

Hamilton City Council Submission

Pillar 1 Proposals of Package 4 – Resource Management Act National Direction – Going for Housing Growth

**Ministry of Housing and Urban Development
and the Ministry for the Environment**

15 August 2025

Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- **A city that's easy to live in**
- **A city where our people thrive**
- **A central city where our people love to be**
- **A fun city with lots to do**
- **A green city**

The topic of this Council submission is aligned with all of Hamilton City Council's five priorities.

Council Approval and Reference

This submission was approved by Hamilton City Council at the 12 August 2025 Strategic Growth and District Plan Committee meeting.

Submission # 811

Key Messages and Recommendations

1. Hamilton City Council welcomes the intent of Going for Housing Growth (GfHG) to address the current challenges both local authorities and developers are facing under the resource management system.
2. The Council's submission draws on its experience implementing [Plan Change 12 – Enabling Housing Supply \(PC12\)](#) and managing rapid growth as New Zealand's fastest-growing city.
3. A key challenge for Hamilton City Council is that infrastructure development struggles to keep pace with the City's rapid growth. As New Zealand's fastest-growing city, Hamilton faces immense pressure on its infrastructure. To meet this demand, we require more effective mechanisms to recover development costs, ensuring the principle that "growth pays for growth" is upheld.
4. The primary constraint to enabling housing in Hamilton is infrastructure readiness. The new system must prioritise mechanisms that ensure infrastructure is funded, sequenced, and aligned with growth.
5. Councils need the ability to tailor planning responses to local conditions. A one-size-fits-all approach—particularly for walkable catchments, height limits, and zoning—risks undermining local planning efforts and community outcomes.
6. Capacity assessments must be grounded in development feasibility, not just theoretical zoning. This includes market demand, infrastructure availability, and site-specific constraints.
7. In highly enabling planning environments like Hamilton's, offsetting lost capacity is unnecessary and could lead to fragmented urban form and inefficient infrastructure investment.
8. Removing minimum floor area and balcony requirements risks incentivising substandard housing. Baseline standards or performance-based alternatives are needed to ensure quality outcomes.
9. While mixed-use development is supported, it must be accompanied by clear controls to protect residential character and maintain the integrity of the centre hierarchy.
10. The parallel pathway created by the Fast-track Approvals Act risks bypassing areas identified in Future Development Strategies (FDS), weakening the role of spatial planning.
11. The following table outlines the key themes and recommendations highlighted in this submission:

Theme	Key Recommendation(s)
Infrastructure funding and sequencing	As New Zealand's fastest-growing city, Hamilton faces immense pressure on its infrastructure. We request more effective mechanisms to recover development costs.
Walkable catchments	Allow councils to define catchments using network-based analysis, not fixed radii.
Height and density	Retain local discretion to determine appropriate height limits based on market feasibility and infrastructure capacity.
Offsetting	Avoid offsetting unless within the same zone or catchment with proven infrastructure capacity.
Mixed-use development	Apply scale thresholds, design standards, and infrastructure checks to manage externalities.

Minimum housing standards	Retain or replace with performance-based standards to ensure liveability (e.g. minimum floor area requirements).
Spatial planning and FDS	Strengthen the legal weight of spatial plans and align them with funding mechanisms.
Fast-track Approvals Act	Reconcile the FTA with the FDS framework to avoid undermining strategic planning.
Private infrastructure	Clarify how private solutions are assessed and ensure long-term accountability.
Housing growth targets	Allow councils to use locally appropriate projections and methodologies.
Responsiveness	Define clear triggers and funding responsibilities for out-of-sequence development.

12. The overarching statement that “all cities are not keeping up with growth and in many cases are subject to inflexible land settings” oversimplifies a complex issue. Hamilton City Council notes that current challenges stem from decades of underinvestment in critical infrastructure, public transport, and social services. These systemic issues cannot be resolved through planning reform alone. Achieving sustainable growth requires coordinated investment, long-term funding certainty, and strong alignment between central and local government.
13. Hamilton City Council would emphasise that clear and consistent guidance is essential, paired with local flexibility. Councils must be empowered to tailor capacity assessments to their unique urban contexts. The sufficiency test should be grounded in feasibility, with infrastructure capacity serving as a critical factor in determining whether immediate investment is required or whether constraints can be addressed progressively.
14. Hamilton City Council welcomes the opportunity for ongoing engagement with the Ministry for the Environment and the Ministry of Housing and Urban Development as part of the development of Phase Three of the Resource Management Reform.

Introduction

15. Hamilton City Council welcomes the opportunity to make a submission to the Ministry of Housing and Urban Development and the Ministry for the Environment on the **Pillar 1 Proposals of Package 4 – Resource Management Act National Direction – Going for Housing Growth**.
16. Hamilton City Council takes an active interest in the resource management space, as evidenced by our recent submissions to the:
 - **Packages 1-3 (Infrastructure and Development; Primary Sector; and Freshwater) of the Resource Management Act National Direction (4 August 2025)** – [Weblink](#)
 - **Resource Management (Consenting and Other System Changes) Amendment Bill (10 February 2025)** – [Weblink](#)
 - **Application to have Projects Listed in Schedule 2 of the Fast Track Approvals Bill (3 May 2024)**
 - **Fast Track Approvals Bill (19 April 2024)** – [Weblink](#)
 - **Engagement Draft of the Transitional National Planning Framework Proposal (13 December 2023)** – [Weblink](#)
 - **Proposed National Policy Statement for Natural Hazard Decision-Making Discussion Document – September 2023 (16 November 2023)** – [Weblink](#)
 - **Managing the Use and Development of Highly Productive Land – Discussion Document – September 2023 (7 November 2023)** – [Weblink](#)
 - **Natural and Built Environment Bill (17 February 2023)** – [Weblink](#)
 - **Spatial Planning Bill (17 February 2023)** – [Weblink](#)
17. This submission focuses on responding to the key questions that are likely to impact on Hamilton City Council. Therefore, not all questions in the June 2025 discussion document are addressed.

Key Submission Feedback

18. The following feedback is structured by Hamilton City Council's key themes – noting that we have only provided responses on the sections that are most relevant to Council.
19. Hamilton City Council supports the intent of Going for Housing Growth (GfHG) to remove unnecessary planning barriers and views this as a timely and important reform. While the current Resource Management Act provides flexibility for local authorities to tailor their planning systems, this has led to varied regional approaches that can limit broader development opportunities and create challenges for consistency across jurisdictions.
20. Hamilton City Council made **Plan Change 12 – Enabling Housing Supply (PC12)** operative on 20 December 2024. PC12 is a response to the Government's direction to enable increased intensification, which covers much of the objectives set out in Pillar 1 of GfHG.
21. A key challenge for Hamilton City Council is ensuring that infrastructure development keeps pace with the city's rapid growth. As New Zealand's fastest-growing city, Hamilton faces immense pressure on its infrastructure. To meet this demand, more effective mechanisms for recovering development costs are needed to uphold the principle that "growth pays for growth".
22. The interaction between the Fast-track Approvals Act 2024 (FTA) and the newly proposed capacity remains uncertain. The FTA has introduced a parallel pathway that may lead developers to bypass areas identified for capacity in favour of the Fast-track route. With many Fast-track applications already underway - often outside the areas identified in the Future Development Strategy (FDS) - this raises questions about the role and effectiveness of identifying additional capacity within the FDS framework.

