Planning for successful cities: A discussion document on a proposed National Policy Statement on Urban Development

1. This submission is made by Porter Group Limited (PGL) and its subsidiaries Remarkables Park Limited (RPL) and Shotover Park (SPL). PGL and its subsidiaries are experienced and long-standing developers of commercial, residential, industrial and farm land in Queenstown. More details about PGL and its experience are set out in the addendum at the end of this submission.

2. PGL supports the proposed National Policy Statement on Urban Development and, in particular, the aim to deliver quality urban developments.

3. In our experience District Plans (and particularly the interpretations given to such documents by council staff and decision makers) espouse outdated notions on matters such as building height, bulk, and form; section sizes; boundary setbacks, car parking requirements and road designs and road widths. The reliance on these old-fashioned concepts generally operates to discourage the types of good quality urban developments that are suited to modern city living.

4. Although the Resource Management Act (RMA) provides a mechanism for District Plans to be reviewed, practice has shown that district plan reviews have generally failed to introduce the sorts of radical changes that would be necessary to enable and encourage developments that will allow our urban areas to accommodate more people to live together in higher quality environments. Neither have these District Plan Reviews managed to change the thinking of those who administer district plans and the resource consent processes. A more fundamental change is required and that is why we support the concept of new standards and requirements for Major Urban Centres (MUCs) being mandated by central government through the introduction of the proposed National Policy Statement on Urban Development. We believe that these changes need to be enabled immediately. So introducing them through a National Policy Statement that requires their implementation on a set timeframe is the best approach. Historically, councils have struggled to meet the RMA timeframes for implementing reviews of their district plans. An NPS that applies to all MUCs on a fixed date would avoid uncertainty and delays – both for communities and councils. Urgent change is needed and a directive and standards that applied to all MUCs would enable those communities to enjoy the benefits sooner.

5. PGL supports the approach of targeting the more radical changes to the Major Urban Centres and fully supports the proposal to include Queenstown in this group. These major urban centres can be showcases for both our international visitors and for our fellow New Zealanders. The MUCs need to improve their urban environments to make them more liveable for their residents and, in some cases, to maintain (and reinforce) their status as highly desirable tourism destinations. There is an
additional advantage in targeting the MUCs. Demonstrating the efficacy of an improved planning regime in the major urban centres will encourage other urban areas, which wish to do so, to follow suit (or not, as the case may be) without change being forced on communities that do not require it.

6. In our submission it is vital that the NPSUD applies not only to District Plans but also to council subdivision and development standards and supplants them where relevant. NZS4404 2011 is a well-intentioned Standard that applies to subdivision and development and was intended to be adopted by councils. However, in the case of the Queenstown Lakes District, the Council (QLDC) has formulated its own version of NZS4404 and it has become the “QLDC Land Development and Subdivision Code of Practice”. Instead of being a guide to good development, this Code of Practice has unfortunately become another layer of control imposed on developers and is regularly used by Council staff to prevent new urban design concepts from being considered simply on the basis that “they do not meet the Code”. QLDC’s Land Development and Subdivision Code of Practice deals with a wide range of matters including parking requirements, road widths and stormwater treatment techniques that do not necessarily achieve good urban design outcomes and often prevent their achievement. The scope of the NPSUD needs to be wide enough to also direct (and/or supplant) the contents of documents such as Land Development and Subdivision Codes of Practice, which sit outside a council’s District Plan.

7. PGL strongly supports limiting the ability of local authorities in major urban centres to regulate the number of carparks required for development. PGL’s preference would be Option 3: “District plans must not regulate car parking using minimum parking requirements in medium- and high-density residential, commercial and mixed use areas.”

8. Currently those engaged by QLDC to assess parking requirements for development proposals do not adequately take into account that a proposed development may be served by public transport or is within a mixed-use precinct where parking can be shared by different uses and at different times of the day. They show no understanding of the desirability (from both a local and a national perspective) of reducing private vehicle usage nor of the options of car sharing schemes or the inevitability that autonomous vehicles (which don’t need to be parked outside a residence or a work place) will change the way that people use private transport and their ideas about private vehicle ownership.

9. In terms of a time-frame, PGL would support this change being implemented sooner than the 18-months proposed in the discussion document. If it was considered that there needed to be delayed (18 month) implementation in some zones, PGL submits that this proposal could be implemented immediately in mixed use zones – particularly where they are served by public transport.
10. PGL would also sound a warning about allowing councils to fall back on requiring developers to provide on-street parking on the roads that they develop. Such parking is the most expensive to provide as the subsurface invariably contains services and parking spaces over it needs to be built to a full road standard. These areas will also prove to be the most difficult to repurpose when the shift to autonomous vehicles leads to a dramatic reduction in private vehicle ownership and the folly of providing resting places for vehicles that no longer exist is finally realised. (Consider the near impossibility of turning the wide city streets of Invercargill into a pleasant street environment). Requiring parking adjacent to a kerb makes it very difficult to provide safe cycle lanes and it is contended that cycle or e-scooter lanes will be more important, than parking for private vehicles, in a modern urban environment. We know the stormwater issues created by large sealed areas, so there would be environmental advantages in reducing the amount of seal rather than forcing developers to construct roads that are wider than is necessary to serve the traffic and pedestrians that need to use them.

