to sit on Expert Consenting Panels.  As the current purpose of the FTCA is to support economic recovery and create jobs, it would need to be amended if the legislation was extended in its duration.

### Additional options identified by officials

#### *Option 5: Voluntary application of default planning rules*

38. HUD and MfE officials could develop default planning rules that meet the intensification requirements in the NPS-UD. Councils could voluntarily apply these rules when they make new plans. This would give effect to the NPS-UD intensification policies, while reducing amount of work councils need to do.
39. This option would rely on councils choosing to adopt the default planning rules. However, it has two main potential benefits:
  - a. If councils are struggling with implementation or running out of time, there would be an easy 'off the shelf' approach to complying with the NPS-UD requirements.
  - b. A set of default planning rules reduces the risk of councils misinterpreting the NPS-UD and diverging from the expected outcomes.
40. This option could be effective at helping councils to voluntarily address noncompliance with the NPS-UD. However, if pursued on its own, this option would not produce the scale and speed of development capacity change required.

Voluntary application of default planning rules	
<b>Description</b>	HUD and MfE develop default planning rules for medium density developments to be voluntarily applied by councils when they are making plan changes for the intensification requirements under the NPS-UD.
<b>Potential impact</b>	The potential impact on development capacity would be low to moderate. It would only have an impact where there is a strong incentive on councils to upzone and they have limited capacity or capability to undertake the work themselves.

	This option is unlikely to result in development any sooner than is required under the NPS-UD. Councils will still need to follow a plan change process to make the rules operative.
<b>Costs / Risks</b>	<p>There is some risk if the default planning rules are put in place by the council without considering the local context. Work would still be required by councils to determine where these rules would apply</p> <p>Any standardised provisions may not work with the varied definitions and structure of the relevant council district plans.</p>
<b>Considerations</b>	This option could be used as the basis for more directive action later if councils do not implement the requirements of the NPS-UD or used in conjunction with the RMA amendments package below.

### **Option 6: Amending NPS-UD Timeframes to bring forward upzoning**

41. The NPS-UD could be amended so the August 2022 deadline for intensification plan changes to be notified is brought forward to March 2022 (one year from now). This would result in a gain of up to six months on the implementation of these policies. It would not be possible to bring the deadline forward any earlier as it would make it impossible for most councils to notify a plan change in time.
42. Bringing the deadline forward would not substantially reduce the time for plans to give effect to the intensification policies. While it would marginally bring forward *notified* plan changes, the greatest delay occurs after this date. This is because of the RMA plan making processes, generally requires two years of submissions and hearings, followed by appeals.
43. Bringing the deadline forward could also negatively impact the quality of work undertaken by councils, given it reduces the timeframe for the most resource intensive part of the process.
44. It is important to note that a similar effect could be achieved by the Minister for the Environment using the existing powers available under section 25A of the RMA. This is where the Minister directs a council to prepare a plan change and gives a reasonable period within which the plan change must be notified. This is discussed more in the RMA amendments package below.

<b>Amending NPS-UD Timeframes</b>	
<b>Description</b>	Bringing forward the August 2022 deadline for NPS-UD intensification plan changes to be notified.
<b>Potential impact</b>	The potential impact on development capacity would be minor as the normal schedule 1 process under the RMA (i.e. submissions, hearings, decisions and appeals) would still be required. It would bring forward timeframes but could impact on the quality of implementation if councils are not supported.
<b>Costs / Risks</b>	<p>There is some risk with bringing forward the deadline as councils may not have an appropriate amount of time to undertake analysis and gather evidence to support their amended plans as required under the RMA. This could increase the likelihood of legal challenge.</p> <p>This option would require an amendment to the NPS-UD, which would take up to 18 months for public consultation requirements and approvals. A similar effect could be achieved by using existing powers in the RMA.</p>

<b>Considerations</b>	This option would marginally bring forward notified plan changes, but not address overall issues with plan-making timelines or lead to quality plan changes.
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### **Option 7: A package of emergency RMA amendments**

