



## J.17

### **Legislative statement – Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill**

---

Presented to the House in accordance with Standing Order 272

This legislative statement supports the first reading of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill. The Bill was introduced on 19 October 2021.

#### **What the Bill does**

The Resource Management (Enabling Housing Supply and other Matters) Amendment Bill (the Bill) seeks to boost housing supply in urban areas. It does this by introducing:

- the Intensification Streamlined Planning Process (ISPP) to bring forward implementation of the intensification policies in the National Policy Statement on Urban Development (NPS-UD)
- medium density residential standards (the MDRS) in all tier 1 urban environments, also to be introduced through the ISPP.

The NPS-UD classifies urban areas as tier 1, tier 2, and tier 3 urban environments. These measures apply to councils with tier 1 urban environments<sup>1</sup> and can be extended to councils with tier 2 urban environments<sup>2</sup> in certain circumstances.

#### **Intensification Streamlined Planning Process**

The NPS-UD was gazetted in August 2020 and addresses restrictive land use regulations. The NPS-UD requires, among other things, that tier 1 councils amend their Resource Management Act 1991 (RMA) plans to enable intensification in urban areas close to public transport routes, community facilities, workplaces, and

---

<sup>1</sup> Auckland Council; Hamilton City Council; Waikato District Council; Waipā District Council; Tauranga City Council; Western Bay of Plenty District Council; Wellington City Council; Porirua City Council; Hutt City Council; Upper Hutt City Council; Kāpiti Coast District Council; Christchurch City Council; Selwyn District Council; Waimakariri District Council.

<sup>2</sup> Whangarei District Council; Rotorua District Council; New Plymouth District Council; Napier City Council; Hastings District Council; Palmerston North City Council; Nelson City Council; Tasman District Council; Queenstown Lakes District Council; Dunedin City Council.

city/metropolitan centres. These are the NPS-UD intensification policies.

This Bill requires tier 1 councils to use the ISPP to implement the original NPS-UD policies, as well as the MDRS. The ISPP provides an expeditious planning process, with opportunities for submissions and an independent hearings panel (IHP). Plan changes or plan variations that implement the intensification policies and the MDRS are referred to as intensification planning instruments.

The ISPP establishes steps the tier 1 councils will use to develop an intensification planning instrument. Plan changes will be notified by councils by the existing NPS-UD deadline of August 2022.

The ISPP requires the tier 1 councils to appoint an IHP and delegate its responsibilities for conducting hearings. The IHP will then report its recommendations to the council. The council remains the primary decision maker on an intensification planning instrument. However, if a council decides not to adopt the IHP's recommendations, the Minister for the Environment becomes the decision maker on those recommendations. The Minister for the Environment can accept the IHP's recommendations or make alternative recommendations.

The Bill proposes no appeals against intensification planning instruments that go through the ISPP. This approach will enable intensification planning instruments to be operative by mid-2023.

### **Introduction of Medium Density Residential Standards**

The MDRS are a package of standards designed to enable up to three storeys and three dwellings on most sites. Developments that meet the standards will be permitted activities in the RMA plans of tier 1 councils, removing the need for a resource consent.

The MDRS will also enable:

- more flexible height in relation to boundary to enable three storeys on average-sized sites
- smaller private outlook spaces and private outdoor living spaces
- reduced side yard setbacks to allow development closer to side boundaries
- more resource consents (when needed) to proceed on a non-notified basis.

There may be areas with specific characteristics that make it inappropriate to apply the MDRS in full. These characteristics are referred to as qualifying matters. Qualifying matters for applying the MDRS are the same as those defined in clause 3.32 of the NPS-UD. This includes where there may be natural hazards, or its necessary to protect historic heritage or uphold Treaty commitments.

If a tier 1 council determines a qualifying matter limits the application of the MDRS, it must provide evidence to support this in its evaluation report, as required under section 32 of the RMA.

Provisions implementing the MDRS will have immediate legal effect from the notification date of the intensification planning instrument, except in:

- areas proposing greater heights under the NPS-UD intensification policies than those listed in the MDRS as a permitted activity
- areas where a qualifying matter has been identified
- areas that were not previously relevant residential zones (for example, greenfield development or large lot residential areas).

### **MDRS Application to Tier 2 councils**

Where a tier 2 council has acute housing need, the Minister for the Environment, in consultation with the Minister of Housing, may recommend that an Order in Council be made to require it to develop an intensification planning instrument, implementing the NPS-UD and MDRS using the ISPP.

### **Policy 3(d) of the NPS-UD**

The Bill modifies policy 3(d) of the NPS-UD, removing the requirement for demand assessments. The amended policy 3(d) will require tier 1 councils to enable building heights and density of urban form commensurate with the level of commercial activities and community services within, and adjacent to neighbourhood centre zones, local centre zones and town centre zones (or equivalent zones).

### **Enabling amendment or inclusion of financial contributions provisions**

This Bill clarifies that a council may amend its plan to require financial contributions be paid for permitted activities. Tier 1 councils can amend or include new financial contributions provisions in their district plans through the ISPP. This will support tier 1 councils with the cost of developing infrastructure that may be required to incorporate the MDRS.