11. PGL would support more directive intervention in local authority plans. We repeat the comment made above that any such directive intervention needs to also apply to, and over-ride, the other layers of control that local authorities seek to use – such as Land Development and Subdivision Codes of Practice. An example of a rule that is unnecessarily constraining good quality development is a rule requiring minimum road widths. In more dense urban environments developers should be encouraged (or at least enabled) to use well-landscaped, low-speed, shared vehicle and pedestrian accessways rather than conventional roads (which can encourage higher speeds and be unsafe as well as being visually very unattractive).

12. PGL would support inclusion of policies to improve how local government works with iwi, hapū and whānau to reflect their values and interests in urban planning but would suggest that the thrust of such policies should be to better enable developments by iwi, hapū and whānau – particularly on whanau land – rather than to limit, or raise obstacles to, the development of land that is suitable for more dense urban development. PGL would not want to see the consenting regime changed to the extent that there became another authority to seek consent from, so these policies do need to be coordinated.

13. In relation to infrastructure, PGL submits that the NPSUD should be directive that infrastructure provided by councils should be sufficient to meet the full development potential of the land. An example where this has not occurred is with the Council reservoir and potable network that services an area of RPL’s land, which is zoned for (and is being developed for) buildings of four, five and six storeys. The Council supply is only sufficient to provide fire-fighting water pressures for three storey buildings. As a result, each of the taller buildings constructed to date has been required to have its own water pumping systems installed in the basement or ground floor to service the upper floors in the event of a fire. Such expenditure forced on the developer is wasteful. It is expenditure that would be redundant if the Council’s infrastructure matched the development potential of the zoning and it is a disincentive to develop taller, denser buildings.
14. In relation to development contributions paid by developers to fund new infrastructure, PGL submits that it should be a requirement on all MUC councils, when setting development contributions, to assess the increase in the rates-take that new developments will generate and demonstrate how a portion of the increase in rates generated over the life of the proposed infrastructure assets could be used to fund or partially fund those assets. PGL submits that, while it may not be the case for all local authorities, the rate of growth in MUCs will generally be sufficient to allow those councils to borrow to fund new infrastructure against future rates.

15. Reducing initial development costs to a developer, by funding the cost through the increase in rates, could reduce the cost to the initial purchaser and help deal with the affordability crises being suffered in most MUCs. In this regard we note that developers inevitably put a margin on costs that they are forced to carry and this includes development contributions paid to a council. The development contribution, the mark-up and GST on them are all then charged to the first purchasers of residences (or commercial premises) within the development. Costs that should relate to the lifetime of a property are borne up-front distorting the property market.

16. As an experienced developer PGL expects to continue to install the infrastructure required by its own developments; so the above comments relate only to the funding of the additional infrastructure that is provided by a local authority, eg water reservoirs or sewage treatment facilities. PGL is also conscious that existing ratepayers within a community are entitled to argue that their rates should not be used to fund the development of expanded infrastructure to cater for new developments. PGL considers that the answer to this is to encourage (or require) councils in MUCs to apply targeted rates to new development areas so that new Council infrastructure required to service those developments is funded over the life of the assets by those who will benefit. This should be done as an alternative to collecting development contributions in order to prevent the first purchaser of a new home or apartment from bearing the full cost and also to stop distorting the market price of new homes and sections. It is submitted that such a method of funding new council infrastructure would work particularly well in the sorts of denser residential developments contemplated by the Discussion Document.

17. PGL is grateful for the opportunity to be able to make this submission and would welcome contact to discuss any of these matters.

Porter Group Limited
Addendum: Remarkables Park Limited

Remarkables Park Limited (RPL) is the developer of the land in the Remarkables Park Zone (RPZ), situated on the south side of Queenstown Airport and extending from the airport to the Kawarau River and eastwards to the Shotover River.

The developed area includes: the Remarkables Park Town Centre including The Landing and the commercial recreation facilities on the north side of Hawthorne Drive; the Market Street precinct, with the Ramada Hotel; Wyndham Garden Hotels; Wyndham Apartments; the Remarkables House office building; Wakatipu High School; and the residential areas east of Riverside Road and south of the Remarkables Park Town Centre. In addition, three new hotels (Holiday Inn, Quest & Ramada Kawarau) and two new apartment buildings (Toru Apartments and Ramada Kawarau Apartments) are currently under construction. RPL, together with client developers has many other projects in the planning phase including convention facilities, offices, a gondola connection to the Remarkables Ski Field, more high density residential and more hotels (some of which have already been consented).

The balance of RPL’s land at Remarkables Park is fully serviced and is ideally suited to high density, mixed-use development. It has excellent road transport connections, being linked to both SH6 north and SH6 south by the Eastern Arterial Route (Hawthorne Drive). There is an existing public transport service (the Orbus $2 bus) which passes through the commercial areas at Remarkables Park and connects them to Queenstown Airport and Queenstown Town Centre with a 15-minute frequency throughout the day. The Queenstown Trails Trust trails pass through and around Remarkables Park land and new roads through the development have been constructed with marked cycle lanes. Much of the developed area is within a 15-minute walk of Queenstown Airport. A ferry connection is planned to connect Remarkables Park to Queenstown Bay via the Kawarau River and the Frankton arm of Lake Wakatipu.

PGL together with client developers have owned and developed land in Frankton since 1988. A subsidiary company, Shotover Park Limited (SPL) developed much of the commercial and industrial land on the north side of Queenstown Airport including: the sites now occupied by Pak’N’Save and Mega Mitre 10, the sites on the southern leg of Glenda Drive and Brookes Road. PGL, RPL and SPL directors have a long-standing association with, and detailed understanding of Remarkables Park, Northern Frankton and the wider Queenstown area and their development issues.