

Otago Regional Council Submission

to the

Ministry for the Environment

on the

**Proposed National Policy Statement on Urban Development
Capacity**

This is a submission to the Ministry for the Environment on the Proposed National Policy Statement on Urban Development Capacity.

The Otago Regional Council wishes to be heard in support of this submission if the opportunity arises.

Signature of submitter (or person authorised to sign on behalf of submitter):



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1 Executive Summary

Otago Regional Council (ORC) supports in principle the purpose of the proposed NPS UDC.

ORC recognises the importance of providing for housing and business growth, particularly in areas identified in the proposed National Policy Statement on Urban Development Capacity (NPS UDC) as ‘high-growth urban areas’.

This is reflected in the objectives and policies of the draft proposed Regional Policy Statement which ORC notified in May 2015 and for which deliberations are in progress. ORC notes that the proposed NPS UDC relates to urban development capacity generally, as well as setting out specific requirements for high and medium growth urban areas.

ORC’s submission relates to:

- local authority responsibilities
- provision and access to quality data
- limits to growth projections
- infrastructure
- other approaches to growth and development

Queenstown Lakes District Council (QLDC) is the territorial authority for the sole high growth urban area in Otago. ORC and QLDC have reviewed each council’s submission and are in agreement in respect to:

- the need to avoid duplication of process
- the desirability of centralising provision of data for assessment required under the NPS UDC
- ORC involvement in identifying areas for accommodating housing growth in respect to management of natural resource, natural hazard risk and other matters for which ORC has responsibilities, such as regional transport.

ORC looks forward to working collaboratively to help address urban growth and capacity issues.

2 Proposed Regional Policy Statement

- 2.1** In consultation with Otago's five territorial local authorities, ORC has undertaken a review of its Regional Policy Statement (RPS)¹. As a result of public consultation and collaboration with the other local authorities, the proposed RPS addresses issues related to urban development.
- 2.2** Otago's local authorities are working together to address and provide for growth and development matters at a regional planning level.
- 2.3** The most relevant objectives and supporting policies of the proposed RPS include:
- Natural systems and interdependencies are recognised and sustained (Objective 2.3)
 - Protection, use, and development of natural and physical resources recognises environmental constraints (Objective 3.1)
 - Risk that natural hazards pose to Otago's communities are minimised
 - Communities are supported with good quality infrastructure and services (Objective 3.4)
 - Urban areas are well designed, sustainable and reflect local character (Objective 3.7)
 - Urban growth is well designed and integrates effectively with adjoining urban and rural environments (Objective 3.8)
 - Communities can make the most of the natural and built resources available (Objective 4.4)
- 2.4** ORC will ensure these proposed RPS provisions are given effect in the proposal of new urban growth developments, particularly in high growth urban areas such as the Queenstown Lakes District.
- 2.5** ORC notes the proposed RPS will require future changes to ensure the outcomes of assessments required under the NPS UDC are reflected appropriately. This will reinforce QLDC's development provisions and provide a greater degree of robustness from ad hoc proposals.

¹ <http://www.orc.govt.nz/Publications-and-Reports/Regional-Policies-and-Plans/Regional-Policy-Statement/Otago-Regional-Policy-Statement-Review/>

3 District and Regional Responsibilities

- 3.1 Local authorities will have responsibilities to give effect to the requirements of the NPS UDC, with particular responsibilities falling on regional and territorial authorities in high and medium growth areas.
- 3.2 As written, the policies of the proposed NPS UDC duplicate what is expected from both a district and regional authority in undertaking assessment processes and planning provisions.
- 3.3 Policy (PD5) of the NPS UDC requires that the ORC undertake an assessment to set minimum targets for dwelling numbers and types. ORC advocates this is work that would be more appropriately undertaken in concert with both QLDC and ORC being party to the informed results and assessment.

4 Access and Quality of Data for Growth Projections

- 4.1 It is unclear in the proposed NPS UDC and supporting discussion what sources of data will be acceptable and/or available for base assessment work.
- 4.2 Statistics New Zealand collect and provide data that can be used for assessments such as growth projections. However, access to this data is not always free and the skill resources required to analyse this data is sometimes beyond local authorities.
- 4.3 ORC submits that due to the need generated by the proposed NPS UDC, Statistics New Zealand should prepare, in collaboration with those authorities, growth projection products that will be accessible at no cost for local authorities.
- 4.4 Local authority resources should be focused on using the data rather than developing it. This should avoid additional costs arising from use of third parties to analyse the data. The use of third parties can also result in inconsistent methodologies applied to the data and therefore the growth projection assessments, through New Zealand.
- 4.5 As Queenstown has a significant high visitor number, it is important that growth projections incorporate visitor numbers, not just census population numbers. The overnight population of Queenstown is significantly higher than the permanent resident population and the implications for the type and location of accommodation.

5 Limits of Growth Projections

- 5.1 Growth projections are volatile as they are subject to external forces which may create unforeseen changes affecting assessment assumptions.
- 5.2 In the context of Otago, this was evident in Queenstown during the global financial crisis beginning in 2008. A downturn in projected visitor numbers was evident and will have affected a number of planning assumptions over the following 3 to 5 years.
- 5.3 It is important the growth projections are referenced rather than stated in planning documents. This will prevent having to undertake public processes under the first schedule of the Resource Management Act 1991 (RMA) to account for such volatility.

6 Infrastructure

- 6.1 The definition of infrastructure in the proposed NPS UDC needs to be broader. It should cover infrastructure as defined by RMA as well as wider social infrastructure. This will ensure it covers activities and infrastructure relevant to 'urban development'.
- 6.2 For example, schools and hospital/medical facilities are important infrastructure in the new urban areas. As these would be developed as a result of population growth, it is important these be located in new growth areas for easy access and to ensure pressure is not put on infrastructure in other existing urban centres.

7 Other approaches to growth and development

- 7.1 ORC advocates that central government remains open to recognising growth and development does not only need to be realised through concentrated urbanisation and residential areas.
- 7.2 For example, Policy PA1 of the proposed NPS UDC is focused on compact design. This does not recognise that growth can also be realised in a series of medium sized or even small centres that, with good connectivity, can thrive as nodes over a wider area that allows for growth to occur in areas where there may be geographical limitations to having a single centralised, compact urban centre. This would be a viable approach to growth in the Queenstown Lakes' Central Otago area, especially since visitor destinations are dispersed throughout a wide area.
- 7.3 ORC advocates that central government uses the proposed NPS UDC as one of a suite of mechanisms for responding to growth in medium and high growth areas. Provision to allow medium or small, connected centres to be part of the growth solution will provide benefits such as increased resilience to external forces such as natural or economic events.