Memorandum

31 October 2025

To: Hon Chris Bishop, Minister Responsible for RMA Reform

Hon Tama Potaka, Minister of Conservation

Cc: Lesley Baddon, Ministry for the Environment

Subject: Capacity Modelling for Housing Intensification and Resilience Plan Change - Supplementary Report

Purpose

1. To provide supplementary information on other factors influencing realistic growth and land use, to be considered alongside the Housing capacity modelling report for Auckland Council's Housing Intensification and Resilience (Plan Change 120).

Summary

2. The City Centre Zone provisions in Plan Change 78: Intensification (PC78) were made operative in June 2025. The council decided to partially withdraw PC78, excluding the Metropolitan Centre zone, related precincts (except Westgate and New Lynn) and qualifying matters at the Policy and Planning Committee meeting on 24 September 2025.
3. The decision to withdraw PC78 (in part) was publicly notified on 9 October 2025. The council sent a clause 75A notice to the Minister on 2 October, seeking to use the streamlined planning process for Plan Change 120: Housing Intensification and Resilience (PC120).
4. The council has received the IHP recommendations on PC78 in relation to the Metropolitan Centre zone and will make decisions on those recommendations at the first available committee of council meeting in the new term.
5. As the council withdrew PC78 (in part), the council is required to comply with the requirements set out in Schedule 3C of the RMA. Included in these requirements is that the council must amend the Auckland Unitary Plan with a replacement plan change, to provide at least the same amount of housing capacity that would have been enabled if PC78 (as notified) were made operative.
6. PC78 increased housing capacity from the AUP by: applying policy 3(a)-(d) of the NPS-UD, incorporating MDRS into relevant residential zones, incorporating some of the MDRS to 4+ dwelling control[1], applying s77I and 77O qualifying matters only to make relevant height or density requirements under Policy 3 of the NPS-UD less enabling of development, or to make the MDRS less enabling of development in relevant residential zones.
7. Auckland Council staff and Crown officials agreed to a quantitative plan-enabled Housing Capacity Assessment (HCA) methodology[2] for comparing housing capacity between: PC78 (the baseline) and PC120.
8. This supplementary memorandum provides additional qualitative information related to the strategies and policies that informed PC120 including the Future Development Strategy, cross-references how Policy 3 has been implemented in PC120, discusses well-functioning

[1] This is the element of the standards that enabled the additional capacity on-sites by applying a hybrid of MDRS and other controls developed in PC78 for four or more dwellings.

[2] A copy of the correspondence related to the HCA methodology is in Attachment A.

urban environments, and alignment with central government policy and discusses some of the real-world factors that influence realistic growth and land use.

9. This information will enable the council and central government to understand the mix between growing 'up' and 'out' required to optimise integrated land use and transport planning outcomes and infrastructure investment.

10. Modelling for PC120 based on data supplied 24 September 2025 shows a total plan-enabled capacity net dwelling yield of 2,069,708 dwellings. This is comparison to the total plan-enabled capacity net dwelling yield of 2,073,946 dwellings under the baseline PC78 settings. The difference is 4,238 less dwellings under PC120, or a 0.2 per cent deficit.

11. This includes plan-enabled capacity within both residential and business zones. Business zoning utilizes a 50/50 assumption of business and residential use, which is only applied to those zonings which enable residential use. The modelling outputs exclude the City Centre Zone and the increase in capacity between PC78 as notified, and PC78 as operative for the City Centre. The modelling outputs are also unable to consider any increase in capacity between PC78 as notified, and PC78 as operative for the Metropolitan Centre Zone as the council is yet to make its decisions on the IHP recommendations for the Metropolitan Centre zone.

12. Further modelling will be undertaken in due course to confirm that there is no actual deficit.

Context

13. Auckland Council staff agreed to an HCA methodology with Ministry for the Environment (MfE) and (MHUD) officials in June 2025, prior to the RMA being amended in August 2025. The agreed methodology has been appended to this update as Attachment A. PC120 has been informed by:

    a) the NPS-UD

    b) Auckland Council's Future Development Strategy

    c) the Auckland Unitary Plan - Regional Policy Statement

    d) the compact city model that prioritises growth in infrastructure-ready locations well-served by public transport.

14. PC120 gives effect to the NPS-UD, and the Regional Policy Statement as it provides for a quality compact city with higher residential intensities3 in and around the public transport network. PC120 has regard to Auckland Council's Future Development Strategy[4] (FDS). This delivers on a wider suite of central and local government policies.

Discussion

Key Assumptions and Limitations

15. Development yield for most urban zones has been largely calculated 'volumetrically' by simplifying the highly intricate planning regulations into numerical and mathematical calculations to best depict an overall building envelope on a site that then gets divided by a 120m^2 gross floor area requirement for a standard dwelling to determine the number of dwellings for the site.

16. The plan-enabled capacity is therefore a volumetric assessment representing the upper limit of a building envelope for an individual site. This assessment is based on floor area.

[3] Policy B2.4.2

[4] Clause 3.17(1)(a) of the NPS-UD says "Every tier 1 and tier2 local authority(a) must have regard to the relevant FDS when preparing or changing RMA planning documents…"

17. The modelling is a measure of plan enablement, that informs long-term planning. However, it does not:

    a) consider how the Policy directions of the NPS-UD have been achieved

    b) assess PC120's consistency with the FDS

    c) evaluate site feasibility (based on infrastructure readiness, parcel size and certificates of record[5], consent conditions, geophysical conditions, or hazard risk[6])

    d) consider health, education, safety and infrastructure investment as pre-cursors to growth

    e) consider funding and financing/infrastructure investment

    f) predict actual development take-up.

18. Yield estimates reported by the modelling are limited by the necessary simplifications of complex real-world systems.

NPS-UD and the Urban Growth Agenda

19. Central government introduced the NPS-UD in 2020 and amended it in May 2022. The NPS-UD forms part of a wider urban growth agenda, a government-wide programme to improve housing affordability by removing barriers to the supply of land and infrastructure and making room for cities to grow 'up' as well as 'out'.

20. PC120 is required to give effect to the NPS-UD and the RPS by implementing their objectives and policies. Objective 1 of the NPS-UD states '*New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety, now and into the future*.'

21. All the other objectives and policy directions in the NPS-UD cascade from this concept. The core premise is that changes to the urban environment should:

    a) improve housing affordability

    b) support competitive land and development markets

    c) respect qualifying matters

    d) respond to the diverse and changing needs of people and communities

    e) enable housing choice that meets the needs of different households; and

    f) enable urban intensification in areas well served by existing or planned public transport.

