

# Development and Construction **matters**

In a major milestone for our organisation, the Urban Development Bill passed its third reading last week and is set to become law. Once this happens, the legislation will provide Kāinga Ora – Homes and Communities with important additional tools to support our role in developing urban areas and making them thrive, socially and economically.

The Bill creates a process to establish a new type of urban development – known as a specified development project. Specified development projects aim to reduce the risks of undertaking complex, transformational urban development and provide a new way for Kāinga Ora to work with councils, iwi and private developers. Establishing a project requires extensive iwi, stakeholder and community engagement to ensure that all parties have a voice in how their community is developed.

Once law, it will also enable Kāinga Ora to exercise a wide range of development powers with respect to funding, infrastructure provision,

land assembly and planning within specified development projects. This will provide greater certainty for communities, developers and investors.

Specified development projects are likely to be established with a goal of providing significant housing supply in high growth areas, and will ensure that growth is planned and managed to give high quality urban outcomes.

We're now working on our systems and processes to facilitate requests and enquiries on specified development projects. Once these are established, proposals can be put directly to Kāinga Ora for consideration. We will then assess proposals in accordance with the Act and make recommendations to ministers about establishing the project. Soon our website will provide information on how this process can be accessed – we'll share these updates with you as we go.

For further information on the Urban Development Bill, visit the [Parliament website](#).

## Our priorities

- **Urban development legislation**
- **Increasing new home supply**
- **Northcote work package**
- **Keeping you informed**

## Message from our land development, construction and urban planning leaders

Despite the many challenges of the past months, we are proud to have delivered more than 1300 state, market and affordable homes in the 12 months to the end of June 2020, alongside our build and development partners and suppliers. This year-end new construction total means some 1300 more families and individuals now live in brand new, warm and dry homes.

This momentum will continue with more than 7,000 homes in the pipeline for the next two financial years. We don't do this work alone which is why partnerships with the likes of local government, mana whenua, and our build and development partners are so critical. We look forward to strengthening these partnerships over the coming year.

### Northcote Development pipeline of work

One area where we will be focussing our efforts in the coming year is in the Auckland suburb of Northcote. Kāinga Ora staff presented last month on multi-level state housing opportunities as part of the **Northcote Development**. It was great to have a big turnout from our build partners, which included 18 of our 23 panel members from the 100% HNZ Redevelopment Panel (Auckland) Multi-storey Apartments category. Applications for new members for this panel will remain open until June 2021.

There will be a significant package of work for Northcote, including 277 apartments across 13 buildings, most of which will be five-to-six storeys. Panel members for the above category should receive email notification of the released documents for the Registration of Interest (ROI) via Tenderlink in early August. Please note that this work has increased recently to include four tender packages.

As always, if you have any procurement-related queries, you can contact the team at: [procurement@kaingaora.govt.nz](mailto:procurement@kaingaora.govt.nz)

### New KiwiBuild homes

Twenty-four new homes have just been released for sale as part of Stage 2 of the 210-home Kauri Landing development, built by **Finesse Residential**. Forty homes in stage 1, which are scheduled for completion before year's end, recently sold out. The newly available KiwiBuild homes are a mixture of two and three-bedroom stand-alone homes and duplexes. These are priced at \$600,000 for a two-bedroom and \$650,000 for a three-bedroom.

Kauri Landing is on the edge of Takanini and borders Bruce Pulman Park, within close proximity to the Takanini village shops, schools and local amenities. See the [KiwiBuild website](#) for more.

### Your views sought on our Construction Plan

A key area of focus for Kāinga Ora is improving the efficiency and effectiveness of residential construction, beginning with improving our own performance. We have been changing the way we approach construction of our homes in a number of areas, including:

- multi-year volume based build contracts
- trialling OSM methods
- developing building consenting capability
- changing contracts to reflect industry needs and changes
- standardising designs
- large scale materials procurement

With greater certainty on build numbers and financing, we have been reviewing our progress and are pulling together a new Kāinga Ora Construction Plan. For that plan to be effective we need to get your input, wisdom and experience. As a first step we are running some online workshops for industry partners on 12, 13 and 14 August. We invite you to join these workshops to challenge our thinking and shape our areas of focus.

