



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

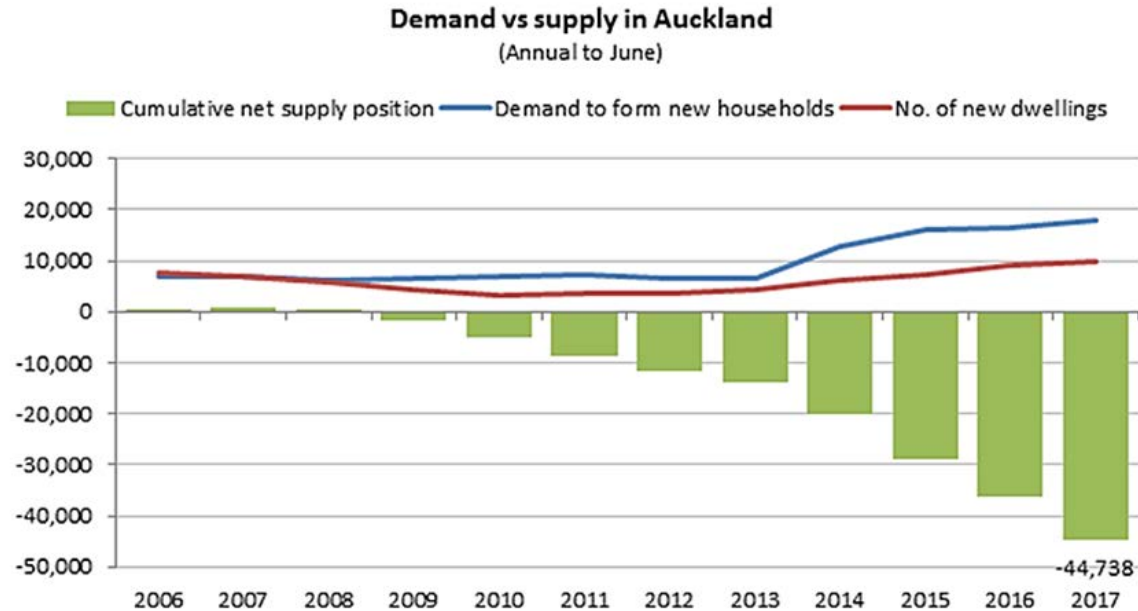
Urban Development Authority

17 August 2018

David Hermans, Policy Director

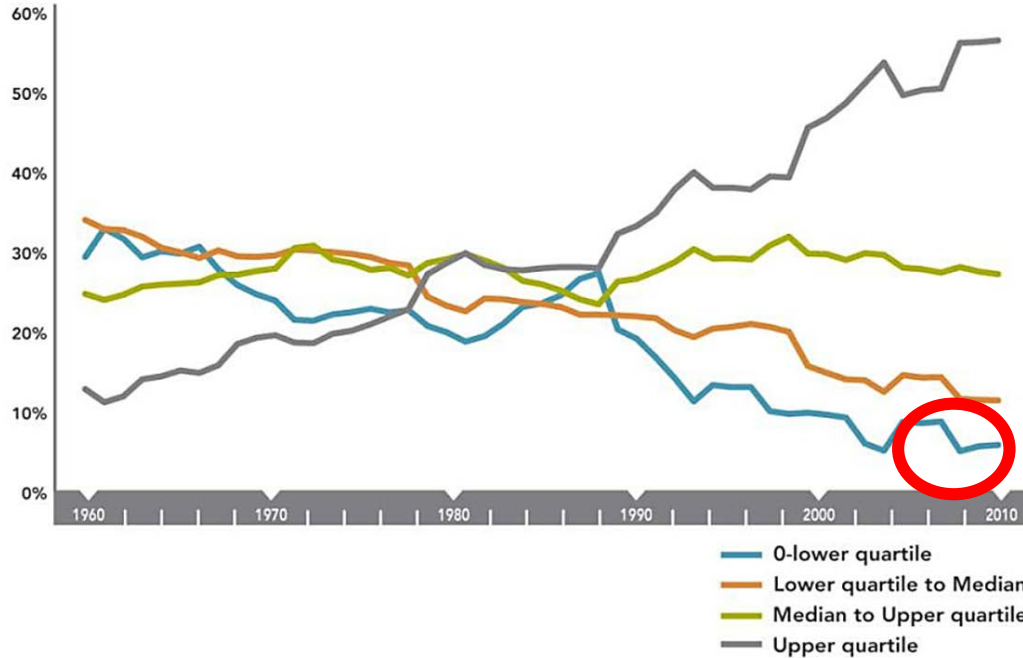


We haven't built enough homes



Source: MBIE and Statistics New Zealand