22. The concept of 'well-functioning urban environment' should be applied and understood at a refined geographic level having regard to how the city functions, the operation of the land and housing markets, and the implications for people and communities. The RPS was amended through PC80: RPS Well-Functioning Urban Environment, Resilience to the Effects of Climate Change and Qualifying Matters (now operative) to expand on the concept and apply it to the following chapters: urban growth and form, natural resources, the coastal environment, qualifying matters, and environmental risk. Objective 2.2.1 provides:

    "(1A) A well-functioning urban environment that enables all people and communities to provide for their social, economic, and cultural wellbeing and for their health and safety, now and into the future.

[5] Site size, shape factor and property types/certificates of record affect land development
[6] Other than zoning responses to unacceptable hazard risk which are reflected in zoning input and therefore capacity outputs

(1) A well-functioning urban environment with a quality compact urban form that enables all of the following:

(a) A higher-quality urban environment;

(b) Greater productivity and economic growth;

(c) Better use of existing infrastructure and efficient provision of new infrastructure;

(d) Good accessibility for all people, including by improved and more efficient public or active transport;

(e) Greater social and cultural vitality;

(f) Better maintenance of rural character and rural productivity;

(g) Reduced adverse environmental effects; and

(h) Improved resilience to the effects of climate change…"

23. The government's urban growth agenda is discussed in the council's Overview Evaluation s32 report and outlines its five focus areas (urban planning, urban growth partnership, leveraging and integrating transport investment, system coherence and urban growth partnerships). Several central government agencies are involved in this work including Ministry of Transport, NZ Transport Agency (Waka Kotahi), Treasury, Department of Internal Affairs, Ministry of Business Innovation and Employment, MfE, and Kāinga Ora.

24. The Auckland housing and urban growth joint officials group programme covers both spatial priorities and development opportunities arising for the City Rail Link, Manukau centre and Drury. It also aims to deliver more affordable housing and quality intensification.

25. The strategic importance of the rail corridor connecting the regions and City Rail Link (CRL) has been recognised in PC120 through planned intensification along rapid transit stops which is discussed in the s32 reports for: Overview Evaluation Report, and Implementation of Intensification Directions from the RMA (2025) and Policy 3 of the NPS-UD. There is significant housing and employment growth potential along rapid transit stops, coupled with existing investment from central and local government in infrastructure, health, education, and community facilities.

26. Planned intensification is provided for through PC120 in the walkable catchments of the edge of the city centre zone, the edge of the metropolitan centre zones, and from existing and planned rapid transit stops, as well as in and around the neighbourhood[7], town and local centres, and along strategic transport corridors. PC120 gives effect to the Regional Policy Statement policy directions on supporting growth in centres and along corridors. It also aligns with key central government investment.

Funding and Financing

27. Infrastructure funding and financing is critical for enabling housing and business development. Auckland Council and its CCOs are responsible for bulk infrastructure investment and delivery. Developers pay for local infrastructure that connects to bulk infrastructure.

28. Auckland Council supports "growth paying for growth" as a principle where the costs of infrastructure needed for development are funded by developers, not solely by existing residents. Auckland Council's contributions policy helps fund stormwater, transport, parks, and community facilities in new and existing developments.

[7] Neighbourhood Centre Zone heights within walkable catchments have been adjusted through HVCs to be consistent with the rest of the walkable catchment.

29. Although infrastructure funding and financing is not part of PC120, central government has announced policy to support urban growth with improved infrastructure funding and financing tools to help get more houses built. Government aims to introduce new legislation in late 2025 that will replace development contributions with a development levy system, make improvements to the Infrastructure Funding and Financing Act 2020 and change rating legislation to enable the council to set targeted rates that apply only to new developments[8].

30. Auckland has experienced substantial growth in the last decade that is expected to continue. The council needs to plan for investment required to support that growth and plan how it will be funded. Infrastructure funding remains a critical issue. The council is waiting for stronger and more effective tools to fund growth and infrastructure.

Future Development Strategy

31. Under the NPS-UD, the purpose of the Future Development Strategy is to promote integrated, long-term strategic planning for accommodating urban growth. The FDS directs the AUP how to achieve well-functioning urban environments, ensure there is sufficient development capacity and integrate planning and infrastructure planning and funding.

32. Auckland Council's Future Development Strategy 2023-2053 (FDS) anticipates Auckland's population growing by around 520,800 people to a total of approximately 2.2 million. The core direction of the FDS is to avoid enabling growth in places that will put current and future Aucklander's in harm's way, focus funding and investment where it will achieve the greatest benefit and social return and continue implementing a quality compact approach to deliver on strategic outcomes. These key outcomes are largely implemented in PC120.

33. The FDS is discussed in both the s32 reports: Implementation of Intensification Directions from the Resource Management Act 1991 (through the 2025 amendments) and Policy 3 of the NPS-UD and the s32 Overview Evaluation Report. Overall, the FDS supports quality compact growth, strengthening existing centres and neighbourhoods, particularly those with good access; some growth in future urban areas (greenfield) and limited growth in rural areas.

34. The FDS provides a multi-nodal approach that reinforces sub-regional focal points. The city centre, Albany, Westgate, and Manukau are critical to growth across the region. The FDS also aligns growth with infrastructure provision. PC120 gives effect to the FDS by introducing provisions to strengthen and address natural hazards, reinforcing the role of centres, corridors, and sub-regional focal points but does not include the Future Urban Zone.

35. Implementing a quality compact city form also makes efficient and effective use of three waters infrastructure, community facilities and government investment in health and education. The FDS directs the AUP to increase capacity in good locations, over time, to create and maintain competition in the market and thereby affect affordability.[9]

Business and Residential capacity– Schedule 3C

36. Details of the residential and business development controls are evaluated in the Section 32 Evaluation Report PC120 Residential and Business Zones. The Business Light Industry, Heavy Industry and General Business Zones are also covered in a Section 32 report. These respective s32 reports examine the policy cascade from the NPS-UD and explain how PC120 gives effect to the Regional Policy Statement, refer s75(3)(c) RMA.

