Submission on the National Policy Statement on Urban Development 2019

By: Waipa District Council

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Introduction
Waipa District Council (the Council) welcomes the opportunity to provide comment on Ministry for the Environment’s proposed National Policy Statement on Urban Development (NPS-UD).

General Comments
1. Waipa District Council is supportive of the introduction of a National Policy Statement on Urban Development in providing greater national guidance on long term strategic urban development issues.

2. The Council supports the vision of the proposed NPS-UD for achieving well-functioning thriving cities and recognises the vital role our urban environments play in the overall wellbeing of the country. The Council does believe, however, that this vision should be expanded to include towns as it is generally these urban entities that directly support the surrounding rural hinterland and provide much needed services to the farming, tourism and conservation sectors. Towns also help tie the rural economy (in its broadest sense) to the urban economies of the cities.

3. The Council supports the broadening of the scope of the proposed NPS-UD over the existing National Policy Statement on Urban Development Capacity.

4. The Council supports the NPS-UD advocated approach of concentrating future development around existing urban centres, with clear parameters for greenfield developments and urban intensification. This proposal aligns well with the Waipa 2050 Growth Strategy and the wider sub-regional Waikato Future Proof strategy.

5. The Council supports the proposed distinction of having two categories or urban environment with major urban centres having to meet more stringent requirements than other urban environments. In this regard it is noted that Waipa District Council along with Waikato Regional Council and Waikato District Council are included in the Hamilton major urban area. It is recommended that only those portions of the Waipa district (together probably with those adjoining portions of the Waikato district) should be taken into account when considering applying more stringent requirements.

The Waipa District Council is a small well managed district, comprising a mix of highly productive farmland, two medium sized towns and a few villages. It’s town and village built environments are not overly complex or sophisticated and currently administered using a fairly simple range of land use zones, rule provisions and development controls in the Waipa District Plan. It is the Council’s view that its current strategic planning framework, the Waipa 2050 Growth Strategy, working together with the
Waipa District Plan and Long Term Plan provides a well-accepted and generally appropriate platform for the districts urban areas. Application of the NPS-UD’s proposed additional stringent requirements to our towns would be unnecessarily onerous, expensive and difficult to justify.

6. The Council supports the NPS-UD proposals for local authorities having a Future Development Strategy (FDS) that guides where and how future development occurs and how it will be supported by long term plans, infrastructure strategies and land transport plans. It also supports the proposal to introduce more flexible timing to help better align these different planning processes. It is noted that while the proposals specify that only major urban centres would be required to prepare a FDS, it is the Council’s view that the Council would subscribe to a joint FDS for the sub-region that is aligned with the existing Future Proof strategy or an updated and amended version of it. The Council also supports the partnership of iwi in the preparation and updating of this strategy.

7. The Proposed NPS-UD should make stronger links between the Local Government Act 2002, the Resource Management Act 1991, and the Land Transport Management Act 2003, in particular the plans and processes that impact local government under these statutes. In the local context there is also the need to give effect to the Te Ture Whaimana o Te Awa o Waikato - the Vision and Strategy for the Waikato River as the primary direction-setting document for the Waikato and Waipa Rivers and their catchments.

8. The Council supports the proposed requirement for all urban environments to assess demand and supply of development capacity to better understand current local conditions and inform development planning. At the same time Government still needs to acknowledge that supply is constrained by inadequate infrastructure funding and alignment between Housing and Business Assessments and the Long-Term Plans of councils. It is fair to note that most councils continue to struggle to fund the major infrastructure required support urban development. The options available for resolving financing gaps are severely limited and reliance on private funding is inadequate.

9. The Council supports the intention to broaden of meaning of amenity and recommends adding the social and cultural aspects of amenity when applied to urban environments. Much of the associated amenity value of urban environments can be considered as centring on the presence or absence of people. Urban places that are thronging with people (as opposed to vehicles) are generally regarded as having good amenity. The Council also recognises that accommodating the reality of ongoing change in the urban environment using the current RMA framework for considering amenity can be is limited and can be restrictive.