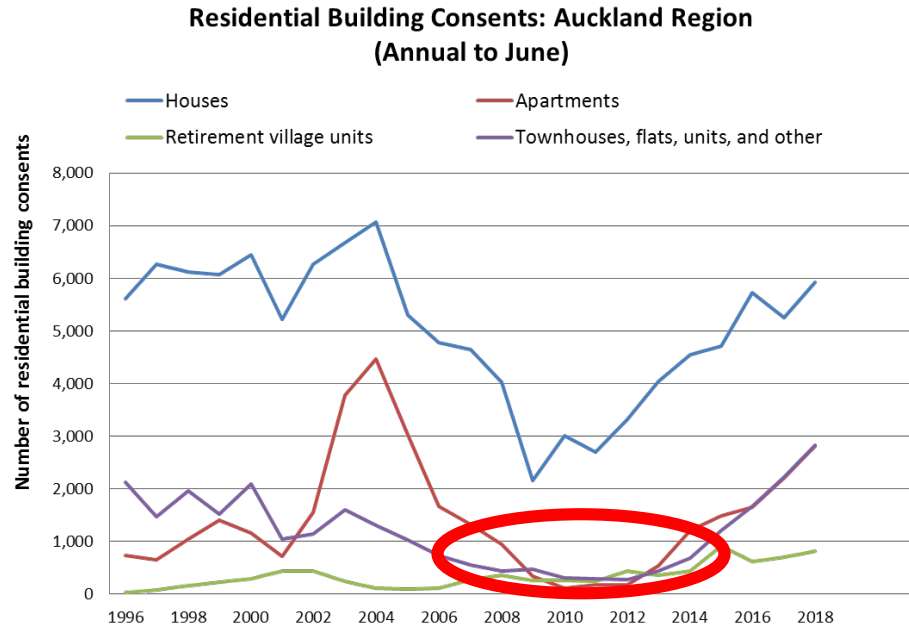
We haven't built enough affordable homes



New housing investment, value distribution 1960–2010: NZ

Source: Productivity Commission(2012), Housing Affordability, using QV data

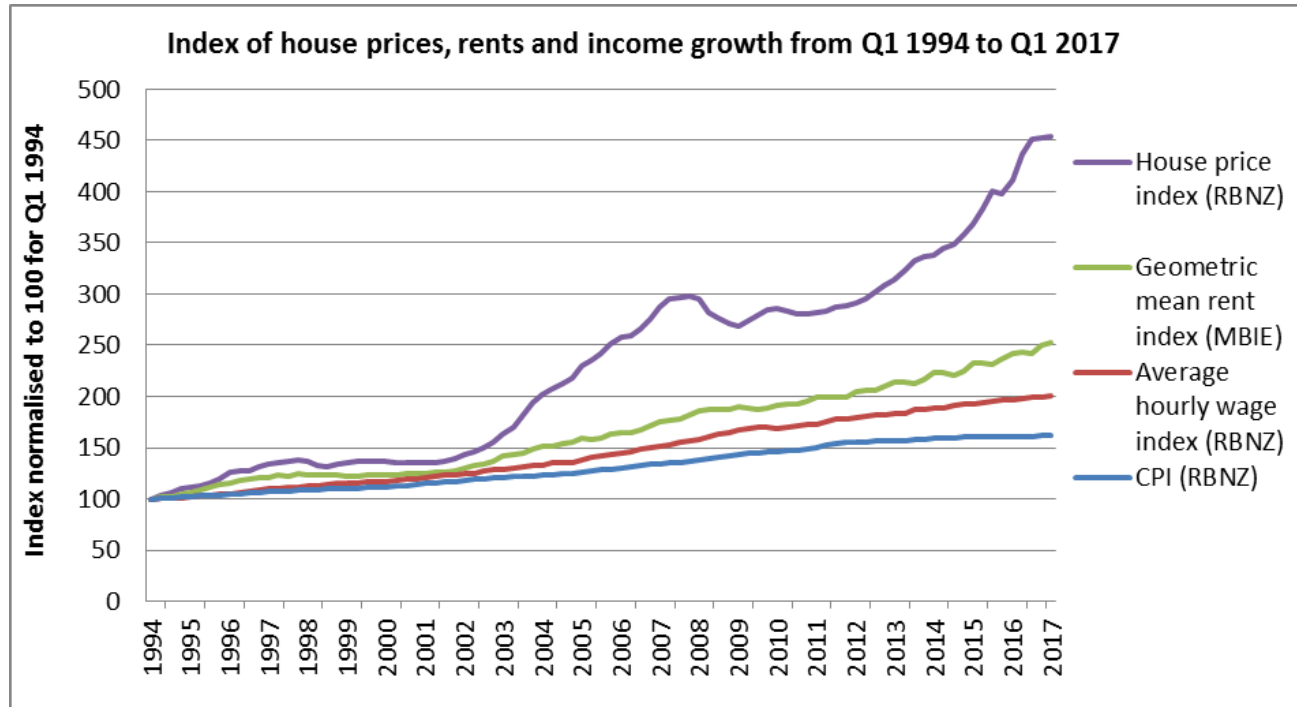
We haven't provided enough housing choice