[8] www.beehive.govt.nz/sites/default/files/2025-02/Factsheet%201%20-%20Improvements%20to%20infrastructure%20funding%20and%20financing%20tools.pdf

[9] See p32 FDS https://new.aucklandcouncil.govt.nz/content/dam/ac/docs/plans-projects-policies-reports-bylaws/misc/future-development-strategy.pdf

37. Schedule 3C of the RMA requires the Aukland Council to:

- provide at least the same amount of housing capacity that would have been enabled if Plan Change 78 (as notified) were made operative;
- enable within at least a walkable catchment of the Maungawhau, Kingsland, and Morningside Stations, building heights of at least fifteen storeys;
- enable within at least a walkable catchment of the Baldwin Avenue and Mount Albert stations, building heights of at least ten storeys; and
- Give effect to NPS-UD Policy 3.

38. In meeting the requirements of Schedule 3C, the council may amend the AUP to enable less development than required in these locations if authorised to do so by Clause 8(1)(a) or Clause 8(1)(b) RMA.

39. Auckland Council aims to achieve the same capacity as if PC78 (as notified) were made operative, by responding to Policies 3 (a) – (d) through a combination of:

a) PC78 City Centre Zone provisions (Policy 3(a)) that were made operative on 6 June 2025;
b) PC78 Metropolitan Centre Zone provisions (Policy 3(b)) becoming operative; and
c) PC120 that applies (Policy 3(c) and (d)) to the balance of Auckland's urban environment (excluding the City Centre and Metropolitan Centres but including fragments of New Lynn and Westgate within the New Lynn and Westgate precincts).

40. Auckland Council's economic evidence for the City Centre Zone, Qualifying Matters and City Centre Precincts Hearing on 21 November 2023[10] concluded that the City Centre has substantial business and housing capacity. He examined the plan-enabled floorspace capacity in the City Centre in relation to business capacity estimated as employment potential (MEC), and residential capacity, estimated as numbers of apartments.[11]. This showed that there is currently an estimated 4,992,000m^2 of plan-enabled built floorspace in the City Centre, including an estimated 1,894,000m^2 in housing (38%), and 3,098,000m^2 in business floorspace (62%), providing a resident population of about 150,000. The City Centre zoning has been excluded from the latest round of modelling.

41. The Land Use Research and Evaluation Team has modelled the PC78 housing capacity based on data supplied on 24 September excluding the City Centre. The modelling has included the capacity in Metropolitan Centre Zones. It is noted that the Metropolitan Centre Zone provisions are not yet operative and the IHP recommendations will be the subject of decisions by the new council in November or December this year. Further modelling will be undertaken to identify any increase in capacity between PC78 as notified, and PC78 as operative for the Metropolitan Centre zone.

42. The modelling shows a total Plan-Enabled Capacity net dwelling yield of 2,069,708 dwellings for PC120. This is in comparison to the total Plan-Enabled Capacity net dwelling yield of 2,073,946 dwellings under the baseline PC78 settings. The difference is 4,238 dwellings, or 0.2per cent which is negligible. It should also be noted that there have been several private plan changes that have recently become operative, but which are not included in the latest PC120 modelling due to them becoming operative after that modelling commenced[12]. In addition, the council does not yet have the modelling outcomes for the difference in housing

[10] https://hearing.aucklandcouncil.govt.nz/h724/Evidence/Auckland%20Council,%20016A%20010F%20010G%20020A%20020B%20020C%20020D%20020E%20020F%20020G%20020I,%20Ecomonics%20Evidence,%20D%20Fairgray.pdf

[11] Ibid para 6.14 pp32 onwards, Tables 5- 7

[12] PPC93 Warkworth South and PPC104 The Hill Ellerslie

capacity between PC78 as notified and PC78 as operative for the City Centre and Metropolitan Centre zones.

43. A detailed discussion of housing and business capacity and the effects of qualifying matters is covered in the s32 Report: Economy Matters. A separate report will be produced in due course by the Land Use Research and Evaluation Team that completed the modelling.

44. The housing capacity available on land zoned Future Urban Zone (FUZ) in the Auckland Unitary Plan has not been included in the capacity assessment for PC120. This zone provides for a significant amount of 'latent' housing and business capacity. The 2016 operative Auckland Unitary Plan (AUP) zoned approximately 15,000 hectares of rural land for future urban development. It was estimated that this land could accommodate approximately 137,000 homes and 67,000 jobs.

45. Greenfields land that has not been re-zoned for urban land use is outside the scope of PC120 and therefore that capacity is not included in the capacity modelling. PC120 has been prepared in line with the NPS-UD and Schedule 3C to the RMA 1991. It implements intensification within the 'urban environment'. Distributing housing capacity in rural and or in greenfield locations with no infrastructure directly conflicts with the council's Regional Policy Statement, Long Term Plan and Auckland Council's Future Development Strategy. It would be at odds with the NPS-UD and would not be financially prudent.

46. The FDS directs that approximately 800ha of land[13] should be rezoned from the Future Urban Zone due to natural hazards. This proposed policy change is not part of PC120.

47. Live zoned areas, which were previously zoned FUZ, are included within the capacity model. The remaining capacity in the FUZ is not included in the modelling. Most of the live zoned land is identified for residential activity (64 per cent) and business activity (19 per cent). A total of 13,257 dwellings have been consented over this time however there remains significant residual development capacity in these live zoned areas.

48. The capacity modelling produces a number. However, this does not account for landowner decisions that may reduce capacity over the modelling period. For example, there are two private plan changes in Pakuranga[14] and Swanson[15] where golf clubs re-zoned residential zoned land to Open Space Sport and Recreation Zone. This may have been done to algin with its actual and long-term use as golf club.

49. There are also several private plan changes in progress that are outside the parameters of the modelling period selected that have had hearings progress, but decisions have not yet been made or decisions are under appeal. If approved, they would provide substantial additional residential capacity[16].

Policy 3(c) and 3(d)

50. PC120 proposes increases in building heights in the Terrace Housing and Apartment Buildings zone (THAB) from six storeys to 15 storeys in certain locations. Within Policy 3(c) walkable catchments, 6,10 and 15 storey typologies are proposed within the THAB zone, Business Mixed Use zone, and some centre zones. This is discussed in detail in the

[13] Hatfields Beach Stage 2, parts of Kumeu-Huapai, Southern part of Takaanini, Parts of Drury-Opaheke see p66: https://new.aucklandcouncil.govt.nz/content/dam/ac/docs/plans-projects-policies-reports-bylaws/misc/future-development-strategy.pdf

[14] PPC77 Pakuranga Golf club re-zoned 38ha of Mixed Housing Suburban land to Open Space Sport and Recreation. The Plan Change was made fully operative on 9/6/23.
[15] PPC97 re-zoned 39.78ha of Residential Large Lot and 3006m^2 of Council land to Open Space Sport and Recreation Zone. The Plan Change was made fully operative on 16/9/24.
[16] PPC94, Plan Change 96, PPC100

Implementation of Intensification Directions from the RMA (amendments in 2025) and Policy 3 of the NPS-UD Section 32 report.