45. A package of emergency, targeted changes could be made to the RMA to enable significantly faster implementation of the objectives and policies in the NPS-UD.
46. As a package, the benefits of these changes could be significant – they would require councils to speed up plan changes, limit appeals, enable plans to have an impact earlier in their preparation, and streamline consenting. Cumulatively, this package would mean the land expected to be upzoned under the NPS-UD intensification policies would be made available two to four years ahead of the current schedule. Faster development would be enabled in areas of high demand.
47. The package is proposed to include:
  - a. Allowing Ministers to initiate the Streamlined Planning Process (SPP). This could be used to require some councils to use the SPP for intensification plan changes. The SPP limits appeals and offers some time-saving efficiencies. Currently the use of the SPP is optional, and only councils may initiate one.
  - b. Changing the point at which plan objectives, policies and rules have legal effect. This would mean plans implementing the NPS-UD would have an impact *once notified* (that is on or before August 2022), rather than following full submission, hearing, decision and appeals processes (a further two to four years). Councils would consider both the proposed plan and the operative plan when making decisions on consents from the time a plan change is notified. This was the case prior to 2009 RMA amendments.
  - c. Amending resource consent processes for intensification applications to improve timeliness and certainty. This could include amending notification or appeal rights.
  - d. Freeing up council capacity to prepare quality intensification plan changes by removing the requirements to make other less urgent plan changes under the RMA. This could include removing full plan review requirements (some plans are coming up for their ten-year review) and removing requirements to update Regional Policy Statements to align with the National Planning Standards (due by 2022).
48. To complement these changes, the Minister for the Environment could utilise existing powers (under section 25A of the RMA) to require intensification plan changes be notified sooner than the NPS-UD deadline of August 2022. Effectively this is the same option as amending NPS-UD timeframes described above.
49. As a whole, this package aims to significantly bring forward the upzoning of land for housing, while moderating the risks of curtailing local decision-making. Councils would continue to prepare the plan changes required to implement the NPS-UD, although within a shorter timeframe than allowed presently.
50. However, plans would have an impact sooner, prior to submissions being heard, and appeals would be highly limited. This has several risks. Faster timeframes and lack of appeals could increase local opposition. Changes to the RMA while the system is under reform could also result in confusion for the sector.
51. Legislation could be prepared quickly if targeted and well designed, subject to the legislative calendar of the House. Following the passing of any legislative change, the Minister for the Environment, and potentially other Ministers, would need to play a central role in ensuring these changes are successful. This particularly includes in managing use of the SPP. MfE would also require additional resourcing to manage the SPP process, which is not cost recovered.

Emergency RMA amendments	
<b>Description</b>	A package of targeted changes to the RMA to enable faster implementation of the objectives and policies in the NPS-UD.
<b>Potential impact</b>	<p>The potential impact on development capacity could be moderate to significant, depending on components of the package chosen.</p> <p>Requiring the SPP would avoid usual plan-making processes such as appeals, and reduce the time for provisions to have full effect by approximately 2-3 years.</p> <p>Immediate legal effect would allow the plan change to be applied in resource consents processes as soon as the plan changes were notified. This would bring forward the impact of the NPS-UD to the notification stage, potentially by 2-3 years.</p> <p>Prioritising council work through the removal of unnecessary requirements could support better implementation of the NPS-UD and the freshwater national direction.</p> <p>Directing earlier notification of intensification plan changes could bring forward plan changes by approximately six months.</p> <p>Changes to the resource consent process for intensification could enable faster development in high demand areas.</p>
<b>Costs / Risks</b>	<p>This package aims to significantly bring forward the upzoning of land for housing, while moderating the risks of curtailing local decision-making. However, depending on the speed and size of the changes made, risks could be significant.</p> <p>Appeal rights would be curtailed, and plans would have an impact before all submissions are heard. This could raise the risk of local opposition and of judicial review.</p>
<b>Considerations</b>	There would need to be careful messaging regarding the relationship to wider RM reform.

