Proposed National Policy Statement on Urban Development:

To the Ministry for the Environment

10 October 2019
EXECUTIVE SUMMARY

Residential growth must not compromise airports’ operation

1. The Proposed National Policy Statement on Urban Development (“Proposed NPS”) replaces the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC 2016”). The stated purpose of the Proposed NPS is to:
   - give clear direction about planning for growth and how to do this well
   - support local government to apply more responsive, effective planning and consenting
   - clarify for others (including developers and community members) the intended outcomes for urban development across NZ and within communities and neighbourhoods.

2. BARNZ supports the purpose of the Proposed NPS, as clear direction and clarity are laudable regulatory goals. That said, it is concerned that growth and intensification should not compromise the ongoing operation and development of New Zealand’s airports. It is important to avoid excluding key stakeholders, such as BARNZ and the airport companies, as providers of infrastructure from planning processes. To do so will undermine one of the key goals of the Proposed NPS, which is to promote quality planning.

3. If not carefully drafted and managed, BARNZ is particularly concerned that the direction of the Proposed NPS has the potential to put at serious risk the operation and development of New Zealand’s airports in response to a desire to prioritise residential development. As airports are generally located in areas of New Zealand which are experiencing high levels of population growth, reverse sensitivity effects on airports through intensification and greenfield residential development represents a major challenge in planning for this growth. To date the policy approach to the potential reverse effects on airports appears to have been underrated. It is vital that the social and economic benefits to communities as a whole, that are provided by significant infrastructure, such as airports, are not overlooked or downplayed when identifying areas for future urban growth, including intensification. To do so could result in compromising those benefits provided by airports to the wider economy and community that rely on such infrastructure.

Existing planning guidance for airports and adjacent growth must be followed

4. The Proposed NPS is a useful opportunity to provide national direction to local authorities to develop their planning frameworks to prevent or restrict residential development on land surrounding airports.
5. Clear guidance for planning is provided in key strategic documents such as the National Airspace Policy and NZS6805:1992 which explicitly recognise the need for reverse sensitivity effects to be effectively managed. These documents have been developed to ensure careful consideration is given to the management of activities around airports.

6. As well as recognising and referring to those existing policies in the Proposed NPS territorial authorities should also be required to expressly consider them and assess where potential conflicts arise as part of their decision making processes.

Activities vulnerable to reverse sensitivity effects need specific recognition

7. Where the Discussion Document provides examples of activities where higher density development should be avoided, reference to activities vulnerable to reverse sensitivity effects (e.g. established regional or national significant infrastructure) should also be included.

The prescriptive belts and braces approach is not necessary or appropriate

8. Objective 7 and the associated policies directing plans to implement zoning for high density residential activities, are a blunt instrument that are inappropriate and unnecessary in the context of the more nuanced and evidentially based approach to estimating and providing for development capacity, via the Future Development Strategies mechanisms.

9. Amending or removing rules that may “unnecessarily” constrain intensification could significantly undermine existing planning protections for airports. These provisions should be deleted.

Consultation is critical for avoiding unintended consequences

10. Adopting the prescriptive approach outlined in Objective 7 to urban intensification risks shutting out key stakeholders from the development and planning processes for urban growth, and preventing holistic, integrated and location based decision-making by local authorities.

11. In our view, the consultation requirements for Future Development Strategies are critical and must be clarified and strengthened to ensure consistency of approach by local authorities across the country and to avoid unintended consequences.
BARNZ’S SUBMISSION

INTRODUCTION

12. The Board of Airline Representatives New Zealand Inc (“BARNZ”) is pleased to provide this submission on the Discussion Document for a Proposed National Policy Statement on Urban Development (“Proposed NPS”).

13. The submission is divided into four parts addressing:
   a. Background to BARNZ’s operations;
   b. Background to guiding policies for planning development associated with airports and reverse sensitivity effects;
   c. Responses to questions posed by the Discussion Document.

BACKGROUND TO BARNZ

14. BARNZ is an incorporated society comprising 26 member airlines operating scheduled international and domestic services. It represents airlines carrying 99% of international passengers to and from New Zealand. Further background on BARNZ, its members and the works it undertakes on behalf of the airlines is set out at Appendix 1.

GUIDING POLICIES FOR PLANNING DEVELOPMENT ASSOCIATED WITH AIRPORTS

15. The National Airspace Policy of New Zealand creates a framework to guide the aviation sector (airports, airlines, and Airways NZ) towards integrating future airspace design and emerging technologies to be employed in communications, navigation and surveillance/air traffic management. The objective is to provide certainty for the nation and for the aviation sector’s future investments in air navigation and Air Traffic Management equipment.