51. The following characteristics of each walkable catchment were considered and ranked in terms of: relative strategic importance, accessibility, concentration of amenities and residential demand. The higher the ranking, the more suitable the walkable catchment is to accommodate additional building height. The heights of the THAB zones (and Business - Mixed Use zone and some Centre Zones) proposed in PC120 for Auckland's walkable catchments are outlined in Attachment B.

52. PC120 identifies 57 town and local centres for adjacent intensification under Policy 3(d) (compared to 46 in PC78). The centres were selected by considering a combination of their zoning, size, and accessibility. PC120 proposes to apply the THAB zone (with 6 storey building height) to a 400m area around 34 town centres and 200m around 23 local centres. The PC120 centres for adjacent intensification under Policy 3(d) are listed in Attachment C.

53. PC120 has gone one step further than required by the NPS-UD (beyond Policy 3) by enabling intensification along several frequent transport corridors across the region. Intensification of corridors is signaled in the Regional Policy Statement provisions of the AUP.

54. The 2031 Frequent Transit Network was used as the base for identifying corridors and a multi-criteria analysis ranked the corridors in terms of frequency of services, strategic connections, market demand, accessibility, and centres along the route.

55. The basis for upzoning of corridors was to use the standard THAB zone (6 storeys) for a depth of around 200m each side of the corridor. Many of the highest-ranking corridors have been upzoned to THAB as they are already in a Policy 3(c) walkable catchment, or a Policy 3(d) area, or are already zoned THAB, Business - Mixed Use, or a Centre Zone in the Unitary Plan. In total, 26 corridors were identified for intensification.

56. The corridors identified in PC120 for residential intensification along their route are listed and mapped in Attachment D.

Real world factors affecting growth

57. Modelling for PC120 is focused on calculating plan-enabled capacity development outcomes and is not an analysis of the feasibility or otherwise of building that floorspace across Auckland. The following case studies illustrate how other real-world factors could vary the capacity outcomes of the the modelling.

Average floor areas of apartments in the City Centre

58. The following case study explains that there is a 50-50 split between residential and business land uses across all Business Mixed Use zones, but developers utilise the floorspace flexibly, depending on the market segment they are appealing to in a particular location and the economic demand for it. The growth model assumes a 120m2 gross floor area per dwelling. The case study below illustrates that the gross floor area per dwelling is probably closer to 60-70m2gfa in the City Centre. This case study identifies how plan-enabled capacity opportunities are taken up according to market demand and real-world choices.

59. The Land Use Research and Evaluation (LURE) team conducted a floor area analysis of apartment units in the city centre. Data used for this analysis was derived from District Valuation Roll (DVR) datasets and was focused on the apartments built after 2010. As of August 2024, a total of 4,828 new apartment units had been constructed since 2010, with an average floor area of 72m^2.

60. Given that bedroom count can serve as a strong proxy for resident occupancy and has the potential to be scaled with household size and infrastructure demand, a bedroom analysis was also undertaken. Detailed bedroom count data were sourced from the Real Estate Institute of New Zealand (REINZ) and were extracted as a snapshot of their database in August 2024, aligning with the DVR-based floor area analysis. However, it is important to note that the number of records received from REINZ is lower than the council's DVR datasets due to data availability,[17] and therefore the proportions observed in Table 1 may not fully represent the actual regional distribution.

61. A total of 509 apartment units were analysed in Auckland city centre. The overall average floor area of those apartment units is 69m². Two-bedroom units were the most common apartment unit type, making up 58 per cent of the sample (298 units) with an average floor area of 73m². One-bedroom units accounted for 34 per cent of the total (171 units) and had the smallest average floor area at 50m². The data shows a strong correlation between bedroom count and average unit size.

Table 1: Average floor area of apartment units in Auckland city centre by bedroom count.

Bedroom Count	Number of Units	Percentage of Units	Average Floor Area (m²)
One bedroom	171	34%	**50**
Two bedrooms	298	58%	**73**
Three bedrooms	40	8%	**129**
Total	**509**	**100%**	**69**

62. Note: Apartment units with more than three bedrooms were excluded from this analysis due to their small proportion in the dataset and confidentiality considerations.

Site Feasibility/due diligence

63. The following paragraphs illustrate the council's approach to applying selected 'real world factors' of taking plan-enabled capacity through to actual residential housing capacity. The AUP rules are only a regulatory framework that enable homebuyers and developers to make choices on whether to re-develop property. These include a range of factors outside of the council's control such as market viability, financing, track-record of land development, labour force availability, immigration settings, and tax policies.

64. The land development process usually starts with a feasibility study or due diligence report. Developers usually commission this work from a planner, surveyor, architect, or multi-disciplinary team depending on the project scale and complexity. It may start with a search of a council LIM, certificate(s) of record, site visit, on-line research and early concept design resulting in a due diligence report. For complex projects, an applicant may want a pre-application meeting with the council's consents staff to determine whether a project is possible under the council rules and what the practical hurdles might be.

65. If that is successful, the developer may purchase a site. In some cases, developers may put an option to purchase over land, dependent on successfully obtaining consents or a private plan change for development. Depending on a developer's track record with banks or third-

[17] DVR data covers all rateable units in the Auckland region, whereas the REINZ data is potentially limited due to two key factors: (a) not all real estate agents are members of REINZ, as it is a voluntary organisation, and (b) only homes sold on the open market are likely to be included. Many new homes, particularly those built for specific customers rather than speculative market builds, may be excluded from the REINZ data.

party lenders, funding may be drawn down in relation to specific milestones such as resource consent, building consent etc.

66. The density of development, housing typology, required three-waters infrastructure, and site factors such as slope and soil type will have an impact on the likely development costs and complexity. After engaging professional consultants such as land surveyors, engineers and planners, the developer commissions site plans and a scheme plan showing the proposed layouts of lots and infrastructure. An applicant will lodge their application with the council and work through the approvals process for various consents.

67. From a resource and subdivision consenting perspective the main gateways for approval relate to resource consent and subdivision consent (s223 and 224 (c)), building consent and engineering plan approval, final Code Compliance Certificate confirming that all building work complies with the NZ Building Code. Funding and financing from banks are usually tied to completion of these milestones.

68. Nothing will be searchable in publicly available records of this pre-development work until consents, or approvals are lodged with Council and LINZ. Even where resource consents are lodged, these may or may not progress further to completed housing projects for various reasons. However, there may be work in the pipeline for around a year prior to lodgement.

