

13 August 2026

Kia ora koutou,

Today the Government announced our revised plans to build 104 new state homes on the Arlington site in Mt Cook in the heart of Wellington's city centre.

We know it has been a long-running project and a site of strong local interest. We're sharing this update to explain what's been announced, what is proposed to be delivered, and what happens next.

The proposed plan depends on the Wellington City Council approving a variation to our existing lease of the site, with a decision expected in late September. It is also subject to the approval of a detailed investment case and the necessary building and resource consents.

What's included in the revised plan

The revised Arlington development responds to demand for both smaller homes and larger family homes in central Wellington. The proposed plan includes:

- 55 one-bedroom and 37 two-bedroom apartments in a seven-storey building
- 12 four-bedroom terrace homes
- A shared community room for residents

Together, these homes are expected to provide warm, dry, well-located social housing close to transport, jobs and amenities.

What has changed — and why

Earlier plans for the site were paused in 2023 after construction costs increased significantly, making the original proposal unaffordable. We've since worked through a range of options to ensure any future investment at the Arlington site represents good value for money while still delivering more social housing in central Wellington.

The revised plan also makes use of the foundations and site works already completed.

What needs to happen next

- Wellington City Council will run a public consultation on our proposal to vary our existing lease. Following this, the Council expects to decide on whether to agree to this lease variation by the end of September.
- Subject to this being approved, we will complete a detailed investment case for approval by the Kāinga Ora Board and Ministers. We expect this to be presented to Ministers in early 2027.
- We will apply for the necessary building and resource consents before appointing a contractor to develop part of the Arlington site.
- We'll continue working with Wellington City Council on options for the remaining land, which may create opportunities for additional housing in the future.

Timing and funding

- Subject to approvals, construction is expected to begin in late 2027 and to be completed in late 2029.
- The project will be funded through the Kāinga Ora renewals programme, which reinvests proceeds from the sale of older homes that are no longer suitable for social housing into new and improved homes. No additional funding is required.
- We are unable to release the estimated cost of the proposed new development. Once approved, we will run a competitive tender process to select a contractor so it would be inappropriate for us to release expected costs until after that process is complete. However, we can confirm that we are expecting it to cost significantly less than the original project. This will be reconfirmed through the detailed investment case to ensure the proposal is sound and affordable.

Keeping in touch

We appreciate the time and interest the community has shown in the Arlington development over many years.

We're committed to keeping you informed as the project progresses and key decisions are made.

If you have questions about today's announcement or the revised proposed plans, you're welcome to get in touch.

Nga mihi



Sarah Willson

Regional Director – Greater Wellington Region

Kāinga Ora Homes and Communities

Email: Wellingtondevelopments@kaingaora.govt.nz