

New Zealand, and especially Auckland, is facing a housing challenge: not enough housing is being built, there is an insufficient variety of housing types, and homes are priced beyond the means of an increasing number of New Zealanders. Another issue is the quality of the nation's housing stock. The New Zealand Institute of Architects and its members are keenly aware of the nature and extent of the country's housing issues, and are ready and able to work alongside the wide range of groups and interests seeking to provide solutions to New Zealand's housing challenge.



New Zealand
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The NZIA & New Zealand's Housing Issues

Housing market drivers.

SUPPLY

AVAILABILITY OF LAND

PLANNING & LAND USE REGULATION

BUILDING REGULATIONS

COST OF HOUSING-RELATED INFRASTRUCTURE

CONSTRUCTION COSTS

TAXES, LEVIES & CHARGES

DEMAND

INCOME & EMPLOYMENT

AVAILABILITY & COST OF FINANCE

TAX CONCESSIONS FOR HOMEOWNERS

GOVERNMENT ASSISTANCE INITIATIVES

HOUSING DESIGN & QUALITY

RETURNS ON OTHER INVESTMENTS

The market at a glance.

RESIDENTIAL HOUSING ACROSS NEW ZEALAND:
ESTIMATED VALUE **\$625 BILLION**

LENDING (BANK AND NON-BANK):
ESTIMATED AMOUNT **\$171 BILLION**

GOVERNMENT OWNERSHIP OF 69,000 HOMES:
ESTIMATED VALUE **\$15 BILLION**

RESIDENTIAL CONSTRUCTION IN A TYPICAL YEAR
BUILD: **24,000 NEW HOMES**
RENOVATE: **32,000 HOMES**
EMPLOY: **178,000 PEOPLE***

*ESTIMATE, DECEMBER 2008

NEW ZEALAND HOUSES, ON AVERAGE, ARE THE LARGEST IN THE WORLD: **200M2**

HOME OWNERSHIP IS IN DECLINE

MULTI-UNIT HOUSING IS **18%** OF THE RESIDENTIAL MARKET

THE HOUSING MARKET IS VOLATILE, AND PARTICULARLY SENSITIVE TO ECONOMIC FLUCTUATIONS

THE CONSTRUCTION INDUSTRY, INCLUDING ARCHITECTURE, IS ALSO SUBJECT TO BOOM-BUST CYCLES

Housing market essentials.

Quality medium density

Medium and higher density housing must be well designed if it is to be successful – that is, if it is to become an attractive and affordable option for urban New Zealanders. It therefore requires a community-scale approach to planning, design, procurement and delivery. A section-by-section approach is both cumbersome and detrimental to the implementation of quality design. By involving Architects early in a project, and throughout its course, full design benefits can be realised.

Leverage Government assets

With \$15 billion invested in housing assets, Government can make a significant contribution to the challenge of housing New Zealanders. Architects have the skills to unlock the potential of sites and existing assets: the solution will require a broad range of housing types at a range of scales, and therefore a broad range of Architects. Architects are ready and willing to apply our resources, our experience and training to this key social and economic issue facing New Zealand.

Finance and innovation

Access to finance and innovation in financial products for both the consumer and the development industry is essential. Superannuation, REIT-type structures, rent-to-own, the financing of building not land, tax increment financing, are some of the financial means and vehicles available to the country. Housing is a national investment which brings broad benefits and wealth-creation opportunities which need to be recognised and reflected in policy- and decision-making.

Land assembly

This is one of the biggest challenges to the achievement of good quality medium and higher density development, in particular through redevelopment opportunities. Improvements could be made through:

- changes to the Resource Management Act to require District Plans to include site assembly provisions
- development of a National Policy Statement on land assembly provisions to apply in identified centres across New Zealand
- Government policy prioritising land assembly in areas for redevelopment, recognising that associated infrastructure costs are generally lower.

Consistent planning provisions

Current provisions across the country are often inconsistent, favouring the "first site to be developed" and therefore encouraging neighbour objections that restrict further or similar development. Planning provisions should be consistent and equitable for all land capable of and suitable for medium and higher density development.

Project partners

The not-for-profit and community housing sector needs support, operating models and protocols if its initiatives are to succeed. Relationships with Architects will be key if assets are to be fit-for-purpose and sustainable over their lifetime.

Urban planning and regulations

Much work is needed in this area to identify and then realise the benefits of a quality built environment and efficient and sustainable housing for New Zealanders. This will require a focus on:

- redevelopment opportunities, models, investment and innovation
- gathering market evidence to inform decisions on housing supply and demands, and the impacts of the regulatory environment
- setting development priorities and ensuring that development opportunities – both redevelopment and greenfield – are integrated with transport network planning and investment.

New Zealand's Housing Challenge

The role of Architects.

As a profession, Architects bring to housing projects creativity, local knowledge, commercial and design acumen, and practicality. There is a design and leadership opportunity for Architects in the provision of housing of a wide range of types, scales and budgets, for a wide range of New Zealanders. Many members of the New Zealand Institute of Architects (NZIA) have had considerable experience in the areas of lower cost and higher density housing, and many more are eager to apply the skills they have developed designing commercial and residential buildings to areas of the housing market that could greatly benefit from their expertise.

As Architects, our interest is in building a tradition of design excellence in the architecture of New Zealand's multi-unit housing that is enduring, and relevant to our environment and way of life. Too often, poorer examples of this type of housing reflect borrowed forms, which take their design cues and technical solutions from offshore design and development models. Foreign exemplars have evolved in different climates, societies and economies, and their New Zealand application has generally not resulted in positive outcomes.

It is critical that design solutions for New Zealand's housing needs are affordable to build, buy, own, inhabit and maintain. These are serious pan-sector challenges, requiring a lot of collaboration from many agencies and councils, professions and trades. The members of the NZIA want to play their part in finding solutions.



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Architects offer housing choice

Choice in the housing market, and in the provision of products and services, is essential. Architects are able to deliver multiple benefits to the consumer and market through:

- an ability to work in complex physical and legislative environments
- an ability to deliver more than just a house – a sense of community, social and economic benefits, and quality of life
- working knowledge of delivery options – procurement, contract, collaborations
- an ability to work with Government and the development industry to deliver design-based policies

NZIA involvement

The NZIA and its members are keen to be a partner in initiatives that aim to provide better housing and more housing choices for New Zealanders. Such opportunities may include:

- develop medium and higher density design partnerships with the New Zealand Property Council, Government and the not-for-profit sector
- encourage and facilitate public debate across New Zealand on housing issues, quality medium and higher density development
- provision of public evidence around the costs and performance of housing projects that have benefited from the involvement of Architects
- a touring public exhibition of quality medium density designs, showcasing appropriately-scaled projects that have been realised (e.g., *Making Room: New Models for Housing New Yorkers*, a current exhibition at the Museum of the City of New York, and the *Des Res Housing Challenge Exhibition*, staged in London's Building Centre in 2008).
- development of a multi-unit typology award (e.g., the HD Awards sponsored by the UK Department for Environment and the Royal Institute of British Architects)
- advocate for medium and higher density quality provisions to be included in planning and regulation (e.g., the Auckland Unitary Plan, Resource Management Act reforms, local government design panels and not-for-profit project procurement)
- partner with not-for-profit and/or Government to deliver exemplars of quality medium density development

New Zealand Institute of Architects

- **Membership: 2,600 Registered Architects**
- **Includes more than 90% of New Zealand's Registered Architects**
- **Eight branches throughout New Zealand offering local expertise**
- **52,000 years of combined Architect experience**
- **Administrator of a rigorous Continuing Professional Development programme.**