- 23. Fast-track applications are bespoke and may not align with the city's established strategic direction. As a result, we are now facing a situation where multiple isolated land areas are seeking expansion around the city, without any cohesive or coordinated approach to long-term urban growth and development.
- 24. Expanding the scope of permitted activities should be approached with caution. If the range of permitted activities become too broad, it could result in developments that are not adequately monitored and may conflict with existing land uses, potentially undermining the purpose of zoning. Environmental compliance and meeting public health requirements are also a risk when considering impacts of additional demand on networks such as water and wastewater. Reactive and ad hoc upgrades to networks to provide further capacity go against sustainable financial planning.
- 25. The overarching statement that "all cities are not keeping up with growth and in many cases are subject to inflexible land settings" presents an overly simplistic view of a complex issue. The current challenges stem from years of underinvestment in critical areas such as infrastructure, public transport, and social services. These systemic issues cannot be addressed through planning reform alone; they require coordinated investment, long-term funding certainty, and strong alignment between central and local government to ensure growth is both achievable and sustainable.
- 26. Hamilton City Council would emphasise that clear and consistent guidance is essential, alongside greater flexibility for councils to tailor capacity assessments to their local context. The sufficiency test should be grounded in feasibility, with infrastructure capacity serving as a critical factor in determining whether immediate investment is required or whether constraints can be addressed progressively over time.

Providing for urban development in the new resource management system

- 27. Hamilton City Council acknowledges the intent behind the proposal in Point 30(b) to raise thresholds for regulatory intervention. While the Council is optimistic that this could help establish clearer bottom lines and reduce unnecessary planning barriers, we recommend that the Government provide a robust and transparent rationale for the final approach.
- 28. Hamilton City Council supports the intent to streamline the resource management system. The proposed introduction of standardised zones has the potential to improve national consistency, reduce complexity, and deliver efficiencies for both developers and local authorities. However, the Council is concerned that a one-size-fits-all approach may not adequately capture the unique characteristics, planning needs, and growth patterns of different cities. It is important that the system retains sufficient flexibility to accommodate local context and ensure that zoning frameworks remain responsive to community aspirations and urban development goals.
- 29. Hamilton City Council seeks more clarity on Point 36(e) as the proposal raises some concerns:
 - (i) The suggestion that developers would only be responsible for managing their own externalities may undermine integrated planning outcomes. If the overarching goal of the GfHG programme is to improve housing affordability and urban functionality, it is important that mechanisms are in place to ensure developers contribute to infrastructure and community outcomes beyond their immediate site boundaries.
 - (ii) The proposal does not address the potential disconnect between those undertaking development and those who will ultimately live in the resulting dwellings. In the case of residential development, there is a risk that on-site amenity provisions may be monetised, limiting access to those with greater financial means and potentially undermining equitable housing outcomes.
 - (iii) The document is unclear on which thresholds would be raised and how they will be defined or measured.
- 30. The proposal in Point 37 to raise the bar for imposing regulatory restrictions on property requires further detail. Given that zoning rules already permit a wide range of activities and that local

authorities have limited grounds to decline consent applications, any further limitations on regulatory discretion should be carefully considered to avoid unintended consequences for urban form and the quality of the living environment.

- 31.** Expanding permitted activities should be carefully managed. While greater flexibility can support development, overly broad permissions risk conflicting with existing land uses and limiting Council's ability to manage cumulative effects. To avoid unintended outcomes—such as traffic congestion from uncoordinated commercial growth or infrastructure strain—clear rules and safeguards must accompany any expansion to ensure development aligns with long-term planning goals.

Q1. What does the new resource management system need to do to enable good housing and urban development outcomes?

32. Hamilton City Council supports growth but recognises that it must be managed within real-world constraints. Infrastructure capacity - particularly in transport, three waters, and social infrastructure - is a critical limiting factor that must be planned and sequenced appropriately within the new resource management system.
33. Growth must be supported by infrastructure that enables safe, resilient, and well-functioning urban environments. A key challenge for Hamilton, as New Zealand's fastest-growing city, is the inability of infrastructure to keep pace with the scale and speed of development.
34. Hamilton currently lacks sufficient water and wastewater capacity to support the volume of development underway. This issue is compounded by increasing interest from developments outside our jurisdiction seeking to connect to the city's infrastructure network, placing additional pressure on already constrained systems.
35. The new system must also reflect the finite nature of freshwater resources.
36. As a Tier 1 Council serving approximately 190,000 residents, Hamilton City Council must allocate water resources responsibly. This includes enabling both greenfield development and brownfield intensification, particularly where rezoning to medium or high density is proposed. Over-allocation risks either halting growth or degrading resources through overuse. Planning frameworks in the new system must be designed to avoid this outcome and support long-term sustainability.
37. Hamilton City Council strongly supports the inclusion of funding and cost recovery mechanisms within Pillar 2. The current model, which places a significant financial burden on local authorities to fund infrastructure for development, is unsustainable.
38. Ensuring that "growth pays for growth" is essential to maintaining infrastructure resilience and enabling future urban development. The new system must provide councils with the tools to recover costs and invest in infrastructure that supports strategic growth.
39. Central Government should also consider the impact of construction costs on housing delivery. Apartments are generally more expensive to build than standalone homes and tend to be less appealing to prospective buyers, which may hinder uptake and affordability outcomes.
40. While developers may seek to maximise profitability by constructing multiple apartment units on a single parcel of land, this typology has not been widely embraced in Hamilton. Apartment clusters remain uncommon and may not align with community preferences or market demand.

Table 1: QV Cost Builder Sep 2022 quarter price

Typology	Description (from QV)	Storey	Build Cost
Standalone/ Detached	House, 90-130m ² . Concrete slab or particle board floor. Kitchen, bathroom, WC. Fibre-cement weather boards, galvanised steel roof. Standard quality fittings.	1	\$2200/m ²
Apartment	Small Apartment, 50-100m ² . Concrete floor slab. Kitchen, bathroom, WC, ensuite. Garaging. Small balcony.	5	\$5010/m ²

41. The proposal to focus solely on managing externalities raises concerns about the potential for substandard housing outcomes, particularly in lower socio-economic areas. Hamilton City Council opposes this narrow approach, as it risks enabling developments where purchasers or renters lack

the financial means to demand adequate amenities. The new resource management system must ensure that housing quality is not determined solely by market dynamics, and that all residents—regardless of income—have access to safe, functional, and liveable homes.