Developer Finance

69. Finance is a critical element for developers to secure for land purchase, obtaining consents and undertaking site works through to project completion. Individual banks and lending institutions have their own lending criteria and will look at various factors as part of the loan approval process. The council cannot influence third party finance but undertaking its regulatory decision-making role in a fair, transparent, and timely way is key.

City Rail Link (CRL) Station Areas

70. The following case-study illustrates that plan-enabled capacity close to public transport, schools, employment can deliver height and density in the right places, when the economic conditions are suitable. There has been a trend towards apartment development in walkable catchments close to the CBD, particularly around Maungawhau / Mt Eden, Kingsland, and Morningside.

71. CRL extends the existing rail line underground through Britomart, to Albert, Vincent, and Pitt Streets, then crosses beneath Karangahape Road and the Central Motorway Junction to Symonds Street before rising to join the western line at Eden Terrace. By joining the rail network and adding new stations, the CRL is planned to quadruple the existing rail network capacity.

72. The City Centre zone planning provisions are now operative. The land use and planning provisions around Maungawhau / Mt Eden, Kingsland and Morningside stations have been reviewed through PC120 to optimise heights and re-development opportunities.

73. The following chart shows building consent activity in the 800-metre walkable catchments around the CRL stations at Maungawhau / Mt Eden, Kingsland, and Morningside (Figure 1). Redevelopment in these areas is currently limited by large areas of single-house zoning and Maunga/volcanic viewshafts.

74. On the sites where more intensive development has been allowed apartment development has occurred in these walkable catchments. These areas, particularly Maungawhau / Mt Eden, saw significant apartment construction from 2017 to 2021, after which construction slowed, likely due to changes in both local and global economic conditions brought on by the Covid pandemic. Apartment consents for the Auckland region remained relatively strong into 2022 before declining (Figure 2).

75. If economic conditions improve, and PC120 progresses, these areas could be attractive to re-develop. Proposed changes to the current regulatory settings to allow more land in these

areas to be developed more intensively, and to allow greater heights, could also expand plan-enabled capacity by removing regulatory barriers.

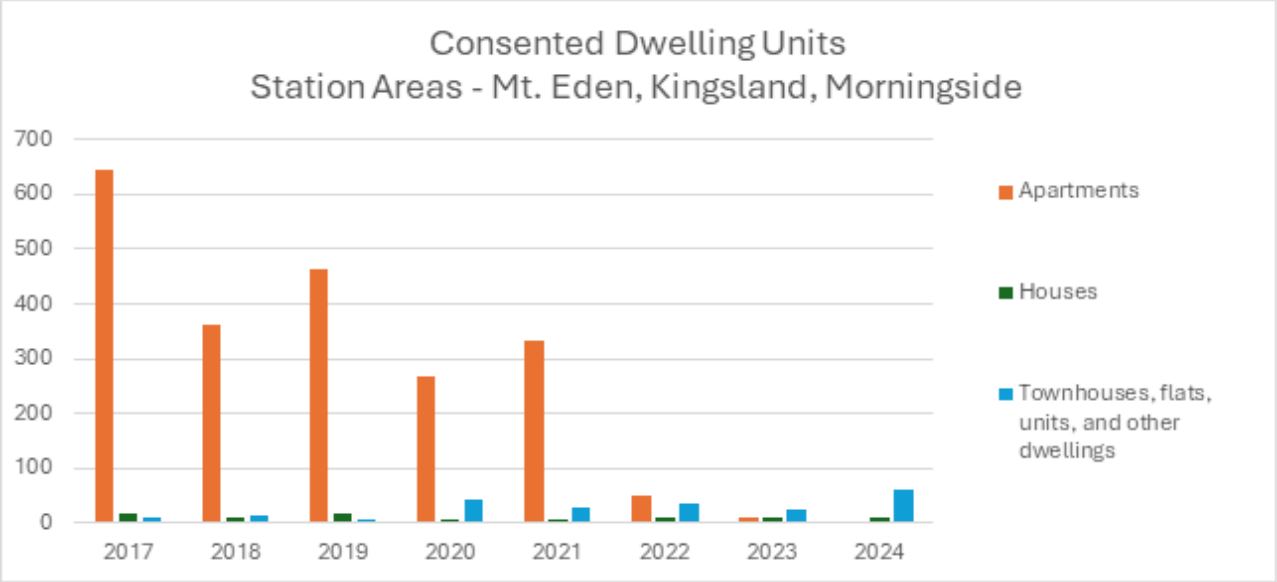

Figure 1: Consented Dwelling Units Station Areas- Mt Eden, Kingsland, Morningside (Source Land Use, Research and Evaluation Team)

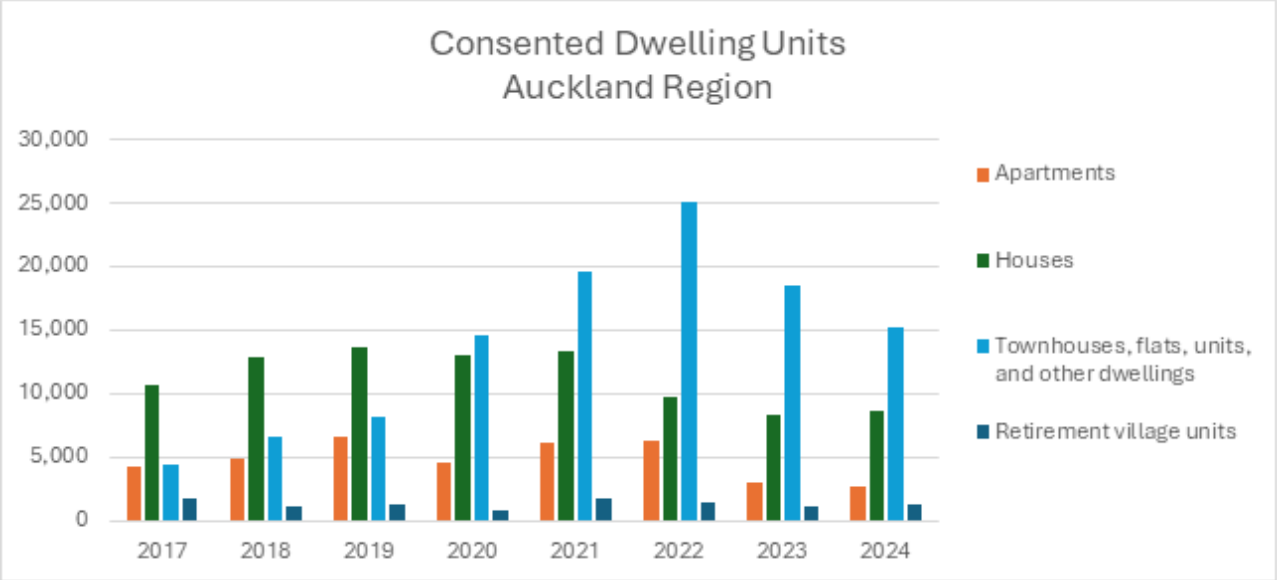

Figure 2: Consented Dwelling Units Auckland Region (Source Land Use, Research and Evaluation Team)