16. The “integrated” section of the National Airspace Policy observes the important interface between airspace, land use planning and the Resource Management Act 1991 (RMA) and recognises that:

   “Airport Authorities and local authorities should work together in a strategic, co-operative and integrated way to ensure that planning documents (including those under the Resource Management Act) appropriately reflect noise contours and/or controls and approach and departure paths that take account of current and projected traffic flows. Resource Management Act planning tools (including plan rules and designations) should as far as practicable seek to avoid the establishment of land uses or activities and potential obstacles or hazards that are incompatible with
17. Local authorities have, by virtue of s30 of the Act, the functions of:
   a. preparation of objectives and policies in relation to any actual or potential effects of the use, development or protection of land which are of regional significance; and
   b. strategic integration of infrastructure with land use through objectives, policies and functions.

18. When preparing its Regional Policy Statement, Regional Plan and District Plan the local authority must prepare and change its regional policy statement in accordance with any national policy statement. It must also have regard to management plans and strategies prepared under other Acts (ss 61, 66 and 74). This extends to the National Airspace Policy, which is prepared under the Civil Aviation Act 1990.

19. Guidance for land use planning and mitigation of the effects of airport related noise is also provided in NZS6805:1992. The objective of NZS6805 is to ensure the proper protection from the effects of airport noise while facilitating the efficient operation of the airport.

20. It is therefore important that the Proposed NPS is developed in a manner that does not inadvertently cut across or remove the current critical checks and balances for land development around airports provided for within these policies.

REVERSE SENSITIVITY

21. By way of background, reverse sensitivity is the term used to refer to a situation where an existing activity creates noise and has been sited so as to avoid disturbing any community; an activity which is sensitive to that noise locates in the vicinity of the existing activity and then complains about the presence of the original activity and seeks restrictions on that original activity. The establishment of Activities Sensitive to Aircraft Noise (ASANs) in the vicinity of airports has the potential to create, and indeed already in some other locations has created, pressure for limits on airport activity including curfews and operational restrictions, e.g. Wellington, Queenstown, Auckland and Sydney, Australia.

22. The potential implications of reverse sensitivity on the existence and development of airports should not be understated. If new residential developments or intensification of existing residential areas are allowed, without due consideration of reverse sensitivity effects on the airports, there could be substantial long term implications for regional and national tourism and commerce. These restrictions would likely range from reduction in passenger and freight capacity and hours of operations through to higher passenger and freight charges and the possible
stranding of airport assets as airlines seek to mitigate the effects of increased costs of operation.

23. Exposure to noise levels at or above 65 dB Ldn can cause adverse health and wellbeing effects and these effects cannot be completely mitigated through mechanisms such as acoustic insulation. To manage these effects, airports rely on designations, as well as land use planning, through mechanisms such as overlays to manage appropriate development in proximity to airports.

24. BARNZ wishes to ensure that aircraft operations are not unnecessarily or unreasonably constrained through the inappropriate location of noise sensitive urban developments.

25. As requiring authorities, airports (on behalf of their customers), need to have a role in plan-making, designation, and resource consenting processes to ensure that airports are protected from reverse sensitivity effects. This includes making sure their growth and development is managed appropriately, and that local authorities are educated on the tension between residential intensification and the need to protect airports' lawful operation and planned development.

RESPONSE TO QUESTIONS IN DISCUSSION DOCUMENT

Quality urban development

Q1: Do you support a National Policy Statement on Urban Development that aims to deliver quality urban environments and make room for growth?

26. BARNZ generally supports the goals of the Proposed NPS to focus on the delivery of quality urban environments while also encouraging growth, provided that this objective does not lead to development that would compromise the ongoing operation of New Zealand’s airports.

27. Overall, the Proposed NPS is an improvement on the NPS-UDC 2016. National direction for urban development through an NPS is helpful in highlighting to local authorities the key considerations to take into account when planning for increased intensification or greenfield developments. However, the Proposed NPS is also a useful opportunity to provide national direction to local authorities to develop their planning frameworks to prevent or restrict residential development on land surrounding airports. Adopting such an approach would strengthen the existing protections for airports in district plans and encourage the development and maintenance of effective and robust effects areas around airport facilities in a way that is consistent with the policies and standards referred to above.

