



SmartGrowth Property Developers Forum
Submission on the
*Proposed National Policy Statement on
Urban Development Capacity*

15 July 2016

To:

NPS Urban Development - Ministry for the Environment

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Submission:

This is a submission by the SmartGrowth Property Developers Forum (PDF) on the Proposed National Policy Statement on Urban Development Capacity ("Proposed NPS"). The content of the submission follows overleaf. We appreciate the opportunity to provide comments on the document.

This submission should be read in conjunction with the SmartGrowth Implementation Committee and other SmartGrowth partner submissions on the Proposed NPS.

Signed:

Jeff Fletcher

Chair - SmartGrowth Property Developers Forum

1. Introduction

The Property Developers Forum (PDF) is one of the SmartGrowth Partner Forums that provides input into and contributes to the SmartGrowth Settlement Pattern review processes and the ongoing implementation of the SmartGrowth Strategy.

The Western Bay of Plenty SmartGrowth Strategy is a 50 year Spatial Plan for the Sub-region which is a partnership between:

- Bay of Plenty Regional Council,
- Tauranga City Council,
- Western Bay of Plenty District Council, and
- Tangata Whenua

The Property Developers Forum (PDF) was formed in 2011 to provide input into and to contribute to the SmartGrowth Strategy Review being carried out at that time and to the ongoing implementation of the SmartGrowth Strategy.

The PDF sits alongside the other SmartGrowth Partner Forums, and has access to the SmartGrowth Implementation Committee (SGIC), through regular SGIC meetings and Partner Forum Workshops.

The PDF includes Landowners, Developers and Subdividers, Professional Services Providers and Building Contractors.

The Forum provides an important private sector input into the SmartGrowth Strategy and the future growth and prosperity of the Sub-region.

Additionally the Forum enables members to be informed of, discuss and consider local, regional and national policy proposals and changes such as the 'National Policy Statement on Urban Development Capacity'.

2. Property Developers Forum Submission Points

The PDF submission:

1. Provides general support for the Proposed NPS as it provides important statutory recognition for the need to provide for planned urban growth of our towns and cities.
2. Provides general support for the Smart Growth Implementation Committee submission and the SmartGrowth Partner Council submissions from Tauranga City Council and Western Bay of Plenty District Council.
3. Seeks that the Government implement a series of complimentary regulatory amendments in order to provide a 'toolkit' of initiatives and interventions to achieve the outcomes sought by the Proposed NPS. These include:

a) Resource Management Act (RMA) amendments to:

- i. Provide for recognition of the Proposed NPS in Part 2 of the RMA. This is required to enable for the planned urban growth of our towns and cities to be a key outcome to be considered in the 'balancing' provisions on Part 2 to achieve the sustainable management purpose of the RMA.

In our opinion, the lack of this recognition currently compromises the achievement of well planned urban outcomes; and

- ii. Provide for stream lined resource consenting and plan change processes under the RMA similar to those enabled under the HASHA 2013 provisions.

The current RMA processes take too long, are expensive and litigious.

b) Local Government Act (LGA) amendments to:

- i. Provide for recognition of the Proposed NPS when identifying funding priorities for High Growth Urban Areas; and

- ii. Require that High Growth Urban Areas recognise the Proposed NPS and associated outcomes in their 30 Year Infrastructure Plans and Long Term Plans and prioritise their infrastructure capital investments to accommodate the timeframes of the Housing and Business Land Assessments required under the Proposed NPS.

c) Government Agency Infrastructure Investment Alignment and Budgeting

For High Growth Urban Areas with Council approved Housing and Business Land Assessments, take a whole of Government approach to implementing the Proposed NPS by:

- i. Aligning the planning and investment of non-Local Government infrastructure to ensure it provides for and enables the development capacity timeframes adopted by the Council; this includes agencies such as NZTA, Ministry for Education, Ministry for Health and essential services providers; and
- ii. Recognising the importance to the Country of providing for well planned communities and housing by assisting High Urban Growth Area Councils in funding the network infrastructure required to service the land capacity requirements under the Proposed NPS.

4. Central Government Infrastructure Funding

In order to achieve the outcomes sought by the Proposed NPS, Councils' need to provide water, wastewater, stormwater and transport network infrastructure to service the planned urban growth in their jurisdiction. The financing and funding of this infrastructure often involves large capital projects with long cost recovery timeframes.

With the revenue / debt funding constraints that Councils' operate under, in many cases, they don't have the necessary balance sheet capacity to fund these large capital projects on top of funding other capital and operational commitments.

This is particularly the case for High Growth Urban Areas such as those in the western Bay of Plenty.

In this regard the PDF seeks:

- i. That the Proposed NPS recognises infrastructure funding as a fundamental part of implementing the provision of communities and housing.
- ii. For High Growth Urban Areas with Council approved Housing and Business Land Assessments, the Government assists Councils' in the funding of network infrastructure through the provision of interest free loans guaranteed by the Government so that the loans don't sit on Councils' balance sheets.

The recently announced \$1 billion fund to infrastructure is supported in this regard however it is important that Government guarantees these loans so that they don't sit on Councils' balance sheets and that the funding is equitably distributed amongst the High Growth Urban Areas

The PDF appreciates the opportunity to submit on the Proposed NPS and would welcome the opportunity for further discussion with regard to this important initiative.