#### **Option 8: Centrally directed intensification**

52. The Government could pass emergency legislation enabling it to directly modify district plans, like the approach in the Christchurch Earthquake Recovery Act 2011 (the CER Act).
53. The CER Act enabled the responsible Minister to suspend, amend, or revoke RMA plans through public notice. Notices were used to provide increased development capacity in some areas. Changes were made to plans in months rather than years, including zoning changes. This appears to have significantly increased development capacity in Christchurch, although effects are difficult to disaggregate from other factors such as the considerable central government investment in infrastructure.
54. Key to the success of this option is developing a process that appropriately balances speed and the quality of decision-making. The power provided in the CER Act was a response to the earthquakes, with limited checks on its use, and would be inappropriate for more general application across New Zealand.

55. However, officials consider this process could involve:
  - a. development of upzoning proposals – potentially drawn from the more directive elements of the NPS-UD
  - b. development of proposed plan changes, either by central government working alone or alongside the relevant council
  - c. short consultation with iwi and relevant councils
  - d. revision of proposals
  - e. an Order in Council modifying plans
  - f. very limited or no appeals.
56. Changes implemented through this mechanism could be significant. Development capacity could be increased substantially within a year, enabled by the limited consultation and appeals processes.
57. However, this option would mean inserting central government more directly into the planning system and reducing the ability of local communities to respond to changes in their area. To mitigate against unintended consequences, HUD and MfE would need to have an in depth understanding of local conditions before proposing any change. Ideally, officials from HUD and MfE would work alongside the relevant council on the changes.
58. Targeting plan changes around the more directive elements of the NPS-UD would also mitigate some of the risks associated with local decision-making and existing property rights. The more directive elements of the NPS-UD include intensification in the central business districts and around rapid transport corridors.
59. Creating such an Act would require significant policy work, options analysis, and drafting time, which would be more complex than targeted changes to the RMA.
60. Implementing this option will require considerable planning expertise for central government to work with councils on plan changes.

Centrally directed intensification	
<b>Description</b>	Emergency legislation enabling central government to directly change individual plans in a similar way to legislation following the Christchurch earthquake sequence.
<b>Potential impact</b>	This option would have a significant impact on increasing the supply of land. It would enable large parts of our urban areas to be upzoned in potentially months rather than years.
<b>Costs / Risks</b>	<p>This option would involve overriding local decision-making and the ability of existing property owners to engage in local changes.</p> <p>Developing and passing a piece of bespoke legislation will require MfE and HUD to free up additional resources, potentially from RM reform. It will also require resourcing for implementation as additional planning expertise will be needed. This option is likely to have the biggest impact on central government resources.</p> <p>There may also be perception issues using emergency legislation in response to a situation that is not a natural disaster or pandemic.</p>
<b>Considerations</b>	Legislation could be prepared reasonably quickly if targeted and well designed. However, it will not likely be as quick as targeted RMA amendments.