76. Note: these statistics are based on building consents, which do not always result in completed dwelling units.

77. Major redevelopments along Auckland's Great North Road/Arch Hills area over the past two decades have been driven by urban intensification and public transport investment. For many years sites were zoned for additional height and intensification. Over time, substantial sites transitioned from low-value land use activities into retail, mixed use and apartment developments i.e. plan enabled capacity does not mean commercially feasible.

Mana Whenua

78. Mana whenua engagement for PC120 is discussed in some detail in the related s32 report. It details consultation undertaken with 19 iwi authorities and the process and outcomes achieved over several months for the natural hazards aspects of PC120.

79. Eight marae were selected that represent a cross-section of those most affected by natural hazards within the region. Many are located on Māori land administered under Te Ture Whenua Māori Land Act 1983, which presents a number of challenges for managed retreat. Bespoke provisions have been introduced into PC120 enabling limited rural subdivision to occur to support marae relocation where that is the best option to manage natural hazards.

Health, education, and infrastructure

80. Central and local government have a complementary role to play in providing the underlying infrastructure that supports housing and business investment

81. The Going for Housing Growth pillars and unlocking housing supply are squarely addressed in PC120. MHUD and Kāinga Ora work in partnership with Auckland Council to deliver on shared outcomes.

82. The New Zealand Health Strategy 2023 has two long term goals which are to achieve health equity and improve health outcomes for all New Zealanders. Auckland has six main public hospitals including Auckland City Hospital, Starship Children's Hospital, Greenlane Clinical Centre, North Shore Hospital, Waitakere Hospital and Middlemore Hospital. There are additional specialist units in Auckland too that are not included in this figure. PC120 continues to provide for Special Purpose: Health Zone that recognises their bespoke requirements.

83. Auckland has approximately 588 primary and secondary schools (state, state-integrated, and private) in the Auckland region. Central government has six education priorities[18]: clearer curriculum, better approach to literacy and numeracy, smarter assessment and reporting, improved teacher training, stronger learning support and greater use of data. PC120 provides for Special Purpose School and Special Purpose Tertiary Zones that recognise the bespoke requirements of schools and learning facilities.

84. The NZ Police Strategic Intentions 2024-2028 (formerly Statement of Intent) outlines what the Police will deliver over the next four years. The policy aims to deliver safe communities, safe roads, safe homes and increased public place visibility. PC120 continues to provide for designations, thus continuing to provide certainty for requiring authorities. Designations are QMs in Policy 3(c) and 3(d) locations.

85. Auckland Council, Auckland Transport and Watercare Services Ltd (WSL) are responsible for providing community facilities such as leisure centres and libraries, public stormwater network, roads, rail, ferry and bus public transport services, and three-waters.

86. PC120 enables growth where infrastructure can be provided thus giving effect to the FDS and RPS. However, WSL maintains its own dynamic datasets on water and wastewater capacity for the community to engage with.

87. PC120 has the combined stormwater and wastewater overlay as a QM in the Isthmus where stormwater has not yet been separated from the wastewater network, leading to wastewater discharges into the harbour after heavy rain events. PC120 introduces a standard to restrict development in any area serviced by a Combined Wastewater Network where public sewer separation has not occurred while enabling new development where separation is in progress and the new development can connect to a separated local stormwater network.

[18] https://www.beehive.govt.nz/release/education-priorities-focused-lifting-achievement#:~:text=Hon%20Erica%20Stanford,in%20early%20literacy%20and%20mathematics.

There are also related provisions in E38 urban subdivision provisions. WSL maintain their own publicly searchable information on water and wastewater network capacity constraints across the region[19].

88. Plan enabled and commercially feasible capacity far exceeds existing, planned, or likely infrastructure capacity in many locations. However, because take-up will vary, infrastructure provision can be focused and prioritised. New legislation should support more flexible funding and cost-recovery.

Conclusion

89. It is considered that PC120 achieves Clause 4(1)(a) of Schedule 3C RMA through a combination of plan enabled capacity delivered through PC120, together with the additional capacity provided for through the City Centre zone and the Metropolitan Centre zone, in comparison to PC78 as notified.

90. Modelling work for the City Centre is underway and will be completed for the Metropolitan Centre zone once the provisions have been made operative. The current round of modelling for PC120 covered Metropolitan Centre zones, inclusive of Drury and other private plan changes approved on or before 22 August 2025[20].

91. Auckland Council will make a decision on the IHP recommendations for the Metropolitan Centre zone in November or December 2025.

92. Land use policy is a key lever for delivering more housing. While creating more capacity has clear benefits, there are trade-offs, as with all policy options. Some neighbourhoods in good locations will change significantly and intensification will impact existing residents. Modelling helps to understand residential and business plan-enabled capacity but cannot account for real world factors such as how those opportunities will be taken up by the market, or how quickly intensification may occur.

Attachments

Attachment A:	Auckland Council modelling and reporting proposal, plan change 78 and draft intensification plan change
Attachment B:	List of Policy 3(c) Walkable Catchments and heights

[19] https://www.watercare.co.nz/home/about-us/latest-news-and-media/updated-network-maps-clarify-development-potential-across-auckland

[20] The last Private Plan Changes to go operative on that date were PC93 and PC104

Confidential

11 June 2025

Nadeine Dommisse
Deputy Secretary Environmental Management and Adaptation
Ministry for the Environment
Email: nadeine.dommisse@mfe.govt.nz

Subject: Auckland Council's Modelling and Reporting Proposal, Plan Change 78 and draft Integrated Intensification Plan Change

Tēnā koe Nadeine,

This letter is to inform you of the upcoming technical work programme Auckland Council intends to undertake over the next month to meet the understood requirements of the proposed Resource Management (Consenting and Other System Changes) Amendment Bill.

