

**SUBMISSION ON THE DRAFT USING LAND FOR HOUSING REPORT FROM
THE 132.419 PLANNING PRACTICE STUDIO CLASS IN THE RESOURCE &
ENVIRONMENTAL PLANNING PROGRAMME, SCHOOL OF PEOPLE,
ENVIRONMENT & PLANNING, MASSEY UNIVERSITY**

The paper 132.419 Planning Practice Studio is a fourth year paper in the Bachelor of Resource and Environmental Planning (Hons.) at Massey University. This submission was developed as part of the work on that paper and due to time constraints focuses only on the issue of an Urban Development Agency (UDA).

Having read and considered the material provided in the draft the students have provided the following submission. As there was not a unanimous position on the UDA they have provided two submissions, one in support of the proposal and the other in opposition to it. While there were two distinct positions on the UDA which are detailed below the class as a whole all expressed some concerns that the proposal did have the potential to set up a 'them and us' situation based on the growth being experienced in a particular area. The concern was that the emphasis would be on Auckland and the other fast growing areas which would effectively have a separate planning system with regard to land development while the slower growing or stagnant cities and districts would be ignored. Such divisions seem counterproductive in such a small country.

Submission in support of the concept of a UDA.

From: Caleb Tien, Adam Mercecia, Anna Sanson, Alice Kranenburg Catherine Nichol, and Marzuq Asgar

This group supported the establishment of the UDA primarily because of the opportunity it would offer to comprehensively address the housing issue particularly in Auckland. They saw significant gains in focusing on the development of housing from the beginning of the process and through having much wider powers than are commonly held by existing local authorities.

However, they believed that there was room for some improvement in the model of the UDA proposed in the draft report. They would suggest some of the following be considered as modifications to that proposal.

1. A UDA should be specific to a certain city or territorial authority, each city has its own characteristics and constraints i.e. what works in Tauranga may not work in Wellington. This is because all cities are different and having

'blanket policy', will insufficiently address city specific issues. One idea would be to have one national level authority which aims to achieve 'larger goals', with a series of local UDAs which can focus on and better address issues unique to their specific area. This could be done with an accord or some form of agreement between government/council/UDA. This would also mean UDA developments would be in line with council wishes.

2. The National UDA will provide funding to the local agencies for approved projects. Objectives will be set and projects will be approved based on whether they meet these objectives. The National UDA sets targets through policy and provides expertise.
3. The UDA will facilitate large scale developments particularly infrastructure provision but will have no planning powers and will apply to the local Councils for resource consent. It could provide infrastructure in private developments but in return there must be a particular % of affordable housing in that development. Or instead of housing some form of social good i.e. sports facilities, parks, PT provision etc.
4. The UDA will work as a co-ordinator of the private sector will only operate in Brownfield/infill development rather than greenfields' subdivision where the private developers seem to be progressing.
5. The UDA will have no compulsory acquisition or the power to build its own infrastructure.
6. The UDA should be required to provide affordable housing. We are under the impression many private developers aim their developments at the upper echelons of the market as that is where maximum profit can be made. A UDA should be there primarily for the provision of affordable housing (but still aim to make a modest profit or break even). I think the target for this should be ambitious i.e. 50% upwards with strict rules if they fail to do this.
7. The UDA will purchase sites for redevelopment and contract to builders to build properties. Once the properties have been constructed they will be sold and any profit will go back to the UDA. These properties will be sold at a price which is considered 'affordable' in that market.
8. Central government will have some control over the UDA through legislation created for the UDA and during the initial start-up process where money will be required to set up the UDA and local agencies.

Submission in opposition to the concept of a UDA.

From: James Mathieson, Caitlin O'Shea and Yuto Tsuchiya

UDA as an organisation

Creating overarching UDA body does not seem efficient, as each regions/districts/cities in the country are experiencing different levels of housing affordability issues, as the local knowledge, context and cause of the issues geographically varies, creating one agency and standardizing land acquisition process do not seem feasible.

Also, the UDA having power to acquire lands, process resource consents, creating laws and regulations for the land and providing affordable housing seem too much power for one agency. This might lead to conflict of interests between them and other government agencies and the public. Also, it might lead to confusion about the process about consenting process for the public. For instance who and how people need to apply to for consents? At the initial stage there may be a duplication of work –for instance the UDA and local authorities may be undertaking the same/similar type of development.

Funding -

A project of this scale would require funding from somewhere, more than likely from central government. There would undoubtedly be some form of strings attached or conditions to how and where the money would be used. This could mean the UDA is restrained in their ability to undertake projects without approval or future funding support from central government. This would constrain the UDA's ability to be effective, and will make them subject to the political whims of the government at the time. There is no clear way if the UDA does obtain funding from central government how they may separate central governments interests from what the UDA might want to achieve.

The UDA will have to make returns on their investments in the housing market in order for them to be able to fund their next project. Affordable housing provision, and the quality of housing may greatly suffer as the UDA seeks to build houses that will yield high returns on their investments. This could limit the amount of affordable housing provision if there is more market for higher end housing, especially if the returns are greater.

There is a potential for a disconnect to grow between housing agencies (the local councils, UDA and the private sector). The UDA may lose local knowledge if they don't work closely with local councils and communities. The outcome from this disconnect may be a fragmentation in development style and type across the built environment. These agencies also have conflicting values.

Consenting -

The proposed ability for the UDA to become a consenting authority has a number of points of contention that could arise between local government and the UDA. The UDA and the council could have differing objectives and visions on how developments could occur, and if they are able to consent their own proposals it could lead to a number of inappropriate developments in inappropriate locations. This could relate to the placement of developments on hazard prone land, or on contaminated sites. This would extend to the design visions across the city and lead to a very fragmented design and aesthetic in the city which could eventually lead to the city fracturing into boroughs within the city boundaries.

There would a big loss of knowledge between the TA's and UDA. You could easily imagine the lines of communication between the two consent authorities wouldn't be very strong and information shared between the two agencies would reluctantly be surrendered.

Affordable housing -

The UDA could solve the social problem of providing affordable housing, but they could create or exacerbate some of the other social problems that are associated with housing. As in the location of the housing in relation to schools, jobs, shopping, places of worship and the communities and networks of people that have been established if the new housing areas is at a greater distance from these places. You have to imagine they would be, as the cheaper land to develop would be at the city fringes, or in the more undesirable pieces of land within the city. The UDA has a real risk of turning the housing affordability issue into an economic, financial and commercial issue when it is a social issue, as it is closely tied with social inequality. However, the UDA might pursue economic benefits, neglecting social equality. Economic objectives could eventually override those social objectives that the UDA are said to be established on. If the UDA has to fund itself using the profits they make from developments, they may be more interested in making a profit than producing good social outcomes. It is going to be difficult to achieve competitive

neutrality within the UDA. There is a potential for conflict between the different and diverse roles the UDA is to be given.

CONCLUSION

The 132.419 Planning Studio class would like to thank the Productivity Commission for the opportunity to make comment on this report and on the UDA proposal in particular.