To Ministry for the Environment

Submission from Selwyn District Council

In the matter of the proposed National Policy Statement on Urban Development

Person for Contact: 

10 October 2019
Selwyn District Council submission on the National Policy Statement on Urban Development

Introduction

The Selwyn District Council (the Council) is broadly in support of the direction of the National Policy Statement on Urban Development (NPS-UD) and the Governments focus on successful cities. However the Council has a number of concerns outlined and discussed below. The Council’s submission has sought to answer the questions provided as part of the consultation material under the following headings:

- Overview
- Future Development Strategy
- Making Room for Growth
- Quality Urban Environments
- Enabling Opportunities for Development
- Plan Content
- Providing for Intensification
- Further Greenfield Development
- Removing minimum parking requirements
- More intervention
- Coordinated Planning

Overview

Submission period

The release of the Discussion Document for public consultation and submissions could not have come at a worse time. The document was released on 21st August 2019 with a close of submissions on 10th October 2019. This period is in the lead up to the local body elections on 12th October 2019. This is an extremely difficult time to canvass elected members views on such an important issue and is fraught with difficulty in terms of placing submissions before Council for endorsement and lodgement with Central Government.

It is disingenuous that Central Government would consult on significant National Direction at such a difficult time for all Regional and Local Authorities.

Relief sought

- Further consultation on the proposed NPS before gazetral.

One size fits all approach

The aim to deliver quality urban environments is supported, however while it is always beneficial to have national direction and tools to support councils in delivering quality urban environments, the timing and cost to councils should have been considered as part of the reason to make changes to the current National Policy Statement on Urban Development Capacity (NPS-UDC).
Generally, the NPS-UD provides more specificity with greater flexibility than the NPS-UDC, and provides direction on what to do but not how to do it. This will result in an increase in time and cost for councils to set methodologies and likely lead to inconsistent approaches across New Zealand and, potentially, at a regional level. The objective and policy direction and considerations needing to be made by local authorities under the NPS-UD should be broader in nature (e.g. direction could be to provide intensification in certain areas rather than prescribe to what level intensification should occur). The specificity in direction should be applied to how aspects of the Housing and Business Capacity Assessments (HBA) are measured. This would reduce the “one size fits all” approach that the NSP-UD currently has and leaves the final outcomes to be delivered in strategic planning processes with local authorities and their communities. Such an approach will provide consistency in methodology, while recognising the context of any given urban environment will differ across New Zealand.

Best Approach
The changes made to the NPS-UDC also need further consideration as to whether this is the best approach to delivering the governments urban development goals or whether there were other tools that could be used. The NPS-UD talks about homelessness, unaffordable housing and traffic congestion. However, the NPS-UD can only address homelessness or affordability through supply measures and hope the market delivers. Affordability is by definition housing that the market cannot deliver.

Additionally, the NPS-UD is limited in its approach to transport. Congestion, inherently, is not a problem but rather a symptom of growth. Further, the link between congestion and productivity is limited as congestion does not directly reduce working hours. Congestion is also a key factor in improving the viability of intensification, using a well-evidenced travel ‘budget’ of half-n-hour.

Major Urban Centres
There is the potential that, without geographically defining major urban centres, there could be efficiency issues impacting time and cost for local authority partnerships to determine this. The reference to Christchurch as a Major Urban Centre could be referred to as ‘Greater Christchurch’ to reflect the nature and inter relationship of the area.

Relief sought
- Less directive policies and direction on how urban development should occur is preferred to enable local context and priorities to be delivered.
- Greater specificity on how to measure or assess key aspects of the NPS-UD is preferred to ensure great consistency in methodologies, particularly for the HBA
- Reference Greater Christchurch as a Major Urban Centre

Future Development Strategy (FDS)
The requirement to undertake an HBA and FDS is supported to inform LTPs and other strategic planning processes, subject to further clarity in methodologies and requirements for HBA and the cost implications of the required capacity buffers for LTPs (described further below under “coordinated planning”).

Some concerns around the FDS approach include:
- There is a requirement in the FDS for ‘scenario testing of different growth rates’ though this duplicates a requirement for the HBA. Clarity is needed on the difference between
the two scenario testings required. The HBA is a process of establishing what the range of sufficiency is, it is unclear whether sufficiency is now a range depending on scenario testing or just one sufficiency number. Whereas, the FDS is the coordinated strategic response to the sufficiency. It is unclear what is intended to be addressed through the scenario testing again within the FDS.

