



Greater East Tamaki
Business Association Inc.

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SUBMISSION TO THE PROPOSED NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT CAPACITY CONSULTATION DOCUMENT

The Greater East Tamaki Business Association Inc. ('Association') welcomes the opportunity to make this submission to the Proposed National Policy Statement on Urban Development Capacity.

The Association is one of several industrial business associations that have collectively participated in the Auckland Proposed Unitary Plan process to highlight issues relevant to industrial land use across Auckland.

In this regard, the Association welcomes the Government's focus on urban development capacity, including business land capacity. The Preamble to the National Policy Statement provides that:

Preamble

New Zealand is one of the most urbanised countries in the world, with 73 percent of us living in cities of at least 30,000 people¹.

Cities are characterised by their intensity, the access they provide to things that people value, their scale, and often by high rates of population and economic growth. These have both positive and negative impacts: successful cities maximise the positives and minimise the negatives. Successful cities provide people with access to a choice of homes and opportunities to earn income, and attractive built and natural environments. They have good quality physical and social infrastructure and open space. They use resources efficiently, and they minimise their environmental footprint. They make the most of their ability to connect to other parts of the world. Such cities attract people and investment, and are therefore constantly changing, dynamic places that make a significant contribution to national economic performance.

Local authorities play an important role in shaping the success of our cities by planning for growth and change, and providing critical infrastructure. Ideally, urban planning should enable people and communities to provide for their social, economic and cultural wellbeing through development, while managing its effects. This is a challenging role, because cities are complex places; they develop as a result of numerous individual decisions, and this often involves conflict between diverse preferences.

This National Policy Statement provides direction to decision-makers under the RMA on urban planning. It has a particular focus on ensuring that planning enables development through providing sufficient development capacity for housing and businesses.

The National Policy Statement aims to help reduce regulatory barriers to the supply of housing, and reduce the cost of housing relative to income. High house prices drive wealth inequality, increase the fiscal burden of housing-related welfare, and pose a risk to the national economy.

It is also important that planning provides good accessibility between housing and businesses, and the social infrastructure necessary in a successful city.

An overarching theme running through this National Policy Statement is that planning decisions must actively enable growth and development in urban areas, and accommodate that in such a way as to maximise wellbeing now and in the future.

The National Policy Statement requires plans to provide sufficient development capacity to meet long term demand. This includes both the total number of dwellings and the amount of business space needed, and the range of demands for different sizes, types and locations.

Another key theme running through the National Policy Statement is for planning to better understand the property market and enable it to provide for the community's needs. While taking account of all factors that affect well-being, planning should respond to demand, enable what is commercially feasible, and promote competitive land and development markets. The National Policy Statement requires planning to place a greater emphasis on monitoring what is happening on the ground, and responding to that.

This National Policy Statement requires development capacity provided in plans to be serviced or likely to be serviced with infrastructure. This will necessitate better integration and coordination between land use and infrastructure planning and will require local authorities, infrastructure providers and central government to work co-operatively.

This National Policy Statement also places a strong emphasis on planning coherently across urban housing and labour markets, which will require coordinated planning between local authorities that share jurisdiction over Main Urban Areas.

The concerns expressed in the National Policy Statement generally echo those made by the Industrial Business Associations during the Unitary Plan process about industrial business land capacity.