28. In our view, such direction from central government is consistent with the NPS-UD’s objective to deliver quality urban environments. A key aspect of delivering quality urban environments is ensuring that such environments are not adversely affected by, or in conflict with, the effects of airport operations. Airports provide a
good example of the importance of location for ensuring quality environments and the amenity and wellbeing of communities. High-density developments located too close to airports are likely to have poor amenity and wellbeing outcomes due to the effects of aircraft noise.

Future development strategy

Q3: Do you support the proposed changes to FDS overall? If not, what would you suggest doing differently?

29. Even though BARNZ is generally supportive of the proposed changes to Future Development Strategies, the provisions relating to the identification of positive and adverse locations for development need further consideration and clarification. Currently, the listed examples of areas of where development should be avoided are limited to cultural or environmental concerns, such as sites of significance to Māori and indigenous biodiversity. BARNZ considers that reference to activities vulnerable to reverse sensitivity effects (e.g. established regional or national significant infrastructure) should also be included alongside these matters to indicate that sites located near such activities are ill suited for such development.

30. The stated desire to remove unnecessary restrictions on development will be at the expense of well-functioning, vibrant urban and natural environments, if the importance of airports is not better recognised.

31. While BARNZ supports the requirement for local authorities to consult on the development of Future Development Strategies, the reference to the Local Government Act 2002 (as opposed to specifically identifying the terms or process for any such consultation) provides local authorities with significant latitude as to how this consultation is to occur, and which parties or stakeholders are to be consulted.

32. In our view, the consultation requirements for Future Development Strategies are critical and must be clarified and strengthened to ensure consistency of approach by local authorities across the country.

33. Proposed policy 1C provides that every FDS must be informed by, inter alia, “(d) the long term plans and infrastructure strategies required under the Local Government Act 2002, and any other relevant strategies, plans and documents.”. This provision is supported but it should be clarified that it includes New Zealand Standards (such as NZS:16805) and the National Airspace Policy. Additionally, it

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1 Rationale and P1D, Discussion document pages 21-23.
2 Discussion Document – page 21
3 Discussion Document- page 14
would be a useful discipline to require an FDS to identify conflicts with those policies and standards.

Intensification and Greenfield Developments

Q8: Do you support policies to enable intensification in the locations where its benefits can best be achieved?

34. In our view, it is critical that the Proposed NPS is not unnecessarily prescriptive in its requirements for urban intensification. Such an approach risks shutting out key stakeholders from the development and planning processes for urban growth, and preventing holistic, integrated and location based decision-making by local authorities.

35. For example, the options in P6C for directing residential development have the potential to require “upzoning” of existing residential zones, potentially through allowing greater density or height. BARNZ is concerned that in areas that are within the air noise boundaries of airports this could significantly increase the numbers of people exposed to aircraft noise.

36. Policy P6A lists several location characteristics that justify intensive development in certain areas, including those in proximity to employment opportunities and urban amenities and services. BARNZ considers that these criteria fail to account for areas that, while possessing some of the listed positive attributes, will actually provide poor land for intensive housing or urban development. Land surrounding airports will typically be proximate to employment opportunities and have (or will have) access to amenities, services and public transport networks. However, such land is fundamentally unsuitable for high-density housing due to the incompatibility of such activities with airport operations.

37. The proposed provisions potentially direct a blunt approach to intensification in a manner that is unnecessary if the policies that require Future Development Strategies are also implemented. These provisions are particularly onerous in the case of Auckland and Queenstown which have recently undergone significant planning reviews designed to address residential capacity issues. They also raise questions about how consultation will be undertaken.

38. We therefore suggest that the objective O7 and the following policies should be deleted. As an alternative, an exception should be provided for P6A and P6C (Option 1), such as that proposed to be included in Policy P6C (option 2): “except where evidence demonstrates intensification should not be enabled”, which would

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4 See page 26 of the discussion document.
be linked to other objectives and policies within this section that seek to protect regionally and nationally significant infrastructure such as airports.

Q9: Do you support inclusion of a policy providing for plan changes for out-of-sequence greenfield development and/or greenfield development in locations not currently identified for development?

39. Many airports, particularly smaller airports, are surrounded by land that is typically considered as greenfield area, on the outskirts of urban centres. This is purposeful planning, to minimise the adverse effects generated by airports on neighbouring activities by creating a “buffer” of less sensitive rural land.