Future development strategies and spatial planning

42. The interaction between the Fast-track Approvals Act 2024 and the newly proposed capacity remains unclear. The Fast-track process bypasses conventional planning pathways, allowing developers to pursue projects that may not align with the Future Development Strategy (FDS). This creates a parallel pathway where developers may overlook areas identified for capacity and instead opt for the Fast-track route. With many applications already progressing - often outside FDS-identified areas - this raises questions about the necessity and effectiveness of identifying additional capacity within the FDS framework.
43. Fast-track applications are bespoke and often lack strategic context, meaning they may not align with the city's established strategic direction. As a result, we are now facing a situation where multiple isolated land areas are seeking expansion around the city, without any cohesive or coordinated approach to long-term urban growth and development.
44. Hamilton City Council considers the lack of legal weight on listed plans - whether regulatory, transport, funding or water-related (the latter notably omitted in Point 44 of the discussion document) - to be a significant issue. Under the current framework, local authorities have limited ability to decline developments that conflict with established plans. Hamilton City Council would welcome reforms that strengthen the alignment between planning instruments and decision-making processes.
45. In the context of spatial planning, there is a notable misalignment between long-term strategies and short-term funding mechanisms. Councils Long-Term Plans (LTPs) are reviewed every three years and span a 10-year horizon, whereas spatial planning typically covers a 30-to-50-year timeframe. This misalignment creates challenges in ensuring that long-term spatial strategies are supported by reliable funding pathways. Furthermore, funding plans are often influenced by political cycles and shifting priorities, which can introduce uncertainty. For example, recent shifts in central government priorities have impacted funding for public transport and micromobility. To support effective spatial planning, funding mechanisms need to be more stable and enduring, providing greater certainty for long-term infrastructure investment.
46. We support the flexibility that is discussed within Point 46 of document, specifically, the provision of infrastructure prerequisites to enable “development ready” areas. As noted in our submission on the National Policy Statement for Infrastructure, this needs to include the resource itself, as opposed to simply the infrastructure that services these areas. For example, it is essential to consider whether the infrastructure provider can discharge wastewater at environmentally sustainable levels, or whether there is sufficient water supply to support growth without adversely affecting the source.
47. Hamilton City Council has the following concerns regarding the new system proposed in Point 49:
 - (i) Hamilton City Council supports the proposal in Point 49(a) for spatial planning to inform funding plans, as this would improve the integration of land use and infrastructure planning. However, the practical implementation of this integration remains unclear and requires further detail.
 - (ii) The proposal in Point 49(b) to extend development capacity planning from 30 to 50 years raises concerns about practicality. Such an extension would require significant additional resources and may lead to inefficiencies if long-term projections prove inaccurate. Spatial planning should be applied at varying scales, each with an appropriate level of detail, and the new resource management system should reflect this flexibility.
 - (iii) Hamilton City Council supports the proposal in Point 49(c) to expand the list of matters that must inform spatial planning. The matters identified appear comprehensive and appropriate.

(iv) Hamilton City Council welcomes the requirement to identify priority development areas, as this would support more strategic decision-making, particularly in the context of constrained resources. Through the Future Proof Partnership, Hamilton City Council has already identified several areas where housing and community outcomes are being prioritised.

Q2. How should spatial planning requirements be designed to promote good housing and urban outcomes in the new resource management system?

48. Extending the planned capacity to a longer horizon should be supported by clear policy rationale or robust data, as long-term projections tend to carry a higher degree of uncertainty.
49. From a demand perspective, New Zealand requires a more effective approach to social housing to improve overall housing outcomes. It is important to recognise that affordability is a highly variable concept, and many individuals will continue to require substantial support regardless of land pricing.
50. From a supply perspective, greater support can be directed toward first-home buyers, with a deeper understanding of their housing preferences and affordability thresholds. The insight is essential for shaping policies that incentivise developers to deliver appropriate housing in suitable locations. While increasing supply is important, it must be complemented by demand-side measures such as improved access to borrowing, targeted financial assistance, investment in social housing, and other support. New Zealand may also benefit from examining successful international models, such as Finland's approach, which encourages saving for home ownership through tax-free interest incentives.
51. In addition, the proposed system must place greater emphasis on cost recovery mechanisms. As noted in the [Regulatory Impact Statement for GfHG](#), infrastructure costs are currently under-recovered (pages 16–17), which poses long-term sustainability challenges for Hamilton City Council.
52. With respect to priority development areas, stronger incentives are needed to encourage developers to focus on these identified areas. Without targeted support or benefits, there is a risk that development will continue to occur in a fragmented manner, undermining strategic planning efforts.

Housing growth targets

53. Hamilton City Council supports the growth targets outlined in Point 54. Under PC12, the Residential Zones have been revised to provide realistic long-term (30-year) development capacity through a range of measures, including:
 - (i) Unlimited residential heights in the Central City.
 - (ii) New residential zone framework of high, medium and low-density zones.
 - (iii) High Density (up to six stories) within walking distance of the Central City.
 - (iv) Medium Density (up to five stories) within walking distance of the Sub-regional Centre Zones at Chartwell and the Suburban Centres Zones at Thomas Road, Lynden Court, Five Cross Roads, Clyde Street East, Hamilton East, Glenview, Frankton, Dinsdale, and Peacocke.
 - (v) Enabling residential developments above ground floor in most commercial areas.
54. Hamilton City Council has concerns regarding the proposal in Point 56 to expand the scope for private infrastructure solutions. The Council has encountered numerous decentralised wastewater proposals that, while cost-effective for developers, often fail to meet required design, construction, and operational standards. Hamilton City Council has consistently stated that it will not accept private infrastructure assets for vesting into Council ownership.
55. It is also unclear how privately funded infrastructure solutions are accounted for when assessing sufficiently credible infrastructure capacity. In practice, developers may have short-term

infrastructure solutions in place at the time of application, but are often reluctant to commit to medium- or long-term infrastructure investments due to the significant associated costs.

56. While Hamilton City Council supports the intent to be more responsive to unanticipated or out-of-sequence development in Point 57, the implementation details remain unclear. This is particularly concerning given the Council's current resourcing constraints, which have been exacerbated by recent structural changes resulting in a leaner workforce.

Q3. Do you support the proposed high-level design of the housing growth targets? Why or why not?

57. Overall, Hamilton City Council supports the proposed housing targets, as they align with the objectives and provisions outlined in PC12.

58. However, further clarification is needed regarding the scope expansion for private infrastructure solutions and the mechanisms for responding to unanticipated or out-of-sequence development.

59. We note that the development of housing growth targets (including their prioritisation) will assist infrastructure providers and prioritising those areas where growth is to happen first. What will be critical is ensuring that development happens in sequence (we touch on this as part of our response for the next question).

Providing an agile land release mechanism

60. Hamilton City Council supports the proposal to introduce a more agile mechanism for land release. Under current practice, the triggers and prerequisites for enabling land would usually be established within a structure plan.

61. We do note, however, that protections must be put into place which do not release land prior to it being ready for development. Such mechanisms can be built into whatever tool central governments deemed to be appropriate, and can include:

- (i) Land not being enabled for release until construction of infrastructure has been enabled (in other words, it is not enough to simply fund infrastructure as funding can be taken away). The alternative to this is where a Private Development Agreement which secures the construction of the infrastructure required to service the land proposed to be enabled.
- (ii) The communication of infrastructure constraints through the provision of online tools.
- (iii) A "full network" approach adopted for assessing infrastructure capacity.

62. Council would welcome further guidance on how these triggers should be defined to ensure consistency and clarity. Additionally, Hamilton City Council would also recommend that the Government direct how developers respond to said triggers.

63. Notably, we consider that any land that does not meet the minimum threshold should be locked from development of a form that may compromise the ability for the land to be developed efficiently and effectively.

64. Hamilton City Council supports the proposed system outlined in Point 61. Council would emphasise the need for more guidance within the upcoming framework on the following aspects:

- (i) What should be enabled on the land prior to comprehensive development.
- (ii) What criteria could be used to determine when land can be released.
- (iii) How the infrastructure constraint (and the impact on the ability to develop land) is communicated to plan users.

Q4. How can the new resource management system better enable a streamlined release of land previously identified as suitable for urban development or a greater intensity of development?

65. Hamilton City Council recommends the development of clearer guidance, or ideally a standardised approach, for drafting structure plans. Consistency in structure plan preparation and clear definitions for release triggers would enable more effective planning outcomes.

Determining housing growth targets

66. Whilst Hamilton City Council supports having each local authority determine its own housing targets in principle, the methodology proposed by the Government remains unclear:

- (i) Changing population projections is not a straightforward process; for example, Hamilton City Council currently uses projections from NIDEA, and any shift would require formal agreement from elected members.
- (ii) It is unclear whether the conversion from households to dwellings must follow a certain methodology or if councils have the flexibility to apply their own approach. Additionally, it is unclear whether the 30-year demand needs to be assessed across different timeframes—namely short, medium, and long term.
- (iii) It is not clear whether the 20% margin must be applied across the entire study period, and whether it remains necessary if the selected housing growth target already exceeds Stats NZ's SA2 high growth projection plus the 20% margin.