- Policy 1Dh. iii. states that the FDS should have an implementation strategy for a process to work with landowners, developers and infrastructure providers. This could have a significant cost on councils to manage and implement this. It is suggested that guidance on this is provided.

- There is no direction in the document that guides councils to assess rural development that may make up parts of a major urban centre, in terms of planned capacity and take-up. Clarity on how to address, if at all, potential rural capacity and take-up within a metropolitan urban centre (MUC) would be helpful.

- The discussion document references feasibility as using current pricing as a starting point, though this is not captured in the policies. This is a critical issue for Greater Christchurch to provide flexibility when the current pricing approach within the NPS-UDC does not match development occurring.

Relief sought
- Clarification on how a range of scenarios applied in the HBA are addressed in the FDS
- Guidance on the expectations and level to which local authorities should work with stakeholders in implementing the FDS beyond standard statutory processes.
- Clarity on how to address rural capacity and take up in an MUC.
- Feasibility needs to be referenced as ‘current prices as a starting point’ within the policy

Making Room for Growth

Quality Urban Environments
The NPS-UD seeks to introduce a concept of quality urban environments through identifying the efficient use of infrastructure and access to housing and business. It does not address any other well-being elements of a quality urban environment. This could be through urban design, and neighbourhood design. Additionally, in the Greater Christchurch example, the quality urban environment includes the townships of Rolleston, Lincoln, Prebbleton and West Melton as well as Christchurch City and Kaiapoi, Rangiora and Woodend/Pegasus. The area ranges from a central city CBD to the satellite towns and the rural area in between. This could lead to a definition that is so broad it is ineffective. Further, this leaves Councils to define and along with the other requirements for the HBA all adds time and cost to Council meeting the requirement of the NPS-UD.

The policy definition of quality urban environments is very broad and therefore it is hard to evaluate and effectively implement. The policy seems to mirror what the HBA is trying to measure without providing any understanding of how these things inter-relate, primarily through a functioning transport network linking key activity centres. Additionally, the objective does not describe any elements of well-being (social, cultural, economic, or environmental) or describe any protection of the natural environment. Further, there is a
distinct lack of any direction on quality urban design, which plays a crucial role in creating quality urban environments that people want to live, work, and play in.

Again a “one size fits all” approach to urban planning is not appropriate and there does not need to be one uniform approach to what is a quality urban environment. This should be left to the local authorities and their communities to determine.

Relief sought
- Greater clarity about what constitutes a quality urban environment

Enabling Opportunities for Development
With regard to determining what is feasible development capacity the inclusion of considering ‘likely to be taken up’ is helpful in identifying capacity that may not initially be considered feasible but should be, based on what the developer or central government are planning. However the wording should not be “feasible and likely to be taken up”, it should be “feasible and/or likely to be taken up”. This provides flexibility to consider capacity that may not be calculated to be feasible though it is considered likely to be taken up (e.g. Kiwi build development or a development on land purchased at a lower rate than current market values).

Further, referencing past building consent data as an understanding of what is likely to be built does not promote good planning. The point of the NPS-UD is for councils to understand their capacity pressures and seeks something beyond providing what has occurred in the past, as this may not be possible or desirable. The statistical projections already include rates of take-up, and building consent past data is better used as an indicator or a scenario test of what population projection to use.

The requirement for notifying the Minister needs to be clarified as feasibility of capacity is dynamic (dependent on sales prices), which could lead to a short-fall in the long-term (or not) on a month-to-month basis.

Relief sought:
- In determining capacity change the wording of “feasible and likely to be taken up”, it should be “feasible and/or likely to be taken up.
- Policy AP4 should not reference past development in the ‘likely to be taken up’ section. Likely to be taken up is more appropriately development that is determined by the developer (either government or landowner) as feasible.
- Further clarification when to approach the Minister.

Plan Content
The proposal requires objectives, policies, rules, and assessment criteria to enable development anticipated by the zone description is supported as this is quality planning. However, rather than requiring a standalone zone description, it should be required that an objective clearly articulates what the zone is anticipated to provide for. Further, amenity values should also be articulated in objectives so there is a clear understanding about what the bulk and location standards are trying to achieve. An assessment of whether the standards achieve the objectives is already part of a standard s32 analysis.
Relief sought:
- That the requirement for zone descriptions is removed and replaced with a requirement for s32 analysis to assess whether the standards achieve the objectives for anticipated development and amenity values.