To register for an online workshop, please email [Lana.Roberts@kaingaora.govt.nz](mailto:Lana.Roberts@kaingaora.govt.nz)

**Patrick Dougherty**  
**Construction and Innovation,**  
**Deputy Chief Executive**



**Katja Lietz**  
**Urban Development – Planning,**  
**Deputy Chief Executive**



## Crushing construction waste

As part of our commitment to reduce the amount of construction waste we send to landfill, Kāinga Ora has been redirecting it to recycling facilities.

The nationwide waste diversion initiative was rolled out at our construction sites from July last year as part of our **Environment Strategy**. This initiative enables us to provide our customers with new warm, dry, healthy homes that meet the New Zealand Green Building Council's 6 Homestar rating.

Jonathan Witts, Team Leader Quality Assurance Construction, says diverting construction waste contributes to achieving Homestar ratings on our new homes, and also helps to minimise environmental and economic impacts as Kāinga Ora delivers more homes.

"The construction waste that ends up in landfills increases the cost of a project and its environmental impact," Jonathan says.

"Every year, 600,000 tonnes of building and demolition waste ends up in landfill in Auckland alone, equating to approximately 4 tonnes of construction waste for each new home. If we simply redirect and recycle construction waste, at least half of it could be diverted from landfills and cleanfills."

Typical construction waste from our sites includes timber, plasterboard, packaging, metal and plastics.

Kāinga Ora build partner Home works collaboratively with all its design, build, and waste management partners to divert hundreds of tonnes of waste every month from its construction sites across New Zealand.

"Home's partnership with Kāinga Ora and its adoption of Homestar principles has resulted in not just better designed and built homes, but significantly less impact on the environment," says Home Managing Director Israel Cooper. "Since embracing Homestar principles for Kāinga Ora projects and seeing its benefits, we have made an internal commitment that every new home we build will adopt 6 Homestar principles."

Looking ahead, all build partners will need to produce and implement construction waste minimisation plans as part of our journey towards achieving carbon neutral, waste-free construction.



Kāinga Ora build partner Home works with waste management service Green Gorilla to divert construction waste from landfill as part of our pledge to reduce our environmental footprint

## Waikato firms deliver transitional housing through OSM

For BuiltSmart general manager Cameron Beverland, the recent growth of the offsite manufacturing (OSM) industry has been marked.

"Five to six years ago there were only a handful of companies, but now it's growing rapidly. There's certainly a lot more competition," he says.

Based in Huntly, BuiltSmart is this year delivering 17 homes for **transitional housing** and a community building for Kāinga Ora. The first seven homes were transported to Garus Ave in Mangere this month, and more homes will follow over the coming weeks.

BuiltSmart employs more than 50 staff and contractors, and Cameron says people are surprised by the variety and quality of homes being produced.

"The homes we deliver for Kāinga Ora and residential customers are very high spec - the type of homes anyone would like to live in. Our insulation standards, for example, exceed Building Code requirements."

Comprising 13 two-bedroom and four three-bedroom homes, the Garus Ave development is just metres from Cottingham Crescent, where another Waikato-based company, Perry Modular Homes, is delivering a further 11 homes for transitional housing.

General Manager Ben Blair says there are many advantages to offsite manufacturing, in terms of efficiency, waste minimisation and price.

"You can save up to 30 to 40 percent in time compared to traditional build methods."

The new Cottingham Crescent homes are being transported to Mangere from the Perry Modular Homes factory in Cambridge. Ben says being able to provide New Zealand with more transitional housing has been extremely rewarding.

"We have a built to last philosophy - achieving not only commercial outcomes, but also community outcomes."

Transitional housing provides people and families with accommodation and wraparound support services while they are helped to find a more permanent place to live. The homes are managed by a contracted housing and support services provider.



A transitional home built by Perry Modular Homes (photo supplied by EasyMoves)



Kāinga Ora Programme Manager Duncan Stuart and BuiltSmart General Manager Cameron Beverland at the Garus Ave transitional housing development.



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