Q5. Do you agree with the proposed methodology for how housing growth targets are calculated and applied across councils?

67. In principle, we do not support the proposed methodology. Stats NZ projections have always adopted a “top-down” approach to demographic projections. This means that projections are first completed at the national level and are then filtered down to regions, territorial authorities and suburbs. This top-down projection approach does not consider local nuances, such as internal migration, population growth, consenting trends and urban planning initiatives.

68. Currently, the Stats NZ's SA2 projections only cover 2018-2048 with five-year intervals. It means that Council must disaggregate it to annual intervals by some self-defined approaches to be able to compare the annual trend. However, Council also requires projections over 30 years from present (2054) for planning purpose and infrastructure strategy. Therefore, Stats NZ's SA2 projection highlights a big gap in this implementation.

69. Stats NZ in the past has published household projections a year earlier than the population projections. This means Stats NZ's household projections are not well aligned to their population projections or with their stated assumption that household size is declining and there will be an increasing number of one-person households in the future. Data shows that the projected number of households is increasing at a slower pace than Hamilton's projected population increase, suggesting that Hamilton households are expected to increase in size as opposed to decreasing. This misalignment is a critical gap and will lead to inconsistent policy decisions.

70. As a result of the misalignment, projection period and lack of local insights, Hamilton City Council concluded that the Stats NZ projections are not the appropriate dwelling demands to be used for Hamilton.

Q6. Are there other methods that might be more appropriate for determining housing growth targets?

71. The Council should retain flexibility in selecting the most appropriate projection for its needs. Although it is important to have one standard of adoption across the regions, Stats NZ's SA2 household projections are too granular and lack local specificity and insights, making them unsuitable as a baseline at least for Hamilton. Also, the granularity of SA2 projections may introduce greater error margins. Hamilton City Council currently uses Te Ngira's Territorial Authority (TA) household projections—**commonly referred to as NIDEA**—which incorporate local data and have historically provided more reliable outcomes.

Calculating development capacity

72. The notion to “provide sufficient infrastructure-ready capacity to meet the level of growth anticipated” is commendable but highly ambitious - particularly given the requirement for local authorities to adopt high-growth projections. As infrastructure providers, Hamilton City Council offers the following observations:

- (i) As discussed throughout this submission, securing adequate funding is critical to delivering infrastructure-ready capacity. This is especially true for brownfield developments, which face more complex urban constraints and significantly higher costs compared to greenfield areas. Without a robust and reliable funding framework, the goal of infrastructure readiness will remain difficult to achieve.
- (ii) We note that Point 59 of the discussion document alludes to infrastructure being a major consideration for agile land release, while Point 65 suggests that infrastructure ready capacity needs to be provided upfront. These two positions appear to contradict each other and the objectives that are trying to be achieved by central government.

73. Regarding Point 70, Hamilton City Council does not support the inclusion of land covenants as a requirement in land capacity assessments. While covenants can influence development potential, their complexity and lack of comprehensive data make them impractical for systematic inclusion. Covenants vary widely in scope, enforceability, and duration, and often impose restrictions such as minimum lot sizes, building height limits, or land use exclusions. However, these covenants are often privately held, inconsistently recorded, and not centrally catalogued, making it difficult to systematically account for them in land capacity assessments.

74. The dynamic nature of covenants—some of which may be modified, waived, or expire – adds further uncertainty. Incorporating them into capacity models would require extensive legal review and data collection, which is resource-intensive and may still yield incomplete or outdated information. While covenants may be relevant at the parcel level, their inclusion in broader land capacity measures is currently impractical and may lead to misleading conclusions.

Q7. How should feasibility be defined in the new system?

75. Commercial feasibility is highly sensitive to current economic conditions, which fluctuate over time due to factors like interest rates, construction costs, and financing—many of which are outside local government control. As a result, assessing feasibility at a single point in time does not accurately reflect the long-term impact of council policies.
76. Relying on feasibility to measure capacity over a 30-year horizon may not align with the goals of the GfHG initiative. If feasibility is to be used, it must be clarified whether it should reflect only current conditions or also project future feasibility. In the latter case, a clear approach is needed for handling inflation within the modelling framework.
77. Hamilton City Council would suggest a multi-criteria assessment framework to evaluate feasibility. This framework should distinguish between critical factors - such as significant hazard risks or site contamination - that can render a project unfeasible on their own, and secondary factors, which may only impact feasibility when compounded with other issues.

Q8. If the design of feasibility is based on profitability, should feasibility modelling be able to allow for changing costs or prices or both?

78. While Hamilton City Council supports incorporating changing costs into the feasibility model for practicality, it is important to acknowledge that developments such as social housing will not be profitable due to their inherent nature and objectives. Additionally, calculating profitability at a single time point does not accurately reflect market behaviour, given the dynamic nature of both prices and costs over time. Therefore, applying reasonable adjustments is generally more appropriate for long-term assessments, provided that clear and consistent guidelines are established to support their implementation.
79. Profitability should vary depending on the context. Profit thresholds should be adjusted in accordance with prevailing market conditions at the time of analysis. It is recommended that the government conduct a comprehensive study of profit thresholds used by developers across different regions. Variations in profitability expectations—some areas may exhibit higher or lower thresholds—should be acknowledged, and clear, nationally consistent guidelines should be provided. (For example, a 10% profit margin for multi-dwelling development may offer stronger incentives than the 20% margin for few-dwelling development).

Q9. Do you agree with the proposal to replace the current 'reasonably expected to be realised' test with a higher-level requirement for capacity to be 'realistic'?

80. It is impossible to declare a capacity target “realistic” without proper context. The effectiveness of this change will depend heavily on the detail and clarity of the accompanying guidance. There are factors that clearly support or undermine the realism of development capacity (such as covenants, slope, or existing land use), but many situations will involve shades of grey. As such, we do not consider the change of phrasing to make much of a difference.
81. Elements such as flooding and liquefaction should be incorporated into any calculation of plan-enabled capacity, as they directly affect the development feasibility. In contrast, realistic capacity is tied to market deliverability. For example, while high-density four-storey walk-up apartments are viable in Auckland, they are less feasible in Hamilton given the current market preference.
82. Further clarification is needed regarding the definition of 'realistic' capacity. Specifically, is the requirement to meet the projected 30-year demand at all times, or only for the current assessment year? Without a clear definition and accompanying guidelines, it is difficult to determine whether the proposed design is appropriate.

Q10. What aspects of capacity assessments would benefit from greater prescription and consistency?

83. Hamilton City Council would welcome the adoption of standardised formats for reports and mapping outputs.
84. In addition, Hamilton City Council would recommend standardised calculation methodologies that incorporate consistent assumptions for development yield ranges and material costs. These methodologies should also account for frequently overlooked factors such as geotechnical investigations and flood management requirements, which can significantly influence ground preparation costs.