General Observations

- There are only nine small areas of heavy industry zoned land in the entire Auckland region (Silverdale, The Concourse (Waitakere), Rosebank, Span Farm (Waitakere), Onehunga/Penrose, James Fletcher Drive, East Tamaki, Wiri and Hunua Road (Papakura)). The Auckland Unitary Plan does not zone any more heavy industry land (apart from a small site east of Carbine Road, Mt Wellington) within the Rural Urban Boundary ('RUB').
- As noted in the legacy Manukau City District Plan, "[t]hese areas are a scarce resource of major importance because they are areas where potentially noxious activities can be established with separation from sensitive activities. Therefore, it is important that the use of this resource be maximised for potentially noxious activities and not other business activities which can be established in a wide range of other areas. (Manukau City District Plan, 14.9.6).
- Directive 6.3 of the Auckland Plan directs Auckland to "*protect, enhance and improve business-zoned areas and business improvement districts*".
- Population growth means an additional 276,700 jobs will be needed in Auckland by 2041. As the Auckland Plan noted "*Better planning is needed to connect where people live, where they work and how they get there.*"¹
- There is significant concern over the scarcity of industrial land to meet forecast demands. Nearly one third of industrial land has been used for non-industrial purposes over the past decade, principally for retail, office and residential use. The Auckland Plan states that Auckland's restricted store of industrial land must be actively managed to ensure that industrial activity – critical to Auckland's economic performance – is not impeded. This requires the safeguarding of existing industrial-zoned sites, effective reuse of brownfield sites, and the provision of new industrial-zoned land in suitable locations in the Unitary Plan.²
- Of equal concern is the increasing impact on the permitted use of industrial land from nearby sensitive activities (such as residential development). Reverse sensitivity, particularly associated with permitted noise effects from industrial activities, is undermining use of industrial land. So too is the layer-upon-layer of regulation that cumulatively restricts the uses that can be made of industrial land. Intensive residential development (which in many cases is being planned close to industrial land) has the potential to exacerbate these problems.

¹ Auckland Plan, paras 386 and 387

² Auckland Plan, paras 390 and 391.

Submissions

- In the view of the Association, the concerns related to industrial business land (as a special category of business land) need to be emphasised a lot more strongly in the National Policy Statement.
- It is critical that that the use of industrial land (in particular heavy industrial land) be maximised for industrial activities and not for other business, or community activities - which can be established in a wide range of other areas – or that heavy industrial activities in land zoned industrial is impeded by nearby land uses sensitive to industrial activities (such as residential uses).
- The Association believes some of the problems lie with the current planning framework not placing a priority on industrial land use, land prices favouring residential land use as well as other business land use (e.g. retail) over industrial land use, and the voice of industry generally not being heard receptively by decision-makers (especially as compared with the voice (and vote) of residential land holders).
- Although the National Policy Statement (PB1) provides that a Business Land Assessment must estimate the demand for the different types and locations of floor area for local business sectors and the supply of development capacity to meet that demand, the Association believes industrial business land capacity must be prioritised in terms of this assessment over other business land. The provisions of the National Policy Statement must reflect this.

Example of Reverse Sensitivity - Air quality

- While the Association accepted through the Unitary Plan process that clean air is fundamental to health, well-being and the environment, they noted that emissions in Auckland regularly do not meet all of the environmental standards for air quality. However, they pointed out that the main contributors to air pollution were domestic fires and transport (predominantly motor vehicle emissions), with industry making up less than 10 per cent of emissions.
- However, because the Unitary Plan could not address emissions from transport (e.g. motor vehicle emissions) because of national legislation and the Auckland Council chose not to address emissions from domestic fires through the Unitary Plan (putting this off instead to a 'future' bylaw), the emphasis in the Unitary Plan became one of curtailing industrial emissions.
- The Industrial Business Associations argued successfully that this approach unfairly penalised industrial emitters and would have further reduced the availability of industrial land for industrial use, when the major causes of poor air quality in Auckland remained unconstrained. This became a useful example of where commercial and industrial land use could have been unnecessarily constrained because of a lack of environmental regulation nationally or regionally on other activities (ie motor vehicle emissions and domestic fires).

Submissions

- In the view of the Association, these concerns of how other regulatory systems (or the failure of other regulatory systems) can impact on land development capacity for industrial land needs to be emphasised a lot more strongly in the National Policy Statement (perhaps in PB3).
- The provisions of the National Policy Statement (perhaps PB3) must reflect constraints on the development capacity of industrial land because of other regulatory systems (or the failure of other regulatory systems).