## Other work programmes complement these measures

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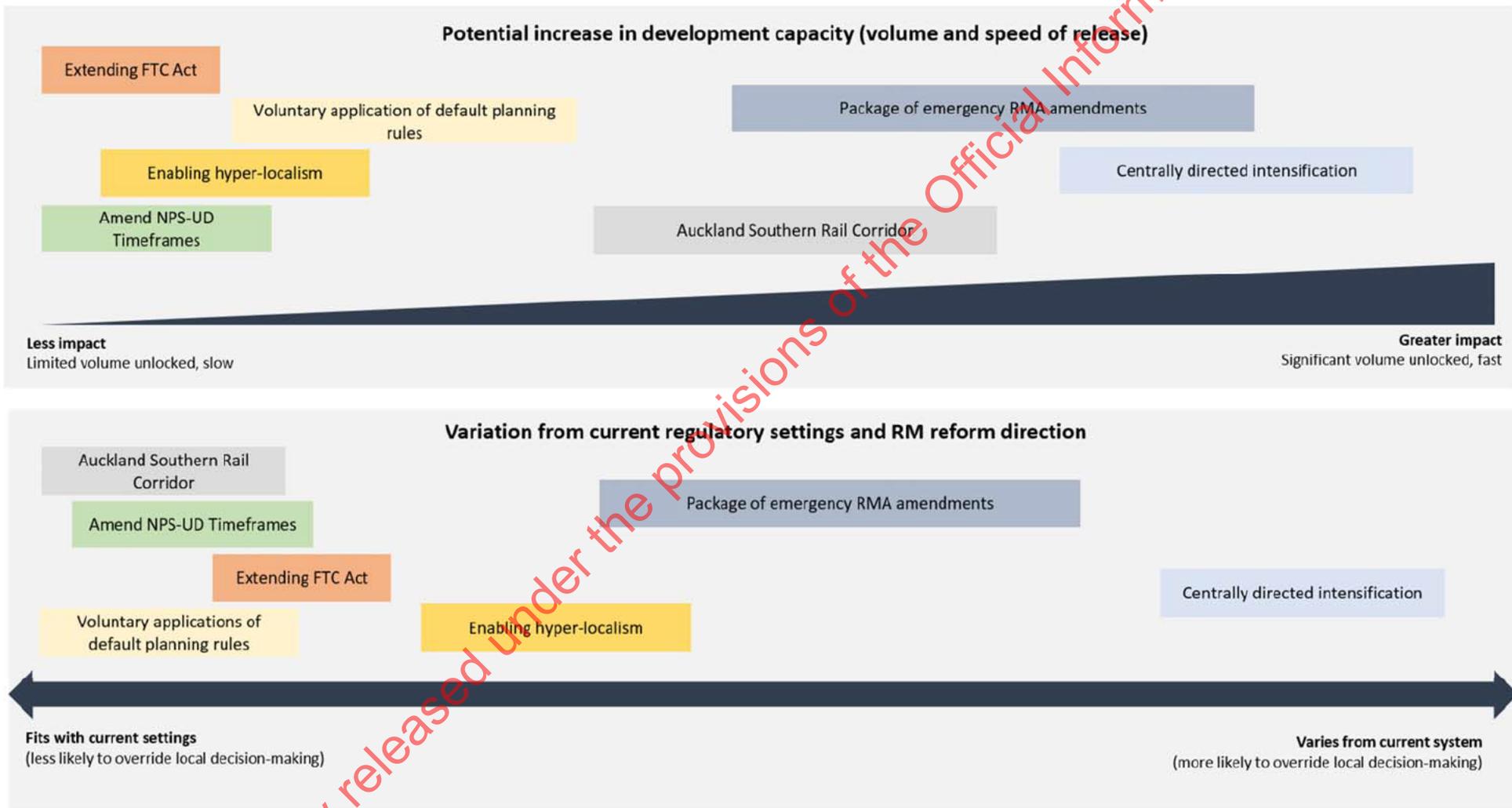
61. Four markets – land, construction, infrastructure and development – contribute to well-functioning urban environments. All four need to operate efficiently to supply housing effectively in the places people want to live. The measures canvassed in this paper only relate to improving land markets.
62. Infrastructure provision remains a key barrier to urban land becoming development ready in many areas. There is the need to renew aging infrastructure, build new infrastructure, and address the effects of changing technology and climate change. Councils, which provide most local infrastructure, are hindered by financial constraints.
63. Advice is currently being considered by Cabinet on ways to address infrastructure funding and land constraints and incentivise councils to increase land supply and bring forward housing development. The options in this paper complement that advice by providing tools enabling councils to do this.
64. You will be discussing the ongoing cross-portfolio urban development work programme with Urban Development Ministers on 17 March. This will build on the foundations and progress made under the Urban Growth Agenda. This includes ongoing and evolving work to address infrastructure funding and financing constraints, address high building and construction costs, and leverage and integrate transport and land use decisions.

## Annexes

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65. Annex A – Comparison of development capacity impacts and variation from current settings of options

**Annex A: Comparison of development capacity and variation from current settings of options**



Proactively released under the provisions of the Official Information Act 1982