Infrastructure requirements

85. The discussion document does not specifically outline the responsibilities between councils and waters entities. With new water entities now managing infrastructure investment and operations across multiple councils, infrastructure planning is likely to shift from a localised (e.g., Hamilton City Council) to a more regional approach. This change has implications for how serviced infrastructure is measured and assessed. It is important that the new resource management system reflects this evolving governance structure and ensures coordination between entities.
86. As growth increasingly spans jurisdictional boundaries it is critical that the new resource management system supports integrated infrastructure planning across council and water entity boundaries. This includes shared funding models, joint infrastructure strategies, and mechanisms to manage demand from developments outside Hamilton's jurisdiction that rely on city infrastructure. Without coordinated investment, there is a risk of fragmented growth, infrastructure overload, and inequitable cost distribution.
87. The proposal outlined in Point 72 appears to introduce a tension with earlier statements. If housing growth targets are to be based on high-growth projections, it would be logical for infrastructure planning to align with those same assumptions to ensure consistency and deliverability. However, we acknowledge the practical challenge that commissioning infrastructure ahead of actual demand (particularly given the high capital and operational costs) can lead to inefficiencies.
88. Infrastructure providers should plan based on the most probable growth scenario to ensure investment is both efficient and sustainable. However, where central government policy decisions - such as housing initiatives or regional development strategies - significantly alter expected population demand, there must be a shared responsibility for adjusting infrastructure provision. In such cases, central government should support local authorities in adjusting infrastructure provision to meet revised expectations, including through funding, policy alignment, and transitional support.
89. Point 73 outlines the intention of central government to set minimum requirements for infrastructure capacity assessments. Standardising requirements for infrastructure capacity assessments implies standardised outcomes and impacts of infrastructure failure. For example, the Waikato Region is subject to the Waikato River Settlement Act, and therefore the application of Te Ture Whaimana applies. This means that any wastewater overflow, for example would likely breach environmental obligations. Meanwhile, the Auckland Region has several engineered wastewater overflows, implying a higher level of tolerance towards wastewater infrastructure failure. Any consideration of standardised infrastructure capacity assessments needs to consider the likely environment in which the infrastructure exists.

Q11. Should councils be able to use the growth projection they consider to be most likely for assessing whether there is sufficient infrastructure-ready capacity?

90. In principle, yes - councils are best placed to understand the growth dynamics within their jurisdictions. Therefore, this approach appears to be a more appropriate approach than standardising growth predictions across the motu. However, the question is what happens if high growth projections become realised and infrastructure capacity is restricted? It is not unrealistic to expect central government policy positions to drive growth into a particular area, whether intentionally or unintentionally.
91. Hamilton City Council agrees that it would be expensive and unnecessary to adopt an additional margin (e.g. 20%) to an infrastructure target, and the council-adopted most likely growth projection is sufficient. Maintaining an infrastructure buffer will incur unnecessary operational and maintenance cost burden on the existing ratepayer, as well as increasing the financing cost burden associated with paying off the infrastructure itself due to increased time between infrastructure delivery and development.

Q12. How can we balance the need to set minimum levels of quality for demonstrating infrastructure capacity with the flexibility required to ensure they are implementable by all applicable councils?

92. Infrastructure assessment requirements should be clearly defined, with explicit guidance provided on when and where broader strategic networks must be considered.
93. The proposal for councils to provide evidence-based figures - including privately funded infrastructure - to demonstrate their ability to meet the most likely demand scenario is reasonable, provided the requirements for long-term infrastructure are not overly stringent. It should not be expected that infrastructure beyond the 20- to 30-year horizon is fully funded. Where councils have identified such infrastructure in their FDS, particularly for projects beyond the 10-year mark, this should be considered a sufficient indication of intent and planning.
94. Requiring firm commitments over longer periods imposes significant financial burdens on councils, particularly for lower-confidence, higher-risk projects, and may reduce their ability to respond flexibly to out-of-sequence development opportunities.

Q13. What level of detail should be required when assessing whether capacity is infrastructure-ready? For instance, should this be limited to plant equipment (e.g. treatment plants, pumping stations) and trunk mains/key roads, or should it also include local pipes and roads?

95. Council considers that a high level of detail should be required to enable a capacity assessment, whilst ensuring that the information sought is actually available, depending on the scale of development.
96. As a Tier 1 organisation that is facing significant capacity constraints with regard to three waters infrastructure, we have been developing tools and an accompanying policy which sets out the level of detail required for infrastructure capacity assessments, the extent of a network to which it applies, and how this detail is communicated to our development community. Hamilton City Council is willing to share its findings with the Ministry upon request.
97. In addition, the assessment can incorporate the need for social and community infrastructure (as outlined in the NPS-UD). Housing development should foster well-functioning neighbourhoods with access to schools, parks and open spaces, employment opportunities, and social services.

Responding to price efficiency indicators

98. Market monitoring is typically undertaken by private developers. Platforms such as OneRoof and TradeMe, along with quarterly reports from Harcourts and Bayleys, all offer extensive market insights.
99. It is important to recognise that the housing market is inherently volatile, and local authorities operate within structured processes which lack mobility. Given the stable nature of the public sector, it is unlikely that such plans could adapt swiftly or effectively to short-term market fluctuations.

Q14. Do you agree with the proposed requirement for council planning decisions to be responsive to price efficiency indicators?

100. The volatile nature of the market makes this difficult to answer. It remains unclear whether Te Tūāpapa Kura Kāinga (HUD) will independently generate the price efficiency indicators or continue to rely on councils to supply the necessary data and information. The data published should be specific to a particular market rather than one universal standard number as different region will have different market condition.
101. There is also uncertainty regarding whether HUD will release this information in alignment with the timing of capacity assessments, as well as the frequency of data publication. Ensuring that up-to-date data is available at the time of assessment is essential for producing accurate and realistic assessments.
102. In addition, it is important to consider the potential market impacts of Fast-track areas. These areas may create a cannibalisation effect, leading to greater price differentials between Fast-track and non-Fast-track locations.

Business land requirements

103. Hamilton's business land capacity is addressed in the **Business Development Capacity Assessment 2023**, which accounts for long-term (30 years) demand. However, it remains ambiguous how the Government expects local authorities to "front load" this capacity.

Q15. Do you agree that councils should be required to provide enough development capacity for business land to meet 30 years of demand?

104. Hamilton City Council supports the proposal in principle but seeks further clarification on how the proposed capacity is intended to be enabled, as the current wording suggests immediate implementation.
105. Through the Future Proof partnership with neighbouring councils, subregional business capacity has been identified in the Business Development Capacity Assessment 2023, which considers long-term demand over a 30-year horizon. This capacity is phased across multiple timeframes due to resource constraints, making it impractical to activate all capacity simultaneously.
106. In addition, basing full enablement on a single point-in-time projection risks either under- or over-provisioning, potentially leading to inefficient use of resources.

Responsive planning

107. The proposal to enhance responsiveness is difficult to assess without further detail, as increased responsiveness would likely require additional personnel. Given that Hamilton City Council currently operates under a lean and efficient structure, it is not possible to provide a definitive position on this proposal at this stage.
108. Notwithstanding this, Hamilton City Council's preferred approach is for development to occur in sequence. Out of sequence developments can create a range of operational and financial challenges for councils, including the need to reprioritise funding, insufficient preparation for infrastructure

delivery, and increased operational costs. These impacts can strain council resources and disrupt long-term planning.

109. Hamilton City Council considers how the responsiveness policy aligns with the principle that “growth pay for growth” to be a critical issue. Ideally, the Government should provide clear guidance on how the infrastructure triggers are defined.

Q16. Are mechanisms needed in the new resource management system to ensure councils are responsive to unanticipated or out-of-sequence developments? If so, how should these be designed?

110. Hamilton City Council considers that the core issue is not the absence of mechanisms, but rather a shortage of personnel to implement them effectively.

111. In addition, “responsive” is not well-defined in the document. Being responsive should not mean that councils are compelled to accept developer-proposed infrastructure without robust consideration from engineers, for example.

Q17. How should any responsiveness requirements in the new system incorporate the direction for ‘growth to pay for growth’?

112. Establishing clear and appropriate triggers for determining financial responsibility, specifically, who pays for what, should be the starting point for discussions.

