

Infrastructure New Zealand:

Submission to the Environment Committee on the Urban Development Bill

Paul Blair, CEO
Hamish Glenn, Policy Director



Key submission points

- We support the Bill
- The Bill is a necessary response to housing system failure
- Fixing the system is the medium-term priority
- Empowering KO to cut through barriers is the short-term priority
- To successfully cut through barriers, KO will need:
 1. Vision and communication
 2. Partnership
 3. Crowd in (not crowd out) private investment and housing delivery

COVID-19 has changed the game

3 imperatives

1. The need to cut through barriers to urban development remains
 2. New priority to keep employment and economy ticking over
 3. Additional opportunity to undo the damage caused by decades of growth failure
- What if we could use urban development to sustain the economy while ultimately providing everyone with a home they can afford, connected to education, employment and recreation and priced at levels proportionate to wages?

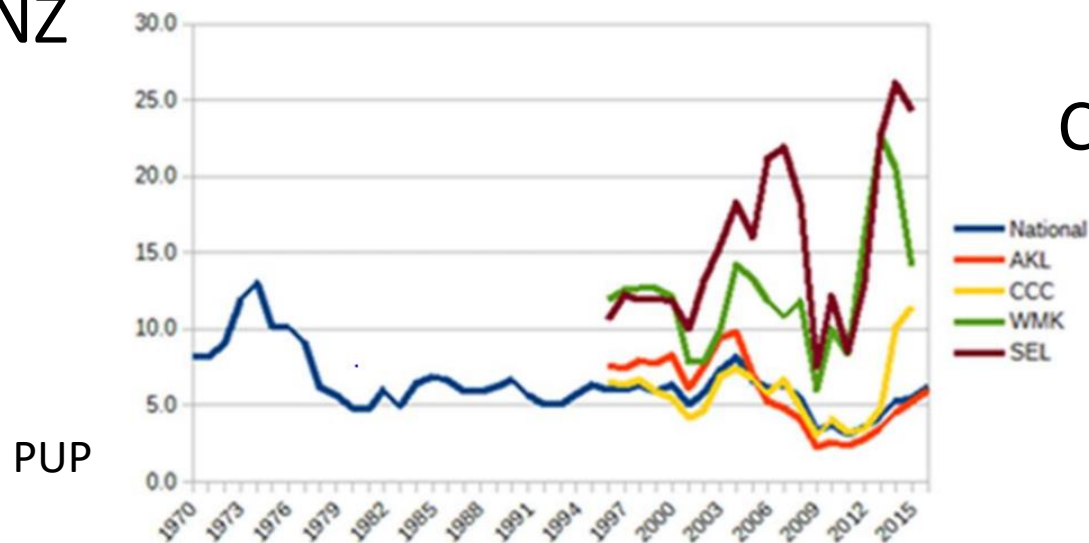
Canterbury recovery shows it's possible

- Greater Christchurch house/income ratio = 5.4
- New homes < 500k
- Consent rates orders of magnitude higher than rest of NZ

Government action in the wake of earthquakes

- Unlocked land for new development
- New transport investment to unlock land

Competitive land markets



What if KO did this for all of NZ?

- Public desire for government COVID response high
 - Public desire for resolution of the housing crisis high
 - This may be our last chance to restore housing affordability and address homelessness in NZ
 - KO has the mandate and the balance sheet, needs powers and a programme of work across the country
 - ✓ Integrate
 - ✓ Align
 - ✓ Deliver
- Homes, jobs, economic development, transport
Planning, funding, consenting
Implement, collaborate, partner

10 Kāinga Ora SDPs to get NZ through the dip:

1. Pre-fab housing in Northland

- Known need
- Assembled on site = lower skills intensity
- Speed
- Long term health benefits

Families living in tree huts as New Zealand housing crisis bites

A 30% rise in people waiting for state housing in Northland region fuels country's 'desperate' shortage in affordable homes



The Guardian (UK)