40. Inappropriate greenfield development that would encroach on these areas has the potential to negatively impact both future residents and airports, through reverse sensitivity effects arising as a result of complaints from new residents. The recent Environment Court decision relating to aircraft engine testing at Whenuapai Airport is a timely example of how an airport once largely surrounded by greenfield land can be constrained by enabling urban development nearby.5

41. While the reference to appropriately managing reverse sensitivities adjacent to greenfield developments6 is positive, BARNZ considers that this does not fully grasp the impact or costs of allowing development to occur near airports. Operational constraints and/or limits on development arising from reverse sensitivity issues can have significant, and potentially debilitating, costs on airports, with flow on effects to airlines and passengers.

42. Encouraging greenfield development of this kind may also increase airport associated costs to monitor and be involved in plan-making, designations, and resource consenting processes in relation to these developments. In our view, greenfield development with “appropriate management” of reverse sensitivities is more appropriately considered as a “last resort” approach, to be avoided by local authorities in favour of the approach of choosing more appropriate locations for urban development.

Further government intervention and policy

Q11: Do you think that central government should consider more directive intervention in local authority plans?

6 As set out in the example policy, paragraph d at page 39 of the discussion document.
43. BARNZ has concerns regarding the potential for directive intervention by central government in local authority plans to enable or require urban intensification in areas where it is currently restricted. Amending or removing rules that some may consider "unnecessarily" constrain intensification could significantly undermine existing planning protections for airports.

44. Many district plans currently include specific aircraft noise overlays, or other similar provisions, that restrict the subdivision of land, establishment of residential activities and intensive urban development within areas subject to high levels of aircraft noise. Such provisions are essential in ensuring the ongoing operation and viability of New Zealand's airports.

45. If national intervention in local authority planning is to occur, greater clarity and certainty around the scope of central government powers to amend or remove existing rules seeking to limit or prevent urban intensification near airports is required. In particular, it must be made clear that such intervention cannot override existing overlays and other tools used to manage effects areas surrounding airports.

Alignment with other national direction under the RMA

Q17: Do you think there are potential areas of tension or confusion between any of these proposals and other national direction? If so, please identify these areas and include any suggestions you have for addressing these issues.

46. The discussion document on the NPS-UD does not provide any commentary as to how the NPS-UD will interact with the proposed Kāinga Ora legislation. This is concerning given the considerable role Kāinga Ora is intended to take in enabling urban development, and the clear overlap between the objectives of the NPS-UD and the Kāinga Ora legislation in seeking to remove restrictions on urban development.

47. In addition, the Resource Management Amendment Bill is currently before the Select Committee. This Bill includes various proposed amendments that seek to enhance opportunities for public participation in resource consenting processes. These amendments appear to be in conflict with the NPS-UD’s stated objective of removing opportunities for participation where it restricts urban development or intensification.

48. BARNZ seeks further clarification on how the Government’s various workstreams under its Urban Growth Agenda will work together in practice.

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7 One example is the Auckland Unitary Plan’s Aircraft Noise Overlay (D24).
CONCLUSION

49. BARNZ would welcome any opportunity to discuss this submission with MfE in any further consultation relating to the Proposed NPS.

BOARD OF AIRLINE REPRESENTATIVES NEW ZEALAND INC:

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BARNZ
APPENDIX ONE – BACKGROUND TO BARNZ

BARNZ IS THE RESPECTED AND TRUSTED VOICE OF THE AIRLINE INDUSTRY IN NEW ZEALAND

We work closely with the Government, regulators, businesses and local communities to provide cost savings and service improvements for our members, and to create an environment that fosters continued, sustainable growth for them in NZ.

Our 26 members are a direct enabler of New Zealand’s $14.5 billion tourism industry and deliver $8 billion of New Zealand’s exports. They fly us to nearly 50 destinations, connecting us to the world. They bring together families and friends, and encourage the free flow of innovation, ideas and information that only face to face meetings can do.

WE CHAMPION THE AIRLINE INDUSTRY AND ITS CONTRIBUTION TO TRAVEL, TRADE AND TOURISM IN NEW ZEALAND.

WE STRIVE FOR FAIR-PRICED, CUSTOMER-FOCUSSED AIRPORT, BORDER AGENCY SERVICES AND INFRASTRUCTURE FOR OUR MEMBERS AND THEIR PASSENGERS.

WE SECURE THE AIRLINE INDUSTRY’S RIGHT TO GROW AND OPERATE IN NEW ZEALAND THROUGH CONSULTATION AND ENGAGEMENT WITH THE WIDER COMMUNITY.
### Airline Members

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