10. The Council supports the NPS-UD proposals regarding major urban centres having provisions that support appropriate intensification (Hamilton City Council already has these). The proposal to gazette new provisions directing where intensification must be enabled in major centres within 18 months is considered questionable and probably unnecessarily prescriptive. Doesn’t evidence suggest that most, if not all major centres are already implementing such policies?

11. The Council notes that the timing of the consultation on the proposed NPS-UD is unfortunate. The discussion document was released for comment as our current Council was concluding it triennium with little opportunity for consideration before its final meeting on 24 September 2019. In addition
consultation coincides with that on the Government’s proposed National Policy Statement for Highly Productive Land as well as overlapping with consultation on the Government’s Actions for Healthy Waterways document. Not only are there interdependencies between these three proposals, they are being made against a background of wider change and uncertainty with the introduction of integrated spatial planning as part of the Government’s urban growth agenda and a commitment to thoroughly reform the RMA.

More specific comment is provided below using the same questions listed in the discussion document. It should be noted that this more specific feedback reflects a collaborative contribution drawn from a small team of staff and councillors in the Council.

**Specific Comments**

1. **Question 1**
   
   Do you support a national policy statement on urban development that aims to deliver quality urban environments and make room for growth? Why/Why not?
   
   - Are there other tools under the RMA, other legislation or non-statutory tools that would be more effective in achieving a quality urban environment and making room for growth?

1.1 The Council supports the proposed NPS-UD and its aims to support having quality urban environments while making room for growth. The Council also notes that infrastructure funding and development financing constraints need to be better acknowledged and addressed.

1.2 The approach of concentrating development around identified urban centres, with clear parameters around greenfield developments, aligns well with planning within Waipa and the wider Future Proof sub-region. Appropriate intensification and allowance for mixed uses around town centres, neighbourhood centres and along main transport corridors is agreed to and is happening, but needs to be planned for and integrated with the required supporting community services and urban amenities (blue green spaces and transport options).

1.3 To achieve the vision of the NPS-UD of thriving urban environments, not only does the necessary infrastructure to support intensification need to be planned for, but funding from new options for infrastructure financing is urgently required.

1.4 There are non-statutory tools available that are more effective in setting the national framework in defining what is meant by quality urban environments, such as the existing mandated 7 Cs of the New Zealand Urban Design Protocol, of which Waipa and most major urban centres are signatories. It would be straightforward for MFE to restate this non-statutory guidance that has already been embedded in many councils day-to-day practice.

1.5 Council staff are of the view that zone based plans are generally easier to use and therefore better than effects based plans particularly for consent planners. Although there is repetition the need for cross-referencing is avoided and it is harder to overlook considerations where cross-referencing is used.

2. **Question 2**
   
   Do you support the approach of targeting the most directive policies to our largest and fastest growing urban environments? Why/why not?
- Do you support the approach used to determine which local authorities are categorised as major urban centres? Why/why not?
- Can you suggest any alternative approaches for targeting the policies in the NPSUD?

2.1 The Council supports targeting the most directive policies to the largest and fastest growing urban environments. As noted in our general comments these more stringent requirements are inappropriate and too resource intensive for smaller councils such as Waipa managing towns and rural areas. Our district plan has a fairly simple land use zoning classification for urban areas. Guided by our strategic town concept plans and introducing the new National Planning Standards format we are able to use precinct overlays to manage some proposed intensification where appropriate around town centres, neighbourhood centres, parks and main urban transport corridors. At this stage, and based on current evidence, we expect intensification to be secondary to greenfield development in our two towns. This may change over time but what we do see is growing acceptance by communities and developers of the need for a greater diversity of housing types to be provided for in greenfield and infill developments to accommodate differing housing wants and needs.

We already have an established set of ‘deferred zoning’ provisions in our district plan that serve to demarcate and manage land use in selected areas adjoining our towns for future greenfield development. The future urban zoning in these areas can be uplifted without the need for an RMA plan change process. Originally identified in 2009, these areas have been reviewed, consulted on and updated in 2016-2017. On the basis of the current Waipa 2050 Growth Strategy we anticipate that we have identified sufficient additional land to accommodate projected population growth over the next 30 years.