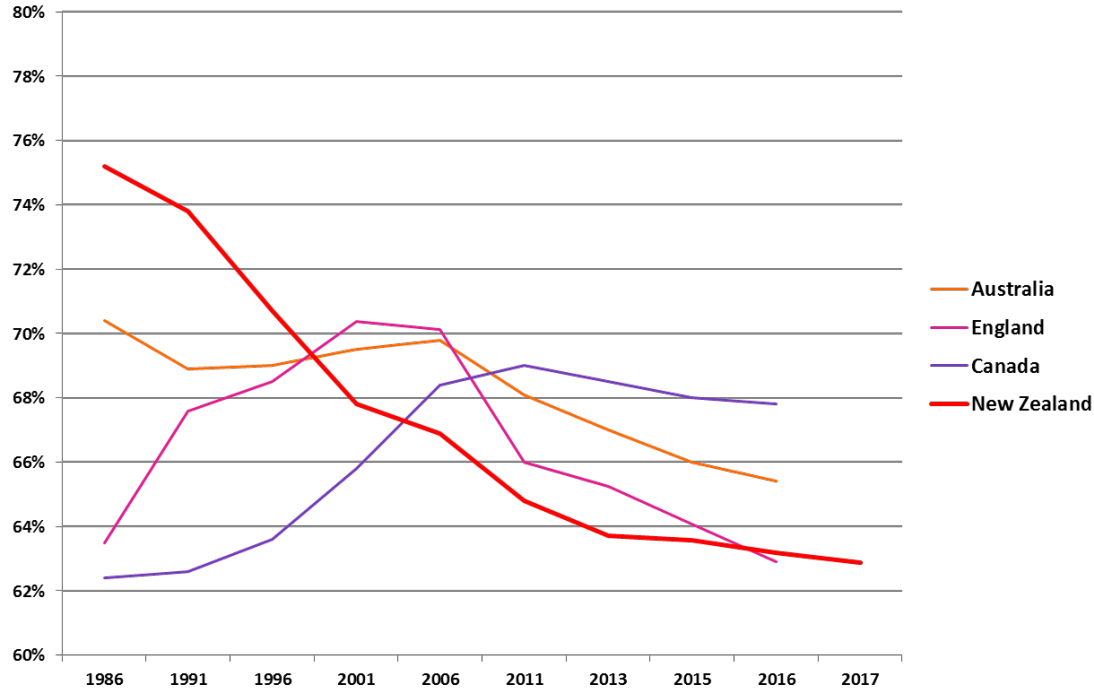
Source: Statistics New Zealand



The cost of housing has increased



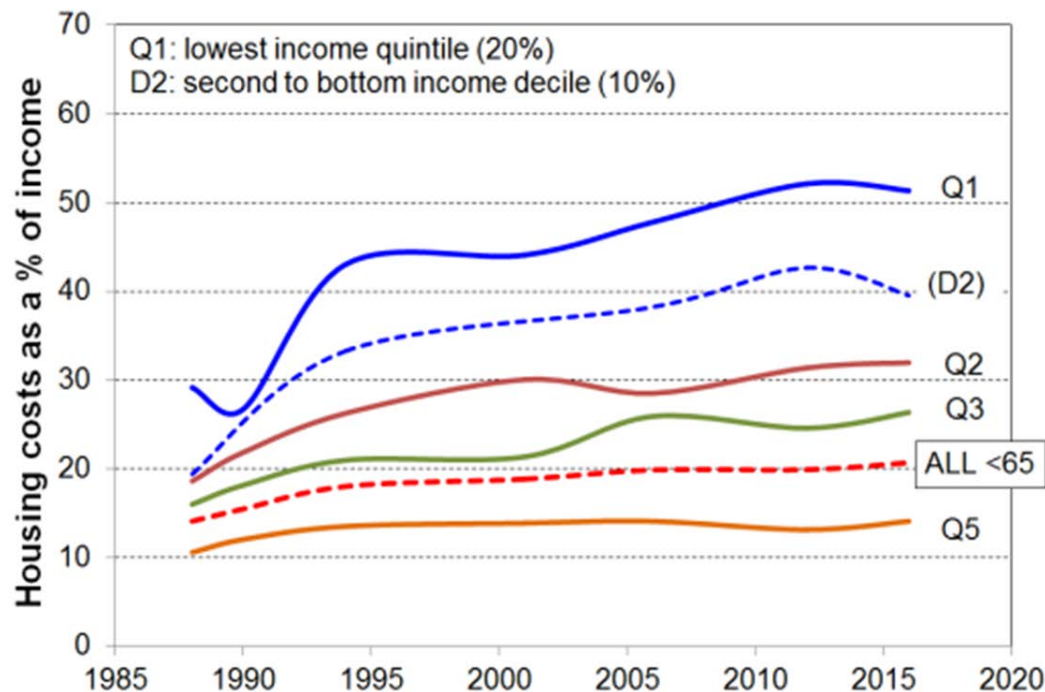
Home ownership rates have dropped



**Home ownership rates
1986 - 2017**



Housing costs (and quality) have exacerbated inequality



Average housing costs as a proportion of average income for different income quintiles

Source: Perry, B (2017) *The Material Wellbeing of NZ Households*

Urban performance matters for national prosperity and wellbeing

South Auckland teacher commutes 180km a day because of housing costs

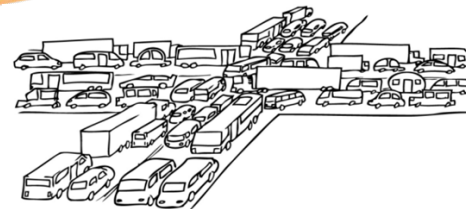
House prices stifling productivity, hurting economy, ANZ economists say

Auckland faces a shortage of teachers, nurses and police officers

Teachers leaving Auckland for cheaper houses

High housing costs are a drag on young Kiwis and the economy: report

Congestion chaos: Aucklanders spend 80 hours a year stuck in traffic jam



Government's Vision:

All individuals, families and whānau have healthy, secure and affordable homes that meet their needs, within thriving communities that provide access to jobs, education, amenities and services, and which help reduce greenhouse gas emissions and ensure climate change resilience



HUD Work Programme

Two key shifts:

- 1) Increase central government's investment in and delivery of housing and urban development
- 2) Create the right policy, regulatory, and institutional settings to support delivery of housing and urban development priorities



Our cities need to change because the way we live, work and play is changing



Source: teara.govt.nz



Source: Panuku Development Auckland

Source: HLC

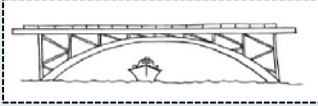
Source: CRL Ltd



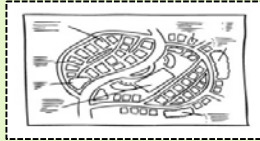
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UDA: Four key policy issues