Auckland Council understands that the bill will enable provision for councils to "opt out of the medium density residential standards (MDRS)" should they endorse this approach. In the Auckland context, the MDRS were incorporated into relevant residential zones through the council's Intensification Planning Instrument, Plan Change 78: Intensification (PC78). From discussions, we understand that at least one of the requirements for the opt-out threshold would be that any replacement plan change must demonstrate that it enables the same housing capacity as PC78 (as notified).

To satisfy the understood requirement, Auckland Council is planning to undertake:

- a quantitative plan-enabled Housing Capacity Assessment (HCA) comparing housing capacity enabled under:
    - PC78 (the baseline) and
    - Integrated Intensification Plan Change (the proposed replacement plan change)
- a supplementary report providing additional qualitative information related to capacity, growth and land use.

The outcomes of the HCA will inform council decisions about where and how urban growth will occur. By understanding the capacity for development, and the mix between growing 'up' and 'out, the council and central government can make informed decisions about infrastructure investment, zoning and land use planning. Additionally, the HCA supports legislative changes needed to implement the Integrated Intensification Plan Change (IIPC).

The supplementary report will provide broader context and considerations beyond the quantitative HCA such as wider outcomes sought through Auckland's Future Development Strategy, and National Policy Statement on Urban Development 2020 (NPS-UD) requirements

such as Policy 3, which require councils to amend their district plans to enable building heights and densities to enable the levels of capacity in the areas identified in Policy 3 (a)-(d), enabling well-functioning urban environments. This could include alternative land use configurations (e.g. amalgamations) and other qualitative issues unable to be explored as part of the quantitative HCA.

The recommended approach will enable Auckland Council to deliver a comprehensive, dual-layered analysis, integrating both quantitative and qualitative components, to support evidence-based decision-making. The Housing Capacity Assessment (HCA) provides clear, measurable outputs aligned with the NPS-UD's plan-enabled capacity requirements, while the supplementary report addresses broader Policy 3 outcomes that fall outside the scope of the HCA framework.

Housing Capacity Assessment Criteria - Modelling Methodology

To support the timeframes of the wider IIPC programme, the HCA will be required to be completed between 16 June and 14 July. More detailed analysis, such as infrastructure readiness, commercial feasibility, and other legislated tests, can be undertaken later, ideally as part of the next Housing and Business Development Capacity Assessment (HBA), under an updated National Direction.

Given the time elapsed since the 2023 HBA and the changes in cadastral boundaries, consenting activity, and development uptake, the 2023 HBA no longer serves as a suitable baseline for this HCA assessment, particularly as neither PC78 or the IIPC would be applied in a 2022 cadastral and built environment.

Given the timeframes, this modelling exercise is not designed to assess any induced demand from the IIPC nor replicate a full HBA, these matters will be discussed in the supplementary report but are more appropriately undertaken as part of a more comprehensive HBA, where they can be informed by a range of important contextual settings such as the most recent 2023 Stats NZ Census data, updated population projections, and forthcoming National Direction.

The below proposed approach outlines the key considerations, criteria, and processes required to undertake the HCA. The assessment will be supported by Auckland Council's Capacity for Growth Study (CfGS) tool, a specialist modelling approach that provides statistical parcel-level, quantitative evaluation of development capacity, applying selected rules and provisions under the proposed plan changes to estimate plan-enabled capacity accurately.

While the tool is not described in detail here, further information on its application is available upon request, noting that the CfGS tool has been used and developed extensively since 2012 including for the Proposed Auckland Unitary Plan Independent Hearings Panel (IHP) process (2013-2016), for PC78 (notified on 18 August 2022) and the last four HBAs.

Plan Change 78 Baseline Criteria

The baseline housing capacity will be calculated under PC78 assumptions (as notified on 18 August 2022), but with the following considerations and caveats.

- Uses the 2022 zoning proposed in PC78 for the mapped extent of PC78 (excluding white out areas) applied to 2025 cadastral boundaries (roads, parcels, titles, and subdivision

patterns, etc.) to give a current state and ensure the assessment assesses the PC78 planning rules.

- Uses latest District Valuation Roll (DVR) data for "net" calculations i.e. removes plan-enabled capacity that has been taken up since PC78 was notified on 18 August 2022. This would give a better understanding of what plan-enabled capacity is available currently. Note the plan-enabled capacity reported in the 2023 HBA may be greater due to the opportunities taken up since the HBA assessment.
- Does not include private plan changes which have become operative since August 2022, or any proposed private plan changes, as these were/are plan changes (with no 'legal effect') to the Auckland Unitary Plan.
- Does not allow for the modelling of Precincts due to time restrictions (these areas will be assessed under the PC78 baseline base zoning provisions) – planners responsible for the Precincts are expected to be able to indicate qualitatively if the precincts are more or less enabling than base zones, and ideally be able to quantify a ball park percentage impact to the nearest 20 per cent.
- Includes the Auckland Light Rail Corridor and Special Housing Areas that were 'white out' areas under the notified PC78 maps – however, zoning for these areas will be based on the AUP operative zoning (the only zoning with 'legal effect') and provisions, as at 18 August 2022.

Integrated Intensification Plan Change Capacity Criteria

A comparative housing capacity will then be calculated under IIPC assumptions, for comparison against the baseline PC78 capacity.

- Uses the same 2025 cadastral boundaries (roads, parcels, titles, subdivision patterns, etc).
- Uses the IIPC planning provisions and spatial zoning (currently under development, and subject to council endorsement).
- Includes private plan changes (operative) since 18 August 2022.
- Does not allow for the modelling of Precincts due to time restrictions (these areas will be assessed under the base zone provisions).
- Includes the Auckland Light Rail Corridor and Special Housing Areas and any planning response within these areas.
- Assumes that natural hazard areas, infrastructure constraints, key strategic planning documents, and other key considerations are identified in zoning as part of the IIPC plan-making process i.e. no other accounting will be made for these matters within the capacity modelling, beyond what is embedded within the proposed IIPC provisions.
- Uses the same DVR data as the PC78 baseline "net" calculation to allow for a ceteris paribus comparison between the two datasets – all differences in the output can be explained by variations in the planning inputs.

Auckland City Centre

As indicated, and due to the timeframes involved in the delivery of the IIPC, the City Centre is out of scope and will be addressed at a later stage. City Centre modelling will occur as soon as possible, independently of the baseline and IIPC CfGS runs, once we have the new provisions and dependencies on new/updated 3D modelling inputs.