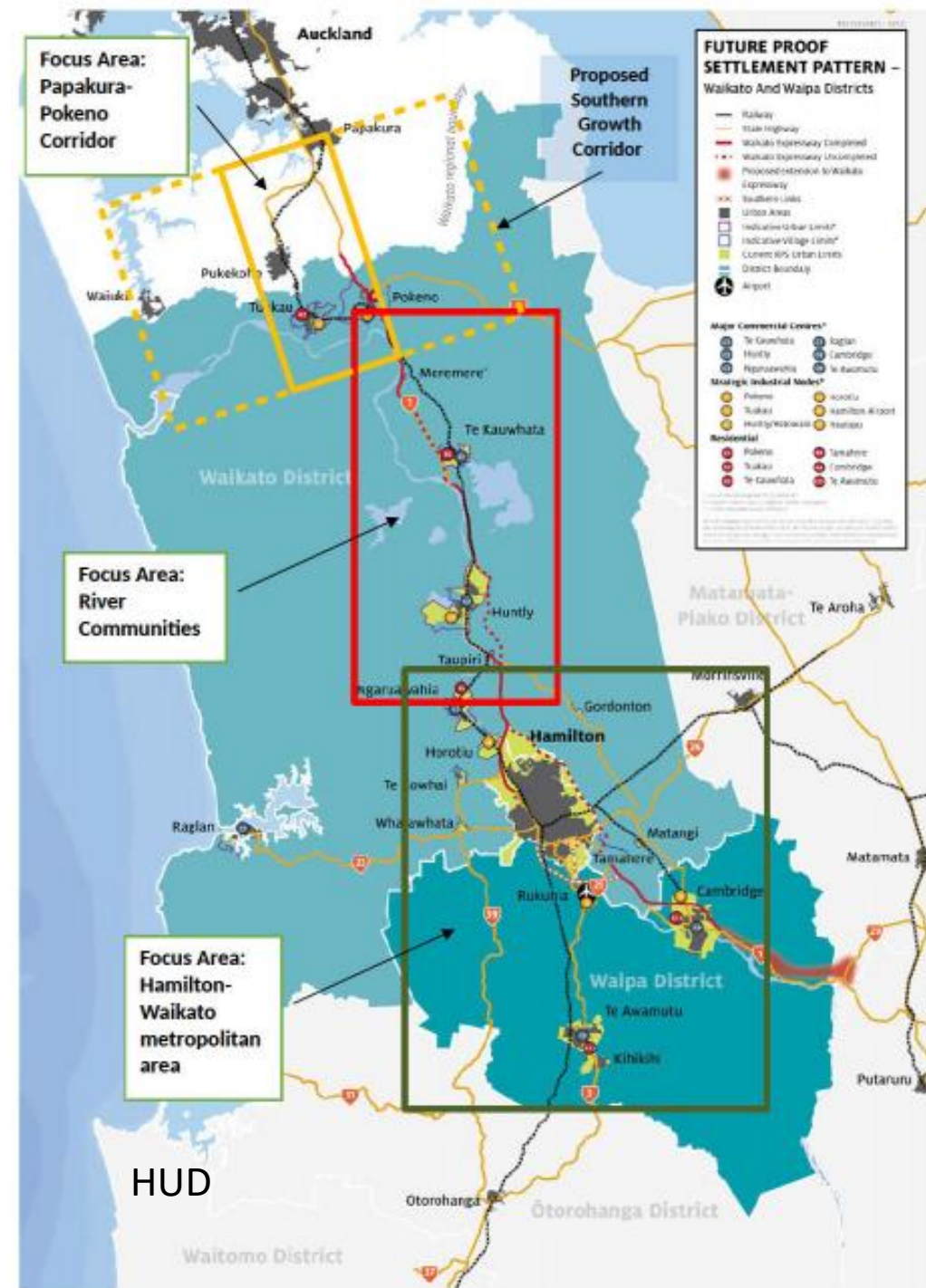
2. Drury New Town in Auckland



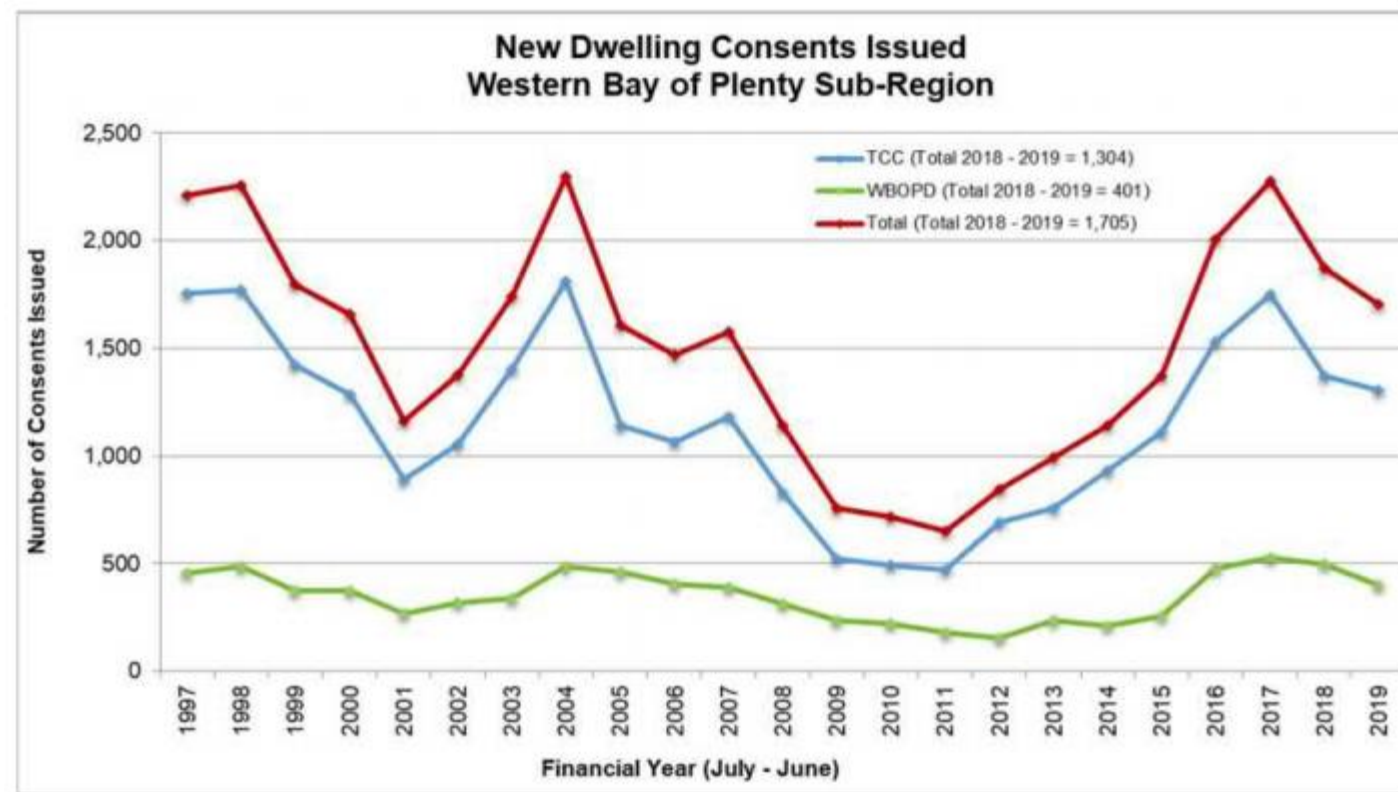
- Known undersupply housing in Auckland
- Adjacent to transport
- Proximate to airport industrial area (employment)
- Opportunity to scale up

3. Waikato to Auckland corridor