2.2 The Council reiterates the need to clarify and limit the extent of the more stringent provisions that are applicable for Hamilton as a large urban centre/city, for the adjoining Waipa and Waikato districts. It would make sense to limit the extent to the Hamilton urban area and possibly those adjoining areas of the Waipa and Waikato districts that have been or are likely to be, earmarked for inclusion in the city to accommodate anticipated growth. It should be acknowledged that Hamilton is fairly unique in the New Zealand context in that its urban extent by and large, coincides with its area of administrative jurisdiction.

Hamilton makes use of existing agreements with both adjoining district councils to identify and transfer in a staged manner blocks of contiguous greenfield land that are anticipated as being required for the city’s growth according to Hamilton’s growth strategy. It would make sense that the more stringent provisions would pertain to this identified area for long term urban expansion and inclusion in the city’s jurisdiction. At the same time, there should also be clarification for inter-regional coordination under proposed Policy P10A that may be affected by the definition of ‘urban environment’ more particularly in the vicinity of Hamilton airport in Waipa’s case.

**Future Development Strategy**

3. Question 3

Do you support the proposed changes to Future Direction Strategies (FDSs) overall? If not, what would you suggest doing differently?
- Do you support the approach of only requiring major urban centres to undertake an FDS? Would there be benefits of requiring other local authorities to undertake a strategic planning process?
What impact will the proposed timing of the FDS have on statutory and other planning processes? In what ways could the timing be improved?

3.1 The Council is of the view that preparing a FDS would be useful to all high growth councils and not just those with major centres. In the case of Waipa, the Council has since 2010, already had the benefit of an equivalent to a FDS in its Waipa 2050 Growth Strategy. Not only is this non-statutory strategic document incorporated into its RMA Waipa District Plan (refer to its Section 1 Strategic Framework, Section 14 Deferred Zone, Appendix S1- Growth Cell, Staging, Preconditions for Release and Infrastructure Requirements) but is also currently used to inform and underpin the preparation of Council’s Long Term Plan and Infrastructure Strategy.

For the purposes of meeting the requirements of existing NPS-UDC, the Council worked with its Future Proof partners to prepare a single combined FDS that entailed the tweaking and updating of the existing sub-regional Future Proof strategy which has been in existence since 2009. The Future Proof Strategy settlement pattern is entrenched in the Waikato Regional Policy Statement and is considered to work well for coordinating cross boundary urban development issues across the four councils involved in the greater Hamilton sub-region. It is probably accurate to say that the Future Proof Strategy currently works less well in co-ordinating the cross boundary issues between Auckland and the northern Waikato. This situation may well be improved through the widened membership of Future Proof including Auckland and Central Government with current work on the Hamilton to Auckland Corridor Plan.

3.2 The Council supports the strengthening of the requirements of FDSs and the intention of the FDS to inform not only the Council’s Resource Management Act (RMA) plans but also significantly its Long Term Plan (LTP) and Infrastructure Strategy. As mentioned in 3.1 above, the Council is already doing a version of this with its Waipa 2050 Growth Strategy. It is the Council’s view that the linkage described in the discussion document is weak and reference to the timing and sequence of steps set out in SOLGM’s submission might be helpful. In any event it would be helpful to better clarify and align the FDS to these other important local government required strategies.

3.3 As regards the timeframes for Housing and Business Assessments (HBAs) and FDSs, the undertaking of HBAs and updating the FDS every 3 years may well be warranted in a high growth period, but in the inevitable downturn periods in the property development cycle, this requirement may well be excessive. Particularly for smaller councils like Waipa it may well be more appropriate to be more flexible as to timing. It should be noted that provided good dashboard indices information is provided by central government to enable local councils to monitor development capacity supply and demand factors, then local councils are in a position to remain well informed as to local development trends. With good monitoring evidence available, councils are able to regularly update their strategic decisions regarding the planning for development and provision of required infrastructure without the added stipulation and burden of undertaking a HBA and updating a FDS.

3.3 In addition to having the preparation of the FDS being based on the findings of the HBA capacity assessments, the finance funding needed to provide the required supporting infrastructure has to be similarly taken into account in the FDS and the planning and sequencing of future growth cells.

