

Proposed National Policy Statement on Urban Development Capacity

SUBMISSION FORM

The Minister for the Environment and for Building and Housing invites submissions on the proposed National Policy Statement on Urban Development Capacity.

Details of the proposal are in the *National Policy Statement on Urban Development Capacity* consultation document.

Submissions close at 5pm on Friday 15 July 2016.

Making a submission

There are three ways to make a submission

1. **Use our online submission form** mfe.govt.nz/consultation/proposed-nps-urban-development-capacity (we recommend this option).
2. **Use this form** and send it by email or post.
3. **Write your own submission** and send by email or post.

If you want to send us a submission please send it in Microsoft Word document format (2003 or later version).

Email submissions to: npsurbandevlopment@mfe.govt.nz.

Post submissions to: NPS Urban Development Capacity, Ministry for the Environment, PO Box 106483, Auckland City 1143.

Publishing and releasing submissions

Your submission (or part of it) may be published on the Ministry for the Environment website www.mfe.govt.nz. You must state if you do not want some or all of it published.

Submissions are subject to the Official Information Act 1982 (OIA). If you would like any content withheld, please let us know. This will be considered if we receive an OIA request.

Your submission is also covered by the Privacy Act 1993. Any personal information in your submission will only be used by the Ministry for the purposes of the consultation. Please state in your submission if you do not wish your name to be included in related Ministry publications or on our website.

Submission form

We have included suggested questions below to help guide your submission. You do not have to answer these, and you are welcome to comment on other matters or concerns. Please give a rationale and supporting evidence for your responses.

Contact information

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Submitter type*	Individual <input checked="" type="checkbox"/> NGO <input type="checkbox"/> Business / Industry <input type="checkbox"/> Local government <input type="checkbox"/> Central government <input type="checkbox"/> Iwi <input type="checkbox"/> Other (please specify) <input type="checkbox"/>

*fields must be completed

1. Will the proposed NPS improve decisions made about urban development under the RMA?

Unlikely.

The elected Councillors have diverse views and mixed agendas on Auckland. Some agendas relate to their patch others relate to causes. The vastness of issues covered means voting is based who the local councillor votes. Some Councillors see central Auckland as a Manhattan, others want \$1+million detached homes in their patch, others want trading off new greenfield developments against government sponsored bus lanes.

Many senior council officers are preoccupied with process and their own detailed involvement at every level. They also try to balance the legislation, their causes and the requirements of the elected representatives. These officers have most the working life been regulators and never have had the responsibility of making something happen. If unsure put up a barrier. The book of barriers has gone from 400mm thick to over 900mm thick.

The senior officers have also perfected their ability to supply the required information that puts Council in a positive light. Eg If you do not forgive Council for exceeding time limits they threaten public notification, tghu8s getting allowing them to say very high percentages of resource consent are processed with time. The Auckland CEO and other senior staff have declared they through the SHA process provided enough land supply for the next three years. They overlook that some of this supply is 5 to 15 years away.

Council is about to agree on its way forward through the adoption of the Unitary Plan, which does not achieve national interest on housing policy.

To seek a cultural change within Council by another objective is too difficult to achieve. Most planning officers do not look at national objectives nor the purpose of the Act as they focus on their local rule book. When officers are reminded of the purpose of the HASHA Act and the RMA Act, silence occurs. Another objective so as being proposed by the Statement on Urban Development Policy will be meaningless in implementation.

Many within Council have convinced themselves they have met all targets and believe others are at fault and lack of supply is caused by:

- the failure of the market mechanism.
- land banking.
The reality is easy to service land is sitting vacant as the complex PAUP rules are worked through with funding loans been withdraw due to the time it takes to obtain Council consent. Most developers are fully aware that markets turn very fast and want to get their development completed as quickly as possible while the market is buoyant and land banking is dangerous.
- central government not providing more hand outs.
- construction costs (this argument fails to explain how houses outside Auckland are affordable)

The Council mechanism is not designed to deal with the national crisis of spiralling house prices and the impacts of such on the economy.

The options available to central government are

- 1 Carrot Incentives
Funding of specific (eg a road or a sewer pipe) engineering works that open up specific greenfield areas.
2. Legislative Changes
 - a) Decrease the blockages within Council, by prohibiting Council from covering specific aspects within their District Schemes that are already covered by over Acts. Eg the Building Act.
 - b) Require a banking mechanism for large developments so the first developer in pays all and the rest free ride. In California this is done by off-setting against development contributions. The other option is special fund. Auckland's legacy Councils used to be the funder then require the developer to pay contributions as they connected.
3. Direct intervention. That intervention could be:
 - a) Taking a project approach an establishing a CERA/Council type operation that is specifically charged with solving the problem. This organisation must report to central government not Council. A failure of the HASHA Act in Auckland was the elected Councillors and prejudices controlled the process.
 - b) A commissioner with the specific task of opening up the task of opening up greenfield areas.

Accompanying this, the following must also occur

- 1 The required legislation.
- 2 Council re-establishes a Special Housing Area type office which excels in large projects. Councils area offices are not good at processing large scale resource consents.
- 3 A infrastructure development funding system that allows the costs of the major infrastructure development be equitably spread amongst all those who benefit from the

infrastructure. At present Councils do not see this as their role and most major development areas are a standstill as free-riders wait until someone completes the required infrastructure.

- c) Will the proposed NPS support greater understanding of the demand and supply of development capacity?

Likely. Auckland Council has begun to understand that the housing prices are related to supply, however they have convinced themselves they have provided sufficient supply and it is others fault that the increasing in supply is not occurring. Terms such as land bankers and speculators are causing the problem are often given. Ie the market place is at fault

The land banking and speculation generally is occurring as a direct result of a developers inability to develop the land. The vast majority of developers want to develop their land as quickly as possible and not wait for the market to turn. Speedy development de-risks a project which is what a good developers needs to do.

The inability to develop is occurring as a result of Council or an equitable funding mechanism for the infrastructure.

- d) Do you think the proposed NPS will contribute to:

- a better understanding of how planning interacts with the market?
- The ability for councils to plan for and respond to changing demand?

- e) Would the policies in the proposed NPS support better coordination in regard to land use planning and infrastructure provision?

- f) The NPS proposes timeframes and frequencies for assessments, targets and monitoring. Are these reasonable? Are they appropriate?

- g) What will assist councils to implement the proposed NPS?

4. Do you have any further comments on the Government's proposal?

It is going to have little impact

Publication and Official Information Act requests

If requested, we may release your submission under the Official Information Act 1982. We may also publish all or some of it on the Ministry website.

Please check this box if you would like your name, address, and any personal details withheld.

Note that the name, email, and submitter type fields must be completed.

Send us your submission

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