- Economic corridor
- Aligned with investment
- Aligned with known growth
- Competitive urban land markets



4. Tauranga land development



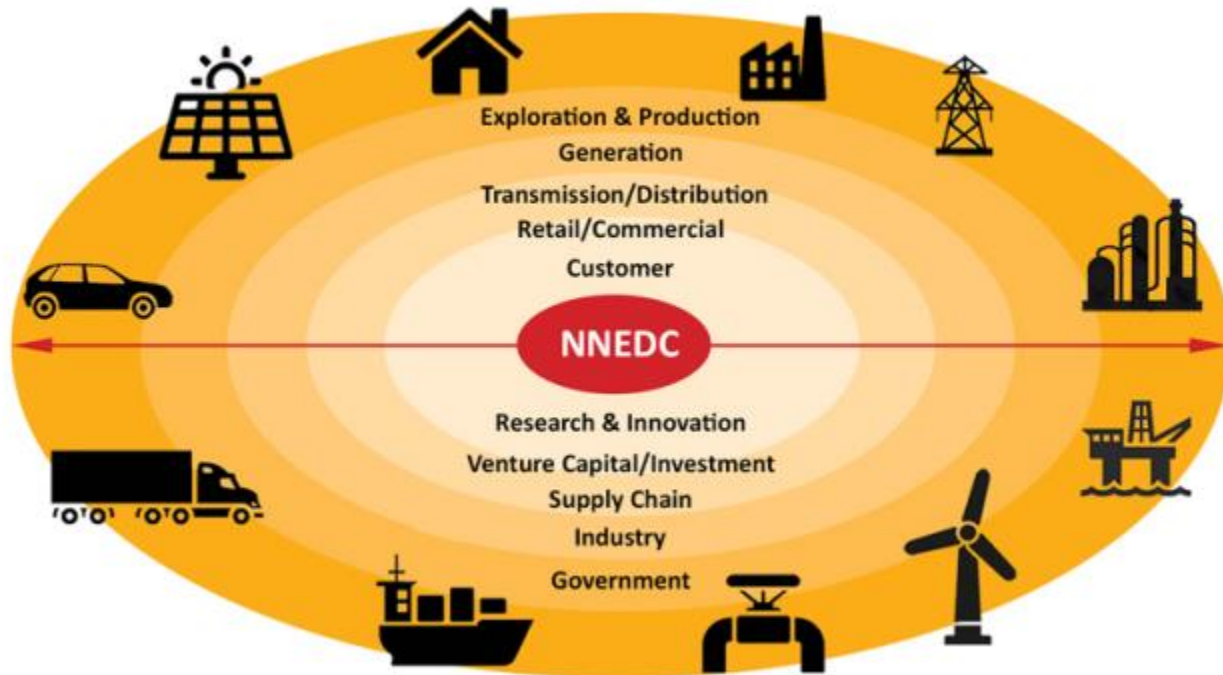
- Consents falling during the boom as land runs out
- Worst housing affordability in NZ
- Tauriko and Papamoa