Making room for growth
Describing quality urban environments

4. Question 4
Do you support the proposed approach of the NPSUD providing national level direction about the features of a quality urban environment? Why/why not?
- Do you support the features of a quality urban environment stated in draft objective O2? Why/why not?
- What impacts do you think the draft objectives O2–O3 and policies P2A–P2B will have on decision making?

4.1 The Council supports the intention of the NPS-UD having an objective that provides a clear description of what is meant by a quality urban environment. The description provided in Objective O2 in the discussion document is unclear. As presently described in O2, it could be fairly argued that an urban environment may well meet the objective but still not be regarded as being a quality urban environment in the eyes of the affected community. Consideration should be given to incorporating established 7Cs in the MFE Urban Design Protocol. The protocol is well established and supported by councils already and could be given increased weight as an objective.

4.2 The Council supports the proposed approach of enabling a range of housing choices, working environments and business locations. Enabling density and provision for a range of uses has the potential to create more vibrancy and mixed use in cities and towns.

4.3 The wording of b) under proposed Objective O2 is considered unclear as to what is meant or intended to be achieved?

4.4 While the wording of proposed policy P2Aa) is supported as contributing to achieving a quality urban environment it is unclear how the proposed policy P2Ab) as presently worded, contributes to achieving a quality urban environment.

4.5 Similarly, the wording of policy P2Ac) is supported while the wording of P2Ad) is considered not appropriate or relevant to achieving a quality urban environment.

4.6 The proposed wording of P2Ba) and P2Bc) seem fine and appropriate but the wording of P2Bb) and P2Bd) are considered totally inappropriate in requiring all local authorities to have particular regard to the ‘benefits and costs of urban development at national, inter-regional, regional and district scale as well as locally’ when updating plans or making decisions on consent application. Particularly when considering urban development in a town context by a small council.

**Amenity values in urban environments**

5. Question 5

Do you support the inclusion of proposals to clarify that amenity values are diverse and change over time?

Why/why not?
- Do you think these proposals will help to address the use of amenity to protect the status quo?
- Can you identify any negative consequences that might result from the proposed objective and policies on amenity?
- Can you suggest alternative ways to address urban amenity through a national policy statement?

5.1 The Council does not support the wording of proposed Objective O4 as it is so general and all applying as to be meaningless. It is considered local communities, Iwi and TAs are best placed to determine what amenity values are and are best determined and amended over time through the consultation done during plan review and change processes.

5.2 Policy P3A is not supported. It is difficult to see how a consent application would be assessed or a decision defended when amenity could mean anything to anyone at any one time.
5.3 If the underlying issue is how to achieve intensification of existing urban areas when the existing amenity of an area is being affected, this issue is better addressed through specifying performance standards for intensification development to achieve such that an intended new but still quality built environment is achieved.

**Enabling opportunities for development**

6. Question 6

Do you support the addition of direction to provide development capacity that is both feasible and likely to be taken up? Will this result in development opportunities that more accurately reflect demand? Why/why not?

6.1 The Council does not support the addition of further direction regarding the provision of development capacity as it considers its current plan sufficiently flexible at present to accommodate a variety of unforeseen demands.

**Ensuring plan content provides for expected levels of development**

7. Question 7

Do you support proposals requiring objectives, policies, rules, and assessment criteria to enable the development anticipated by the zone description? Why/why not?

Do you think requiring zone descriptions in district plans will be useful in planning documents for articulating what outcomes communities can expect for their urban environment? Why/why not? Do you think that amenity values should be articulated in this zone description? Why/why not?

7.1 We support proposals requiring objectives, policies, rules and assessment criteria to enable the development anticipated by zone description, as it is important to make sure intended development can actually occur.

7.2 We support the inclusion of zone descriptions including amenity values as they provide useful guidance as to the outcomes intended when considering resource consent applications.

**Providing for intensification**

8. Question 8

Do you support policies to enable intensification in the locations where its benefits can best be achieved? Why/why not?

What impact will these policies have on achieving higher densities in urban environments?