113. For example, while a project may require infrastructure such as a stormwater pipe or stream armouring as part of its volume mitigation strategy, the solutions are benefitting a broader area beyond the immediate project. The equitable distribution of costs among all stakeholders is a difficult issue to resolve under the current system.

114. In addition, out of sequence growth often indicates that the necessary infrastructure to support development in the proposed area may not be funded. It is essential to establish a robust development levy mechanism that enables councils to appropriately account for the growth component, including bulk infrastructure and potentially operational expenditure, while maintaining responsiveness. Fundamentally, any framework developed should empower councils to ensure that developers contribute appropriately towards delivering sufficient infrastructure to enable development.

Rural-urban boundaries

115. Hamilton’s rural-urban boundary effectively aligns with the City Boundary, as all land within the city is zoned for urban purposes. However, it is important to note that Hamilton City Council includes areas such as Future Urban Zones and Large Lot Residential Zones, which—while not currently used for intensive urban development—are also not rural in nature. These zones represent transitional areas that are planned for future urbanisation and are subject to strategic infrastructure and land use planning.

116. Given this context, Hamilton City Council seeks further clarification on how such transitional zones are treated under the proposed framework, particularly in situations where a defined ‘hard boundary’ is in place. Clear guidance would assist councils in managing growth and infrastructure investment in areas that are urban in intent but not yet urban in form.

Intensification

117. Hamilton City Council has made **Plan Change 12 – Enabling Housing Supply (PC12)** operative on 20 December 2024. PC12 is a response to the Government's direction to enable increased intensification, which covers much of the objectives set out in this section.

Q21. Do you agree with the proposed definitions for the two categories of 'key public transport corridors'? If not, why not?

118. Hamilton City Council supports the use of the One Network Framework principles for defining "key public transport corridors". However, we do not support relying solely on the ONF Detailed Design Table 5 – Public Transport. Suggesting that intensification apply to Rapid/Frequent or Spine/Primary in isolation misses the point that the ONF is far more nuanced.

119. The core principle of the ONF is understanding the "movement" and "place" functions of the network (ONF street type, Place score etc). Understanding how the street context (Place) interacts with other modes under intensification, particularly walking networks as they are a key component of public transport (PT), is missed by only focusing on the PT table in isolation.

120. We support the use of the One Network Framework (ONF), however it must be correctly aligned to the broader movement and place context. The public transport layer would then be used as a supporting element within that broader movement and place context.

Q22. Do you agree with the intensification provisions applying to each category? If not, what should the requirements be?

121. We recommend reconsidering the use of Category 1 and Category 2 as defined in the public transport table. In the table, 'Spine' and 'Primary' are intended as variations on each other (Spine = multiple routes as a collective, and Primary = one frequent route).

122. We recommend that Category 1 include both 'Spine' and 'Primary' services, and Category 2 should then apply to 'Secondary' service levels.

Q23. Do you agree with councils being responsible for determining which corridors meet the definition of each of these categories?

123. Hamilton City Council finds this question difficult to answer due to ambiguity in the terminology used throughout the document. The repeated use of the term "council(s)" lacks specificity and may refer to various functions within local government—such as the consenting authority, the Road Controlling Authority (RCA), or the Regional Council responsible for public transport. This lack of specificity makes it difficult to determine which body is intended to make these determinations.

124. Further clarification is also needed regarding the role of Waka Kotahi NZ Transport Agency (NZTA), particularly in its capacity as the state highway RCA. It is unclear what responsibilities NZTA currently holds or should hold in supporting housing growth under GfHG. Clear guidance on this would help ensure coordinated infrastructure planning and delivery.

125. Additionally, the use of the term "rapid" in reference to key public transport corridors appears to draw from Regional Public Transport Plans, where "rapid" is used as a service-level descriptor. However, the document also references the ONF, which categorises corridors as "Spine" and "Primary" and uses the term "frequent" instead. In the ONF, "rapid" is specifically reserved for "Dedicated" public transport service levels, which are not mentioned under either Category 1 or Category 2.

126. We recommend that all descriptors and definitions used in the document be aligned with the ONF terminology.

Intensification catchments sizes

127. While Hamilton City Council uses Option 1 (800 metres) in PC12, it is important to acknowledge that other local authorities may adopt different figures based on their local context.

Q24. Do you support Option 1, Option 2 or something else? Why?

128. Hamilton City Council does not support a standardised approach proposed under the Going for Housing Growth Phase 3 Discussion Document, which suggests a fixed walkable catchment from different zones. Instead, we propose a context-sensitive method for defining walkable catchments, as outlined in the PC12 Walkable Catchment Report.

129. The PC12 report demonstrates that walkability is influenced by multiple factors beyond simple radial distance—including street connectivity, topography, pedestrian infrastructure, and barriers to movement. It recommends using network-based analysis to define catchments, which more accurately reflects how people move through the urban environment. This approach results in catchments that vary in shape and size depending on local conditions, rather than applying a uniform radius.

130. For Hamilton, the report found that an 800-metre network-based catchment is generally appropriate, but only when applied with consideration of actual walking routes and barriers. A blanket buffer—as proposed by central government - does not account for many cities' urban form and could lead to unrealistic or inaccessible intensification areas.

131. Hamilton City Council therefore recommends that the Government enable councils to define walkable catchments using locally appropriate, evidence-based methods, rather than imposing a fixed national standard. This will ensure intensification is both feasible and aligned with actual urban conditions, supporting better planning outcomes and community acceptance.

Minimum building heights to be enabled

132. Hamilton City Council has already taken steps to enable greater housing capacity through Plan Change 12 (PC12), including the removal of height limits in the Central City. However, enabling taller buildings is only one part of the equation. The delivery of apartment buildings and other high-rise developments typically faces several practical and economic barriers that must be addressed to realise the intended outcomes.

Q25. What are the key barriers to the delivery of four-to-six storey developments at present?

133. The key barriers to delivering mid-rise developments include:

- (i) Apartment construction typically incurs higher costs than standalone homes.
- (ii) Despite the removal of zoning restrictions, developers remain cautious due to the absence of financial or regulatory incentives that would offset the higher risks and costs.
- (iii) In Hamilton, there is currently limited appetite among buyers for apartment living, which affects developer confidence and feasibility.
- (iv) Taller buildings require upgrades to water supply and wastewater systems, particularly to meet fire-fighting standards (e.g. increased water pressure, larger pipes, and pump station capacity).
- (v) A lack of personnel with appropriate expertise and experience to design and construct mid-rise developments.

Q26. For areas where councils are currently required to enable at least six storeys, should this be increased to more than six storeys? If so, what should it be increased to? Would this have a material impact on what is built?

134. Hamilton City Council currently enables unlimited residential heights in the Central City and six or more storeys in High Density Residential Zone. This approach reflects a deliberate shift toward enabling high-density development in areas with strong access to public transport, employment, and amenities.

135. However, enabling greater heights through zoning does not automatically result in taller buildings being constructed. The market response is influenced by a range of factors including feasibility and cost, infrastructure readiness and market maturity.

136. Given that PC12 has only recently become operative, it is too early to assess the material impact on development outcomes. Council is monitoring uptake and will evaluate whether additional interventions—such as incentives or infrastructure investment—are needed to support the delivery of taller buildings.

137. We do not recommend increasing the minimum height requirement beyond six storeys at this time. Instead, we advocate for a flexible, place-based approach that allows councils to respond to local market conditions and infrastructure capacity. This ensures that planning provisions are enabling but not prescriptive, and that development is both feasible and context sensitive.

Q27. For areas where councils are currently required to enable at least six storeys, what would be the costs and risks (if any) of requiring councils to enable more than six storeys?