Providing for Intensification
Direction to provide intensification across a MUC is supported. However, a descriptive approach to intensification is the Councils preferred approach rather than prescribing set densities. As previously mentioned, a “one size fits all approach” for urban development will not work and NPS-UD should not attempt to legislate it in detail. The scale and context of urban areas varies across the country and it can vary across a single urban centre.

In the descriptive approach, however, there should be a requirement that the high density triggers, such as frequent public transport stops and centres be defined in a regional context. This will provide a way for intensification areas to be identified and planned for regionally. Further, the policy should require an assessment of the qualifying land before it is up-zoned. The policy should not seek automatic zoning for qualifying land without first understanding the local context.

Relief sought:
- A descriptive approach (Option 1) to intensification is used, where triggers are identified and defined in a regional context and areas are assessed before zoning occurs.

Further Greenfield Development
The Council supports strategically planned ‘greenfield’ development, in conjunction with other feasible development opportunities (e.g. intensification). However, the Council does not support a mechanism to allow development beyond what is identified and planned for in existing or future development/spatial plans and FDS’s. The mechanism, as proposed in the NPS-UD, to allow unplanned ‘greenfield’ development will undermine the NPS-UD approach for consolidated, integrated urban growth and work against evidence-based plan-led development. As well as being out of line with the direction of the NPS-UD, it would create time pressures and resource consents on councils responding to requests creating uncertainty for the community.

Any potential development should be worked through and incorporated in HBA/FDS processes by council. This could be provided through a process of ‘call-for-sites’ for councils and developers to begin discussions should there be capacity issues.

Relief sought:
- Further ‘greenfield’ policies are not included in the NPS-UD, rather references to ‘call-for-sites’ are included through the required landowners engagement and incorporated through the 3-yearly FDS review.

Removing minimum parking requirements
Removal of car parking requirements in district plans can provide for more efficiency in land uses and greater intensity of development. However again, a “one size fits all” approach is not appropriate. For smaller rural councils like Selwyn there is often a need to provide services and opportunities to a large rural area and population that currently does not have easy access to public transport and so is car dependent. Again the NPS-UD needs to recognise the varying context of different urban areas and should leave such detail to local
authorities to manage and determine what is the best approach in managing carparking and providing quality urban environments. In this context the Selwyn District Council has recently adopted a carparking strategy to manage carparking in centres with a view to reduce regulation in the District Plan in some locations.

Of the Options provided for consideration Option 3 (to remove minimum rates for more intensive developments in district plans) is the most appropriate to support Council’s approach.

There also needs to be a pricing tool to show the impact of providing car-parking or not on house prices. Additional to this, central government needs to work with local councils and provide funding for public transport to support and implement public car-parking strategies. Not doing this may not provide for a sufficient mode shift, which increases the risk that private parking is shifted to on-street or publicly provided car-parking, that could have more immediate flow-on effects, e.g. residential amenity impacts.

Relief sought:
- Option 3 is included in the NPS-UD, with central government support for councils implementing parking strategies.

More directive intervention to enable quality urban development

The NPS-UD should avoid any prescription of density or type of development (including determining what bulk and location standards to use), again the one size fits all approach will not work. There are better ways, such as providing better and more accessible funding, site amalgamation and better understanding of the true development costs, which can lead to higher intensification than requiring zones to permit it.

There is a need to provide government direction and control on the potential impact of developer covenants that restrict development types in conflict with plan objective and policy direction. Such covenants can have a very real and significant impact on urban development that can undermine planning mechanisms. Conversely, covenants could be utilised to restrict development to more effectively support planning document mechanisms.

Relief sought:
- Central government to focus on other restraints to growth outside of the RMA, such as covenants rather than including more intervention in the NPS-UD.

Coordinated Planning

The new information requirements for the HBA will require time and effort to establish, which will be difficult to complete to inform the Future Development Strategy due ahead of the next Long Term Plan (LTP) (2021-2031) as the LTP process is now under way.

The need to provide capacity buffers to ensure sufficient capacity is provided for is supported. However as a backstop, or hypothetical situation (assumes some zoned and serviced land will not be taken up), there needs to be support through infrastructure funding if necessary. Prudent financial planning by councils will necessitate not incorporating such hypothetical buffers as that may require additional infrastructure development and funding that is not required. If the growth does not occur to take up the extra capacity buffer then councils can be in a delicate financial position having to plan and fund infrastructure that is in
not being recouped (e.g. development contributions). This leaves Council having to fund or borrow to cover these costs.

Relief sought:
- Clarity that LTPs do not need to factor the additional buffers for infrastructure provisions for capacity; or
- Enable central government funding to support infrastructure provision.