What option/s do you prefer for prescribing locations for intensification in major urban centres? Why?

If a prescriptive requirement is used, how should the density requirement be stated? (For example, 80 dwellings per hectare, or a minimum floor area per hectare.)

What impact will directly inserting the policy to support intensification in particular locations through consenting decisions have?

8.1 We support enabling intensification in locations where benefits can best be achieved. This supports the viability of public transport, and aligns with protecting highly productive land, biodiversity values and freshwater systems.

8.2 The decision on whether to intensify needs to be underpinned by several considerations, such as:
- Community aspirations
- Evidence from consultation and housing and business capacity assessments.
- The availability and funding of infrastructure.

8.3 Policy P6A is generally supported but flexibility should be allowed for to distinguish the realities of applying it to city and town urban environments.
8.4 The descriptive approach of proposed P6C Option 1 is considered preferable to the prescriptive approach of Option 2 but isn’t really applicable to the urban environments of the Waipa district.
8.5 Much of the rest of Question 7 is not relevant to the Waipa district context.

9. **Question 9.**

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? How could the example policy better enable quality urban development in greenfield area? Are the criteria in the example policy sufficiently robust to manage environmental effects to ensure a quality urban environment, while providing for this type of development? To what extent should developers be required to meet the costs of development, including the costs of infrastructure and wider impacts on network infrastructure, and environmental and social costs (recognising that these are likely to be passed on to future homeowners/beneficiaries of the development)? What impacts will this have on the uptake of development opportunities?

   - What improvements could be made to this policy to make development more responsive to demand in suitable locations beyond areas already identified for urban development?

9.1 The Council broadly supports inclusion of a policy in the NPS-UD that provides for out-of-sequence greenfield development policy, although such development should still be aligned with the district’s growth strategy and infrastructure provision as well as wider plans and strategies such as Future Proof and the Hamilton Metro Plan in the case of Waipa.

9.2 Any out of sequence greenfield development being proposed would also need to be carefully assessed in terms of realistic development costs and risks of unforeseen costs being borne by council and existing communities.

9.3 There is need for a balance to be struck between being flexible and responsive and being too reactive to unplanned and unaligned proposals and plan changes that can be resource intensive and dependant on time consuming and expensive private development agreements to secure the necessary infrastructure funding.

10. **Question 10.**

Do you support limiting the ability for local authorities in major urban centres to regulate the number of car parks required for development?

   - Why/why not? Which proposed option could best contribute to achieving quality urban environments?
   - What would be the impact of removing minims in just high – and medium- density commercial, residential and mixed-use areas, compared with all areas of a major urban centre?
   - How would the 18month implementation timeframe impact on your planning processes?
   - What support should be considered to assist local authorities when removing the requirement to provide car parking to ensure the ongoing management of car parking resources?

10.1 While this proposed provision is aimed at major urban centres and therefore not applicable to the towns of Waipa, it is recognised that requirements for providing on site car parking for businesses and mixed use areas in town centres is onerous and needs to change. Public parking is a contentious issue in our town centres but there is grudging recognition that achieving good public amenity in
town centres is not synonymous with providing lots of space for vehicle parking on main roads but rather providing space for the movement and interaction of people.

11. **Question 11.**

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

11.1 The Council advocates caution with regard to considering having more directive intervention in district plans. The government would need clear evidence of a pervasive problem in current development controls to lead it to intervening. The risk of unintended perverse consequences is considered significant without a comprehensive understanding of applying an intervention in blanket fashion across the country.

11.2 The Council is of the view that National Planning Standards provide the better opportunity for considering rationalising development controls across the country. By setting standards for best practice there is opportunity for a more considered adoption of consistent and sensible standards and rules.

11.3 Again the need for distinctions to be recognised and allowed for between city and town urban environments is important, ‘one size doesn’t fit all’.

12. **Question 12.**

*Do you support requirements for all urban environments to assess demand and supply of development capacity, and monitor a range of market indicators? Why/why not?*

12.1 The Council supports a differentiated application of this requirement with all councils that have urban environments that are experiencing urban growth and housing issues being required to assess demand and supply of development. It is considered that applying the requirements to those many councils with urban environments that are not experiencing growth issues places an unnecessary and unwarranted additional resourcing and financial burden on these mostly small rural councils. The informing principle should be if there is no issue why introduce the requirement?