The council understands that the Ministry for the Environment is interested in providing an observer to gain insight into the technical processes involved in preparing the capacity assessment and supplementary report. This involvement would provide the Minister with assurance that the methodologies and procedures used to generate the information required to opt out of the MDRS are robust and appropriate.

In the spirit of collaboration and transparency, we will do all we can to give the Minister confidence in the process. It is important for the Ministry to be aware that timelines are critical to enable the capacity modelling to be undertaken to support advice to elected members and ultimately for the Minister for Resource Management Reform. Modelling will commence on 16 June and be delivered on 14 July 2025 and cannot be retrospectively amended.

We look forward to engaging constructively with central government agencies throughout this process to ensure that the final assessment meets all statutory and policy expectations.

Should you have any questions or require further information, please do not hesitate to contact me.

Yours sincerely,

Megan Tyler

Director, Policy, Planning and Governance

Auckland Council

Attachment B: List of Policy 3(c) Walkable Catchments and heights

*denotes walkable catchments legislated for 10 or 15 storeys

22 Walkable catchments with 15-storey height limit:

City Centre, Karanga-a-Hape Train Station, Te Waihorotiu Train Station, Waitematā Train Station, Maungawhau Train Station*, Parnell Train Station, Newmarket Metropolitan Centre, Grafton Train Station, Newmarket Train Station, Panmure Train Station, Glen Innes Train Station, Manukau Metropolitan Centre, Greenlane Train Station, Remuera Train Station, Ōtāhuhu Train Station, Kingsland Train Station*, Manukau Train Station, Albany Bus Station, Takapuna Metropolitan Centre, Henderson Metropolitan Centre, Morningside Train Station*, Henderson Train Station.

22 Walkable catchments with 10-storey height limit:

Ellerslie Train Station, Ōrākei Train Station, New Lynn Metropolitan Centre, New Lynn Train Station, Albany Metropolitan Centre, Penrose Train Station, Smales Farm Bus Station, Puhinui Train Station, Sylvia Park Metropolitan Centre, Mt Albert Train Station*, Sunnynook Bus Station, Pakūranga Bus Station, Baldwin Ave Train Station*, Avondale Train Station, Akoranga Bus Station, Sylvia Park Train Station, Westgate Metropolitan Centre, Papatoetoe Train Station, Constellation Bus Station, Meadowbank Train Station, Te Taha Wai Bus Station, Williams Ave Bus Station.

22 Walkable catchments with 6 storey height limit:

All other walkable catchments not listed above.

Manurewa Train Station, Botany Metropolitan Centre, Drury Metropolitan Centre, Drury Train Station, Papakura Train Station, Sturges Rd Train Station, Koata Bus Station, Glen Eden Train Station, Pukekohe Train Station, Papakura Metropolitan Centre, Fruitvale Rd Train Station, Middlemore Train Station, Rosedale Bus Station, Pōhatu Bus Station, Homai Train Station, Rānui Train Station, Swanson Train Station, Takaanini Train Station, Te Mahia Train Station, Ngākōroa Train Station, Paerātā Train Station, Sunnyvale Train Station.

Attachment C: List of Policy 3(d) centres for adjacent intensification

57 Town and Local centres are identified for ‘adjacent intensification’ as listed below:

34 Town Centres with Terrace Housing and Apartment Buildings zoning on adjacent (400m) land:

Avondale, Birkenhead, Browns Bay, Devonport, Ellerslie, Glen Eden, Glen Innes, Glenfield, Green Lane, Highland Park, Howick, Hunters Corner, Mangere, Manurewa, Milford, Mt Albert, Newton – Upper Symonds St, Northcote, Onehunga, Ōtāhuhu, Ōtara, Pakūranga, Panmure, Papatoetoe, Parnell, Ponsonby, Pt Chevalier, Remuera, Royal Oak, St Lukes, Stoddard Rd, Sunnynook, Te Atatū North, Three Kings

23 Local Centres with Terrace Housing and Apartment Buildings zoning on adjacent (200m) land:

Albany Village, Balmoral, Blockhouse Bay, Botany Junction, Chatswood, Clendon, Dawsons Road, Eden Valley, Greenlane West, Grey Lynn, Hobsonville, Jervois Road, Kelston, Kepa Road / Eastridge, Lynfield, Mairangi Bay, Mangere East, Meadowbank, Meadowlands, Mt Roskill, Mt Wellington, Te Atatū South, Drury

Attachment D: Corridors with intensification

Table listing the identified corridors for intensification where Terrace Housing and Apartment Buildings zone applied around 200m in depth either side of the corridor.

Map #	Corridor name	Length (km)	FTN Route Name(s)
38	Onehunga - Newmarket (Manukau Rd)	5.49	30
37	St Johns - Remuera - Newmarket	5.28	75
23	Ellerslie - Greenlane	1.52	70
48	Great North Road (Ponsonby to Motat)	3.05	18, 11
47	St Lukes to Great North Rd (via Morningside and Kingsland)	2.79	20
51	Great North Road (Pt Chev, Avondale, New Lynn)	6.04	18,11
22	Panmure - Ellerslie	3.88	70, 72X
44	Sandringham Rd (Newton to Sandringham)	4.74	24
63	Smales Farm – Takapuna – Milford	4.68	82
43	Dominion Road (Mt Eden to Mt Roskill)	5.31	25
42	Mt Eden to Three Kings (Mt Eden Rd)	5.21	27
17	New Lynn to Henderson	5.83	14
24	Greenlane - Western Springs (Via Balmoral)	9.16	65
40	Greenlane East (Remuera Rd to Greenlane)	1.53	65
41	Mt Eden to Sandringham Rd via Valley Rd Shops	2.00	64
45	New North Road (Morningside to Avondale)	4.83	22
64	Northcote – Takapuna	5.93	94
8	Panmure - Mt Wellington - Sylvia Park	2.40	74
2	Botany to Manukau (via Ormiston)	11.13	35
39	Glenfield - Birkenhead	4.96	95
56	Howick to Botany (via Meadowlands, Botany Rd)	6.89	72
6	Papatoetoe - Otahuhu - Sylvia Park	6.44	32
49	St Marys Bay to Ponsonby	2.27	INN
65	Verrans Corner to Onewa Road	4.64	97

Although the following two FTN corridors ranked in this highest group, land adjacent to these corridors is already upzoned through Policy 3 of the NPS-UD – so they had no further intensification under FTN Corridors work:

Map #	Corridor name	Length (km)	FTN Route Name(s)
50	College Hill and Ponsonby Road	2.50	INN
36	Greenlane - Newmarket (GSR)	2.90	70