Example of restraint on land capacity - Transpower's National Grid

- Although the Industrial Business Associations recognised in their submissions to the Unitary Plan that the electricity transmission network was important to Auckland's industrial areas, they did not believe the right balance was struck in the Unitary Plan between managing the adverse effects of the network and the adverse effects of other activities on the network. Indeed, they submitted that the Unitary Plan was skewed almost entirely to managing the adverse effects of other activities on Transpower's National Grid. They submitted that the excessive regulation proposed by Transpower and supported by the Council to protect the National Grid would have had a further stifling effect on industrial land use.
- In their view, the scarcity and value of industrial land – but also more broadly – the value of Auckland's urban environment generally - meant the time had come, or indeed, we were well past the time when Transpower had to better manage the adverse effects of its network (there are 9000 properties in Auckland impacted by the Transpower network – many of which are industrial properties) rather than reduce the viability of land held by others.
- The Associations argued that other major infrastructure in Auckland, such as parts of the Waterview Motorway connection, had been undergrounded to avoid adverse effects on Auckland's urban environment. Equally, Transpower had (and still has) plenty of opportunities to underground its transmission lines (such as in rail and road corridors) to avoid the negative effects of its lines on urban amenity and best utilize scarce land, including a lot of industrial land. It simply chooses not to and thereby keeps its costs low, but imposes that cost on other land users (e.g. industrial activities).

Submissions

- In the view of the Association, the location of certain infrastructure (such as Transpower's National Grid) and priority accorded to it over general industrial land use constrains land development capacity for industrial activities. This needs to be emphasised a lot more strongly in the National Policy Statement (perhaps in PB3).
- The provisions of the National Policy Statement (perhaps PB3) must reflect the constraints on the development capacity of industrial land because of the co-location of infrastructure, such as Transpower's National Grid, and the priority given to this infrastructure over general industrial land use.

Transport

- The Associations argued in the Unitary Plan process that transport and land use were closely interrelated and should be mutually supportive. Well-designed transport systems service business growth and development. They noted that in the Auckland Plan (paras 755-756), for the transport system to support Auckland's future business development, "particular emphasis must be given to freight movement and other related business travel on international, national, and Auckland-wide transport corridors." Three transport projects were critical to future industrial growth – the AMETI, East-West Link and additional Waitemata Harbour Crossing.
- The Associations asked that particular emphasis be placed in the Unitary Plan on freight movement and other related business travel on international, national, and Auckland-wide transport corridors.

Submissions

- In the view of the Association, these concerns of how certain transport infrastructure important to freight (or the poor functioning of or constraints on this infrastructure – generally because it must be shared with general traffic) can impact on land development capacity for industrial land, needs to be emphasised a lot more strongly in the National Policy Statement (perhaps in PB3).
- The provisions of the National Policy Statement (perhaps PB3) must reflect the constraints on the development capacity of industrial land because of the poor functioning of or constraints on transport infrastructure, especially along important freight routes.

Conclusions

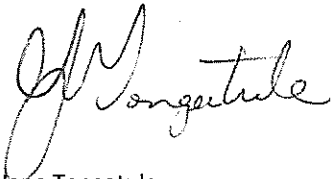
As noted at the outset of this Submission, the Association welcomes the Government's focus on land capacity as part of the urban planning issues.

However, the Association does not believe the particular needs of industrial land have been given enough emphasis in the National Policy Statement.

As noted in the legacy Manukau City District Plan, "[t]hese areas are a scarce resource of major importance because they are areas where potentially noxious activities can be established with separation from sensitive activities. Therefore, it is important that the use of this resource be maximised for potentially noxious activities and not other business activities which can be established in a wide range of other areas. (Manukau City District Plan, 14.9.6).

Should the Government have any questions or would like any further information, please let us know.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jane Tongatule', written in a cursive style.

Jane Tongatule
General Manager
Greater East Tamaki Business Association Inc. (GETBA)