13. **Question 13.**

*Do you support inclusion of policies to improve how local government works with iwi, hapū and whānau to reflect their values and interests in urban planning? Why/why not? How do you think local authorities should be directed to engage with Maori who do not hold mana whenua over the urban environment in which they now live?*

13.1 The Council recognizes iwi as partners and seeks to ensure the principles of Te Ture Whenua Maori Act 1993 and the Treaty of Waitangi are upheld, and Treaty settlements are honoured in any urban development project. Maori interests need to recognized and provision made for meaningful engagement in all development planning.

13.2 The Council HCC supports collaboration and effective partnerships and having early and meaningful engagement with Maori and offering Maori opportunities to participate in urban development projects. This is especially important in the Waikato, and any future project should also ensure the
Vision and Strategy for the Waikato River is also given effect to as part of any future development plan.

13.3 The Council supports proposed Objective O9 and policies P9A and B and that local authorities provide opportunities for Maori to be involved in decisions that shape their urban and natural environment.

Do you support amendments to existing NPS-UDC 2016 policies to include working with providers of development and other infrastructure, and local authorities cooperating to work with iwi/hapū?

14.1 The Council supports proposed Objective O10, which seeks integrated and coordinated crossboundary infrastructure land use and decisions. This is considered especially relevant to any subregional FDS and the preparation of the Hamilton Waikato Metro Plan.
14.2 The Council supports Policy P10A b), which seeks increased collaboration for the NPS-UD and HBA to cooperate and agree principles and practices for partnering with iwi and hapū.

15. Question 15.
What impact will the proposed timing for implementation of policies have?

15.1 The Council supports the proposal to remove the rigid timeframes imposed in the first rounds of HBAs and recognition that they did not align with LGA planning and LTP cycles.
15.2 The Council considers the proposed 18-month timeframe from the gazettal of this new NPS to notification of intensification plan changes as being too tight and limiting, particularly given the alignment with National Planning Standards and infrastructure modeling capacity work that would be required as an evidence-base for future intensification plan changes.

16. Question 16.
What kind of guidance or support do you think would help with the successful implementation of the proposed NPS-UD?

16.1 The support from Government for the first round of NPS-UDC was inconsistent, with delays between gazettal and the release of guidance. Often it felt uncertain and tentative. There was consequently much trial and error learning as we went and experimentation. Perhaps this wasn’t surprising as it was new ground for councils and the government with MBIE and MFE working together.
16.2 The Council would like to see a clear and regularly updated dashboard on the Ministry website on indicators, and targeted guidance on what the Government deems to be a quality urban environment.
16.3 Urban and environmental design guidance would help with successful implementation of this NPSUD, with specific crossover to the Urban Design Protocol which could be updated and refreshed to focus more on support for urban intensification, amenity and higher density typology guidance.

17. Question 17.
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 below and include any suggestions you have for addressing these issues.

17.1 The Council recognises that there is an attempt to cross-reference with other national directions, in particular the proposed NPS-HPL. Nonetheless, the Council considers that there are tensions between the proposals contained in the NPS-UD and the NPS-HPL and the proposals in the Actions for Healthy Waterways as they were each written as separate standalone documents seeking very different objectives that will at times be at odds with each other.

17.2 The Question will be what trumps what rather than muddling through the overlapping and at times competing aims of each. This issue is probably something that will await the RMA reforms to seek to address.

18. **Question 18.**

Do you think a national planning standard is needed to support the consistent implementation of proposals in this document? If so, please state which specific provisions you think could be delivered effectively using a national planning standard?

18.1 The Council supports the recommendation by Hamilton City Council in its submission that the Ministry consider a national planning standard to provide a clear definition on a) what is deemed to contribute towards a quality urban environment and b) density and typologies – what is meant by apartments, duplexes, standalone dwellings, walk up apartments and mixed use. This should assist councils with the interpretation and what is meant by quality urban intensification that has high amenity.