5. Gisborne affordable housing

- Gisborne house prices +54% May 2018-May 2019
- Gisborne housing strategy = 400 new homes needed



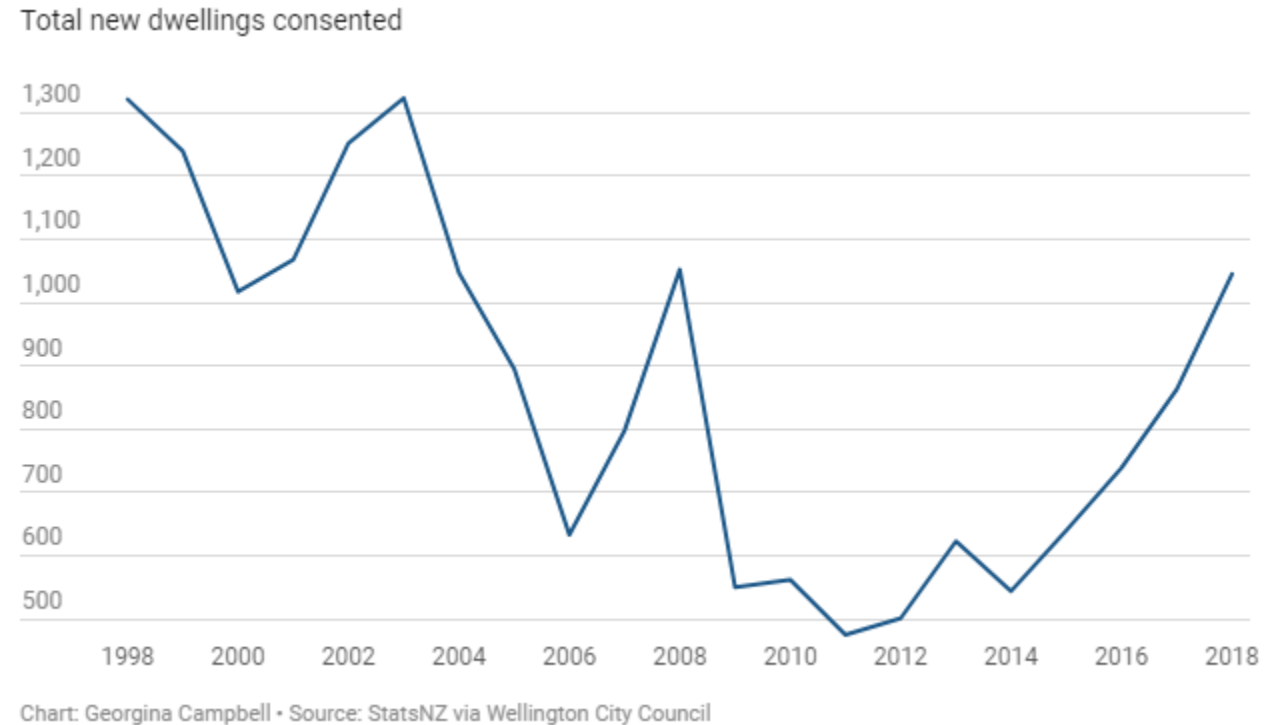
6. Taranaki housing linked to new industry



- Affordable rental housing deficit in New Plymouth
- Industry transformation underway
- Housing linked to new economy

7. Housing to get Welly moving

- 4 years of housing needed
- Highest rents in NZ
- Heavy congestion for small city
- Large unfunded transport programme
- Serious water issues
- Serious resilience challenges
- Multi-decade urban regeneration required



8. Nelson Access Link



- Long standing need for improved access (Southern Link)
- Low housing supply
- New dam reducing water supply risks

9. Dunedin waterfront regeneration

- Housing undersupply
- Large investment programme
- Visionary new waterfront



10. Queenstown Lakes affordable housing

- Extreme affordability challenges for local workers
- Constrained supply
- Access limited
- High demand



40 people to a property, eight people to a room: inside the nightmare that is renting in Queenstown

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