138. The cost for constructing tall buildings primarily falls on developers. For local authorities, the principal concern lies in the potential loss of quality of the living environment and character, which varies depending on context. For example, heritage areas are more susceptible to such changes, whereas the central city would experience minimal disruption.

139. From an infrastructure perspective, Hamilton City Council would need to revisit growth projections and infrastructure planning assumptions within high-density zones. However, the fundamental constraints of water and wastewater capacity would still apply, and upgrades may be required to support the increased demand.

140. Higher-density development also places a greater demand on public transport and multimodal infrastructure to ensure accessibility and reduce reliance on private vehicles. Meeting these expectations will require additional investment, and the funding challenges associated with scaling infrastructure to support intensification must be acknowledged and addressed in the design of the new system.

Offsetting the loss of development capacity

141. We acknowledge the intent behind the proposed mechanism to offset development capacity lost through heritage protection or other planning constraints. The concept resembles a Floor Area Transfer (FAT) system, commonly used in parts of Asia, Europe and America, where unused development rights from constrained sites (e.g. heritage buildings) are transferred to other sites to incentivise preservation and enable greater density elsewhere.

142. In principle, the mechanism operates as follows:

- Site A is designated as a heritage building. Site A, under its zoning, should be able to build up to six storeys and have a total floor area of X, but it only uses a small portion, leaving an excess of floor area.
- A developer with a new project wants to build a taller building. It applies to the local authority to “adopt” this heritage building, guaranteeing its future maintenance (costs, tidying up, etc). In exchange, it can transfer unused floor area to their own project.

143. The authority examines the project and determines the final amount transferred (a limit is usually

placed to prevent of quality of the living environment and character loss and there is a cap to how much can be transferred). An agreement is signed, and the developer can now build a taller building.

144. While the mechanism (or other similar approaches) has merits, the transfer mechanic is likely unfeasible in New Zealand. For such a mechanism to be effective, two key conditions must be met:

- (i) There must be demand to purchase additional development capacity—typically in areas where planning rules restrict height or density, and developers are willing to pay for the right to build more.
- (ii) District plans must limit development sufficiently to create scarcity, making the transfer of additional floor area a valuable proposition.

Q28. Is offsetting for the loss of capacity in directed intensification areas required in the new resource management system?

145. We do not consider offset is necessary yet for the following reasons:

- (i) The planning framework is already enabling. The expansion of key public transport corridors (Category 1 and 2) significantly broadens the areas where intensification is expected. This provides councils with sufficient flexibility to enable density in appropriate locations without needing to offset capacity elsewhere. Where councils are able to meet the required housing growth targets, we do not consider offsetting to be required.
- (ii) Higher densities are strategically located around infrastructure that is purpose-built to support them. Requiring offsetting into other areas risks placing growth where infrastructure is not designed to accommodate it, leading to inefficiencies, higher costs, and potential service shortfalls. If offsetting is to be considered, it should be strictly limited to sites within the same zone or a clearly defined catchment where infrastructure capacity has already been assessed and is capable of supporting additional development.
- (iii) Offsetting could lead to poor urban design outcomes. Transferring development capacity to areas that lack the accessibility, quality of the living environment, or infrastructure of the original location may result in disconnected, car-dependent, or underserviced communities. This undermines the principles of well-functioning urban environments and risks creating long-term planning inefficiencies.
- (iv) Spreading development capacity across multiple areas may prevent the realisation of meaningful density anywhere. This can lead to fragmented urban form, underutilised infrastructure, and missed opportunities to support viable public transport and walkable communities.

Q29. If offsetting is required, how should an equivalent area be determined?

146. If offsetting is introduced as a requirement, Hamilton City Council recommends that any equivalent area be determined using a multi-criteria, evidence-based approach that ensures the receiving area can realistically accommodate the transferred capacity. Key criteria should include:

- (i) The area must have sufficient capacity in water, wastewater, stormwater, and transport networks to support additional development.
- (ii) Locations should support walkability, public transport access, and proximity to jobs and services.
- (iii) The receiving area must be able to accommodate increased density without compromising character or liveability.
- (iv) The area should be identified in council spatial plans or growth strategies as suitable for intensification.

147. In Hamilton's context, offsetting is currently considered unnecessary, as Plan Change 12 already provides for long-term housing capacity in strategically located, infrastructure-ready areas.

Intensification in other areas

148. Hamilton City Council cautions against intensifying development in areas with limited accessibility, particularly when the goal is to deliver affordable housing. While such an approach may be viable in affluent communities where reliance on public transport is minimal, accessibility should be a fundamental consideration for affordable housing projects.

149. Neglecting accessibility risks creating isolated communities, with consequences ranging from minor inconveniences—such as long travel times to essential services—to more serious issues, including limited evacuation options during emergencies. These outcomes undermine the principles of well-functioning urban environments and equitable access.

Q30. Is an equivalent to the NPS-UD's policy 3(d) (as originally scoped) needed in the new resource management system? If so, are any changes needed to the policy to make it easier to implement?

150. Yes. We support retaining an equivalent to Policy 3(d) of the National Policy Statement on Urban Development (NPS-UD), which directs intensification to areas with good accessibility to employment, services, and public transport.

151. Given that the purpose GfHG is to support the delivery of affordable housing, accessibility should remain a key consideration in decision-making. This is particularly important for middle and low-income households, who are more likely to rely on public and active transport and less able to absorb the costs associated with car dependency or poor service access.

152. Higher-income groups may have greater flexibility in choosing where and how they live, but for those most affected by housing affordability, proximity to jobs, education, healthcare, and daily services is essential to ensuring equitable and sustainable urban outcomes.

153. To improve implementation, Hamilton City Council recommends that the new policy:

- (i) Clarify how accessibility should be assessed, including metrics such as walkability, transit frequency, and proximity to essential services.
- (ii) Ensure alignment with spatial planning and infrastructure investment, so that intensification occurs in areas that are ready to support increased population.
- (iii) Avoid enabling intensification in poorly connected areas, which risks creating isolated, car-dependent communities and undermines the goals of affordability and urban efficiency.

Enabling a mix of uses across urban environments

154. We support the principle of mixed-use development, which is a well-established feature in many European and Asian cities. Integrating small-scale commercial activities - such as cafés and convenience stores - into residential areas can enhance walkability, provide greater flexibility for developers, support local economies, and contribute to vibrant, liveable neighbourhood.

155. However, it is important to distinguish between different types of commercial activities. For example, dairies and convenience stores differ significantly in terms of scale, operating hours, and potential impacts on surrounding residential areas. Under Hamilton's Operative District Plan, dairies are provided for as a restricted discretionary activity in Residential Zones, but uptake has been limited—suggesting that permissiveness alone does not guarantee successful integration.

156. The proposal would benefit from greater clarity around the scale and nature of the permitted commercial activities. If the regulations become too permissive, there is a risk of undermining existing commercial areas and weakening the intent of zoning rules.

157. Hamilton City Council is concerned that the implications outlined in Point 118 could undermine the established centre hierarchy. The hierarchy of centres play a critical role in managing land use compatibility, particularly given the levels of noise and vibration typically associated with these areas, which can be disruptive for residential areas.

158. Currently, local authorities periodically review District Plans to ensure zoning remains responsive to evolving areas while maintaining appropriate development standards. However, if too many areas transition into high-intensity centres, this could place significant pressure on infrastructure and contribute to adverse outcomes such as increased traffic congestion and environmental degradation.

159. Moreover, dispersing development capacity across multiple areas risks diluting the intended benefits of intensification. Rather than achieving meaningful density in strategic locations, development may be spread too thinly, resulting in underutilised infrastructure, fragmented urban form, and missed opportunities to support viable public transport and walkable communities. This undermines the efficiency of spatial planning and the creation of well-functioning urban environments.