**Limited
coordination**



**Fragmented land
ownership in existing
urban areas**



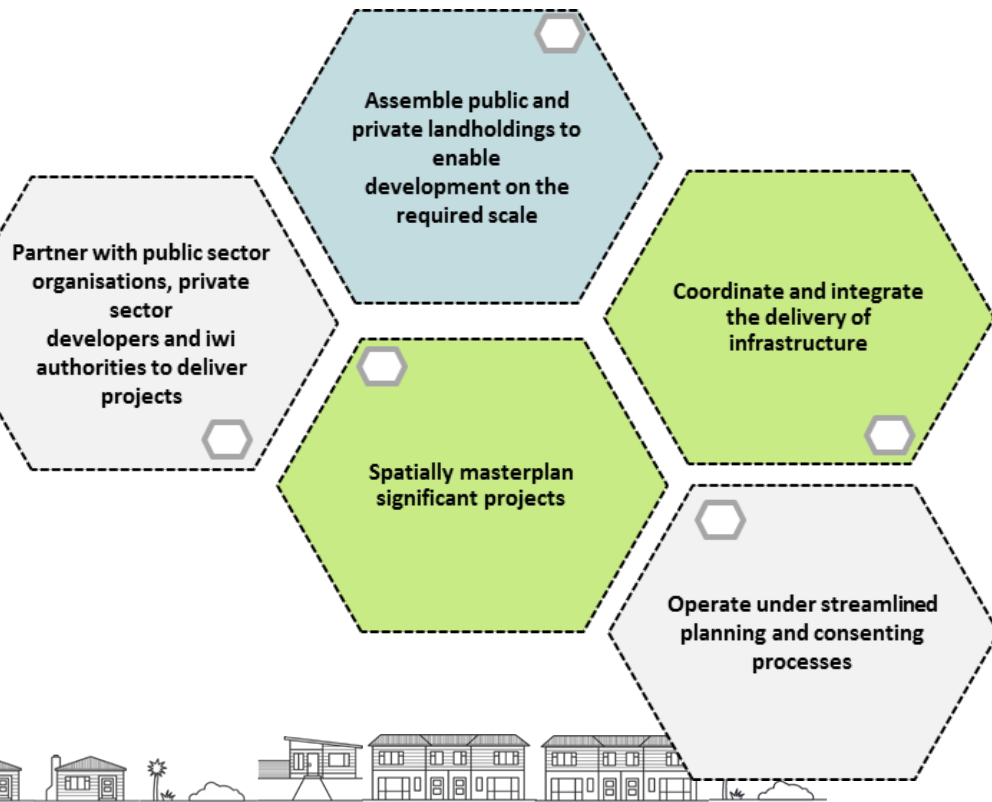
**Limited ability for
central government
to take action in
important projects**



**One size fits all
development system**



What will the UDA do?



Functions

The UDA will:

- Carry out a programme of large-scale, complex urban development in selected geographic areas
- Identify, prioritise and coordinate the various development projects required to deliver KiwiBuild and other Government commitments.

Powers

Land assembly

Planning and consenting

Infrastructure

Funding



Timeline

2006 -
Urban
Development
Authorities
Team DPMC

2007-
Sustainable
Urban
Development
Unit DIA

2007 -
House
Prices
Unit
DPMC

2008 – Cabinet
paper: Urban
Transformation
Mechanisms
(MfE)

2006 -
Research:
Catalysing
Positive Urban
Change in
New Zealand
(MfE/SGS)

2007 -
Cabinet
paper: Urban
development
authorities
and a new
sustainable
urban
development
approach

2007 –
Report: Final
Report of
House Price
Unit, House
Price
Increases and
Housing in
New Zealand
(DPMC)

2008 –
Discussion
document:
Building
Sustainable
Urban
Communities
(DIA)

February –
May 2017
Meetings
with key
stakeholders

May- July
2017
Submissions
and
feedback
analysed

May 2018
Cabinet
decision on
UDA
framework

March 2019
Introduction
of the Bill to
the House

February
2017
Discussion
document
released for
consultation

May 2017
Submissions
received

December
2017
High level
Cabinet
paper

August –
October
2018
Cabinet
decisions on
entity
structure and
development
powers



Thank You



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