160. Hamilton's 2017 Operative District Plan (ODP) marked a strategic shift in managing the city's physical resources, addressing the adverse effects of previously unplanned dispersal of retail and office development. This earlier approach had contributed to the underperformance of key business centres, impacting their function, amenity, and vitality.

161. The introduction of a centres hierarchy was a key outcome of the ODP, designed to proactively manage the location and distribution of commercial activities. The central city is clearly identified as the Metropolitan Centre at the top of this hierarchy.

162. These distinguishing elements of the plan have been introduced to address the dispersal of commercial activities from Hamilton's commercial centres, resulting in the underperformance of the central city and other centres that had been generated under the previous planning regime.

163. The centres hierarchy has been introduced to ensure that future retail and office development can first be directed to existing centres within the current urban environment and in strategically planned for but as yet undeveloped centres to service Hamilton's greenfield areas.

164. The centres hierarchy is a foundational tool for achieving a compact, efficient, and resilient urban form. By concentrating commercial activities in designated centres, it supports coordinated infrastructure investment, fosters economic vitality, and enables more efficient public transport networks. This approach also helps protect residential amenity by reducing land use conflicts and ensures that growth aligns with long-term spatial planning objectives.

Q31. What controls need to be put in place to allow residential, commercial and community activities to take place in proximity to each other without significant negative externalities?

165. It is essential to establish clear and context-sensitive limits on the scale and nature of newly permitted activities within mixed-use environments. Overly permissive activity tables risk undermining the core objectives of zoning policies, which are designed to manage land use compatibility, protect the quality of the living environment, and support strategic urban form.

166. We recommend the following controls:

- (i) **Scale thresholds:** Define maximum floor areas, operating hours, and delivery times for commercial and community activities to minimise noise, traffic, and disruption in residential zones.
- (ii) **Activity-specific provisions:** Differentiate between low-impact uses which directly support the local community (e.g. cafés, convenience stores) and higher-impact uses (e.g. bars, takeaways), with appropriate consent pathways and mitigation requirements.
- (iii) **Design and interface standards:** Require high-quality urban design, including acoustic treatment, screening, and pedestrian-friendly frontages, to manage the interface between residential and non-residential uses.
- (iv) **Infrastructure capacity checks:** Ensure that local infrastructure—particularly transport, parking, and servicing—is capable of supporting mixed-use activity without causing congestion or degradation.

(v) **Protection of centre hierarchy:** Avoid enabling commercial creep into residential areas that could undermine the viability and function of established centres, which are designed to concentrate activity and investment.

Minimum floor area and balcony requirements

167. We acknowledge the intent behind removing minimum floor area requirements to improve development flexibility. However, this raises concerns about the potential emergence of extremely compact units - also known as “**coffin homes**” - which may compromise liveability and long-term wellbeing.

168. While Hamilton City Council remains open to innovation in housing typologies, we recommend retaining minimum standards for floor area to ensure a baseline of quality of the living environment and functionality for future residents. These standards are particularly important in areas where market pressures may incentivise the delivery of smaller, less functional units.

Q33. Which rules under the current system do you consider would either not meet the definition of an externality or have a disproportionate impact on development feasibility?

169. We do not consider the current minimum floor area and balcony requirements to have a disproportionate impact on development feasibility. These standards serve as a baseline for assessment, and in practice, developers often exceed them to enhance market appeal and meet the expectations of prospective buyers.

170. Council also notes that removing these requirements could shift the burden of ensuring liveability onto local authorities, particularly in high-growth areas. Without clear standards, councils may face increased pressure to address the social and health impacts of substandard housing, which could undermine broader urban development goals.

171. Moreover, the absence of minimum standards risks normalising poor-quality housing, especially in competitive markets where affordability pressures drive down unit size. This could lead to long-term consequences for resident wellbeing, community cohesion, and housing equity.

172. We therefore recommend that the new system retain minimum floor area and balcony provisions, or alternatively, introduce performance-based design standards that ensure liveability without being overly prescriptive.

Impacts of proposals on Māori

Q36. Do you have any feedback on how the Going for Housing Growth proposals could impact on Māori?

173. We emphasise that the Going for Housing Growth proposals must uphold the principles of Te Tiriti o Waitangi, particularly in ensuring that Māori are active partners in spatial planning, housing strategy, and infrastructure investment decisions. This includes meaningful engagement with mana whenua and Māori organisations at all stages of planning and implementation.

174. Furthermore, the proposals must ensure that development does not adversely affect sites of cultural significance or undermine Māori values. Infrastructure planning must also reflect the needs of Māori communities, especially those in peri-urban and rural areas, and be supported by mechanisms that enable cross-boundary coordination and investment.

Other matters

Q36. Do you have any other feedback on Going for Housing Growth proposals and how they should be reflected in the new resource management system?

175. Hamilton City Council emphasises the importance of clear, consistent national guidance paired with flexibility for councils to tailor implementation to local conditions. This balance is essential to ensure that housing capacity assessments are both technically robust and practically grounded.
176. While increasing housing supply is essential, affordability must remain a central consideration to ensure equitable access to housing for all residents. The Council encourages the Government to integrate affordability metrics into housing growth targets and capacity assessments, and to explore mechanisms that incentivise the delivery of affordable housing typologies, including social and community housing.
177. In particular, the sufficiency test should be based not only on theoretical zoning capacity but also on development feasibility - including market demand, infrastructure readiness, and site-specific constraints. Infrastructure capacity should be treated as a critical factor in determining whether land is realistically available for development, and whether investment is needed immediately or can be staged over time.
178. Hamilton City Council would emphasise that clear and consistent guidance is essential, alongside greater flexibility for councils to tailor capacity assessments to their local context. The sufficiency test should be grounded in feasibility, with infrastructure capacity serving as a critical factor in determining whether immediate investment is required or whether constraints can be addressed progressively over time.
179. In Hamilton, for instance, while infrastructure constraints do exist, some parcels within constrained zones may still be feasible for development if infrastructure-ready services are enabled. It is critical to first assess supply from a feasibility standpoint, and then identify which areas are limited by infrastructure constraints. This approach enables more effective planning and infrastructure investment decisions.

Transitioning to Phase Three

Q37. Should Tier 1 and 2 councils be required to prepare or review their HBA and FDS in accordance with current NPS-UD requirements ahead of 2027 long-term plans? Why or why not?

180. Hamilton City Council considers that there is insufficient time for Tier 1 and Tier 2 councils to fully review and update their HBA and FDS ahead of the 2027 Long-Term Plans.
181. Reviewing and updating related documents would require robust data analysis, stakeholder engagement, and alignment with infrastructure and funding strategies. Given the constrained resources within local authorities, it is unrealistic to complete this work within the available timeframe, particularly considering ongoing reforms.
182. Hamilton City Council recommends that the Government provide clear transitional guidance and allow for flexibility in timing and scope of updates.

Further Information and Opportunity to Discuss our Submission

183. Should the Ministry of Housing and Urban Development and the Ministry for the Environment require clarification of the submission from Hamilton City Council, or additional information, please contact **Mark Davey** (Unit Director Urban and Spatial Planning) on **021 242 8024**, or email Mark.Davey@hcc.govt.nz in the first instance.

184. We would also welcome the opportunity to have ongoing discussions around the key areas of this submission with the Ministry of Housing and Urban Development and the Ministry for the Environment.

Yours faithfully



Lance Vervoort

CHIEF EXECUTIVE

FURTHER INFORMATION

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